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OFFICIAL REPORT (HANSARD)

Thursday, May 28, 2009

Speaker: The Honourable Peter Milliken

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HOUSE OF COMMONS

Thursday, May 28, 2009

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

● (1005)

[English]

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Joe Preston (Elgin—Middlesex—London, CPC): Mr. Speaker, pursuant to Standing Order 104 and 114, I have the honour to present, in both official languages, the 16th report of the Standing Committee on Procedure and House Affairs regarding the membership of the committees of the House.

If the House gives its consent, I intend to move concurrence in the 16th report later today.

ACCESS TO INFORMATION, PRIVACY AND ETHICS

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the sixth report of the Standing Committee on Access to Information, Privacy and Ethics in relation to the main estimates 2009-10, vote 45 under Justice.

The committee has considered the vote and reports the same, less the amounts granted in interim supply.

JUSTICE AND HUMAN RIGHTS

Mr. Brent Rathgeber (Edmonton—St. Albert, CPC): Mr. Speaker, I have the honour to present, in both official languages, the sixth report of the Standing Committee on Justice and Human Rights.

In accordance with the order of reference of Friday, March 27, your committee has considered Bill C-15, An Act to amend the Controlled Drugs and Substances Act and to make related and consequential amendments to other Acts, and agreed on Wednesday, May 27, to report it with amendments.

PROCEDURE AND HOUSE AFFAIRS

Mr. Joe Preston (Elgin—Middlesex—London, CPC): Mr. Speaker, if the House gives its consent, I move that the 16th report

of the Standing Committee on Procedure and House Affairs presented to the House earlier today be concurred in.

The Speaker: Does the hon. member for Elgin—Middlesex—London have the unanimous consent of the House to propose this motion?

Some hon. members: Agreed.

The Speaker: The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

(Motion agreed to)

Mr. Joe Preston (Elgin—Middlesex—London, CPC): Mr. Speaker, if the House gives its consent, I also move that the 12th report of the Standing Committee on Procedure and House Affairs presented on Friday, May 15, be concurred in.

That report concerns two changes to the Standing Orders.

The Speaker: Does the hon. member for Elgin—Middlesex—London have the unanimous consent of the House to propose this motion?

Some hon. members: Agreed.

An hon. member: No.

* * *

PETITIONS

SRI LANKA

Hon. John McKay (Scarborough—Guildwood, Lib.): Mr. Speaker, I have three petitions from constituents who are deeply concerned about the situation in Sri Lanka.

During the writing of these petitions, the conflict in Sri Lanka was an open conflict and now it has ceased to be an open conflict and, in some respects, it is almost a more intractable problem.

The petitioners are calling upon the government to call upon the United Nations to negotiate a permanent ceasefire of hostilities, to provide humanitarian relief and to provide full and free access to the conflict zone for NGOs and the international media.

Mr. Speaker, I think you would join with me in hoping, for the people of Sri Lanka, that this conflict is resolved in a way that is satisfactory to all parties.

EMPLOYMENT INSURANCE

Ms. Chris Charlton (Hamilton Mountain, NDP): Mr. Speaker, I am pleased to table a petition today on behalf of the 32,400 Hamiltonians who were unemployed as of April.

The petitioners point out that they have paid into EI all of their working lives but now that they need the safety net that they themselves built it is no longer there for them.

The petitioners are, therefore, calling for a comprehensive overhaul of the employment insurance system. Specifically, the petitioners are calling for a standardized 360 hours to qualify, an increased benefit period of at least 50 weeks, the elimination of the two-week waiting period, benefits of 60% of normal earnings based on the best 12 weeks, and a bigger investment in training and retraining.

To that end, they are calling upon the government to respect the will of Parliament and act immediately on the comprehensive NDP motion that was passed in the House of Commons to restore the integrity of the employment insurance system.

These petitioners are keenly aware that successive Liberal and Conservative governments diverted \$54 billion of worker and employer contributions to EI and used that money to pay down the debt and deficit, instead of using it to provide help for the involuntary unemployed during economic downturns. That misappropriation only heightens the moral obligation for the government to restore the integrity of the EI system.

[Translation]

SRI LANKA

Mr. Bernard Patry (Pierrefonds—Dollard, Lib.): Mr. Speaker, pursuant to Standing Order 36, I wish to present a petition signed by people from my riding of Pierrefonds—Dollard and the surrounding area concerning the violence that is plaguing Sri Lanka and the peace process. The petitioners are calling on the Parliament of Canada to use every diplomatic means at its disposal to put an end to the atrocities and ensure that the rights of the civilian population are being respected, among other things.

* * *

[English]

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons, CPC): Mr. Speaker, if Questions Nos. 130 and 133 could be made orders for return, these returns would be tabled immediately.

The Speaker: Is that agreed?
Some hon. members: Agreed.

[Text]

Question No. 130-Mr. Claude Gravelle:

With respect to the Minister of Industry's and the government's activities prior to Xstrata's February 9, 2009 announcement regarding the layoff of 686 employees in their Sudbury Operations: (a) was the Minister contacted by representatives from Xstrata prior to February 9, 2009 and, if so, (i) when did Xstrata contact the Minister, (ii) by what method was the Minister contacted by Xstrata, (iii) who from Xstrata contacted the Minister, (iv) were there emails sent or received by the Minister or

Industry Canada from or to representatives from Xstrata concerning the layoff announcement, (v) was there any other forms of written correspondence to the Minister or Industry Canada from Xstrata; (b) did the Minister or anyone from Industry Canada meet with any representatives from Xstrata, either in person, by phone or in any other form and, if so, (i) who were the representatives from Xstrata that the Minister or his representative met with, (ii) was there more than one meeting, (iii) when did the meetings take place, (iv) who participated or observed the meetings, (v) was there an agenda for the meetings, (vi) who developed the agenda for the meetings, (vii) did anyone from Industry Canada take notes during these meetings, (viii) who specifically took notes, (ix) where are these notes currently being stored; (c) was Xstrata's acquisition agreement over Falconbridge reviewed by the Minister or a representative from Industry Canada between February 5 and February 16, 2009 and, if so, (i) who reviewed the agreement, (ii) what date was the agreement reviewed (iii) were any documents created based on the review and, if so, (iv) what are they, (v) where are the documents being stored currently; (d) was the clause concerning no layoffs for three years discussed with representatives from Xstrata; (e) was the clause concerning no layoffs for three years discussed with any other federal or provincial ministry; (f) why did Industry Canada decide not to bring in consequences against Xstrata for laying off workers prior to the conclusion of the three year agreement; (g) how did the government make the decision not to enforce the agreement and who was consulted in this decision; (h) was the Prime Minister's Office (PMO) ever contacted concerning the Xstrata layoffs by representatives from Xstrata, the Minister or Industry Canada or one of his representatives and, if so, (i) when was the PMO contacted, (ii) by whom; and (i) did the Minister or anyone from Industry Canada make contact or attempt to make contact with representatives from Mine Mill 598 CAW and, if not, (i) why not, (ii) how was the decision made, (iii) who made that decision?

(Return tabled)

Question No. 133—Hon. Larry Bagnell:

With respect to the April 9, 2009 release of the Environment Canada Scientific Review for the Identification of Critical Habitat for Woodland Caribou, Boreal Population in Canada: (a) who wrote the preface for the review; (b) under who's direction was this preface inserted; (c) what is the author's background; (d) what additional studies were conducted to supplement the information for the preface; (e) when will the report for the western science study, referenced in the preface, be released; (f) what are (i) the plans for the regional workshops associated with this study, (ii) their timeframes, (iii) their budgets, (iv) their participants, (v) their goals; (g) what is the actual recovery planning and implementation for the herds; (h) what consultations, if any, are anticipated with other key stakeholders such as land management regimes, industry, provinces, territories, wildlife management boards, environmental non-government organizations, industry associations and the public; and (i) why was this report released ten months after its completion by the research

(Return tabled)

[English]

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

The Speaker: Is that agreed?
Some hon. members: Agreed.

GOVERNMENT ORDERS

CUSTOMS ACT

● (1010)

[English]

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

The Speaker: There being no motions at report stage, the House will now proceed, without debate, to the putting of the question on the motion to concur in the bill at report stage.

Hon. Gordon O'Connor (for the Minister of Public Safety) moved that the bill be concurred in.

(Motion agreed to)

[Translation]

Hon. Gordon O'Connor (for the Minister of Public Safety) moved that the bill be read the third time and passed.

The Speaker: Is it the pleasure of the House to adopt the motion?

Agreed? There is no debate?

[English]

Is the hon, member for Mississauga South rising to speak at third reading?

Mr. Paul Szabo: Mr. Speaker, I am sorry. I did not hear a call for debate but rather the putting of the question at third reading immediately and I believe there are speakers who want to address Bill S-2.

The Speaker: The hon. member for Eglinton—Lawrence is rising on debate at third reading.

Hon. Joseph Volpe (Eglinton—Lawrence, Lib.): Mr. Speaker, I am glad you held up the discussions that were beginning to develop here so that I could offer a measured opinion on behalf of all of my constituents and all Canadians on the bill. It restores my confidence in the fact that this place can actually work when there are men and women of goodwill who take the public interest at heart. It is the public interest that I want to discuss for a moment.

One might think some of this strange, given the events of the last few days in the House of Commons with respect to confidence and trust in the way that we manage and adhere to the common interest through budgetary measures and through legislation that is designed to ensure that the public good and the public interest is safeguarded through the way that governments spend money and in the way they regulate the generation of wealth, the redistribution of wealth and the incursions of other entities and other corporations in the Canadian marketplace.

I do not want to be partisan because this should not be a place where partisanship dominates, but we need to keep in mind that we have, through our electoral process, given the House and, through it, one party at least, the authority to present a budget to meet the needs of all Canadians.

Through all of that, there is a particular underlying ideology that Canadians have expressed through the electoral process that says that we need a government that can take a measured approach to establishing a regulatory system that provides for the appropriate structures of market development and the protection of Canadian entrepreneurialship in that marketplace that we have come to define as geopolitically Canada.

I will be speaking at some length to this but I think my colleague from Scarborough—Guildwood, an eminent member of Parliament and an eminent member of the finance committee, would also like to speak on this. I, therefore, want to share my time with him and I hope the House will allow me to do that.

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The Deputy Speaker: As this is the first round of debate, the member will need to get the unanimous consent of the House. Is there unanimous consent to allow the member for Eglinton—Lawrence to share his time?

Some hon. members: Agreed.

● (1015)

Hon. Joseph Volpe: I will take that as a positive indication that people also want to hear my colleague as opposed to subjecting themselves completely to me.

[Translation]

Of course, people want to hear comments from other members, instead of hearing only the member for Eglinton—Lawrence speak. However, I would like to come back to today's theme, that is, how this government is addressing the interests of Canadians across this country with respect to the regulations that will govern or affect the management of Canada's national interests.

Like all Canadians, we were somewhat surprised—horrified even, to overstate it a bit and really emphasize the point—to learn the other day that the national deficit inflicted on Canadians will reach \$50 billion this year.

[English]

The Minister of Finance said there would be \$50 billion and more of deficit this year, over a five month period, the expression of at least three different and long estimates about where this country is headed under the leadership of the current government, a Conservative government. One needs only to take a look at what that statement reflects.

First of all, it says that the whole 10 preceding years of balanced budgets, surplus budgets, that reflected a thriving economy, that reflected a mixed economy with an appropriate balance of government intervention and private entrepreneurialship has now been completely abandoned. That is what it means. It does not simply mean that the Minister of Finance does not have an understanding of the way that the marketplace operates, rather, it reflects that he has a perverse view of the way that it should operate.

Imagine, \$50 billion and more. For all those Canadians who are watching, and those of us in the House who debate bills such as Bill S-2, what we are looking at is an imposition of an additional almost \$2,000 per capita on the debt of every Canadian. That is \$2,000.

Mr. Speaker, you are the parent of three children. That means that in your own household, those three children, who have had nothing to do with the creation of the mess that the government is trying to impose on all Canadians, have just earned themselves \$2,000 of debt apiece, forever.

There is only one way that the government is going to be able to relieve them of something for which they had absolutely no responsibility. It is going to tax them for the rest of their lives until that debt is paid off, and as that accumulates, additional debt. Each one of those children has just attracted \$2,000 of debt, thanks to the Minister of Finance who says he did not know.

This is a concerted conspiracy worldwide. It is a global debt. It is a global crisis. Apparently, we are well equipped to weather the storm, as are your children, Mr. Speaker, every single one of them. There is an additional \$6,000 of debt visiting your place because of the minister's inability to handle the economy. That is \$6,000 just for the children. For you and your spouse, obviously there is an additional \$4,000, so that is \$10,000.

That is great, Mr. Speaker. That is \$10,000 of after-tax dollars of debt that the Minister of Finance just visited upon your household, and he did that for every single Canadian. All Canadians went to work diligently over the course of the last 10 years under a Liberal government, that had a handle on the economy, that in fact reduced the debt by over \$100 billion, and reduced the deficit from \$42 billion to zero. All that is out the window. Thanks to the Minister of Finance from Whitby. Thanks to the Conservative government for so badly handling our finances and our economic forecast.

There is no amount of tinkering here and there, such as with Bill S-2, An Act to amend the Customs Act, coming out of the Senate, that will have an impact. Can we imagine this place, with a government that has been, until recently, an adamant enemy of the other place, using that other place to generate tinkering legislation, so that we can pretend that we have an impact on the economy? At the same time, he sits around the cabinet table and makes assessments. Six months ago we were in a surplus situation. He said, "Everything is fine. No problem. Do not worry about a thing. You are in good hands".

Two months after that, four months ago, he said, "We are going to have a deficit because we are going to spend money. We are not going to get any of it out the door but we are going to spend money and it is going to be over \$34 billion". That is \$34 billion of deficit that is going to be converted to debt.

● (1020)

Here we are three and a half months later and he says we are going to have more than \$50 billion of deficit, more than \$50 billion of taxation, direct and indirect, on each and every Canadian in this country. That is what he has done. That is what his gross incompetence has visited upon Canadians.

I said this was not going to be a partisan place, but we have to take a look at how the administration of the economy has to develop. Those who want the authority to establish their control over the administration of a mixed economy like ours, which was thriving until this party came to power, is what we have to judge. We have to take a look at what is the competence level and it is not there, regrettably, I am sorry to say.

Mr. Chris Warkentin (Peace River, CPC): Mr. Speaker, the member discussed at length many issues unrelated completely to the bill we are discussing this morning. Because he did not have the opportunity to speak to that during his lengthy discussion and ramblings, I would like to ask him this question. What is the Liberal position or maybe his own position as to what technical changes within Bill S-2 he would like to see modified or changed? Is he specifically supporting the changes and provisions within this bill and does his party intend to support this bill?

Hon. Joseph Volpe: Mr. Speaker, I am almost aghast at the type of question that is being raised by a government member. The bill is

about imposing additional requirements in customs controlled areas. I do not know how that is going to help in stimulating trade and developing growth.

Remember, and I am referring to all government members, that we now have to create an economic environment that is going to generate enough wealth in order to ensure that the government can derive from that wealth an additional \$50 billion of revenues, \$50 billion that has now been visited upon the children of every single member of Parliament in this place, no matter what party, with a burden of an additional \$2,000.

He is going to tell me that the imposition of certain requirements, including the harmonization of language, is going to increase the wealth of this country by that much money. He should give his head a shake. Let us start talking about the economy and proper figures.

Mr. Jim Maloway (Elmwood—Transcona, NDP): Mr. Speaker, the member is on the right track to the extent that the government seems to not have a clue about the fiscal state of the economy. We all remember during the election only a few months ago, in October, when the Prime Minister was campaigning in his sweater saying the land is strong. It took me back to 1972 with Pierre Trudeau's campaign, when he said everything was okay and deriding the other parties for even suggesting that things were going south. Then a few months later it is a different story. The government keeps going back and forth, clearly out of touch with what is really happening in the economy. The member is on the right track and I would like to ask him to put some further comments on the record.

• (1025)

Hon. Joseph Volpe: Mr. Speaker, my colleague from the NDP has a good handle on what the economy requires. He comes from Winnipeg and understands that in the northern half of North America there is a particular approach that one takes to government.

[Translation]

My Bloc Québécois colleagues share the same position. A certain ideology must be adopted in order to achieve results that will benefit all Canadians throughout the entire country.

[English]

My colleague raised a very important question, which is this. If there was in place the appropriate regulatory system prior to the emergence of the Conservative government, would that have taken care of all of the challenges to the economy and to governments? The answer to that is yes. At no time in history was there an unemployment rate so low as there was up to and including 2006 before the election.

Under a Liberal administration, unemployment was below 6%, when 5.5% unemployment is deemed by all economists, and I imagine including the Prime Minister who fancies himself one, as having full employment. Under a Liberal administration, there was just under 6% unemployment. Imagine that. That meant that everybody who wanted a job, or almost everybody, could have been working.

Second, Canada had the highest participation rate of the OECD countries. The highest participation rate in employment terms means that the number of people between the ages 15 and 64 who wanted to work could work. About 68% of people who wanted to work in that age group were participating. That is higher than any other country in the world.

Hon. John McKay (Scarborough—Guildwood, Lib.): Mr. Speaker, I appreciate the opportunity to speak to Bill S-2.

The concern about S-2 is that this may well just be one more layer of protectionism. It has gone through all stages in the Senate and has gone through all stages in the House. It is here in the final stage of the House, but it imposes additional requirements in customs. It expands the research powers of customs officers and provides for regulations of passengers.

This is an interesting coincidence of time but as of June 1 there will be something in the order of 30% of Americans who can come to Canada and that means of course 70% will not be able to come to Canada because they do not have valid travel documents. It means that 53% of Canadians will not be able to travel to the United States.

I do not think that is very good for either of our countries. In the name of the security business, such that common sense seems to get trumped by security and the economy seems to get trumped by security, all in the name of security, we continue to thicken the border. Regrettably, Bill S-2 seems to add to that trend.

We recently had a visit from Secretary Napolitano and she spent a lot of time apologizing for remarks that she had made. I am prepared to accept her apology at face value. I wish also Senator McCain would do the same thing in recognizing that the 9/11 terrorists did not come from Canada.

Unfortunately, this reflects a mentality that is in America, particularly in homeland security. I note that homeland security is subject to the effectively buy American policy. I want to point out that the buy American policy is really like loading a revolver and pointing it at one's head. There are something in the order of 17 million jobs in the United States which would be directly affected by this buy American policy.

It so happens that I was at the National Prayer Breakfast this morning. It was really a very impressive event. I happened to sit beside a gentleman who has two factories in Scarborough and a head office in Mississauga. It was his company that supplied the piping and fitting to the American military installation in California.

This company has been in business since 1949. It has literally supplied piping that would circumvent the globe 150 times. It has been in business since 1949, never had a lick of problems shipping its product across the border and yet at this military installation they put the piping in the ground but because it has a made in Canada label on it they ripped it out. That is homeland security. That is the U.S. military. That is the recovery policy of the United States.

That seems to me to fly in the face of President Obama's words when he was here in this country. He said, "We affirm the commitment made in Washington: to refrain from raising new barriers to investment or to trade in goods and services, imposing new export restrictions, or implementing World Trade Organization inconsistent measures to stimulate exports. In addition we will

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rectify promptly any such measures. We extend this pledge to the end of 2010".

His secretary, Tim Geithner said, "The G7 remains committed to avoiding protectionist measures, which would only exacerbate the downturn". He repeated on April 24, "The United States of America will refrain from raising new barriers to trade in goods and services".

● (1030)

One would have a great deal of difficulty convincing the person with whom I had breakfast this morning that these fine and brave words of free trade are anything other than fine and brave words.

It is time that we actually stand up for Canada. It is time that the government stand up for Canada. It is time that the Conservative Party lives up to its slogan from the last election to stand up for Canada. The only person who can reverse these protectionist measures in the United States is by the Prime Minister of Canada picking up the telephone and talking to President Obama. I have yet to know, at least in a public way, that the Prime Minister has made that telephone call.

When we sign an agreement with the United States such as the secretary of state signed with her counterpart here this week that enhances security for both of our countries, surely to goodness we can expect to be treated in the same manner as a most favoured nation. Surely to goodness when a trade is so voluminous that it is the largest trading relationship in the world, we can expect to be treated in that fashion. And surely to goodness we can expect that President Obama or Congress or whomever will say to state and municipal counterparts that there is no protectionism within the United States with respect to its stimulus package. Surely we can expect that, and surely we can expect the Prime Minister and his ministers to raise that issue at each and every opportunity, because what it leads to is something that none of us wants to contemplate.

My colleague from Eglinton—Lawrence went on at great length this morning about the difficulties facing our nation with respect to this apparently unanticipated deficit. If we end up in a protectionist spiral, we haven't seen anything yet. Indeed, both of our economies will be tragically affected if the things that my friend at breakfast described to me go across the board, that anything with a label such as made in Canada will ultimately be rejected by American states, American military, American municipalities or other American entities that are doing stimulus infrastructure projects.

On November 15, the G20 issued a statement in Washington, D.C.:

We underscore the critical importance of rejecting protectionism and not turning inward in times of financial uncertainty. In this regard, within the next 12 months, we will refrain from raising new barriers to investment or to trade in goods and services.

Yet the Recovery Act also creates an entirely new domestic content requirement for Department of Homeland Security acquisitions by prohibiting the DHS from using any appropriated funds, not just recovery funds, but appropriated funds, to acquire clothing, individual equipment, a long list of textile products, unless they are made in the United States. It is noteworthy that DHS procurement is not subject to NAFTA.

So there we have it. The Department of Homeland Security is in a league by itself; it is in a law by itself. Not only does it thicken the border unilaterally by all kinds of measures, but it does so to the detriment of both of our economies. If this trend continues, this double trend of homeland security, thickening the border and this protectionism, both direct and indirect, will destroy both of our economies.

● (1035)

While we are supporting Bill S-2 and we think there is some good in here, we are very, very concerned with these additional requirements, which are in fact non-tariff barriers.

Hon. Chuck Strahl (Minister of Indian Affairs and Northern Development and Federal Interlocutor for Métis and Non-Status Indians, CPC): Mr. Speaker, I think we all share the concerns about the largest two-way trade between any two countries in the world, Canada-U.S., and the entire just-in-time industries that depend on free flowing border traffic.

All those things are a concern. Putting any of that in jeopardy not only puts the Canadian economy in jeopardy but the 30-some states of the United States of America that have Canada as their number one trading partner. Of course they should be equally concerned that we do not cause problems for one another. While we are in a worldwide recession, certainly Canada and the United States are in this somewhat together.

I also met with a gentleman, who had a piece of pipe with him that had been taken out of the ground in the United States. This particular law says it must be made in America pipe and equipment. I asked him what he thought we should do, because this is a real concern. It is not just a national problem or a national concern in the United States. State by state, and sometimes company by company, there are policies like that. I asked him what he would have us do, as a government or as a Parliament. He did not have any suggestions. He just said it is a big worry.

We can agree with that. I agree with the hon. member that it is a worry. Obviously the Prime Minister has spoken to President Obama, as I assume his leader did as well when he was here. What measures would the member take other than our obvious promise to take this to the WTO and the NAFTA panel? What would the member suggest we do in a legislative or policy way that would change that?

Hon. John McKay: Mr. Speaker, I guess we should all be going to these prayer breakfasts; we have some interesting conversations.

I want to compliment the hon. minister on his presentation last night. He and his colleagues presented very well at the national prayer breakfast dinner. We are all encouraging them to take their act on the road, sooner rather than later, and with or without their day jobs.

The gentleman actually had two very specific recommendations. He said that the United States must comply with its written commitment of April 2 to promptly rectify protectionist measures. The inclusion of buy American clauses in U.S. legislation is a protectionist measure.

I will take the hon. minister at his word. I would hope that the Prime Minister, at his meeting with the president, actually did raise this measure with him and that he asked President Obama to intervene, not only to use his authority to repeal those offensive sections but to also grant Canada the most favoured nation status.

● (1040)

Hon. Joseph Volpe (Eglinton—Lawrence, Lib.): Mr. Speaker, I did not attend the prayer breakfast, so my views are not laced with any religious forbearance but with specific interest.

I can appreciate that my two colleagues are trying to be collegial, and it is important for this place, but I am going to ask my colleague, the member for Scarborough—Guildwood, to address the following. When the minister opposite asks what he would you do, that is an unfair question. He is not in government. He does not have to address that. The government has an obligation itself to address that question.

Keeping this in mind, the Department of Defense in the United States has an annual budget that exceeds the total Canadian government's budget by more than 100%. In other words, every year they spend more than twice as much as the entire Canadian government does. Its procurement policies are shutting out Canadian industries.

I would like to ask the member for Scarborough—Guildwood to raise that issue with the minister and the government opposite about what they are doing to ensure that Canadian providers are not shut out of that kind of market.

Hon. John McKay: Mr. Speaker, we certainly still have space available at the national prayer breakfast. I am sure my colleague will be more than happy to be there next year. We will save a special place for him.

Under the Trade Agreements Act of 1979, the President may waive, in whole or in part, with respect to eligible products of any foreign country, the application of law, procedure or practice regarding government procurement. The Prime Minister, the Minister of International Trade, any minister on the front bench can raise that with the president and should do so immediately.

Mr. Dave MacKenzie (Parliamentary Secretary to the Minister of Public Safety, CPC): Mr. Speaker, I rise today in support of Bill S-2, An Act to amend the Customs Act. Now at third reading, this legislation has made its way through both Houses and their respective committees. At each stage the bill has received broad-based support, and this is because it speaks to some universal priorities. Canadians want to be safe in communities; they want the Canada Border Services Agency to have the resources and flexibility to address risk on any scale, in any form; and, finally, they want to have the opportunity to travel and do business freely and securely.

I want to emphasize for the House that the amendments contained in Bill S-2 address these priorities directly. In the simplest terms, the amendments would improve the ability of the CBSA to carry out proactive risk management, which is a key component of modern border management. Effective border administration requires a comprehensive array of programs and policies that combine in response to multiple challenges. These include contraband, illegal migration, health and safety, organized crime and terrorism. They change over time, and our defence against them must also evolve in kind

The amendments in Bill S-2 acknowledge the new face of border security and equip our border services officers to contend with it.

At the same time the bill is designed to allow an equally rigorous approach to facilitating cross-border trade and commerce. Responsibility for maintaining this balance is the foundation of the CBSA. The agency provides integrated border services that support national security and public safety priorities as well as facilitating the free flow of legitimate persons and goods.

The reason for bringing this bill forward is to give the CBSA greater scope and flexibility as it discharges that dual mandate. The more information the agency has concerning potential threats, the better equipped it is to deal with them in advance of their arrival on Canada's doorstep.

Bill S-2 contains several amendments to the Customs Act. I am going to focus on two in particular. These amendments would fully implement two programs, both of which have been approved and funded by the Government of Canada: the advance commercial information initiative, known as eManifest; and customs controlled areas.

First, the need for fully operational customs controlled areas comes in response to the threats of internal conspiracy and organized crime that can arise in the busy atmosphere of a port. Our border services officers need to have the flexibility to perform stop, search and seizure functions at any point during the transit of goods and people through a port.

The passage of Bill S-2 would give border services officers the ability to question, search or detain anyone suspected of an offence, not only as that person exits the designated area but anywhere inside as well. This would improve the agency's ability to intercept contraband and other illegal items before they enter the country and to combat internal conspiracies at points of entry.

The e-manifest is the second program that would reach full implementation with the passage of this bill. This is a substantial project premised on the idea that CBSA ought to be receiving electronic information on cargo destined for Canada in advance of its actual arrival. This would permit the agency to make more incisive risk assessments prior to arrival.

The e-manifest is the third stage of the advanced commercial information initiative. It would extend requirements already in place in marine and air to the highway and rail modes of transportation. This concluding phase would enable comprehensive assessment of all cargo prior to arrival at our border. In turn, this would mean that less processing would be required upon arrival and legitimate

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commercial goods would enter Canada more swiftly and with fewer disruptions.

The eManifest is a substantial project, designed to improve the flow of goods and to secure and streamline the process by which legitimate goods are cleared. It would have major consequences for the agency's partners in the trade chain. With eManifest, industrial stakeholders would be facing a new compliance paradigm in which information is requested well in advance of arrival, which would allow for a more thorough risk assessment by CBSA.

It is critical that the agency be in tune with the concern of stakeholders as this project approaches implementation. The best way for CBSA to ensure that its commercial partners comply with changing requirements at the border is to build trust with them. For that reason, the agency has consulted thoroughly throughout the initial stages of eManifest, and these consultations are ongoing.

● (1045)

This government is committed to preserving Canada's reputation as a welcoming and free-trading nation. At the same time, we are cognizant of the scope and evolution of border threats. The Canada Border Services Agency does an excellent job of ensuring the integrity of this balance, and it is up to us as parliamentarians to support it in that role.

I am going to conclude my remarks with a call to all members of the House to see Bill S-2 through third reading. The legislation addresses fundamental concerns. Do the people who manage the vast movement of people and goods into Canada have the right tools at their disposal? What do they need to do their job better? These are questions we must ask repeatedly because international border management is a field that is constantly evolving.

This legislation acknowledges the challenges faced by the Canada Border Services Agency, and I believe it would be instrumental in giving the agency what it needs to do its job.

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I thank the member for giving us a briefing about the Canada Border Services Agency.

Bill S-2 is a tidy-up bill which provides some amendments. I wonder if the member could shed some light on one clause that caught my attention. It is the very last item that has been added. New Section 164.1(1) states:

A regulation made under this Act may incorporate by reference any material regardless of its source and either as it exists on a particular date or as amended from time to time.

I am a little concerned because I have not seen this type of language before in all the years that I have been here. I am wondering whether the member is aware of why this has been put in the bill. It basically says that any document can be referred to in any regulation, which can be made by order in council at any time and in any document whether or not it is relevant.

My concern is from the standpoint of bringing in or by incorporating by reference intent or basis for the Canada Border Services Agency to do or not do certain things which may not be enabled in the legislation itself. It is a very sweeping undertaking whereby any document can be incorporated by reference. It is, in my view, far too broad and not generally prevalent in bills having regulations.

● (1050)

Mr. Dave MacKenzie: Mr. Speaker, my understanding is that particular section received a great deal of scrutiny as it went through the other house. If I am correct in my understanding, it was, in the simplest of terms, placed into the legislation so that as world trading evolves, as different things occur, not in a major way but in a minor way, the regulations could be adopted as opposed to bringing the bill back to make amendments to it. I do not believe it goes beyond that scope.

I believe that issue was widely addressed in the other place and I believe amendments were made at that point.

Mr. Jim Maloway (Elmwood—Transcona, NDP): Mr. Speaker, last June the Chief Peguis Junior High School in Winnipeg bused a track and field team to the Hershey's Track and Field Games in North Dakota. The required manifest was given to customs 48 hours in advance, and yet when they showed up at the border, one of the athletes, a 14 year old, was taken off the bus, fingerprinted and sent back to Canada.

I took this up at the Midwestern Legislative Conference last July in Rapid City, South Dakota. For the second time ever in our membership, we were able to pass a resolution asking Canada and the United States to come up with a more consistent program which would be easier on seniors' bus tours and children's athletic tours such as that one.

Letters were sent off last July to the Prime Minister and to the president. I never heard another thing about it. I am just wondering whether some of those thoughts were reflected in this legislation.

I would ask the member about the success of the NEXUS program. I have heard different things and I understand it really has not developed in the way it was supposed to and there is not a huge uptake in the program. If the member has any new information about that, I would certainly like to hear it.

Mr. Dave MacKenzie: Mr. Speaker, the issue the member raised is the exact opposite of what this bill is about.

Bill S-2 is about people coming to Canada, not people going to the United States. The issue that he raised, although it is a significant issue and is of concern, is a situation of going into the United States where the bus was stopped and the individuals were checked, and it would have been the information that they had.

I have no real information on the NEXUS program other than to say that we do know that it is being taken up. As the member may be aware, some folks are comparing the NEXUS program with the passport, and are deciding that the passport may be the choice for them, but it is certainly one of personal interest.

(1055)

Hon. Joseph Volpe (Eglinton—Lawrence, Lib.): Mr. Speaker, my hon. colleague opposite tries to give us a good impression about

what this legislation attempts to do and I applaud him for that, but it is tinkering. We will support that tinkering because there is always an opportunity to improve things, and as long as we are improving things, that is fine.

However, the parliamentary secretary knows quite well that the Department of Homeland Security in the United States had an initial budget in excess of \$70 billion. It is now closer to \$100 billion. Its tactics can be interpreted as being designed in part to stem the flow of trade in order to meet the needs of protectionist elements in the 30 states that the minister opposite also indicated are dependent upon the two-way trade.

Perhaps he could tell us whether his minister or his government has made determined efforts to get across to the authorities, such as Ms. Napolitano who was here just a few days ago, the firm impression that we need to have bilateral observance and adherence to the NAFTA that was signed by our two countries, and that the articles under that agreement, if they are worth signing onto, are worth obeying.

I am wondering whether he thinks that legislation such as this will reverse some of the negative impacts of a \$100 billion budget to stem the tide of north-south free trade.

Mr. Dave MacKenzie: Mr. Speaker, first, I would not want to trash our best neighbour and biggest trading partner on its efforts at security.

Bill S-2 is about making trading simpler, easier and faster, and at the same time safer within our country. The whole premise of Bill S-2 is to make Canadians safer and more secure.

It is not only about trading directly north and south. It is also about trading east and west at our ports and our railways. We should not look at Bill S-2 as something that is intended only to speed the flow north and south. It is to make Canadians safer and to speed the flow east, west, north and south. It does that in a way that is appropriate and also makes an area within our country safer and more secure by giving those tools to the CBSA officials to carry out their task in a more efficient way.

Mr. Bill Siksay (Burnaby—Douglas, NDP): Mr. Speaker, I wanted to ask the parliamentary secretary if he could reiterate how this legislation is going to help with the flow of illegal handguns and illegal arms into Canada.

We know that that is the main security issue of the Canada-U.S. border for many Canadians. Certainly people in my riding are most concerned about that. This is an important issue. Hopefully this legislation will go some way to improving our record on preventing that flow of illegal weapons into Canada from the United States.

Mr. Dave MacKenzie: Mr. Speaker, it is an appropriate question and part of this is in the custom controlled areas, which gives the CBSA officers far more opportunity do their jobs appropriately in a broader context within the areas where goods are being brought into Canada.

As Canadians we are always concerned about the illegal flow of illegal weapons. By supporting this bill, it goes at least some way to doing just that.

[Translation]

Mr. Mario Laframboise (Argenteuil—Papineau—Mirabel, BQ): Mr. Speaker, I am pleased to speak to Bill S-2, An Act to amend the Customs Act, on behalf of the Bloc Québécois. The summary of the bill reads as follows:

This enactment amends the Customs Act to clarify certain provisions and to make technical amendments to others. It also imposes additional requirements in customs controlled areas, amends provisions respecting the determination of value for duty, and modifies the advance commercial reporting requirements. Finally, it provides that regulations may incorporate material by reference.

This bill is not very long. It has seven pages excluding the summary. I would like to start by saying that the Bloc will be supporting Bill S-2. This bill is designed to provide Canada Border Services Agency officers with the information, tools and flexibility they need to identify threats and prevent criminal activity, while ensuring that legitimate goods and travellers can cross the border efficiently.

Under the amendments that have been announced, all businesses that are part of the import chain are required to provide the Canada Border Services Agency with electronic data on their shipments before the goods reach Canada. With this advance electronic information, the CBSA will be able to make better decisions about admitting goods and analyzing the risks they pose to Canadians.

Other changes will allow the CBSA to fully establish customs controlled areas. Officers will enjoy greater freedom to examine goods and question and search people, regardless of where they are in these areas, not just at exit points, as the current law states.

Although Bill S-2 seems all right at first glance, it will be necessary to have ongoing follow-up and close questioning of representatives of the Canada Border Services Agency and the government.

The Customs Act makes the connection between the customs provisions that impose duty and tariffs on importers and the security measures in various other laws.

The bills' proposed amendments to the method of calculating the value of imported goods could reduce the number of disputed duty calculations. Moreover, revenue from duties could increase if the value of goods imported were more likely to be adjusted upward as a result of the proposed changes to the methods for determining customs value.

The purpose of the provisions of the bill that require information to be provided in advance is to improve the risk assessment of goods at the border. Combined with the broadened search power for officers in customs controlled areas, this measure could reduce the number of dangerous counterfeit products entering Canada through customs controlled areas.

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At the present time, border services officers may search persons only when they leave controlled areas. If the bill is passed, in future, it will be possible to do that inside the controlled area itself.

When the bill was being examined, the vice president of the CBSA said the following:

Currently, an officer would question the person at an exit point, where the person must speak to a CBSA officer. The officer can ask questions and can search if it is deemed necessary. In this new scenario, the customs officers could ask similar questions within the customs controlled area, and if there are reasonable grounds to conduct a search, the officer would indeed proceed with a search. The officers would be trained appropriately, and individuals within the customs controlled areas would be advised of the possibility that a search could occur. There would be notification.

It will therefore be necessary to ensure that this follow-up takes place. We are told that officers will be trained and that notice will be given. Therefore, care must be taken to respect individual rights and freedoms by ensuring that the officers will indeed be properly trained and will give the necessary notification.

● (1100)

The Minister of Public Safety has given assurance that officers conducting a search will be subject to the requirements of the Canadian Charter of Rights and Freedoms with respect to protection of the constitutional rights of the people being searched. The minister has said so, but care must be taken, once again, to ensure that the government will not take advantage of this to go beyond the limits of the Canadian Charter of Rights and Freedoms, for instance.

It is all well and good to say that, but this bill also gives the government regulatory authority to establish and expand customs controlled areas. The controlled area could be expanded to cover the entire airport or port and even parking and drop-off areas. The authority granted to border services officers would be disproportionate. Consequently, it will be necessary to constantly monitor how the Canadian Border Services Agency and the government are implementing these provisions.

The Conservative government is constantly introducing security-related bills and bills to amend the Criminal Code and including a little poison pill to try to push their right-wing agenda even further. We will have to watch this preoccupation with security. Under the bill as drafted, these controlled areas, in which border services officers could take action, could be expanded to cover an entire port or airport, including parking areas. Imagine the anarchy that could result if we do not exercise appropriate control and we let right-wing philosophies dominate security. It would be quite a worry for the people using these spaces.

I would like to point out that the RCMP, the Canadian Security Intelligence Service and Transport Canada support the changes to customs controlled areas. Airport authorities also consider the use of customs controlled areas to be a reasonable security measure, and port authorities acknowledge the need for customs controlled areas in proximity to commercial and cruise ships. Both the airport and port authorities want greater flexibility and new areas. But the port authorities were clear that the areas should be close to the ships. We are not talking about the entire port. It is therefore important to be careful

The men and women who are watching this debate need to understand that the Bloc Québécois will always defend security, of course, but will also protect the interests of individuals. People's rights should not be violated because they happen to be at an airport or port and someone has decided to conduct full searches because those in charge, specifically the government, have been allowed to go overboard on security. Obviously, once again, the Bloc Québécois will make sure people's rights are respected.

I would like to summarize the bill's timeline. It was introduced by the Leader of the Government in the Senate on January 29, 2009, passed at third reading on April 23, 2009, and sent to the House. We have just received it. It is exactly the same as a bill with the same number and title introduced on December 2, 2008. Bill S-2 was introduced on December 2, 2008. It is also identical to Bill C-43, which was introduced on February 15, 2008, during the second session of the 39th Parliament. These last two bills died on the order paper when the government called an election.

Once again, they say the matter is an important one, yet it was more important for the Prime Minister to break his promise about fixed election dates last time. He got himself a second minority government. Once again, it is clear that the Conservatives always think that they are the best. Now this is where they have ended up, and they are getting worse and worse day by day. That is a fact. We all knew it, and now everyone knows it, everyone in Quebec, at least.

● (1105)

It is becoming clearer day by day that the government is no longer able to govern. It is out of touch with what people want. Of course, when one has a right-wing philosophy, one always thinks that one is right and that everyone else is wrong. If the Conservatives carry on doing what they have been doing, they will be wiped off of the Quebec electoral map, and I, for one, will not mourn their fate. It is so disappointing every time government members from Quebec get brainwashed by the party's right-wing philosophy. They will get what is coming to them: a straightforward invitation to go back to where they came from.

This bill imposes additional requirements with respect to customs controlled areas, grants the minister the power to authorize entry, and amends provisions respecting the determination of value for duty and advance commercial reporting. It gives customs officers the power to search people and their goods while those people are in or are leaving a customs controlled area.

What I just said is important because customs officers in these specified areas will have more power. We are concerned that the

government plans to expand that area to include entire airports and even parking lots.

First of all, more customs officers will be required to ensure proper control. Will they be properly trained? Will they respect the Charter of Rights and Freedoms? We can see the Conservatives' right-wing philosophy lurking behind this. It must be curbed, and once again, the Bloc Québécois can be counted on to do so.

The bill also states that regulations may be made stipulating when and how persons covered by the regulations may provide information on travellers.

The current Customs Act is the result of the total revamping of the 1867 act, which was undertaken in 1986 to maintain the original act's three purposes and to allow for greater flexibility in light of developments in transportation, communication, trade and business practices. Since 1986, the Customs Act has been amended regularly in response to free trade and related international agreements and to fine-tune international trade measures.

This is why the Bloc Québécois wants to cooperate. Yes, there are new international standards, yes we trade with other countries, such as the U.S. Yes, from time to time our customs legislation needs updating. On the other hand, we must not go too far. Once again, the Bloc Québécois can be counted on to do so.

I will take a few of the clauses in Bill S-2 as introduced, and give some comments on each if I may.

Clause 2 eliminates the requirement for the minister to make a regulation to grant access to a customs controlled area to any person.

Once again, care will have to be taken to ensure a degree of transparency with respect to the minister's powers.

Clause 3 eliminates the exemption that applies to persons leaving a customs controlled area to board a flight with a destination outside Canada. Now, these persons will be required to present themselves to an officer, identify themselves, report any goods acquired while in the customs controlled area, and answer questions.

Obviously, greater monitoring is a good thing. That is the reason, among others, that the Bloc Québécois will support this bill.

Clause 4 amends the power of the governor in council to make regulations respecting the persons or classes of persons who may be granted access to a customs controlled area, and regarding the manner in which a person in a customs controlled area, or a person leaving such area, must present himself or herself.

Understandably, the size of this area is important. That is why we have said from the beginning that we will have to be extremely vigilant concerning how this government will enforce this clause and how the minister will decide to increase the size of this area. Clearly, port authorities want this area to be expanded to all locations near vessels, but they did not ask that this apply to the entire port area, included its parking areas. Thus, we must be vigilant about how clause 4 is applied.

Clause 5 amends the requirement to report goods imported into Canada, so that a prescribed person, and not the person in charge of the conveyance, must report the goods at the nearest customs office. Accordingly, a regulation defining those prescribed persons will determine who must report the imported goods at the nearest customs office.

● (1110)

That is good. The purpose of this standard is to harmonize international trade practices and ensure that the individual who is transporting the goods is obliged to declare them, and not the person in charge of the conveyance, as was the case under the former legislation. This will shed an important new light on the matter.

Clause 12 of the bill amends the act to allow the minister to set the prescribed time and manner in which he can require a prescribed person to provide information about any person on board a conveyance, under prescribed circumstances and conditions.

Every time we talk about providing information on passengers, the Bloc Québécois is very concerned about privacy issues. We can never do enough to ensure that this information does not fall in the hands of people who will use it for nefarious purposes. It is therefore important to track it and ensure that the information on passengers provided to the agency will be properly protected.

Clause 7 amends the methods available to adjust the transaction value of the goods being imported when the vendor receives a benefit from a subsequent sale. This may lead to higher valuations and therefore higher duties being paid by importers.

We have seen that, in international trade, duties must be paid on the value of goods. So this clause proposes somewhat of an adjustment. Manufacturers in Quebec and Canada are sometimes under intense pressure from competitors in emerging countries and foreign competitors, which use pricing that is not in line with the actual value of the goods. This provision will make it possible to establish balanced tariffs, which can only promote international trade and, as a result, our businesses.

Clause 10 amends the act to authorize a customs officer to search any person who is in or is leaving a customs controlled area if the officer suspects on reasonable grounds that the person has secreted on or about their person anything in respect of which this Act or the regulations have been or might be contravened.

Therefore, the bill expands the officer's powers and rights to search a person who is in or is leaving a customs controlled area. Previously, the person did not have to deal with officers unless that individual had registered or gone through the service. In future, officers will be able to stop and search a person no matter where that person is in a designated area.

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Clause 11 amends the act so that a customs officer may, in accordance with the regulations, conduct a non-intrusive examination of goods in the custody or possession of a person who is in or is leaving a customs controlled area.

The officer can not only search the person, but also conduct a non-intrusive examination of goods in the person's possession.

The goal of the Bloc Québécois has always been to ensure the highest level of safety in areas under Canadian control or jurisdiction. That is the reason we wanted to make sure we discussed this bill. We understand that it is in our best interests to protect personal rights, and that is why we need to be extremely vigilant when it comes to expanding controlled areas, and ensure that the Canada Border Services Agency and the government do not make excessive demands.

In conclusion, take the example of the port authorities. They told us what they needed, specifically, for the controlled area to be expanded to include areas near the vessel. But they never said that it would apply to the entire port, the connecting parking lot, and so on. When the controlled area is too large, we cannot ensure that the employees have the appropriate training or that individuals are informed of their rights.

Again, we are interested in protecting the rights of individuals, passengers and those who administer the service.

● (1115)

[English]

Mr. Bill Siksay (Burnaby—Douglas, NDP): Mr. Speaker, I want to thank the member for his speech this morning because he has raised and highlighted some very important issues.

I was most interested in his fairly detailed discussion of customscontrolled areas and the possibility of their expansion to include areas like as parking lots at airports, and the civil liberties implications of doing that and the requirement that we be vigilant about how that work is actually done.

I wonder if he could tell me whether there was any attempt to change this bill to further qualify those customs-controlled areas. I do not think there were any amendments at report stage on the legislation.

I also wonder if he could say whether there is any implication for folks who work in areas like parking lots or other areas outside of what we would normally see as a customs area at an airport or a port, whether there are any security clearance concerns for workers in these other areas that may impinge on their ability to get those kinds of clearances in order to work in those areas should they be expanded to cover areas outside the normal airport or port areas.

● (1120)

[Translation]

Mr. Mario Laframboise: Mr. Speaker, I thank my colleague for his question.

The problem is that the minister is the one with the power to establish the area. What if we had challenged the minister's power? If we had, the bill would have included provisions defining the areas involved. It was complicated. We have to see how this plays out. In theory, it would have been very hard to pinpoint controlled areas in every port and airport. The minister needs to have some power.

Many laws give the minister power. It is fine to give a minister power, but when that minister is a Conservative, with the Conservatives' right-wing outlook that sees evil lurking everywhere—that is pretty much their problem—well, that is when we need some safeguards. My colleague is right. That is why I mentioned port authorities that said they needed a larger area around vessels. We will have to be vigilant and make sure that the government does not go too far and include the entire port, as well as parking areas. Parking lot workers and people working anywhere within the area may not be put in harm's way, but they may fall under suspicion and be subjected to searches. Imagine the consequences of going too far with security.

Our concern is based on the fact that responsibility for security will be given to a Conservative minister. As we have seen, the Conservatives tend to go too far and see evil everywhere. Perhaps they should look within their party instead.

Hon. Joseph Volpe (Eglinton—Lawrence, Lib.): Mr. Speaker, I would like to say something to the member for Argenteuil—Papineau—Mirabel in response to his last comment on the governing party's natural tendency to lean towards the right, that is, the government is so concerned with the evil it sees everywhere that its bills no longer reflect a basic ideology. I think—and I do not know whether the member will agree—that we should apply the following ideology: bills such as this one should benefit the public, businesses and individual rights. So we could judge the entire bill using those three categories.

Does the member think that this bill, which originated in the other chamber, not this one, respects these three categories? Or does the member think that the bill is simply an attempt to correct existing problems, or problems that simply do not exist because the other jurisdiction, that is, the U.S., requested it?

Mr. Mario Laframboise: Mr. Speaker, I want to thank the member for Eglinton—Lawrence for his question.

Law is symbolized by the scales of justice, which, in their own right, symbolize balance. If I were asked whether the Conservative party is balanced, I would not be the only one to say no; all Canadians now see that it is not. When the Leader of the Government in the Senate, a Conservative, introduces a bill, we always have to be careful. In this case, we have to be careful in considering the size of the areas targeted by this bill, the control areas that could be expanded by the Conservative minister. We need to be careful because this expansion could affect the rights of workers, individuals, passengers and those who use all port and airport areas.

I explained why putting forward such an amendment is so complicated. Amending a bill so that the members can define the boundaries of each port and airport would have been a monumental task. We now need a part of this bill in order to do business with other countries, and that part is valid. But we always have to watch

for the poison pill that the Conservatives slip into a bill. They do it every time security or justice is involved. They do not keep the scales balanced.

• (1125)

Mr. Roger Pomerleau (Drummond, BQ): Mr. Speaker, I thank my colleague from Argenteuil—Papineau—Mirabel for his speech, which was excellent as usual.

Yesterday, I happened to be taking someone else's place on the Standing Committee on Public Accounts. I was totally amazed to learn in a report from the RCMP representatives who were present at the meeting, that there are 60 cases of people with criminal records or direct links with organized crime working in Canadian airports at this time.

We also learned, in a CBC report two years ago, that customs officers were complaining about being pressured by questionable people to not inspect certain incoming planes. To our utter amazement, when we questioned the people responsible for airports testifying before the committee, we learned that they did not carry out any serious investigations when they hired airport staff. They do a minimal investigation but do not, for instance, go to the extent of asking for police checks. They were entitled to ask the RCMP for these but they cited protection of privacy.

The people who work in airports are thinking at this time about finding a solution to this problem. They want to have job applicants sign a form authorizing the airports to carry out a check, or get one done by the RCMP, as a minimum. Even MPs have to sign an authorization for a background check when they decide to run as candidates, and this is a minimum.

When my colleague calls for vigilance as far as the rights assigned to the minister to further increase the parameters of the law, ought we not also to be asking the minister to be a bit more vigilant about those who already have to enforce the law?

Mr. Mario Laframboise: Mr. Speaker, my colleague is absolutely right. Vigilance, in keeping with principles of justice and equity, must be balanced.

I am well aware of the situation my colleague has referred to with respect to controlled security areas in ports. There are discussions on this going on at the present time among the unions. It is not easy to authorize a security standard. We will have to see the preliminary versions tabled by the government in order to know what kind of investigation it subjected current port employees to. If it were a little less right-wing, this matter would have been settled a long time ago, and an agreement would have been reached. That is, however, not the case as yet.

[English]

Mr. Don Davies (Vancouver Kingsway, NDP): Mr. Speaker, I rise today with pride to support the bill on behalf of our caucus and our leader.

The bill before us is Bill S-2, An Act to amend the Customs Act. We are very pleased to support the movement forward of the bill, because we have examined its provisions carefully, and although we have some small concerns, which I will itemize later in my speech, fundamentally it is a sound bill that will do much to both preserve security at our borders and enhance the movement of goods and people through those borders.

The bill really does a number of things. It provides legislative changes that are needed to provide a lawful basis for and allow the full implementation of previously approved key programs. These amendments will strengthen risk assessment, enforcement, trade facilitation and security.

The bill also embraces a number of technical and housekeeping changes that are required to implement the programs that I mentioned earlier, which have been put in place in the past several years.

The bill contains key amendments that provide a concrete response to a number of security concerns noted in the October 2007 report of the Auditor General.

The Canada Border Services Agency employs three fundamental strategies for managing the border. One is pre-approval programs. These programs are to expedite the movement of low-risk goods and people and to allow for strategic focus of resources on people and goods of higher and unknown risk. By focusing on the latter, we can more easily, quickly and with less interruption expedite the flow of the former.

The second strategy is advance information. The bill is intended to help stop threats before they reach our borders and to facilitate border processes for legitimate trade and travel.

The third is to turn information into intelligence. Because the Border Services Agency relies on sophisticated risk assessment systems based primarily on modern technology and techniques and the expertise and experience of employees at home and abroad, we need to ensure that they have the tools and the legal framework to allow them to carry out this important task.

The first major area where the bill improves Canada's border efficiency and security has to do with the new e-manifest system, which is really a commercial information system that will require carriers of goods and people coming into Canada to transmit that information in advance of coming into our country. That will provide our Canada Border Services Agency personnel with the ability to make more informed risk assessments, and conversely, allow through our borders the more free movement of people and goods that do not really present a risk to our country.

The current program, which is being amended by the bill, requires the owner or person in charge of the conveyance of air and marine modes to provide commercial information electronically prior to entering Canada. The regulations that we are proposing address the time, manner and data requirements, to require all links in the import trade chain to provide CBSA with this advance information. In other words, not just the owner or person in charge of the conveyance, but all links in the import trade chain will be required to furnish information in advance.

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The rationale for this is that by providing advance electronic data, CBSA will be able to better target high-risk shipments while streamlining the entry of low-risk shipments. Without the amendment, compliance at present is on a voluntary basis.

Electronic reporting would also remain streamlined and timely, reducing the dependency on paper filing, and this is demonstrative of the commitment to sustainable development.

(1130)

Many of the commercial carriers in our country, customs brokers and importers, would be able to more efficiently move their goods through our country's borders. Because they will be able to file their information electronically, it will be quicker and better for our environment.

I am happy to say that there have been external consultations. The source of focus in the committee's study of this bill was to ensure that the people who would be most affected by this change both understood the changes and that their views and ideas were taken into consideration. I am pleased to say that was done.

Trade chain partners in marine, air, highway, rail, importing, freight associations and brokers involved in various stages of the import chain have all been informed and consulted about this bill. We in the New Democratic Party will work to continue to ensure that the trade community will be consulted throughout the design, development and implementation of this project.

The second major area that this bill pays attention to has to do with the creation of what are called customs controlled areas. The current legislation designates customs controlled areas to be secure areas controlled by CBSA where international uncleared goods or persons may come into contact with domestic goods or persons, such as, for example, in airport lounges or areas on airport tarmacs.

Border officers currently have the authority to only question and search individuals when they are at exit points. In other words, all persons leaving a customs controlled area must report to a border services officer. The proposed amendment in this bill would retain the customs controlled areas and would not expand the powers of the Canada Border Services agents whatsoever.

What it would do is provide officers with the authority to stop, question and potentially search individuals within the customs controlled areas, not just at exit points. People would still be obligated to report to Border Services officers upon request but it would remove the onus on all persons to report upon exiting the area because now the officers would have the clear legal authority to stop people.

The reason we believe this amendment is a positive step is in areas where there are domestic workers, domestic goods or even domestic citizens coming into contact with international passengers or goods, there is the potential for security breaches. If people are entering and exiting these areas many times a day, taking the example of workers going in and out of customs controlled areas, it is simply beyond the resources of CBSA to follow and question those people each and every time they exit the area. It is a more efficient use of resources to grant the power to CBSA officials to stop higher risk or suspicious activity within the area.

This also would liberate people who go in and out of the area frequently from having to stop and report every time. It has a dual advantage, in my view. It both increases the efficiency and effectiveness of our CBSA officials and it is less of a burden on those who need to go into and out of customs controlled areas on a daily basis.

We also think these changes would improve the security at these points because testimony in committee indicated that it was these areas where conspiracies may develop. This is where people can meet within the customs controlled areas and potentially make arrangements that may allow for dangerous goods, services or people to travel in and out of our country. We think this is an important part of our security.

Once again, I want to make clear that there are no additional powers beyond what are currently given to the agents at our borders. It is simply a more effective means of delivering those powers.

This bill also contains other technical and housekeeping amendments, which I will not go through, but I will highlight some of them. There are amendments to valuation provisions that would make the act consistent with the WTO customs valuation agreement that Canada ratified in 1991.

• (1135)

There is a technical amendment to the advance passenger information personal name record program that would help clarify and make existing mandatory obligations for commercial carriers to provide passenger information electronically within prescribed time limits. Currently, there is no time limit on it. Carriers are required to provide that information prior to entering Canada or within a reasonable time of landing. These amendments would require that all information be provided prior to arrival in Canada, which would assist our personnel in processing the information and speeding up the process.

Language inconsistencies will be corrected, particularly with respect to ensuring that the French version of the legislation corresponds better with the English version.

I want to mention some of the concerns with this bill because the bill is not without its areas of concern. First, this bill does not delineate what exactly a customs controlled area is, rather, that is left to the discretion of the minister, which is somewhat concerning. Parliamentarians will need to be vigilant to ensure that the way the minister designates these areas does not go beyond the purpose of the bill. There has been some suggestions that customs controlled areas may include duty-free shops and, as was raised some time ago

by my hon. colleague from Burnaby—Douglas, may be extended to parking lots.

We need to be vigilant to ensure that the areas are restricted to the bare minimum in order to attain the object of the bill, which is to control the areas where international and domestic persons and goods intersect at border and customs controlled areas.

Second, another area that is left to the minister's discretion is the minister's ability to exempt certain persons from the requirements to be stopped within customs controlled areas. I asked a question on that at committee to ensure I understood the rationale for that. The answer was that this was for perhaps diplomatic personnel or emergency personnel, like ambulance or medical personnel who are rushing to an emergency, those kinds of things.

However, that is another area where we must be vigilant to ensure is controlled. It does no good to say that people entering the customs controlled areas are subject to search and questioning and then to allow the minister to exempt classes of people. We need to be sure that list is small and carefully justified.

There were other areas of concern that we on the committee and in our party were vigilant to ensure were taken into account in this bill. We received assurances that the Charter of Rights and Freedoms would apply to people in these customs controlled areas so they would not be subjected to unreasonable searches and seizures. We wanted to ensure privilege would be respected. Many times lawyers travel through these areas and many of them have material that relates to their clients' privileged legal interests. We wanted to ensure their privilege was respected and that their material would not be subject to search and seizure.

We wanted to and did inquire into privacy concerns to ensure people's privacy interests were respected. I must say that is an area that is unclear at this point and, as parliamentarians, we must be vigilant to ensure the privacy interests of Canadians are respected in these areas, as they ought to be across our land.

We asked questions and ensured there would be plans to have proper training for all the CBSA officials, who may need to implement these broadened powers, to ensure they would be respectful of the issues that I just mentioned and effectuate their powers in a manner that is responsible and lawful.

We wanted to ensure, and did ask questions, that there would be adequate safeguards around the information or goods that are detained or seized. We wanted to ensure that the length of time the information or goods would be retained would be limited and that there would be restrictions on the disclosure of that information to third parties. We wanted to ensure the information would not be used for purposes beyond that for which it was garnered in the first place. We wanted to ensure information would be carefully controlled and, ultimately, disposed of, returned or destroyed so that it would not get out of the lawful possession of those who had an obligation to guard the privacy interests pertaining to that information.

• (1140)

Last, we wanted to ensure that the workers who had to work in customs controlled areas were informed of their rights and had their rights respected at all times in the implementation of this legislation. Having said all of that, I want to congratulate the government for bringing forward this bill. We think it is measured and administratively well drafted legislation which, I might add, passed through committee with the unanimous support of all four parties. It is a model of how this Parliament can work when all four parties put aside their partisan differences and work together to try to provide solid, reasonable legislation.

I would like to congratulate all members of the committee from all parties who worked co-operatively and constructively to ensure the legislation was moved forward in an efficient, effective and logical manner.

• (1145)

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I thank the member for informing the House about some of the committee considerations.

The points with regard to the charter and privacy issues are very relevant and I hope to make a few comments on those later this day.

My concern, which I raised earlier, and perhaps the member could give his perspective on it, is with the new clause 164.1(1), which states:

A regulation made under this Act may incorporate by reference any material regardless of its source and either as it exists on a particular date or as amended from time to time.

It is a little concerning to me when a regulation incorporates by reference a document that can be changed from time to time. It would make it onerous for any legislator, never mind the public at large, to properly understand what the law says. For example, often the Income Tax Act is incorporated in legislation directly rather than by regulation simply because it is a document that provides substantive guidelines. However, to have matters incorporated by reference in a regulation, which is promulgated by cabinet and never seen by this place, because we do not see the regulations until after the bill has already passed, it leaves, in my view, a grey area in which the intent of the legislation may be stretched or even violated by a matter in a regulation that incorporates some other document, whatever it might be, by reference. It makes the legislation more cumbersome in my view.

I am wondering if the member could share with us whether the committee had some concerns about this and whether he is aware of why matters, which are—

The Deputy Speaker: The hon. member for Vancouver Kingsway.

Mr. Don Davies: Mr. Speaker, that is an astute observation. Indeed, there was concern raised by the committee about incorporation by reference and we questioned that.

Incorporation by reference is a legal drafting tool. This tool allows for a regulation to include material contained in another document, without the necessity of reproducing that document word for word within the text of the regulation itself. A specific example, when we questioned the need for that, came up in the customs context.

Under section 13.2 of the reporting of imported goods regulations, the owner or person in charge of a vessel must send certain information to the CBSA by electronic means and it specifies that the information must be sent in accordance with the technical

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requirements, specifications and procedures for electronic data interchange sent out in the electronic commerce client requirements document. That document is internally produced by CBSA and it provides for technical requirements for electronic data exchange with the CBSA. It is published in both official languages and it is amended from time to time. That is an example where we do not want to have to reproduce that entire document in the text of the legislation.

That was the example used as to why we would want to incorporate by reference and to have that regulatory power in the bill.

We were assured that material which would be incorporated by reference would be reviewed by the Department of Justice in a manner similar to a draft regulation. It would be carefully reviewed for adherence to the law, generally, and, particularly, with the Charter of Rights and Freedoms.

I believe my friend is quite correct in saying that we must be vigilant to ensure and watch how that power is exercised. If it is exercised inappropriately or irresponsibly, we may have to revisit this and remove that power.

• (1150)

Mr. Jim Maloway (Elmwood—Transcona, NDP): Mr. Speaker, I was heartened by the member's comments about how well the committee works together. This is a minority Parliament and that is exactly how these committees should work, unlike in the last Parliament, where there was a lot of acrimony. I think maybe we are moving forward when we can work together as a group and get things done for the people of Canada.

I note that the Auditor General did a report on the Canada Border Service Agency and found that the border services officers did not a have a clear authority to search for or seize counterfeit goods, which is an emerging area and a very large area. She states:

The Agency has established policies and procedures; however, at certain crossings, we noted poor control over the administration and handling of seized goods, such as alcohol and firearms.

Bill S-2 includes requirements pertaining to advanced information and expanded search powers for officers. Would these requirements lead to decreased amounts of dangerous and illicit goods entering Canada through customs controlled areas?

Mr. Don Davies: Mr. Speaker, I want to take this opportunity to thank the hon. member for Elmwood—Transcona for the wonderful work he does on behalf of his constituents, in particular, he is always concerned about the rights of individuals and consumers in our country.

In short, it appears the bill would not change the powers of CBSA officers to question and search people through these amendments. Their powers would remain exactly the same. The only change would be at what point they would exercise those powers.

Again, at present, anybody exiting a customs controlled area is subject to questioned and searched. All this would do is allow the officers to apply that power within the customs controlled area, which would be a more intelligent and targeted use of that power.

With respect to the very intelligent question about whether this would increase the ability to interdict substances or goods, that remains to be seen. However, it is our hope that these powers will be exercised in a manner that will result in more safety and in the interdiction of goods and people that ought not to be entering our country.

Mr. Paul Szabo: Mr. Speaker, could the member advise the House what the actual definition of a customs-controlled area is in the Customs Act right now?

Mr. Don Davies: Mr. Speaker, I do not know what the current definition is. I do know the current act, which incorporates and uses the term customs-controlled areas, does not have a definition. This is an area of concern.

As I mentioned, it is one of the concerns raised by the committee because the definition of that designation is left to the discretion of the minister. It behooves all of us a parliamentarians to keep a close eye on how that designation is used. If it appears it is being expanded in a manner that is inappropriate or irresponsible, which is always a possibility with the government, then we have a parliamentary duty to rein that in and make changes to the legislation if that proves necessary.

Mr. Jim Maloway: Mr. Speaker, I have a follow-up question for the hon. member. Clause 10 of the bill would allow an officer to search any person who would be in or would be leaving a customs-controlled area if the officer suspected, on reasonable grounds, that the person had secreted on or about his or her person anything in respect to which the Customs Act or the regulations would be or might be contravened, or anything that would provide evidence of a contravention of any federal law prohibiting, regulating or controlling importation or exportation.

How does this provision differ from existing provisions in the Customs Act? How will officers determine when a search within a customs-controlled area is warranted? Will the customs officers require additional training or resources to effectively implement this provision?

● (1155)

Mr. Don Davies: Mr. Speaker, I will start with my hon. colleague's last question first. I think the answer is yes. CBSA officers will require additional training to ensure that they exercise their powers in a manner that is both effective and respectful of the rights of all people who are travelling through customs-controlled areas.

In answer to his first question, the change proposed in the legislation, vis-à-vis the current Customs Act, is the addition of the power to question and search people in the area. This is the important distinction to be made and the important—

The Deputy Speaker: Resuming debate, the hon. member for Mississauga South.

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I am pleased to offer some thoughts on Bill S-2, which originated in the Senate.

The bill would amend the Customs Act, clarify certain provisions and make technical amendments to others. It would also impose additional requirements in customs' controlled areas, amend provisions respecting the determination of value for duty and modify advanced commercial reporting requirements. The bill provides that regulations may incorporate materials by reference.

It is interesting to see how the debate has gone on. It started off with a member of the official opposition spending a bit of time dealing with the potential implications of border areas on the economy of Canada and a little review of the current economic climate and the financial position of the country right now, which members are concerned about, whether it be with regard to the size of deficits, the level of unemployment, the international difficulties, bailouts and the like.

Having allowed that discussion to take place for some 10 minutes provided a great opportunity to open up the entire debate to talk about the finances of the nation, but the bill is not about that. It is tangentially involved.

There was also an intervention by the parliamentary secretary, who gave us a little lesson about the Canada Border Services Agency. It is helpful for the public to understand that this agency has some responsibilities and they are very serious and onerous.

What caught my attention about the bill is the whole area of the regulatory environment and the expansion of the regulatory reach, which is being enabled by Bill S-2.

I was curious at the outset as to why the bill, which was introduced in the House in the last Parliament, was this time put through the Senate. I will be the first to admit that Senate committees do better work than House of Commons committees for no other reason than their members do not have constituency responsibilities as well as some of the political responsibilities of members of Parliament. Senators are not spread as thin and they can look at bills carefully, and I noted a couple of items senators raised.

The bill passed in the Senate on April 23, about a month ago. It received a quick second reading here and went to committee where it stayed for one day. To me, second reading of bills is an opportunity for a few members to participate in a debate and to talk about their views or about their knowledge, but without having the knowledge of any witnesses or experts to find out exactly what the stakeholders have to say about charter implications or privacy implications. Did the Privacy Commissioner appear? What do airport authorities have to say about this? How do they feel about the changes that are being proposed to the Customs Act?

There is a major implication in Bill S-2 with respect to the way the Customs Act operates and the latitude that people will have. It touches very closely on charter rights, on personal information and electronic documents and on the facilitation of trade activity across our border. Bill S-2 touches on a lot of things, but committee had only one day to discuss it.

● (1200)

The committee met on May 26 and it reported today.

That raises the question about why the committee did not look more carefully at some of the substantive questions that have come up. I do not know why there were not the kinds of witnesses that would be necessary to expose risk areas. The previous speaker was a member of the committee, and I asked him a simple question: What is the definition of a customs controlled area? He was not aware. That definition is in the current Customs Act. I do not happen to have it with me.

There was a speech given earlier this day by a member who mused about whether or not a customs controlled area would include an airport parking lot, or certain other areas as opposed to what we would normally consider to be the customs area, where there are officers and people would be taken to be asked questions. Another question had to do with duty free shops which are customs controlled areas. Duty free shops are in the main part of an airport where the public is going.

This is sloppy. I hate to say it, but this is a sloppy approach to a bill that may have some consequences. When I rose to ask a question earlier, I asked about an area that I spent a lot of time on. It has to do with regulations. I am still not aware of the discussions and I have not had an opportunity to look at the discussions at Senate committee. There is a new section being added to the Customs Act, new section 164.1(1), which states:

A regulation made under this Act may incorporate by reference any material regardless of its source and either as it exists on a particular date or as amended from time to time.

Leaving out the time element, it says very simply that the regulation may incorporate any material regardless of its source. I was astounded when I read that. There are no restrictions. A regulation can incorporate anything. Why would a document be incorporated by reference? Take the example of legislation regarding a tax credit for people who buy tools. There may be an incorporation of the Income Tax Act by reference so that if people wanted to see the kinds of tools that would qualify, they could refer to that document. There is more detail. It is for clarification.

This new section that will go into the Customs Act says "any" document. From a lay perspective, I guess people would say that if there is a piece of legislation called the Customs Act, they can read it and see what the powers are. They can go to the regulations and see those. Members will know that we do not see the regulations on any act until after we have passed the legislation and it has received royal assent. Regulations are made by order-in-council.

This new section goes on to say that those regulations that we do not see until after we have given royal assent to a bill can incorporate by reference any other material. How is a stakeholder or interested party to understand the substantive point of a clause of a bill or an act like the Customs Act without seeing the regulations if they need some clarification? Now it has this other element of incorporation by reference of any other material.

If people are wondering whether or not they are going to be in compliance with the law, they are now almost forced to go to the regulation to see what documents or materials are incorporated by reference and then they are going to have to find those materials to see whether it is in context. **●** (1205)

This is a very strange addition. I understand that the matter came up at the Senate committee. There were concerns raised. Here we are at third reading and I have heard a couple of speakers also raise some concerns. There are still outstanding questions about what constitutes a customs controlled area. This problem of the incorporation of any other materials that they want is still a concern. Are there still concerns about privacy? Are there still concerns about charter rights of individuals? Are there concerns about the impact of the authority that is going to be expanded and passed on to customs officers that may have some impact on the flow not only of goods and materials, but also of people? This is part of the economic equation.

Here we are at third reading. We still have questions. The House is not quite sure whether or not a customs controlled area includes the parking lot of an airport. The Greater Toronto Airport Authority has opined on this. It supports the bill. The GTAA supports the bill and feels that it will provide border services officers with the flexibility, and I stress flexibility, to examine goods and question and search people anywhere within customs controlled areas. Under the current Customs Act, the Canada Border Services Agency is only able to exercise this authority at exit points.

It is kind of broad. The Canadian Airports Council also is supportive and indicates that when it was first introduced, trade lawyers expressed concern with parts of the Bill S-2 that it might allow the government to pass regulations regarding what information or advanced data elements would need to be provided by exporters prior to the arrival of goods into Canada without much consultation. The council is concerned also with the extent of the information that will be required and how the requirements to gather and provide the information will affect exporters' trade with Canada.

This is very, very significant. The response of the GTAA and of the Canadian Airports Council about how this is going to impact the flow of people, the flow of goods. The bureaucratic requirement now is almost open-ended. It is almost as if all of a sudden those who have goods or services or other trade matters which come through border areas, or people, may now be exposed to a whole bunch of onerous requirements.

It raises the spectre I have asked businesses on many occasions. What can we do so that they can do more business and be more successful? Time and time again, they want us to reduce the bureaucratic involvement, the paper requirements, the disclosure requirements, the forms, the reporting. All of these things are very important, but the bill opens it wide where advance reporting requirements may bog the system down. It is going to have some implications.

This morning I was at the meeting of the Standing Joint Committee on the Scrutiny of Regulations. It is one of the least known committees in Parliament, but it has an important responsibility.

● (1210)

As I indicated earlier, when a bill comes before us, the House deals with it at second reading. It goes to committee. It comes back, perhaps with report stage amendments. We have third reading debate and a vote. When it passes here, it goes to the Senate and basically goes through the same process.

If a bill indicates that the minister may make regulations in certain areas, and this bill does, members of both houses have debated and discussed all their concerns without seeing the regulations. There is legislation that was given royal assent four years ago which still has not got the regulations in place. Many of the clauses in that particular bill are still not enforced because it is waiting for regulations.

It is so bad that a Senate private member's bill actually passed in this place which says that if a bill does not get royal assent or items are not proclaimed and enacted within 10 years, they will sunset. They will die. It happens; that is the reality.

Now we have a situation in this bill where the regulations are expanding the horizons by permitting incorporation of materials, any material, by reference. It will make it more difficult for people to understand what the law really says. It is the responsibility of the Standing Joint Committee on the Scrutiny of Regulations to be vigilant and to look at the regulations as they are gazetted to make sure that those regulations clarify or provide the additional information so that people understand what the clauses in the bill say.

There can be no regulations that are not enabled by the legislation. The legislation itself must have clauses that say that the minister can make a regulation to amplify or clarify the details. For instance, if there is a tax credit for tools, in the regulations there might be a list of the kinds of tools that would be eligible for a tax credit. That would be an example of a regulation doing what it should.

What has been happening for a long time is something called backdoor legislation. It is in fact putting into regulations intent or activities which have not been specifically enabled in the legislation. It means that the House of Commons and the Senate can do all their work, but once the bill passes and it gets royal assent, it then goes into the hands of cabinet. It is cabinet that does the regulations. Those regulations start to creep and have a broader implication to the bill. If we look at the regulations, our understanding of what the clause in the bill actually says may be different. It should not be. It should be the other way around. There should be no surprises in regulations.

I have some grave concerns about this. I do not think there is anything I can do about it. I will say that the potential implications concern me. It concerns me that the committee seems to have given it fairly short shrift. That is problematic. There are potentially some sweeping implications of this. There have been some assurances given with regard to the charter issues and privacy issues. I would have had a greater comfort level if the representatives from the Office of the Privacy Commissioner had been there to give their view to the committee about the privacy considerations, because if a customs controlled area is much broader than we think it is, the public could be subjected to questions on any matter that someone has a reasonable suspicion to think might affect the Customs Act.

● (1215)

Mr. Jim Maloway (Elmwood—Transcona, NDP): Madam Speaker, I listened with great interest to the member's comments. He has made similar comments in the past and I certainly agree with him that all too often legislatures pass bills for which regulations will be promulgated in the future, and we never get updates as to what the process is and how it is developing.

There was a bill passed three or four years ago in Parliament to establish all-in pricing for airline fares. After two years that provision was lost in space. We will probably never hear about it again and regulations will never be brought into force.

Clause 6 of this bill creates a new section under the Customs Act to allow the governor in council to make regulations regarding the advanced information that is required for the importation of goods, information about the persons and goods on board the conveyance.

I would like to ask the member a question. Does he think there are any planned consultations for the development of these regulations? Clearly, that is a question that should be asked by the committee. What is the process going to be, who is going to be consulted, and when are they going to be consulted?

Mr. Paul Szabo: Madam Speaker, consultation on a regulation should not actually be necessary because it provides clarification. There should be consultation on clauses of the bill, the act itself.

The member raised a question. This is where the scrutiny of regulations committee comes in. From time to time there have been additional clauses put in bills that basically say that any regulations made pursuant to legislation shall be reviewed by the appropriate committee of both Houses to ensure that the meaning, intent, scope, et cetera, is enabled by and is the intent of the legislation.

Committees should understand that they have the extraordinary authority, right and responsibility, where necessary, to make amendments at the committee stage. Where there is some concern about the regulation-making process and where there are potentially some very serious consequences, the committee should have the opportunity to review them, maybe not to reject or accept them but at least to examine them, and make comment to the minister before the regulations are gazetted.

Hon. Joseph Volpe (Eglinton—Lawrence, Lib.): Madam Speaker, I would like to ask my hon. colleague from Mississauga South a question. He has become a renowned expert on parliamentary procedure in this place and has picked up on a very important issue in this particular bill, and that is the protection of the rights of individuals as per some of the language that is being used, at least in my experience, and I agree with him, for the very first time in many a year.

I note that in his presentation he talked about protection of the rights of individuals as we try to build in greater efficiencies in the way that we handle our border crossings and the movement of people and goods back and forth. I am wondering if he could take a moment to comment on just what it means, at least from the perspective of parliamentarians, when the government says that there will effectively be no restrictions on the kinds of things that a border official can demand of someone crossing the border.

(1220)

Mr. Paul Szabo: Madam Speaker, I am the chair of the Access to Information, Privacy and Ethics Standing Committee of the House. We have been doing a fair bit of work. We are in the middle of a project on the Privacy Act. There is another act. It is called the Personal Information Protection and Electronic Documents Act which also covers a lot of these things.

However, with regard to privacy issues, the member is absolutely right. We have a creeping going on in terms of the exposure of information that is being disclosed. We had a proviso where the U.S. authorities wanted to have airline manifests, even for aircraft that was just flying over U.S. airspace. Now we have other legislation which is allowing CSIS and even the RCMP, for security reasons, for personal information to be shared with foreign jurisdictions. There are other cases where concerns are raised even with respect to companies like Google whereby Google view software is taking pictures of people. Those are already subject to concern and they require that faces be blocked out, that original information be destroyed, and that the retention be limited.

Therefore, the members is quite right. This seems to be much broader than some of those things. It raises some concerns and I think the House should be very concerned and vigilant about the implications not only to the charter but also to the privacy rights of Canadians.

Mr. Bill Siksay (Burnaby—Douglas, NDP): Madam Speaker, I want to follow up on that exchange that the member just had.

I know that his interest in privacy runs very deep, partly from his work as the chair of the standing committee. I am wondering if this legislation is in place whether a requirement for a privacy impact assessment might be part of this kind of legislation. It is an example of where that should be a legislated part of legislation, such as the bill that we are discussing today.

I also want to ask the member if he could respond. For many of my constituents, the key border issue, not to diminish the importance of cross-border trade, is the flow of illegal weapons across the border.

It seems to me that even though that is the view of many people as the most serious border issue between Canada and the United States, this legislation does not seem to add anything to our ability to stop that flow of illegal weapons across the border.

I wonder if the member could comment on whether he sees that as a serious deficiency of this opportunity to make changes to the customs legislation.

Mr. Paul Szabo: Madam Speaker, with regard to the privacy impact assessments, as the member who is also a member of our committee well knows, this was discretionary at the time. I think it is

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becoming more and more clear that they should be a prerequisite to have been conducted prior to legislation being considered or drafted. There are pitfalls. The member will know that we have a case where it has been two years of waiting for a privacy impact assessment which seems that there is not a buy-in yet.

With regard to illegal weapons, the member is absolutely right. It is a very important area. I think the two encouraging things in the bill are: first, that the authority to search and to question and so on which is now restricted to Canada Border Services Agency personnel will be broadened to I guess the whole customs area. That is very important. Second, and I have raised it before, I am hoping that the definition of what is a customs controlled area will be interpreted based on the intent of the legislation to include a broader range of areas, other than just simply the entry point. That would certainly give more opportunity for the authorities involved to be able to be vigilant for potential areas where illegal weapons may be coming in.

(1225)

Mr. Andrew Kania (Brampton West, Lib.): Madam Speaker, in terms of this bill, as a general concept, I support it.

We did review this before the public safety committee, of which I am a member. Generally speaking, there were very few questions but there are some problems, two in particular I wish to highlight during the latter part of my speech.

Initially, I simply wish to comment upon what is good about this bill. First, it must be remembered that this particular statute, the Customs Act, its simple purpose is to administer and enforce the collection of duties and taxes. This is not actually a taxing statute. This is also not comprehensive legislation in terms of border security and the arming of guards. We have other statutes for that.

What must remembered any time we are passing amendments to one of these statutes in this area is that we live in a different time. When this was initially passed many years ago, we did not have the same number of concerns with the border and we did not have 9/11. Various things have changed. At this point in time, we have to find a reasonable balance between safety and the enforcement of these various charges.

No act is perfect, but generally speaking I think this is a relatively good act, and I would be surprised if all parties did not support this in the House. This already passed the Senate on April 23, 2009. The Senate has done a good job in terms of considering this act.

There are two main changes to the Customs Act in terms of what this bill does. First, is the expansion of activity within a customs controlled area. My esteemed colleague already commented on that. Essentially, we are creating a customs controlled area that would be under the supervision of these officials without having restrictions upon their ability to actually enforce the legislation and to make sure that things are not actually happening in an illegal manner.

For example, if there is a flight that has come into Canada, there may be a parcel that was international in origin. Smuggling does take place. We have gun problems, narcotic problems and things do happen. If the package is taken from an international cargo area and somebody trying to do something wrong tries to bring it into the domestic area, it might become one of those packages that simply does not get searched.

One of the things this act is trying to accomplish is to allow officers to search people in these customs controlled areas, even if they are not passengers, and if there are reasonable and probable grounds. For example, somebody who works there obviously cannot be checked in and out every time, that is just not practical. There is too much going on. I think the stats at Pearson in Toronto, as one example, indicate that a plane is either touching down or lifting off every minute. In those circumstances, the laws have to be practical and efficient as well.

Going back to my example, in the situation where a parcel is now in the domestic area, which ordinarily would not be searched, it would now be in one of these customs controlled areas. Whatever the parcels may be, or is going back and forth, or people are going in and out of these areas, there is now the ability to search these people and search these parcels. Essentially, it is an expansion of what the legislation previously was. I think that is a good thing to do in these times with these various problems that we are having.

The second main purpose of this amendment is to advance passenger information in terms of providing information to the Canadian authorities before people come into Canada. That makes sense. There is nothing wrong with letting us know in advance who is coming and what information there may be about those people. We will have a better opportunity to guard against what should not be occurring. I think that is another supportable feature of this legislation.

Another issue, in terms of clause 2, is that the minister will now have the power to directly authorize access to customs controlled areas. Before this, it could only be done by regulation. That is not very practical. If a minister now wants to authorize, for example, a member of Parliament to come and examine the site, he or she could do that. We do not have to wait for a regulation. I think that is a very practical measure which makes sense.

● (1230)

There was also an exemption previously in terms of persons boarding a flight to a destination outside of Canada and leaving a customs controlled area. They did not have to present or identify themselves to an officer. They did not have to report any goods that were obtained in the area and they did not have to answer any questions from an officer.

To be safe, in this day and age I believe it is reasonable to include a requirement that officers can in fact question people, examine them, ask for identification and see what goods they have. In essence that is part of an overall deterrence package. Once again, with so much traffic coming in and out of Canada, if people know these powers are there and they are now subject to inspection, perhaps that in itself would modify a good portion of conduct that should not be taking place.

It is important we recognize that something in the range of \$1.6 billion of daily trade goes back and forth between Canada and the United States. These amendments obviously do not apply just to the United States, but since 80% of Canada's trade is with the United States, it is important that we have these various types of reasonable requirements. We especially have an obligation to all our trading partners and all our friends around the world to make sure we are doing what is necessary to ensure that laws here are being enforced.

Other improvements, specifically clauses 10 and 11, deal with inspections on the reasonable and probable grounds that I was mentioning. These clauses are very substantial, good changes that will allow us to fight smuggling specifically. I very strongly support those.

In terms of support from stakeholder groups, we have the GTAA and the Canadian Airports Council. A number of persons have supported this. I am not speaking for all parties formally, but I believe this will be supported by all parties when it comes to a vote.

Now, there are problems. There are two problems in particular that I do want to address. Once again, bills are not perfect, and perhaps they can be changed, but I do want to identify the problems. The first one has already been pointed out by my colleague, which specifically is proposed subsection 164.1(1), and I am going to read it. It is with respect to regulations, and it indicates:

A regulation made under this Act may incorporate by reference any material regardless of its source and either as it exists on a particular date or as amended from time to time.

In terms of law, one of the first principles is that there is no certainty to this. When we consider, once again, "on a particular date or as amended from time to time", I would strongly prefer that this provision be tightened up so it specifically notes how regulations would be made and that there is not this incorporation by reference, especially with the phrase "as amended from time to time". That does not provide certainty under the law, and I would like to see that changed.

I should mention that I do have the honour of being the joint chair of the scrutiny of regulations committee and this is what we deal with all the time. When these various regulations come to us and there is a problem, we seek to change or amend them. If something cannot be done, there is the power of disallowance, which is very rare. But it is better to try to avoid these problems now rather than having to deal with them in the future, so I would like to see that changed if possible.

The second potential problem deals with solicitor-client privilege. Specifically, it is not clear to me from the wording in this legislation that it is protected. Solicitor-client privilege is one of those legal rights that is accepted essentially in all common law countries, and it is something that needs to be enumerated specifically here. An example would be this. We are providing these powers in customs controlled areas to inspect essentially anybody at any time. The bill refers to reasonable or probable grounds. There are various passengers coming in and out to these various customs controlled areas.

● (1235)

I would like to see something that specifically says if it is a lawyer with solicitor-client documentation that it cannot in any way be inspected, period. I myself have had this situation, not in a negative manner, bringing legal documents back and forth for cases I had in the United States. It never has been a problem. However, I want to make sure that it never becomes a problem for anybody. I think it would be better if this was enumerated so we know that right would not be abrogated.

• (1240)

Overall, I believe that the statute is worthy of becoming law. There will always be problems. It would be my preference to see these problems that I noted solved. However, that being the case, I think that overall this is good work by the Senate, and I think we should support it.

Mr. Jim Maloway (Elmwood—Transcona, NDP): Madam Speaker, I note that the Auditor General's report of 2007 also made recommendations on the need for the Canada Border Services Agency to improve its framework and strategy for managing and assessing risks. Specifically, the report recommended that the Canada Border Services Agency should better develop its risk-based approach for the delivery of integrated border services and use this as a basis for deploying its resources and focusing enforcement efforts.

I would like to ask the member how the provisions of Bill S-2 would improve the Canada Border Services Agency management and risk assessment procedures in his view?

Mr. Andrew Kania: Madam Speaker, I do not think it would do much. It would provide the additional power and abilities to enforce in these customs controlled designated areas. However, this is not a statute that deals specifically with the border. There are other methods to do that, and I fully agree with my colleague that we do need to be focusing on this.

There are various problems that still remain, which the Conservative government has not dealt with. One example is the arming of border guards. I understand there are no studies to actually show this is necessary, nothing to show that it is cost-efficient. In fact the studies I did see, or at least that were referred to, indicate the RCMP should be doing this rather than arming border guards, some of whom will not be able to do it. In those cases we would have to pension them off or have buyout packages for them. We do not know what the costs would be. This could be some large monstrosity.

In terms of this particular statute, this does not really focus on it. However, I think the Conservatives should be focusing on the other problems that do exist and changing their policies in terms of some of the problems such as arming border guards.

Mr. Bill Siksay (Burnaby—Douglas, NDP): Madam Speaker, one of the issues I have followed in the past is the whole issue of racial and religious profiling applied to people, often at border points, in customs areas. We have had many Canadians who have felt they have been targeted solely on the basis of their belonging to a racial or religious minority. This legislation does not talk about how people are to be treated specifically in these customs controlled areas.

I wonder if the member would agree with me that the practice of racial and religious profiling should be banned—I actually have a private member's bill to that effect—and that it would be sensible to include that kind of policy in legislation like this bill before us to look at exactly what happens in customs controlled areas at the border points, at our airports, at our ports, to ensure this very odious practice of targeting specific people because of belonging to a religious or racial minority is ended. Does he think this is something that might have been included in this bill if we were doing a very thorough job of updating our customs legislation?

Mr. Andrew Kania: Madam Speaker, I think that is an excellent point. Obviously we do oppose any such profiling, very strenuously. There are many examples where we have been advised that this has occurred. We have had Canadians coming back across the border in buses, from events, where they have been stopped and held up for hours. This is a serious problem.

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What I might suggest for this legislation, and what I think should happen at a minimum—I mean if the legislation is amended, that is wonderful, but if it isn't, at a minimum to stop this practice there should be some form of specific, approved training standards in the regulations so the people who are actually applying these rules would be told in advance what they are not allowed to do. I think it is an excellent point.

Mr. Jim Maloway: Madam Speaker, I would like to ask the member a follow-up question.

Has there been any economic impact on shippers and businesses in recent years stemming from problems experienced crossing the border in his view? Which specific provisions of Bill S-2 would contribute to alleviating those problems? How would the provisions of the bill pertaining to advance information requirements facilitate low-risk commercial shipping?

Mr. Andrew Kania: Madam Speaker, there have been delays going back and forth, and in particular between Canada and the United States. Once again, we have approximately \$1.6 billion of trade per day. Eighty per cent of our trade is with the U.S. It is a very serious problem.

Systems are in place that seek to move goods and people back and forth faster. There is the NEXUS system and the FAST system. The FAST system deals specifically with the movement of commercial goods back and forth across the border.

The problem is one of political philosophy. We have to understand that right now the Americans, if anything, are becoming more restrictive not less restrictive. We need to examine all potential pieces of legislation to make sure we have fair and reasonable requirements, but that also provide some form of reasonable standards that the Americans will accept, within the bounds of what we believe to be right of course, to make sure our trade back and forth continues to flow on an adequate basis.

[Translation]

The Acting Speaker (Ms. Denise Savoie): Questions or comments? Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Ms. Denise Savoie): The question is on the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

The Acting Speaker (Ms. Denise Savoie): I declare the motion carried.

(Motion agreed to, bill read the third time and passed)

* * *

[English]

NUCLEAR LIABILITY AND COMPENSATION ACT

The House resumed from May 27 consideration of the motion that Bill C-20, An Act respecting civil liability and compensation for damage in case of a nuclear incident, be read the second time and referred to a committee.

The Acting Speaker (Ms. Denise Savoie): The hon. member for Elmwood—Transcona has about 17 minutes left for his intervention.

Mr. Jim Maloway (Elmwood—Transcona, NDP): Madam Speaker, I appreciate having the opportunity to finish my remarks today, having started yesterday.

Bill C-20 has been before the House previously under a different number. With the perpetual election process we have around here, it appears that every two years we go into an election. As with a lot of the bills we are speaking to these days, it seems we get these bills through to the committee stage and then an election gets called and we have to start the whole process over. I am hoping that this Parliament survives long enough to finally clear off all these bills that have been in the hopper for two, four and six years, so that we can start with a fresh, new group.

An hon. member: It is up to you guys.

Mr. Jim Maloway: The Conservative member says it is up to us. I think the member should understand that it is a two-way street. The government members have a big role to play in the reason that the House gets off the rails so often.

Though I had not been elected at the last Parliament, I remember when the Conservatives were torching their own committees. The whole place was shut down and things were not getting done. They say one cannot teach an old dog new tricks. I think we seeing some evidence that one can, because we do have a couple of committees in the House now that are working very well. We see some possibly positive signs of some future improvements and cooperation.

That said, the NDP is on record as opposing Bill C-20, the Nuclear Liability and Compensation Act. We do so for a number of reasons. In particular, this bill covers liability of only \$650 million. That may seem like a lot because the current legislation allows for only \$75 million. It is hard to believe that here we are in 2009 with limits on liability for nuclear reactors of only \$75 million. That is extremely small.

Clearly, this law has to be updated. It is time to get it updated. The government has decided to raise the bar to \$650 million.

We say that \$650 million is far too low. If we look at our largest trading partner, the United States, they have a \$10 billion limit. We know that when nuclear reactors are built, whether they are in Canada or the United States, they are likely going to be built in populated areas, near cities. So I cannot, for the life of me, see why we should somehow have only a \$650 million liability limit in Canada and a \$10 billion liability limit in the United States when the reactors are in proximity to the same sorts of risk and exposure.

That is one area I see as a problem. Certainly, if there is damage with a reactor in Canada, there is likely to be as much damage out of a reactor that melts down in the United States. There is a consistency there between the companies.

U.S. nuclear companies want to buy Canadian nuclear facilities. They require this change, so the U.S. companies want this legislation before they buy in. Today in the paper we have an article regarding the sale of our nuclear facilities to a private interest. That gets back to the budget, when the government announced that it was going to raise \$6 billion selling government assets. There is no worse time to be selling government assets than when we are in a recession.

● (1245)

What is the government doing? We were trying to determine what sort of assets it would be selling off. Clearly, this is one area where it is looking at selling off assets. It seems to me that to the extent that we have to be involved in nuclear, and I do not really like to see us too heavily involved in nuclear, certainly not building any more new plants, but dealing with the plants we have, we should be at least keeping the ownership of the facilities within the purview of the government.

At the end of the day, if we are going to privatize nuclear facilities and require liability limits from these same facilities where there were 81 nuclear accidents in the last 50 years, we know that the risks involved are sufficient that we would not find insurance companies wanting to cover it, and if we do, it is going to be at very excessive rates. What will happen after a loss is that the taxpayers end up picking up the shortfall anyway. So why would we allow private entrepreneurs to own nuclear facilities, and after they construct their facility, they come to us after a couple of years and say they were not able to obtain high enough levels of liability insurance? What are we going to do at that point? Are we going to dismantle the plant? No, the government is going to backstop. The bottom line is that we know, at the end of the day, when the insurance policies run out, the government is going to backstop the whole process anyway.

We are dealing with an industry that has a very spotty safety record. I have a list of 81 nuclear accidents since 1950. Certainly within my lifetime, on December 12, 1952, Chalk River, which is seemingly always in the news, had a reactor core damaged. Approximately 30 kilograms of uranium was released through the reactor stack. There was a huge problem involving that incident in 1952.

On May 24, 1958, once again at Chalk River, just a few years later, over 600 people were employed in the cleanup of the spill at that time.

When we juxtapose 81 nuclear accidents with, say, a more friendly source of energy such as hydroelectricity, I am not aware in Manitoba or in terms of Hydro-Québec, or any hydro producer in North America, of these utilities having any incidents at all. If we do have a hydro failure, the worst that happens is that we have a blackout, which we had a couple of years ago. We had rolling blackouts through the United States and parts of Canada, but we do not see huge contamination. We do not see people being poisoned, cancer rates going up, or the cleanup problems we have with nuclear.

Also a big area of concern is the storage. We have a big issue in Manitoba with the Pinawa area and the desire to store the waste in a mine shaft. All the studies that have been done and the opposition to the idea have eaten up a lot of time and money to try to determine how stable the rock is in the mine to enable storage of the nuclear material.

We have examples, as I mentioned yesterday, of certainly the Russians, but probably the Americans too, dumping nuclear waste into the ocean. Who is to know where that material is and whether those barrels are leaking? It seems to me that eventually it is going to happen and we have just contaminated our environment for the last 50 years using this approach. Why do we keep doing the same things when we know they do not work?

(1250)

I mentioned yesterday the asbestos situation. There was a time when we did not know the effects of asbestos and we spent billions of dollars installing it in government buildings and other buildings. Then at a certain point we found out the medical evidence was that it is not safe. Now we are spending billions having it removed from government buildings.

There is the whole issue with trans fats and DDT. We have had long experience with nuclear power and we see the government trying to kickstart the process, privatize the nuclear industry, basically selling it to the Americans at cut-rate prices, and trying to facilitate more development, particularly in places like India.

There is an article in the paper today talking about how contracts are contemplated with India and all the provisos we have to make sure that country does not use it to build nuclear bombs. That is nice. How well did that work in the past? We started out with only two nuclear powers, and there are so many right now that I do not even know what the final count is. Dozens of countries are in the process of trying to obtain a nuclear bomb, and one way they are doing that is starting out with nuclear power plants.

This could be an overpowering issue, a supported issue, if we did not have alternatives available. We have hydro power. There is Hydro-Québec in Quebec and Manitoba Hydro in Manitoba. Manitoba has developed 5,000 megawatts of power and there is another 5,000 megawatts that can be developed.

What we should be doing is building an east-west power grid. I know members of the Conservative government are supportive of that. The member for Charleswood—St. James—Assiniboia and Minister of State (Democratic Reform) is a strong supporter of the idea of building an east-west power grid. What happened? The federal government wrote a cheque for \$500 million or so to the Ontario government a year and a half ago, and nothing has been

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done as far as an east-west power grid is concerned. I think the money is being used to develop nuclear plants.

If we could build a power grid to Manitoba and beyond, we could develop our final power plants and provide the power to Ontario so that it could get rid of the coal plants it is using now. It would stop the need for developing more nuclear power.

How long is it going to take Ontario, Saskatchewan or Alberta, all interested in nuclear power plants, to develop them? They are never going to get done. I do not know of any politician who would go out door-knocking and campaigning in favour of nuclear power. I may be wrong, but certainly none in Manitoba will. This industry is still very tarnished and I cannot see members of any party campaigning on nuclear energy.

A member from Saskatchewan stood yesterday and talked about that very issue. I suggested to him that if Brad Wall and his Conservative government in Saskatchewan think they are going to be re-elected in two or three years after campaigning that nuclear power plants are going to be built, I say good luck to them. It does not matter who the NDP nominates at next week's leadership convention; he or she is going to be the next premier of Saskatchewan if the Conservatives run on that issue.

We have dealt with the hydro situation. Let us deal with wind power. Wind power was not a going concern. Even though Holland had windmills for hundreds of years, wind power has not been a going concern over the years. If people go to Pincher Creek, Alberta, as I have, they will see wind farms that were built in 1990-91, sort of at the beginning of the wind farm development in Canada. It is amazing. It is almost like a museum of wind farm development. We see small turbines from those days and compare them to the huge turbines we see now, and the cost of production of those wind turbines has dropped substantially.

● (1255)

Wind power is clearly the way to go. Gull Lake in Saskatchewan has 99 megawatts of wind power. We have the St. Leon wind farm in Manitoba and a new one is coming up that will be the largest in Canada. This country's potential for wind development has no end. We only need to look at what Germany has done in turning the whole equation around, away from the focus on nuclear and oil, and over to wind development and solar panel development.

A program on CBC or CTV the other day described how Canada lost a cutting edge solar panel developer who took his plant and built it in Germany. He is thriving there all because the government did not have the foresight to look ahead, plan ahead and try to get him to locate that plant here.

This country needs to start catching up in the process. It is falling behind. We need to look at countries like Germany that are leading the way. A German politician has made a career of trying to turn around this slavish loyalty toward the old ways of doing things. We need to get moving forward. I know we have allies in the Liberal Party and in the Bloc in this area. We just need to pull the Neanderthal Conservatives along and we can get things done.

(1300)

Mr. Mike Wallace (Burlington, CPC): Madam Speaker, as it is questions and comments, I would like to make a comment about the member's speech.

I have a couple of clarifications for the member, who obviously does not understand the industry as well as he should. With regard to AECL, the federal government does not own, other than Chalk River, any commercial reactors in this country. They are all run by the provinces and are all provincial organizations.

I know the member is from a different province, but in the province of Ontario, the Bruce Nuclear Power Plant is run by the private sector and its number one owner is the Ontario teachers' pension plan. Therefore, there is private sector involvement and that has nothing to do with us.

I want to be clear, though, on what was announced today on the AECL issue. AECL has two divisions and the first is a research division that has Chalk River in it. The announcement was that we would look at a new management process to ensure we can continue to develop our nuclear technology in this country. The other side is commercial, which provides the reactors. Reactor development does the actual selling of reactors around the world.

We know of a hundred different locations that are looking at nuclear power over the next number of years. We need to be in that business or we are out of the business.

The announcement for AECL today was that we would upgrade AECL to be able to be in the business so that our experience and development is turned into a commercial opportunity for this country.

The member talked about hydro power, which we all agree with, but could he name any research that he has done and where there is potential for hydro power that has not been looked at currently?

Mr. Jim Maloway: Madam Speaker, we have 5,000 megawatts in Manitoba that are ready to be developed. I already explained to the member that wind power is a developing area that should be looked at.

What the Conservatives are trying to do is commercialize nuclear power, a long discredited enterprise. The government's vision is to take us back 30 or 40 years but that just will not work. Nobody is headed that way.

We are trying to get into a green economy. U.S. President Obama has taken over from eight years of backward Republicans, the Conservatives' Republican cousins' backward policies, and he is trying to drive the American economy forward into the future with green initiatives. All I can say is that those guys are stuck in the past.

• (1305)

Mr. Anthony Rota (Nipissing—Timiskaming, Lib.): Madam Speaker, I want to thank the member for the speech he gave. A lot of thought went into it. He brought forward a couple of points that I found very interesting, one having to do with foreign ownership and the other with safety.

I want to go back to what happened in Ontario when the current finance minister was there. The government built a structural deficit. There was a problem. So that it would not show, it sold off assets, assets that were producing income, such as Highway 407 which was sold to foreign interests mainly. Money is now being collected from Ontarians and it is going out of the country, profits that could have been going to Ontarians.

We see the same thing happening here. The minister has abandoned Ontario, was thrown out of Ontario, basically, and now he has come to the federal government to do the same damage.

What we see is a deficit that is one of the biggest we have ever seen. What is the Conservative government doing? It is selling off assets. It is not a highway or a building. It is a nuclear plant, which really concerns me. If that were to go into foreign hands and something were to happen, the foreign owner would not only take profits away but when it was all over the owner would pick up and walk away. It is not the foreign owner's country.

Would the hon. member comment on the safety issues for not only Canadians who live directly around Chalk River but also for those of us who live in North Bay? The people in Ottawa are downwind so it also affects them. A major concern is that radioactive waste can blow over and hurt people. It affects generations. It is not just like when a cloud of smoke comes over, we breath it in and we feel lousy for a day. No. Nuclear waste stays around for thousands of years, which is where I have some concerns. I have a concern with selling that to a foreign owner who does not care about Canadian lives.

Mr. Jim Maloway: Madam Speaker, the member is absolutely correct. It is just totally bizarre that we would have private firms developing and owning a new nuclear reactor, having to buy insurance for the reactor and we limit the liability to \$650 million when in the United States it is \$10 billion and in Germany and Japan it is unlimited liability. We know at the end of the day that if the owners do not buy the insurance some year because it becomes too pricey, or even if they do have the insurance in place and the damages exceed the insurance policy, it will be the taxpayers who keep paying over and over again for the cleanup costs and then the storage costs that go on forever.

There is something in the computer business known as total cost of ownership where one does not just look at the cost of the computer. One needs to look at the total cost of operating the system. That is what we should be looking at.

When we look at those costs in the nuclear industry, we will never win because there is the cost of developing the plant, the huge delays, the cost overruns and the huge insurance costs. The insurance people are not stupid. They know there have been 81 accidents in the last 50 years, which I am sure will scare off a lot of insurance companies. Then there is the storage issue. Nobody wants the waste trucked down their highways nor do they want it stored anywhere near where they live.

What are we going to do with all this stuff? Are we going to store it here in the Parliament Buildings? People do not want it. There is a very limited market. Maybe people are agreeable to nuclear development if it is someone else's problem. If we are going to store it, build it and keep it in Ontario, fine, but the people will not like it there either.

The problem here is that we are dealing with a bad scenario and we have good scenarios for a change. We have hydro development, wind power and other sources. I spoke about the solar panel company that Canada did not help out and it went to Germany. The Germans gave it whatever it needed and it is producing huge amounts of solar panels in Germany right now. Here we are once again on the outside looking in.

Hon. Michael Chong (Wellington—Halton Hills, CPC): Madam Speaker, I have three comments to make that might clarify this debate.

The first is about the cost of nuclear. Solar and wind power cost far more than nuclear power does at the present stage in their development. The idea that nuclear is prohibitively expensive and therefore we should not be developing that technology or refurbishing the reactors that we presently have is a fallacy.

Second, with respect to the environmental footprint, nuclear has a very small environmental footprint. When we compare what we need to do in many parts of this country to produce hydro power in northern regions, when we look at the amount of watershed that needs to be flooded in order to produce this hydro power, there are significant environmental effects from the production of hydro in many parts of this country and the development of new hydro.

Furthermore, I would add that with respect to the production of power from other sources, we produce a lot of toxic chemicals, like mercury, through smokestack pollution and coal-fired plants that could easily be replaced with nuclear.

Finally, I would point out that the idea that we can move off nuclear is simply a fallacy. Ontario produces—

• (1310)

The Acting Speaker (Ms. Denise Savoie): The hon. member for Elmwood—Transcona has 40 seconds to respond.

Mr. Jim Maloway: Madam Speaker, I draw the member's attention to former Conservative premier, Gary Filmon, from 1991, who was signing an agreement with the Ontario government at that time to build an east-west power grid because Manitoba has 5,000 megawatts of clean hydroelectric power.

We have exported this power for many years and are making huge amounts of money doing it, all north and south to the United States. All we need to do is build an east-west power grid. The member

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should talk to his own member, the minister of democratic change, who, last fall, when I made a speech on this matter, made his way over to talk to me about it and said, "Keep up the good work on this. We need that east-west power grid". He sits only a few seats away from that member. Do they not talk to one another over there? The member for—

The Acting Speaker (Ms. Denise Savoie): Resuming debate. The hon. member for Etobicoke North.

Ms. Kirsty Duncan (Etobicoke North, Lib.): Madam Speaker, ballet slippers for little feet, cardboard pictures of Lenin and dolls in various states of dress and dismemberment provide a glimpse into kindergarten life before it came to a standstill in April 1986, when Chernobyl's reactor 4 exploded.

The fire burned for 10 days, contaminating tens of thousands of square miles, and the fallout was 400 times greater than that of Hiroshima. Thirty people died in the blast, four thousand died of cancer, a third of a million people were driven from their homes and six hundred thousand registered as cleanup workers or liquidators. Of these, 240,000 received the highest radiation doses.

Over the years, the compensation costs, economic losses, health and cleanup expenditures and lost productivity mounted into the hundreds of billions of dollars. Today Chernobyl remains the world's worst nuclear disaster.

Growing up, our high school teachers and our professors taught us to be concerned about nuclear accidents, nuclear waste, nuclear weapons proliferation and pollution from uranium mining. Unfortunately these problems have not gone away. For example, we continue to bury waste, a policy of "out of sight, out of mind", despite not knowing the full environmental and health consequences.

Bill C-20 is however a positive step to managing and minimizing the risks involved in the use of nuclear material, namely through preparation, response and reparation. Specifically, Bill C-20 establishes the civil liability regime and compensation to address damages resulting from radiation in the event of a radioactive release from a Canadian nuclear installation, or from nuclear materials being transported to or from the installation. Compensable damage includes bodily injury, damage to property, economic and property losses and psychological trauma resulting from such injury or damage.

It is important that the bill address psychological trauma. The Chernobyl accident impacted economic prosperity, personal health and social well-being. Victims reported high levels of anxiety, stress, medically unexplained physical symptoms and reckless behaviour, including alcohol and tobacco abuse and consumption of game from areas heavily contaminated with high levels of radioactive cesium.

Bill C-20 increases operator liability from \$75 million to \$650 million and would put Canada on par with liability limits in many other countries, as well as responding to the recommendations of the Standing Senate Committee on Energy, the Environment and Natural Resources. The latter is important, as private insurers have consistently and systematically refused to provide coverage for damage resulting from nuclear incidents.

When discussing nuclear accidents, bodily injury may range from radiation sickness through to leukemia and other cancers. Radiation sickness is a serious illness that occurs when the entire body receives a high dose of radiation, usually over a short period of time. Many survivors of Chernobyl, Hiroshima and Nagasaki became ill with radiation sickness, which often began with nausea, diarrhea, skin damage and vomiting and progress to seizures and coma.

Most people who did not recover from radiation illness died within several months of exposure, usually from the destruction of bone marrow, which led to infections and internal bleeding. Unborn babies can also be exposed to radiation and they are especially vulnerable between two and fifteen weeks of pregnancy. The health consequences can be severe, including abnormal brain function, cancer, deformities and stunted growth.

(1315)

Ionizing radiation can also cause certain types of leukemia. An elevated risk of blood cancer was first found among the survivors of the atomic bombings in Japan two to five years after exposure. Recent investigations suggest a doubling of the incidence of leukemia among the most highly exposed Chernobyl liquidators.

Unfortunately, time does not permit me to describe all potential health impacts such as cardiovascular problems, cataract and thyroid cancer.

Neither Bill C-20 nor its predecessors Bill C-63 and Bill C-5 have been the subject of lengthy public debate outside Parliament or have they attracted much media attention.

Members of the Canadian Nuclear Association have commented that the bill responds to society's needs and represents a balanced approach. The association further reports that the bill provides protection of the public under a coherent, explicit and stable framework.

Before putting forth questions that might be asked at committee, it is important to remind the House that while the government puts forth the bill, it is also responding to the leak at the Chalk River nuclear reactor, which provides a third of the world's medical isotopes.

The general manager of the Association of Imaging Producers and Equipment Suppliers points out that there have been at least five crises of medical isotope production in the last eighteen months. What makes the present crisis so challenging, however, is that three out of the four other reactors in the world that supply medical isotopes, in Belgium, France and South Africa, are also shut down.

While I support the bill in principle, it requires study at committee and careful questioning. For example, what are the projected economic, environmental and health costs of a nuclear release in Canada and possible impacts farther afield? Does the proposed compensation address those impacts?

We must remember that the Chernobyl fallout had far-reaching effects, spreading radionuclides as far away as Lapland in northern Scandinavia. The Arctic's Sami people are reindeer herders and face significant problems from the accident because of the high transfer rate of radioactive material from contaminated lichen to the reindeer. Many herds had to be slaughtered to avoid consumption of the meat. Scientists estimate that it will take another 20 years for radioactive levels in reindeer to fall to pre-Chernobyl levels.

The executive director of the Sierra Club of Canada reported:

A nuclear accident on the scale of the Chemobyl disaster would cost hundreds of billions of dollars in cleanup costs—conceivably 100 times more than the maximum liability industry would face under Bill C-63.

Belarus and the Ukraine are paying approximately \$460 billion over 30 years to clean up Chernobyl. Twenty years after the accident, these countries still pay 5% to 7% of their budgets toward the cost of the catastrophe.

The bill is only a small part of a web of protection needed to make Canada more nuclear safe as well as providing life-saving medications to those in need.

We have had multiple wake-up calls. In August 1945, an American war plane dropped a nuclear bomb on the Japanese city of Hiroshima. An estimated 80,000 people were incinerated and in the months that followed, another 60,000 died from the effects of radiation.

A few days later was Nagasaki. About 30% of the city, including almost all of the industrial district, was destroyed by the bomb and nearly 74,000 were killed and a similar number injured.

In 1979 radioactive steam leaked into the atmosphere in Pennsylvania when a water pump broke down at the Three Mile Island nuclear plant. There were fears that some of the plant's 500 workers had been contaminated.

Complacency cannot be an option when it comes to nuclear safety. Today we know the tremendous costs and we must take action.

• (1320)

Hon. Michael Chong (Wellington—Halton Hills, CPC): Madam Speaker, I commend the member on her speech, which consisted of a lot of facts and figures and a broader perspective on the issue of nuclear liability. I thought it was quite well researched. I have a comment to make.

I think many people do not realize how integral to our electricity production our nuclear reactors are. Ontario produces 50% of its 25,000 megawatts a day from the nuclear reactors in the province. Many other jurisdictions around the world produce even higher percentages of their electricity from nuclear power. It is a greenhouse gas freeway of producing electrical power. It is also something that has been proven reliable for decades now. Yet there are still people out there who believe we can somehow eliminate or remove nuclear power from the electricity generation equation, and that simply is not possible.

In Ontario alone, as I mentioned before, 50% of the electricity comes from nuclear power. The idea that we can, through conservation alone and through solar and wind, replace 12,500 megawatts a day with environmentally-friendly measures, like conservation, wind or solar, is simply living in a fairytale land.

The bill will go a long way to ensuring the long-term viability of nuclear power in the country. Nuclear power will be part of our electricity generation mix for a long time. It is something I strongly support because it produces electricity without any greenhouse emissions. Of all the environmental choices we have to make, that is the most challenging one and the one on which we have to put the biggest emphasis.

Ms. Kirsty Duncan: Madam Speaker, nuclear energy is part of the mix today. However, we have to ensure that it is safe. Chalk River had leaks in 1952 and 1958. There are leaks today. We do not know what the environmental and health hazards are going forward. Therefore, safety has to be paramount.

In talking about climate change, it is our most pressing environmental issue. We must look at many options for reducing climate change, from adaptation to mitigation. We have to look at nuclear energy. We have to look at renewable energy. We must look at the whole gamut of opportunities. There is no one solution to this global problem.

● (1325)

Mr. Paul Dewar (Ottawa Centre, NDP): Madam Speaker, I agree with a lot of my colleague's comments up to the point where she says she supports the bill.

My colleagues in the New Democratic Party have said many times that when we look at other jurisdictions, this just does not add up. What does add up is the cost burden to the taxpayer, which does not make financial sense to us.

However, I want to ask her about what we can do to further strengthen regulation. I guess my colleague from the Conservative Party forgets that the fuel for nuclear power does not fall from the sky. It is mined and there are many consequences to that. In fact, greenhouse gases are emitted. Should we not look at the life cycle of nuclear power?

Our water, which is sourced from the Ottawa River, has tritium in it. There will be more of it because of the recent leak. We are not following the standards they have in other jurisdictions on tritium. It should not be going into the Ottawa River, but it is. I have a problem with that, as should everyone in the country and, indeed, the people who live here.

Government Orders

Is she okay with the limit on liability? Does she not think we should do more in terms of regulation, be it on how things are regulated and how things are put into the environment, and look at the life cycle of nuclear power and how uranium is mined?

Ms. Kirsty Duncan: Madam Speaker, I absolutely agree that we must look at the life cycle in the production of nuclear energy.

I was very clear that the bill is part of a web of protection that is needed, in terms of mining the material and how we store it. I was clear in mentioning that we do not know the long-term environmental and human health impacts. The bill must be a part of a web of protection.

Mr. Anthony Rota (Nipissing—Timiskaming, Lib.): Madam Speaker, my question concerns the environment. We have heard about viability from my Conservative friend across the way regarding the nuclear plants. There is no question that we need electricity and we are going to have to decide where it comes from. Nuclear energy is an option. It is out there and it is a reality.

When we look at viability, viability is one thing. Does it work? Does it pay the bills? Does it work as far as finances go? That is a very important part of it, because with the profits, we have to keep up a certain level of safety. However, we cannot have viability at the expense of eliminating all liability so that if something happens, someone can walk away.

My concern is that the responsibility goes from \$75 million to \$650 million. What is the environmental cost, and is \$650 million sufficient?

Ms. Kirsty Duncan: Madam Speaker, it is important that liability has been increased from \$75 million to \$650 million, but is that enough? Does that take into account the environmental impacts? It depends on where the reactor is and the size of the leak. Will it take into account the human health impacts? If we look at Chernobyl, there are 4,000 cancer cases. We have to look at the economic impacts. We do not know how great the leak would be. The amount of \$650 million is not a very large sum of money. This requires careful consideration at committee.

Mr. Bill Siksay (Burnaby—Douglas, NDP): Madam Speaker, I appreciate having the opportunity to participate in the debate on Bill C-20, An Act respecting civil liability and compensation for damage in case of a nuclear incident, also known as the nuclear liability compensation act. I had the pleasure of speaking to the bill in the previous Parliament when it was known as Bill C-5. This is at least the third attempt to bring forward this legislation.

Unfortunately, it is the same legislation all over again. We had serious problems with it as New Democrats in the last Parliament and none of our concerns have been addressed with the new legislation that has been tabled by the government in this Parliament. Bill C-20 still has the failings we were concerned about last time around and we continue to oppose this legislation because of its very serious shortcomings.

With respect to some of those shortcomings, when we put it all together, some of my colleagues have called this the "worst nuclear practices act" to really give voice to our concerns about its very serious problems and why we are taking it so seriously in this new Parliament as well. We are very opposed to the legislation. We thought that it needed significant improvement before we could ever support it. We are very disappointed that the government did not see fit to strengthen the bill before it tabled it again, but we will work hard in Parliament and at committee to try to change it, to improve it and make further judgments of it as it comes forward. The fact that we have to do that, that those concerns that were raised in debate in other Parliaments have not been addressed by the government, should be very disappointing for most Canadians.

We know that Canadians have very serious concerns about nuclear energy. Most Canadians understand that nuclear energy is not green energy, that there are very serious problems associated with it, including the potential for accidents and other safety concerns, including concerns about the disposal of waste from the nuclear power process which we have not been able to solve over many, many years. Most of those issues continue. We have not found good, long-term solutions to the question of nuclear waste. There remain many serious issues about nuclear power in and of itself and ones that most Canadians would share.

We have heard from members of our caucus who raised issues related to the nuclear power process. The member for Timmins—James Bay in the last Parliament made it very clear that attempts to deposit waste from nuclear plants in northern Ontario would be resisted by the people of northern Ontario again and again because of problems related to that process of storage and disposal and to the waste itself. The folks in northern Ontario have time and time again spoken out against other parts of the country depositing their waste and their problems in the neighbourhoods in northern Ontario. We need to be very cognizant of the fact that this remains a very serious and unresolved problem of the nuclear energy industry.

The member for Ottawa Centre remarked about ongoing issues related to Chalk River and the presence of tritium in the water of the Ottawa River to this very day. It will continue to be there because we cannot get rid of it. There are problems when there is a release at Chalk River. It is contained and then diluted and released into the Ottawa River. There should be better processes in place for that kind of release. It should be treated. The radioactive material should be removed and then stored. But we are still back at that same problem of what to do with waste and storage issues related to that. The whole issue of how it is eventually released into the atmosphere, into the environment is a very serious question and an ongoing problem with the nuclear industry here in Canada.

The legislation before us was developed to limit the amount of damages a nuclear power plant operator or fuel processor would pay out should there be an accident causing radiological contamination to property outside the plant area itself.

● (1330)

The legislation really only applies to power plants and fuel processors. Unfortunately, those are not the only places where nuclear material is used and where there is potential for an accident that might cause a claim for liability and compensation. There is a

limitation to this legislation in regard to its scope and what industries, what processors, what is exactly covered by the legislation.

This legislation is very old. It dates from the 1970s. That also makes it very inadequate. Even those of us who oppose the bill before us appreciate that changes are needed to the legislation. Under the existing legislation, the liability limit is only \$75 million, which is incredibly insignificant when one considers the kinds of accidents and liability claims that might come about as a result of a nuclear accident.

We heard the previous speaker talk about Chernobyl, the disaster that that represented and the huge costs associated with cleaning up that accident and the ongoing problems associated with it. Certainly the current liability limit of \$75 million or even the one that is proposed in this legislation of \$650 million would go nowhere near dealing with the kinds of compensation and liability claims that would arise out of an accident like Chernobyl. We need to be very cognizant of that experience because it is a serious question related to the nuclear power industry.

The bill before us, as I said, only considers raising the liability limit to \$650 million, which is the absolute low limit of the international average on this kind of legislation around the world. We have gone for the bottom line, the very lowest level of liability that we could possibly contemplate when looking at this legislation in the current day.

We know, for instance, that in Japan the liability is unlimited and that each operator has to carry private insurance of \$30 million. Germany is another country where the liability is also unlimited. There is an exception, as there is in this legislation, for accidents caused by war, but in Germany each nuclear operator has to have \$500 million in private insurance, almost equalling what the liability limits set in this legislation would be. That is a far different approach than is taken by the current legislation or what is proposed here in Canada. Even in the United States there is a limit of \$10 billion, with each operator needing up to \$200 million in private insurance.

This legislation, by any consideration of what is done around world, falls very short. The liability limit of \$650 million that is proposed in the current legislation does not come anywhere close to what should be in place. When we look at other countries from which we would take advice on this particular question, it is not near to what they themselves are doing.

We have to be very cognizant that \$650 million just does not cut it, especially when for any costs beyond that \$650 million it is the taxpayers who are on the hook to deal with the fallout of any accident or problem that arises in a nuclear facility. The nuclear operator would only have to pay out a maximum of \$650 million and then it would be up to Canadians to cover the rest. There is a provision in this legislation for a special tribunal set up by the Minister of Natural Resources to look at liability beyond \$650 million, but again that liability is paid out of the public purse. I do not think this establishes an appropriate level.

I suspect that Canadians, should there be a serious problem, incident or accident, would want to be part of the solution to the problems that arise from that, but I do not think they want to do that with the alternative being the protection of the operators or the nuclear industry itself from that liability. I do not think this sets up any reasonable standard for a level of liability. I do not think that Canadian taxpayers should be put on the hook because of the failure of this legislation to find that reasonable level.

• (1335)

This goes to the whole question of establishing the true cost of the nuclear industry. When we fail to establish a reasonable limit for liability and compensation, we underestimate the cost of this industry. I think this is one way where we have downplayed the true cost of nuclear energy, the true cost of the nuclear industry, here in Canada and perhaps around the world.

This is a very serious process. Things can go wrong and when things do go wrong, the consequences are very serious. I think it is high time we took into account the true cost and the potential of the problems when we are looking at this industry.

In this corner of the House, New Democrats have said that establishing such a low liability limit is perhaps related to the government's interest in getting rid of this national asset, of selling off our interests in nuclear energy, and making it more attractive to potential investors who would see it as a real bargain to get into a nuclear industry that has such a low level of liability attached to it by government statute.

Again, that is an irresponsible approach to dealing with a resource, as something that Canadians own, that is an appropriate thing for Canadians to own, for government to own, but also is an inappropriate approach to establishing the true cost of doing that kind of business. I think we have to bear that in mind when we are looking at this legislation.

We should not be supporting legislation that will contribute to a fire sale of the assets of Canada. We want to make sure that what we do in this place establishes a reasonable price, a reasonable cost for this industry.

I am pleased as a British Colombian that British Columbia has made decisions over the years not to engage in nuclear power generation. I think most British Columbians are relieved by that fact, and I suspect, Madam Speaker, that you share that relief that our province has not gone that route.

We have, however, been concerned as British Columbians about the nuclear station in Washington State, just south of the Canadian border, at Hanford. For many years that has been a source of real concern to British Columbians. We know that Hanford had nine nuclear reactors and five massive plutonium processing complexes, and that they did release nuclear radioactive contamination into the air and into the water of the Columbia River.

We also know that it has leaked, and the storage facilities have leaked, into the ground surrounding the Hanford station site in Washington State. For many years, when we talk about concerns around the nuclear industry, when we talk to British Columbians about it, it is Hanford that comes first to mind. We have often talked about the concerns we had with that particular facility.

Government Orders

Thankfully, Hanford has been decommissioned and it is now in the process of cleanup. That process of cleanup, I think, again draws our attention to the need to establish reasonable liability and compensation limits for this industry. The decommissioning and cleanup of Hanford is not a cheap prospect. It is not a matter of turning off a switch and mopping out the room, putting a lock on the gate and walking away.

The estimated cost of cleanup is \$2 billion a year, and the cleanup will go on for decades, not just a couple of years, not just a decade but decades. It is \$2 billion a year for decades to clean up this decommissioned facility in Washington State.

Part of the cleanup involves the establishment of very specialized facilities, like a vitrification plant, which is one method of combining dangerous waste with glass to render it stable. The vitrification facility alone costs \$12 billion to be established at Hanford to be part of this decommissioning and cleanup operation.

The costs involved with just decommissioning and cleaning up an existing nuclear site, let alone contemplating any accident or any release of radioactive material is hugely expensive, hugely significant. Unfortunately, I think we are all concerned that the timelines for the cleanup of Hanford have been delayed and put off time and time again.

● (1340)

The timelines which were originally established are not being met and it means that the ongoing concerns we have about this facility are not relieved to any great extent. It is still leaking and leaching radioactive waste into the groundwater in the surrounding area. It will take many decades to complete this process and many billions of dollars to actually see this plant decommissioned.

I think it is an example of the huge costs associated with this industry. It drives home for me the importance of ensuring that we have liability and compensation limits that are adequate to the task that may arise from a nuclear accident. It again points out the inadequacy of Bill C-20 before us.

A liability limit of \$650 million just does not come anywhere close to dealing with the true cost of what an accident could render here in Canada. We need to follow the example of countries that we respect around the world that have made choices around nuclear energy like Japan and Germany, that have set unlimited liability for nuclear accidents.

We should take a very close look at establishing that kind of liability here in Canada because we know the dangers associated with this industry are so significant and ongoing. They do not just disappear. The question of waste will be with us for many generations and we have to make sure that we solve those problems, that we put the money into understanding those problems and solving them in a permanent kind of way, and not just leave them for a future generation to deal with.

It is irresponsible of us to go down that road without making sure that all of those arrangements and due caution is taken to make sure that we are not leaving a mess for someone else down the road. I think that is exactly what we are doing now.

We have to make sure too that we are not sticking taxpayers yet again with the bill for an accident and that we put the true costs before the industry to make sure it appreciates the true value of safety, health and security for Canadians who live near these installations, near these facilities, and who want to make sure that they do not suffer the consequences of an accident in these cases.

I think it is a very important piece of legislation. It is absolutely clearly a bill that needs to be updated and needs to see a review. However, as it stands, it is wholly inadequate to that task. We need to make sure that a reasonable liability limit is established. The liability limit of \$650 million just does not cut it.

I hope the bill will be significantly amended or if not, defeated because it is just not up to the task.

● (1345)

Mr. Paul Dewar (Ottawa Centre, NDP): Madam Speaker, one of the concerns that many of us have about the bill is the wider issue of nuclear energy and where Canada is going.

We know that we have entered into arrangements with the government of India. It is important to note that. As the House knows, when we sold to the government of India before, in 1974, there were concerns about what it did with that technology and certainly with the energy. India has not signed the non-proliferation treaty and that would be a concern.

We have, it seems, many things in play. We have nuclear energy liability which seems to be a gift to potential buyers. We have Canada exporting nuclear technology to governments that have not signed on to an international non-proliferation process, which we are all concerned about. Finally, we have a lack of regulations.

I want to ask my colleague his thoughts about the wider view of the government's policy when it comes to nuclear energy, be it on proliferation, the liability or regulation.

The Acting Speaker (Ms. Denise Savoie): The hon. member for Burnaby—Douglas.

Before the hon. member answers, I would like to ask members in the House to please be respectful in their conversations debate is going on.

Mr. Bill Siksay: Madam Speaker, I know my colleague from Ottawa Centre is very concerned, as I am, about the broader issues around nuclear energy, disarmament and proliferation. He raises a very important question about what happens to nuclear technology and how it is used around the world.

We have to be very cautious and there should be absolutely ironclad agreements in place before Canada exports nuclear technology anywhere in the world. We must have a backup of all of those kinds of agreements. We must ensure that we are not trading with countries that are not signatories to non-proliferation agreements, for instance. It just does not make sense that there be some opportunity to use Canadian technology to further engage the nuclear arms race. That would be totally inappropriate and I think most Canadians would see that as absolutely contrary to Canadian values.

Canada was one of the first countries to renounce the possession and use of nuclear weapons even though it would have been easily possible for this country to have adopted those kinds of weapons as part of a Canadian arsenal. I think that Canadians would want to see and ensure that we did not go down that road.

Canada has had an important role to play over the years on nuclear disarmament issues. Many individual Canadians such as Douglas Roach, Peggy Mason and others have taken a significant role there. The Pugwash movement had its foundation here in Canada. They and many other NGOs have been significant players in the movement against nuclear weapons. I think that to honour that history and maintain that place is very important.

Recently, Canada has been less prominent in the nuclear disarmament movement, the movement around the non-proliferation treaty and the test ban treaties. We still have Canadian diplomats who are working very hard. Marius Grinius is our ambassador on disarmament. John Barrett, who is an expert on verification issues, has been very active. There are still individual Canadians, but it seems that our government has taken a less prominent role in those kinds of issues as they are debated and negotiated around the world. I think that is a sad commentary, since Canada is known for its history of support for those kinds of measures.

We do need to see the whole question of nuclear liability in a broader context. What is our moral liability as Canadians when our technology is exported around the world to ensure ongoing safety in the country where it is exported? We need to make sure that it does not find its way into some kind of weapons process.

I think there are all kinds of ways that we can see the broad picture of liability. It would be worthwhile for all of us to consider at any time these issues come before us as both legislators and Canadians.

(1350)

The Acting Speaker (Ms. Denise Savoie): Questions and comments. The hon, member for St. John's East.

Again, I would like to ask for a little order in the House. There is a debate still going on.

Mr. Jack Harris (St. John's East, NDP): Madam Speaker, I was very interested in the remarks of the member for Burnaby—Douglas about both the liability issues as well as the whole notion of nuclear proliferation and the need for nuclear disarmament to be advanced by not only the government but throughout the world.

I have a specific question having to do with his remarks about the decommissioning in Washington State. There is a cost of \$2 billion a year for a nuclear plant decommissioning. Is that something that is borne by the taxpayers of the State of Washington or is that something that is covered by the greater levels of liability found in the United States?

I do not know if he has the answer to that. I suppose that it is a significant cost either way and well above the \$650 million we are talking about here. I do not know if he has the answer to that, but if he does I would certainly be happy to hear it.

Statements by Members

Mr. Bill Siksay: Madam Speaker, I do not have an exact answer to my colleague's question, but I believe that significant government funding is involved in the decommissioning and cleanup of the Hanford site in Washington State. It is \$2 billion a year for decades, not just for a decade, not just for a couple of years, but for decades, to clean up that site. It also requires other kinds of specialized facilities, such as the vitrification plant, which is an additional \$12 billion.

None of these costs are insignificant. They are huge costs. Whether they are costs to industry, to the taxpayer or to government, they are huge costs. It goes to show that we do not fully appreciate the true costs of this industry when we do not understand how much it could potentially cost to deal with an accident and when we do not understand how much it truly costs to deal with the remediation of a retired nuclear facility of any kind.

We could look at the kind of remediation effort that has to happen at a gasoline filling station that has been closed. We often see the structure being torn down and the tanks being removed, but then the fence goes up and testing goes on for biohazards that continue. That site stays vacant for some period of time while that remediation goes on. We are talking about a gasoline filling station and not a nuclear facility with all of the extra, and more serious perhaps, concerns about waste, leakages and other problems that may have occurred on that nuclear facility site.

When I compare the process of remediating a filling station site to what is required of the nuclear industry in the event of the retirement of a facility or an accident, it behooves us to make sure that we have in place the best possible regime to deal with liability and compensation that we can possibly construct.

Bill C-20 falls far short of that, especially when we look at the costs associated, and when we look at the examples from other nations around the world. Some of the countries that we look to, for example, on how to deal with various issues, countries like Germany and Japan and even in this case, countries like the United States, have set far higher and even unlimited in the case of Germany and Japan, compensation limits in the event of an accident at a nuclear facility.

We need to look at that very carefully and try to find ways to avoid passing that cost on to the taxpayers, should there be an accident or should there be a retirement of a facility.

• (1355)

The Acting Speaker (Ms. Denise Savoie): Resuming debate. The hon. member for St. John's East will have three minutes before statements by members.

Mr. Jack Harris (St. John's East, NDP): Madam Speaker, It is my pleasure to join in the debate. In the three minutes I have now, I would like to reflect on some of the things my colleague from Burnaby—Douglas said concerning liability.

We are talking about to what extent a company that owns a nuclear facility is responsible for the damages that are caused, whether it be in the case of an accident, a decommissioning or a situation where damage is done to individuals or to the environment.

We have just been through a situation in the forestry industry where, as a result of economic hardship, mismanagement or overcapitalization, et cetera, we have seen companies go bankrupt to the point where they cannot meet their obligations for pensions and other obligations to their employees. The situations where we would see this kind of liability are probably massive situations where the damages are so large that the companies actually would be put into a situation of insolvency or bankruptcy. Whatever expenses there are beyond the limit now of \$75 million, and if the bill passes as is, \$650 million, will actually fall on the victims or be picked up by the taxpayers.

We really are setting up a situation where we are suggesting that the owner of the facility will have a limited liability and members of the public, as individuals or the government collectively, will take full responsibility for all the damages. That is the essence of the bill.

Madam Speaker, I see you are about to rise, so I will continue along those lines after question period.

The Acting Speaker (Ms. Denise Savoie): The hon. member will have 18 minutes when the debate resumes.

STATEMENTS BY MEMBERS

● (1400)

[English]

NATIONAL PRAYER BREAKFAST

Mr. David Anderson (Cypress Hills—Grasslands, CPC): Madam Speaker, I rise in the House today after a very successful event this morning. It was my distinct privilege and honour to chair, for the third time, the National Prayer Breakfast here in Ottawa.

Over the last 44 years, the National Prayer Breakfast has brought together people from all faiths and political philosophies to celebrate the spirit of Jesus Christ. I was pleased to see many of my colleagues from each party in attendance at this morning's event. People from across our great nation joined members of Parliament and senators, diplomats and ambassadors to pray under the theme of faith in uncertain times.

It is especially important in light of the challenges we face in today's worldwide recession that we recall and lean on the principles of faith. We are experiencing a global financial crisis. In these uncertain times, faith and hope are precious commodities. As parliamentarians, we are called to lead our nation. How can we convince Canadians to have faith and hope in our nation without demonstrating them ourselves?

It is the spirit of Jesus Christ that gives many of us here today faith and hope in these uncertain times.

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MINISTER OF VETERANS AFFAIRS COMMENDATION

Mrs. Michelle Simson (Scarborough Southwest, Lib.): Madam Speaker, I rise today to pay tribute to a constituent in my riding of Scarborough Southwest, William McDonald, who on May 11 received the Minister of Veterans Affairs Commendation. This award is presented to individuals who have contributed to the wellbeing of veterans and to the remembrance of their contributions, sacrifices and achievements.

Statements by Members

Mr. McDonald lobbied Toronto city council to have streets named after fallen soldiers in a new subdivision in Scarborough Southwest, a project which received unanimous council support. The official unveiling ceremony for the first two signs was held on November 4, 2008, and marked the first time Toronto had honoured its fallen soldiers by emblazing a poppy of remembrance on street signs.

Thanks to William McDonald's efforts, those brave men who gave their lives defending our country shall never be forgotten. It is for these efforts that I honour him today.

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[Translation]

FIFTIETH ANNIVERSARY OF THE BOUCHERVILLE DAUGHTERS OF ISABELLA

Mr. Jean Dorion (Longueuil—Pierre-Boucher, BQ): Madam Speaker, I am pleased to rise in the House to mark the 50th anniversary of the founding of the Mgr Poissant Circle of the Order of the Daughters of Isabella in Boucherville, which will celebrate this event on May 30 with the book launch of L'Ordre des Filles d'Isabelle, d'hier à aujourd'hui, 1959-2009 and a banquet dinner.

The circle's 108 members provide assistance to society's least fortunate using the money they raise through their second-hand clothing store for disadvantaged families, and their civic and charitable activities.

On behalf of those whom I have the honour of representing, I would like to highlight the community spirit, engagement and dedication of these women. I also wish to thank them for their involvement in this organization, especially their young regent, Diane de Champlain, who has served in this role for the past four years.

. . .

[English]

ABORIGINAL AFFAIRS

Mr. Paul Dewar (Ottawa Centre, NDP): Madam Speaker, for centuries before Samuel de Champlain's arrival, the Chaudière Falls and Victoria Island were a sacred meeting place for indigenous peoples. The area has been the site of cultural convergence, political evolution and influential innovation.

Today the land sits in the shadow of Parliament Hill awaiting the building of a national aboriginal centre envisioned by Algonquin elder William Commanda. The island would host an aboriginal centre, a peace building meeting site, an eco-park, a research institute and a historic interpretive centre.

World-renowned Canadian architect, Douglas Cardinal, has captured the land's heritage in a masterpiece.

The government must review its 2004 and 2006 commitments to the materialization of the national aboriginal centre. Let us prepare for a grand opening in June 2013 to showcase and celebrate the heritage of this sacred site on the 400th anniversary of de Champlain's arrival.

BOISSEVAIN AND AREA 4-H RALLY

Mr. Merv Tweed (Brandon—Souris, CPC): Madam Speaker, I would like to take this opportunity to bring special attention to an organization in Canada that is celebrating a milestone in educating rural youth in my constituency. Next week the Boissevain and Area 4-H Rally will be celebrating its 75th year. Its long history of recognizing the achievements of youth from dozens of local 4-H clubs and communities is to be applauded.

Over the years, beef, calf and home ec clubs and others have converged at the Boissevain Rally to compete with other 4-H'ers in the region.

The 4-H pledge says it all about the basic principles of the organization:

I pledge my head to clearer thinking, my heart to greater loyalty, my hands to larger service, and my health to better living, for my club, my community, my country, and my world.

I congratulate the volunteers and organizers of the Boissevain and Area 4-H Rally for inspiring leadership, citizenship and life skills to our youth for the last 75 years. I wish them success and many more years.

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● (1405)

CHILDREN'S WISH FOUNDATION OF CANADA

Hon. Dan McTeague (Pickering—Scarborough East, Lib.): Mr. Speaker, tragically, thousands of Canadian children between the ages of 3 and 17 are diagnosed every year with a life-threatening illness.

The Children's Wish Foundation, which was founded 25 years ago in 1984, is celebrating an important milestone this year. Incredibly, it will be granting its 15,000th wish this spring.

Each wish is as unique as the child who makes it. The magic of a wish provides children and their families with an opportunity to share the joy of a special experience and escape from the day-to-day challenges of a serious illness.

I want to remind hon. members that as we sit here in this place today, the Children's Wish Foundation is hard at work granting every child their wish.

I am very proud to note that the foundation is headquartered in my riding of Pickering—Scarborough East.

On the Hill today is wish child Justin Ernst. Justin is here with his family and members of the foundation here in Ottawa.

I would like to congratulate the Children's Wish Foundation for reaching out and making this incredible milestone a reality for all Canadians.

* * *

NEW GENERATION PRAYER TEAM

Mr. Tim Uppal (Edmonton—Sherwood Park, CPC): Mr. Speaker, I am proud to rise in the House today in recognition of Reverend Elaine Baillie, a resident of my riding and founder of the New Generation prayer team.

The New Generation prayer team, made up of students from Fort Saskatchewan Christian School, have positively impacted the riding of Edmonton—Sherwood Park.

Over the past several years, Reverend Elaine Baillie and the New Generation Prayer Team have brought together citizens in our community to honour our Canadian Forces through the power of prayer.

Every year at our local Remembrance Day ceremony, in conjunction with the Royal Canadian Legion, they invite members of our community to recognize family members or loved ones who are serving with the Canadian armed forces.

These names, bound together in our Book of Remembrance, are then brought to the team's weekly school meetings where they use the power of prayer to ask for their safety and recognize the brave soldiers we have lost while they were serving this great nation.

I ask that the House recognize Reverend Elaine Baillie, who is in Ottawa with her husband Reverend Ray Baillie, for her leadership, compassion, and commitment to youth.

* * *

[Translation]

CANADA-COLOMBIA FREE TRADE AGREEMENT

Mr. Claude Guimond (Rimouski-Neigette—Témiscouata—Les Basques, BQ): Mr. Speaker, with the United States still opposing the ratification of a free trade agreement with Colombia and all social and labour groups denouncing such an agreement, the Conservative government remains determined to ratify a treaty with a country where the number of assassinations of labour representatives is constantly on the rise.

Since 1986, Colombia's rate of union membership has gone from 13.5% to 4%. In 2008 alone, there were 46 murders and 157 death threats targeting union members.

Coming from the agricultural labour movement myself, I find this government's lax attitude towards the protection of Colombian workers' rights unacceptable.

The government must drop its planned trade agreement, which makes us a party to human rights violations. We need to send a clear message that we will not sign trade agreements at any cost.

* * *

[English]

CHILDREN'S WISH FOUNDATION OF CANADA

Mr. Pierre Poilievre (Nepean—Carleton, CPC): Mr. Speaker, the Children's Wish Foundation is celebrating its 25th anniversary.

The group grants wishes to children diagnosed with high-risk, life-threatening illnesses. As I read this statement today, the group will be granting its 15,000th wish to a child in a community somewhere in Canada.

One of those children is 11-year-old Justin from Ottawa, who is getting ready to receive his wish, which is a beautiful rescue dog named Muffie. His dog will be arriving next week from Calgary, so Justin is going with his family today to get all the necessary pet

Statements by Members

supplies. Muffie will also be a great motivator for Justin, who will be doing exercises to help his muscles recover from the cancer treatment he has been receiving. His mom Patricia said that throughout the challenges of his treatment, Justin was able to keep himself preoccupied with thoughts and dreams of his new dog.

I congratulate young Justin, his whole family, and thank the Children's Wish Foundation for all the work it does.

* * *

● (1410)

TAXATION

Mr. Anthony Rota (Nipissing—Timiskaming, Lib.): Mr. Speaker, the Conservatives have become a single issue party. The issue is taxes. They want them higher and they will have more of them to pay for their staggering deficit. Their leader told the House two days ago that he will not bring in another budget, and I quote, "until we need to raise taxes". It is now clear: taxes will rise under the Conservatives.

In these tough economic times, that is not what Canadians need. We need a stable and focused leadership that only the Liberals can provide.

[Translation]

The Conservative government is attacking hard-working Canadian families, and now it wants to make it even harder for Canadians to support their families.

Basically, we will have the Conservatives to thank for higher taxes.

[English]

Raising taxes to cover their incompetence is just plain wrong. I know it is wrong. The people of my riding know it is wrong. All Canadians know it is wrong. It is only the Conservatives who have not figured it out yet.

* * *

[Translation]

THE ECONOMY

Mr. Jacques Gourde (Lotbinière—Chutes-de-la-Chaudière, CPC): Mr. Speaker, I would like to remind the opposition leader that the issue here is the economy, not the deficit. We are in the middle of a global recession, and we will do whatever it takes to protect Canadians and help them make it through this economic storm.

The measures we are taking are necessary, realistic and short-term.

We will not apologize for spending to stimulate the economy, for protecting jobs and for protecting the unemployed. If we have to do even more, we will.

The Liberals are so hypocritical. First, they criticize the size of the deficit, then they turn around and demand that we spend billions more. Clearly, the Liberal leader changes his mind depending on which way the wind is blowing.

Statements by Members

[English]

HAMILTON OLDE SPORTS SLO-PITCH ASSOCIATION

Ms. Chris Charlton (Hamilton Mountain, NDP): Mr. Speaker, today is opening day for the 2009 baseball season of the Hamilton Olde Sports Slo-Pitch Association.

Since I cannot be at Turner Park for the opening pitch this year, I thought I would rise in the House to wish this amazing group of ballplayers all the best for the upcoming season.

The Hamilton Olde Sports Slo-Pitch league has over 200 players. Men must be over 55 to play, and women, 45. The oldest player this year is an incredible 81 years young.

The calibre of the game is amazing. Although this league is all about friendship and good sportsmanship, there is absolutely no doubt that the competitive spirit is alive and well and the playoff title is hotly contested.

The league is made up of 12 teams, and each has a local sponsor. In these tough economic times, that cannot just be taken for granted. Therefore, I want to give props to Boomers Sports Bar, Scheiding and Associates, Tire Tech, Ace Family Restaurant and Sports Bar, West Hamilton Denture Clinic, Rees Plumbing and Heating, Dalbar Leisure Sportswear, John Carnahan, Legion Branch 163, Tim Hortons, Investors Group and Ringo's Automotive for their continuing support of this incredible league.

I wish all the ballplayers a safe, sunny and high-scoring season.

LIBERAL PARTY OF CANADA

Mr. Rodney Weston (Saint John, CPC): Mr. Speaker, the Liberal leader is leading the Liberal Party down the path of hypocrisy and they are losing credibility with Canadians. On one hand, the Liberal leader is in Toronto saying that he stands up for seal hunters; meanwhile, the Liberal Party's campaign boss is calling the hunt "appalling" and "more trouble than it is worth".

Our Conservative government believes that seal hunters and their families are worth it. They are worth defending, and our Conservative government will continue to stand up for them.

The Liberal leader's biggest hypocrisy of all is on Canada's economy. On one hand, the Liberals are attacking the size of the deficit, and then on the other, they are demanding billions and billions more in spending. They cannot have it both ways.

While the Liberal leader and his party continue on this path of hypocrisy, our Conservative government will continue to support and help Canadians during these tough economic times.

. . .

 $[\mathit{Translation}]$

OFFICIAL LANGUAGES

Ms. Christiane Gagnon (Québec, BQ): Mr. Speaker, yesterday, when we were voting on the bill to appoint bilingual judges to the Supreme Court, a measure that has received the support of the Commissioner of Official Languages and Quebec's National

Assembly, we were dismayed and offended to see francophone Conservatives from the greater Quebec City area oppose it.

How shameful it was to see those members congratulate themselves on voting against a measure, to see how proud they were to be undermining the right of francophones to be heard in their own language. What does it mean for linguistic equality when francophones are forced to use simultaneous translation in the highest court in Canada to plead their case, when one single judge's unilingualism forces all of the judges to deliberate in English?

Are those francophone Conservative members from the greater Quebec City area so ashamed of their language that they are all too eager to kowtow to party ideology even though it clashes with the linguistic realities of Quebeckers, Canadian francophones and Acadians?

We believe that nothing could possibly justify their opposition.

* * *

● (1415)

[English]

THE PRIME MINISTER

Mr. Scott Andrews (Avalon, Lib.): Mr. Speaker, yesterday the Prime Minister admitted to the House that he is spending hours holed up in his basement, going through old tapes that he has collected on the Leader of the Opposition.

We knew the government was a bit shaky when it came to scientific novelties like the greenhouse effect and the theory of evolution, but who knew they missed the digital revolution as well?

The Prime Minister seems to be stuck in another political era. Who does the Prime Minister think he is, Richard Nixon?

What are these tapes the Prime Minister is talking about? Is he bugging the phone lines again, just like when they eavesdropped on the NDP? Are there microphones in our offices and cameras in the potted plants?

It is time for the Prime Minister to wake up, throw away his little spy cameras and start focusing on the mess that he and his government have made of this economy, or else he may be remembered in political history as fondly as Richard Nixon.

. . .

THE ECONOMY

Mr. Daryl Kramp (Prince Edward—Hastings, CPC): Mr. Speaker, the Liberals are off in dreamland again. The issue is not the deficit, it is the economy. We are in a global recession, and the Conservatives will do whatever it takes to protect Canadians and help them weather this economic storm.

The measures we are taking are necessary, they are affordable, and they are short term, unlike the Liberal hypocrisy where, on the one hand, the Liberals attack the size of the deficit, and on the other, demand billions more in spending.

As the Liberal leader revealed, their plan is to raise taxes on Canadian families and businesses. On April 14 he said, "We will have to raise taxes". He declared that a GST hike is on the table.

They support billions more on an east-west power grid, another \$1 billion-plus on EI, \$5 billion to bring back the Kelowna accord that was written on the back of a napkin. The world economy is in a difficult position. Canada is a leader in this G8, but the Liberals are trying to spend us into oblivion. Canadians do not need tax and spend Liberals with their hands in the cookie jar.

In these times, only the Conservative government's steady leadership can keep us on the right track.

ORAL QUESTIONS

[English]

THE ECONOMY

Mr. Michael Ignatieff (Leader of the Opposition, Lib.): Mr. Speaker, 37 days ago the Minister of Finance said we were on track, and now we know we have gone right off the rails. Thirty-seven days ago the deficit stood at \$32 billion. Now the finance minister says it has ballooned to over \$50 billion. He did not say how much more over \$50 billion. Canadians are tired of these sorry guesstimates. They want to know the truth.

When will the Prime Minister tell us the truth? How much more?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, at the end of this year, the deficit will depend obviously on the performance of the economy, but what Canadians are wondering about when it comes to more is the leader of the Liberal Party.

He comes here and tries to criticize the deficit, but day after day he is here demanding literally tens of billions of dollars of new spending from this government, new spending, permanent spending, unaffordable spending to be paid for by tax increases. Everyone knows his position on the deficit. It is just hypocrisy.

Mr. Michael Ignatieff (Leader of the Opposition, Lib.): Mr. Speaker, my party has an unimpeachable record in fiscal responsibility. Liberals left them the record that they squandered.

The Prime Minister made a second claim yesterday, which was that the deficit will be "short term". There is not a Canadian who believes that is true.

He got us into this mess. How does he propose to get us out?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, the record of the Liberal Party is this: Liberals got this country into deficits when borrowing was at record levels, and then when recession came, they were cutting the unemployed and raising taxes right in the middle of a recession, something this party will never do.

[Translation]

Mr. Michael Ignatieff (Leader of the Opposition, Lib.): Mr. Speaker, six months ago, the Prime Minister predicted a budget surplus—

Some hon. members: Oh, oh!

(1420)

The Speaker: Order please. The hon. Leader of the Opposition has the floor.

Oral Questions

Mr. Michael Ignatieff: Mr. Speaker, six months ago, the Prime Minister predicted a budget surplus.

On Tuesday, it became a deficit of more than \$50 billion. This government's credibility is at stake.

With the unemployment rate reaching record levels and municipalities still waiting for the money promised in the budget, how can Canadians believe this government after so much incompetence?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, I could even quote the *Toronto Star*, a Liberal newspaper, which asks what the opposition wants to do about the deficit. Do they want the government to start slashing its spending? No, quite the contrary, the opposition is demanding that the government spend more.

[English]

The editorial in the *Toronto Star* goes on to say it is time to have a real conversation. It says:

[The Liberal leader] has said he would be open to the idea of raising taxes. [The Prime Minister] isn't.

Hon. Ralph Goodale (Wascana, Lib.): Mr. Speaker, the Conservatives dismissed the recession and their \$50 billion deficit as just "temporary", just "cyclical". Not to worry, they say, it is not "structural", but Chrysler is in bankruptcy, and GM almost. The auto sector is down to a fraction of its former self. Manufacturing is chopped by 20%, and forestry has been devastated. This is big-time structural change.

Why did the Conservatives put Canada into a deficit before any recession and cripple the ability to help vulnerable Canadians now?

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, as the member opposite knows, since he voted in favour of Canada's economic action plan, we brought in a deficit this year in order to respond to the global recession. There is a serious global recession that is deeper and broader than had been anticipated by anyone, and the hypocrites on the other side come in every day and ask for more spending, more deficits—

The Speaker: Order, please. Members do enjoy freedom of speech, but calling names of other hon. members, I think the member knows, is out of order. We do have hypocritical things happen in the House from time to time, but there is no hypocrite sitting here.

The hon, member for Wascana

* * *

CANADA PENSION PLAN INVESTMENT BOARD

Hon. Ralph Goodale (Wascana, Lib.): Mr. Speaker, it is no wonder that people like David Dodge, the former governor of the Bank of Canada, say the government is totally unrealistic and dreaming in Technicolor.

Here is another structure issue, pensions. Canadians are worried about the security of their retirement plans, public and private. The CPP alone has lost some \$20 billion.

As a gesture of moral leadership, will the minister invite the CPP Investment Board to review its multi-million dollar bonuses, in the context of a recession that is killing the jobs of 350,000 ordinary Canadians?

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, I did not know we were at the NDP round at this point. That question came from over there, yesterday. I see the member for Wascana is reaching out to his colleagues down the bench.

As I said yesterday, and I will say it for the member for Wascana today, we do not believe in political interference in the Canada pension plan. We will not interfere. I did the three year review with all the provincial and territorial finance ministers earlier this week. We agreed unanimously that we would not politically interfere with the operation of the Canada pension plan.

* * *

[Translation]

THE ECONOMY

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, yesterday the Prime Minister said, in these exact words, "If the recession gets deeper, we will do more to help the unemployed and to help people." Things are already worse, the unemployment rate is skyrocketing, no one can keep count of the numbers of jobs lost in the manufacturing and forest sectors, and the deficit, which only months ago was zero, is now \$50 billion. What more does it take?

Will the Prime Minister admit that the crisis is deeper and that he must take action today to propose real support measures for the unemployed and for the economy?

• (1425)

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, the recession has started. We have changed the rules to give the unemployed more benefits. The deficit has increased because we are giving more to the unemployed, but despite the fact that we are giving more to the unemployed, there is one thing that has not changed: the Bloc Québécois is opposed to these benefits to the unemployed.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, Conservatives and Liberals alike, they have nothing to offer to really revive the economy. As for the Bloc Québécois, we have put forward some realistic proposals to help the unemployed by improving the employment insurance program, to compensate Quebec for harmonizing the GST, and to give loan guarantees to the forest industry. His Liberal-backed budget is quite obviously not up to the task.

What is the Prime Minister waiting for before he takes inspiration from the proposals we have made to him?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, we have improved employment insurance benefits, and the benefits to the population and the unemployed have increased a great deal in recent months, because of the recession and because of our policies. The Bloc Québécois opposed all that. Ours is a realistic

position for all the people, unlike the ideological opposition of the Bloc Québécois.

Mr. Yves Lessard (Chambly—Borduas, BQ): Mr. Speaker, the Minister of National Revenue mislead the House again yesterday by saying that, this week, the government had announced a \$500 million injection into training for the unemployed. The minister knows full well that that is the same \$500 million announced in January's budget. According to the minister's twisted logic, announcing the same \$500 million twice probably adds up to \$1 billion.

Instead of trying to pull the wool over Canadians' eyes, will the minister finally put pressure on his government to introduce new measures to help unemployed workers?

Mr. Jacques Gourde (Parliamentary Secretary to the Minister of Public Works and Government Services and to the Minister of National Revenue, CPC): Mr. Speaker, in our economic action plan, we added five extra weeks of EI benefits, and we extended the work-sharing program by 14 weeks. We also invested in workforce training so that workers are better trained for the future, while being paid to take the training. Not to mention, we froze EI premium rates. All of these measures were not supported by the Bloc Québécois.

Mrs. Josée Beaudin (Saint-Lambert, BQ): Mr. Speaker, by wrongly claiming that 360 hours of work would allow workers to receive 52 weeks of EI benefits, the Minister of Human Resources and Skills Development, the Minister of National Revenue, the Prime Minister, in short, every member of this government is trying to fool the public. The minister should make public any figures or studies she has.

Instead of perpetuating misinformation, would it not be more appropriate for the government to help unemployed workers by eliminating the waiting period and setting the eligibility threshold at 360 hours?

Mr. Jacques Gourde (Parliamentary Secretary to the Minister of Public Works and Government Services and to the Minister of National Revenue, CPC): Mr. Speaker, nothing is harder than being hopeful when you share the Bloc's ideology. Our action plan is getting results. The proof is that Bloc members are thinking of going back to municipal and provincial politics to help implement our economic action plan.

* * *

CANADA PENSION PLAN INVESTMENT BOARD

Hon. Jack Layton (Toronto—Danforth, NDP): Mr. Speaker, the CPP Investment Board published its annual report yesterday, in which it reported losses of \$24 billion for 2008. Despite these huge losses, its five executives gave themselves outrageous bonuses: \$11 million for 2008 and another \$6 million for 2009. We are talking about \$24 billion in losses and \$17 million in bonuses.

How can the Prime Minister justify this?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, as the Minister of Finance has explained several times, that is not a decision that the government makes. The Canada Pension Plan is an independent plan. Members of the board of directors are appointed by both levels of government. It is not a federal government decision.

[English]

Hon. Jack Layton (Toronto—Danforth, NDP): Mr. Speaker, the CPP board is supposed to protect the savings of Canadians. This is money earned through hard work, and they were counting on it for their retirement. How can the government say it is not its problem?

Those guys just lost \$24 billion and they turned around and gave themselves \$17 million in bonuses. For losing \$24 billion, five guys walk away with \$17 million.

How can the Prime Minister stand up and justify this? He should do something about it.

● (1430)

Right Hon. Stephen Harper (Prime Minister, CPC): First, Mr. Speaker, it is important to correct the misinformation in that question. The Canada pension plan is actuarially sound. The benefits to Canadians are guaranteed for many decades to come.

The board is responsible independently for remuneration for the management of the plan. I noticed, by the way, that the board in fact did drop a total compensation for its executives by 31% last year, but that is a board decision, not a government decision.

Hon. Jack Layton (Toronto—Danforth, NDP): Mr. Speaker, other countries are doing something about these fat cat bonuses and the Canadian government simply will do nothing about it.

We have the Prime Minister essentially endorsing here today \$17 million of the money of Canadians going into the pockets of executives who just lost \$24 billion. How can that make any sense whatsoever? This is on top of a huge deficit that has not produced any results in the economic recovery yet that could possibly be measurable or satisfactory to Canadians.

Will the government take responsibility for anything or is it just washing its hands and walking away?

Right Hon. Stephen Harper (Prime Minister, CPC): Once again, Mr. Speaker, the federal government does not make these decisions. This is a joint body of the provincial and federal governments, which is administered at arm's-length and independent of politics.

When it comes to taking credit for things, it seems to me, in listening to the House today, that the NDP is once again seeming to take credit for Liberal questions in question period. The last time the NDP hooked up with the Liberals it did not work out too well. It may want to rethink that strategy.

[Translation]

MINISTER OF FINANCE

Hon. Marlene Jennings (Notre-Dame-de-Grâce—Lachine, Lib.): Mr. Speaker, the Minister of Finance has proven once again that he is not up to the job. It was not so long ago that he left Ontario

Oral Questions

with a surprise deficit of \$6 billion. Now, his incompetence has turned a budget surplus into a \$50 billion deficit in just a few months.

Will the Minister of Finance take responsibility for once, admit his incompetence and step down?

[English]

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, this is coming from a party with a hypocritical position. That position is even noted today by what is going to be my new favourite paper, the *Toronto Star*. It says:

It's hard to take their outrage seriously. In January, when [the government] announced the projected 2009 federal deficit...both the Liberals and NDP accused [it] of not doing enough...The Liberals voted for the budget anyway, all the while attacking the Conservative government for (a) spending too much and (b) not spending enough...Now...the opposition parties continue with their internally inconsistent attacks.

[Translation]

Hon. Marlene Jennings (Notre-Dame-de-Grâce—Lachine, Lib.): Mr. Speaker, the minister has just proven that he is capable of reading words, but he has yet to prove that he can read numbers. Just 36 days ago, the Minister of Finance assured Canadians that the numbers were "on track".

Now he is leading us into the worst deficit this country has ever seen.

The Minister of Finance does not know how to count, and Canadians cannot count on him, the Conservative Prime Minister, or the Conservative government, especially when it comes to public money.

Is that not the case?

[English]

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, it is not right at all. In fact, we can learn from experience. One of the experiences we had in the country was what Liberal governments did to the sick, the elderly and public education in the 1990s, when they balanced the budget on the backs of the provinces. Hospitals were closed. People were out of work. Employment benefits were down. That is what they were proud of: balancing the budget on the backs of the provinces.

We are not doing that. We are increasing transfers to the provinces. We are working in partnership with the provinces, not demeaning the sick and elderly.

(1435)

THE ECONOMY

Hon. Bob Rae (Toronto Centre, Lib.): Mr. Speaker, 37 days ago, the Minister of Finance knew the forestry industry was in trouble. He knew EI was up. He knew the auto industry was in the tank. Thirty-seven days ago, the minister said, "I'm staying with our budget projection. We're on track".

I would like to ask the minister a very simple question, which he has still not answered. How could he have made such a terrible statement a mere 37 days ago with respect to the financial situation in Canada?

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, I pay attention to the questions from one of the leading Canadian experts in deficits, having brought Ontario through that period from 1990-95. By 1995, the people of Ontario were paying \$1 million an hour in interest only on the debt accumulated during that time, creating a permanent structural deficit in the second largest government in the country.

Here is another hypocritical position of the member for Toronto Centre. He said, "if we have a deficit now, at the federal level, is that going to be the personal fault of the government. I don't think so and I don't think that's an intelligent position and no reasonable person—

The Speaker: The hon. member for Toronto Centre.

Hon. Bob Rae (Toronto Centre, Lib.): Mr. Speaker, I am an amateur in this regard. The minister—

Some hon. members: Oh, oh!

The Speaker: Order, please. We need to have some order. I have to be able to hear the hon. member for Toronto Centre. He has the floor

Hon. Bob Rae: Mr. Speaker, the minister has become the expert. He going to win the Nobel Prize with respect to the financial situation. I simply want to ask the minister—

Some hon. members: More, more.

The Speaker: Order, please. There will be more, but we have to have some order so we can hear it. The hon. member for Toronto Centre has the floor. We will have some order, even if he is addressing a Nobel Prize winner.

Hon. Bob Rae: Mr. Speaker, if the Conservative Party takes pride in receiving the Nobel Prize for deficits and debts, that is fine.

We know the Prime Minister spent the last 37 days holed up in his basement watching tapes. I want to ask the minister this. What has happened in the last 37 days to so drastically change the numbers with which he is coming to the House? That is a simple question.

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, this is a serious time. Unemployment is worse than anticipated. The recession is deeper and broader than was anticipated by anyone. This is a serious time and a serious subject.

We also have the auto negotiations with respect to Chrysler and with respect to General Motors. I would be interested in knowing the member's position on that. Is he against supporting the auto industry in Ontario?

[Translation]

MEDICAL ISOTOPES

Mr. Luc Malo (Verchères—Les Patriotes, BQ): Mr. Speaker, the shortage of medical isotopes has reached disturbing levels. Doctors and patients share the same concern and are not happy to be hostage to a shortage that was anticipated for a number of years. Faced with the human drama caused by this shortage, what does the Minister of Natural Resources do? She announces a plan to privatize part of Atomic Energy of Canada Limited.

We would like the minister to tell us how the proposed privatization will put an end to the shortage of medical isotopes.

[English]

Hon. Lisa Raitt (Minister of Natural Resources, CPC): Mr. Speaker, there are two parts to the announcement today. The first one talked about how this government believes in the Canadian nuclear industry and we plan on strengthening it through the restructuring of AECL.

The second part of the announcement today was the announcement that we have appointed an expert review panel to take a look at the numerous proposals that we have received upon our call in December of last year to a response regarding medical isotopes for the future. We will be asking this expert review panel to review the submissions received and report to us in the fall.

• (1440)

[Translation]

Ms. Paule Brunelle (Trois-Rivières, BQ): Mr. Speaker, like the Liberals before them, the Conservatives are hiding their heads in the sand. We learned this morning that the Minister of Natural Resources is getting ready to privatize Atomic Energy of Canada Limited. Thus, the government would turn over management of the Chalk River reactor, which produces medical isotopes, to the private sector. It is extremely disappointing to see this government shrug off its responsibility on an issue as vital as the health of Quebeckers and Canadians.

By handing over management of Chalk River to the private sector, is the government not admitting that it is unable to solve the isotope crisis?

[English]

Hon. Lisa Raitt (Minister of Natural Resources, CPC): Mr. Speaker, I would like to thank the member for her question because a fundamental part of the restructuring is for Canada to be able to take advantage of the nuclear renaissance in selling nuclear reactors in the world that is currently happening so that we can have a better Canadian industry, with high paid, high skilled jobs, and a developing and growing industry. That is why we are restructuring AECL.

[Translation]

OMAR KHADR

Mrs. Ève-Mary Thaï Thi Lac (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, the last Amnesty International report focuses on Canada and criticizes its handling of detainees in Afghanistan as well as its refusal to ask for the repatriation of Omar Khadr, the child soldier held in Guantanamo.

Does the Minister of Foreign Affairs not consider it high time to intervene on behalf of young Mr. Khadr, now that this organization has lumped Canada in with countries that violate human rights? [English]

Mr. Deepak Obhrai (Parliamentary Secretary to the Minister of Foreign Affairs, CPC): Mr. Speaker, I have been giving the government's position for many months in this House. Let me repeat again the government's position. There has been no change in our position in reference to Mr. Omar Khadr. Mr. Omar Khadr faces very serious charges for killing an American paramedic. Therefore, we will continue to wait for what is happening in the U.S. with President Obama's review of the detainees.

Until that time, there will be no change in the position of this government.

[Translation]

ABORIGINAL AFFAIRS

Ms. Nicole Demers (Laval, BQ): Mr. Speaker, this same Amnesty International report criticizes Canada's lack of interest in taking action and its inability to protect aboriginal girls and women who go missing or are murdered at a rate deemed alarming by that organization.

Is the Minister of Indian Affairs and Northern Development not embarrassed that Canada has been criticized this way on the international stage? What concrete measures does he intend to put in place to put an end to this situation?

[English]

Hon. Chuck Strahl (Minister of Indian Affairs and Northern Development and Federal Interlocutor for Métis and Non-Status Indians, CPC): Mr. Speaker, I think all Canadians are concerned and should be concerned about the issues of aboriginal women and disappearing aboriginal women. That is why the minister in charge of the status of women is engaged in discussions with the national organizations to decide what the best next steps may be.

However, one of the things we can do to help aboriginal women today is to move ahead with Bill C-8 to finally protect, for the first time ever, the matrimonial property rights that every other Canadian woman takes for granted. It is time to give those rights to aboriginal women.

GOVERNMENT ASSETS

Ms. Martha Hall Findlay (Willowdale, Lib.): Mr. Speaker, today we heard a rather stunning admission from Public Works, which was that this was not a good time to sell assets and that to do so would be no more than a fire sale.

Oral Questions

Could the Minister of Finance please comment on his promise to add \$10 billion to the government books, \$2 billion in this year alone, through the sale of assets, and more specifically, in this bad time to sell assets, what, in addition to Rideau Hall silverware, is he planning to let go in the fire sale?

[Translation]

Mr. Jacques Gourde (Parliamentary Secretary to the Minister of Public Works and Government Services and to the Minister of National Revenue, CPC): Mr. Speaker, at present we have no plans in that regard. Perhaps my colleague did not hear the minister correctly when he appeared before the committee this morning.

[English]

Ms. Martha Hall Findlay (Willowdale, Lib.): Mr. Speaker, "aucun projet". That is incredible. It is in the budget: \$10 billion over five years and over \$2 billion in this year alone.

I will add that we actually had another stunning admission from Public Works today that the Minister of Finance has not even asked Public Works for a list of assets that could be considered for sale.

The minister will not do his homework. He cannot count. Canadians clearly cannot count on him. How on earth can he commit to generating such a large amount of money from asset sales without having a clue what they are?

(1445)

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, there were a lot of accusations and some information there, most of which is in error.

As we said in the budget, Canada's economic action plan, as any prudent enterprise and any prudent government would do, we will look at the assets that the government has. There will be no fire sales. Nothing would be sold at an inappropriate time, not at good value for the Canadian taxpayers.

We have started to get the work together to look at the review, which we promised in the economic action plan.

THE ECONOMY

Hon. Ken Dryden (York Centre, Lib.): Mr. Speaker, it seems that when the Prime Minister was telling us last fall that everything was fine, it was not. The recession was deeper. People were spending less and more people were out of work. Fewer taxes were being collected and the deficit was soaring.

The Prime Minister knew Canadians expected their prime minister to do something, but doing something on EI or infrastructure stimulus would cost money, so he announced, as if he were doing something, then did not do anything to get himself off his financial hook, even if it meant millions of Canadians had to dangle on it.

Why?

Mr. Ed Komarnicki (Parliamentary Secretary to the Minister of Human Resources and Skills Development and to the Minister of Labour, CPC): Mr. Speaker, we have invested a significant number of dollars to help those who qualify for EI and those who do not qualify for EI by investing half a billion dollars in training for long-tenured workers, helping 40,000 Canadians, and \$1.5 billion in training for those on EI and those who do not qualify.

We have done a significant amount of work to ensure that those who do not have jobs can prepare for the jobs of today and the jobs of tomorrow.

Hon. Ken Dryden (York Centre, Lib.): Mr. Speaker, as sports fans, the Prime Minister and the finance minister know the axiom "records are made to be broken". However, some records have seemed unbreakable, such as the Rocket's 50 goals in 50 games and Babe Ruth's 714 home runs. Outside sports it was Brian Mulroney's \$39 billion deficit. Then the present Prime Minister and finance minister blew it out of the water. They did it with their ill-advised moves these past few years so that when the recession triggered this deficit on steroids, for those who really need help, they have nothing left but placebo announcements.

Why?

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, since when does the member opposite take this hypocritical position? Why does he stand and criticize the government for running a deficit, as we are obliged to do in order to help unemployed people in Canada, and at the same time say that the government should spend even more money?

One does not make the playoffs that way.

MEDICAL ISOTOPES

Hon. Michael Chong (Wellington—Halton Hills, CPC): Mr. Speaker, I know there were questions about this earlier in question period but I would like the Minister of Natural Resources to clarify the situation regarding the establishment of an expert review panel to consider proposals for alternate sources of medical isotopes.

I would also like the minister to tell this House what other steps the government is taking with respect to the production of medical isotopes.

Hon. Lisa Raitt (Minister of Natural Resources, CPC): Mr. Speaker, the question is very timely. This is a situation in which we need to be clear and we need to communicate clearly. It is a situation that requires a concerted international effort as well.

Today, our government established an expert review panel to assess proposals from the private sector that we received, as well as proposals we have received from research organizations and universities.

Last week, our government led an international meeting of isotope-producing companies. We will do so again next week. In June, there will be a meeting in Toronto to discuss the issue of increasing the global supply.

ATOMIC ENERGY OF CANADA LIMITED

Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP): Mr. Speaker, the government has stumbled from one nuclear crisis to another.

First, it runs Canada's isotope producer into the ground, causing distress and concerns for thousands of Canadian cancer patients, which, a year and a half ago, the government said was a life-and-death situation but now thinks a three month study group will be enough.

Then, in the middle of a global recession, when prices are at their lowest, the Conservatives are hell-bent on privatizing a crown corporation for which Canadians ponied up \$20 billion.

Why now, during an economic crisis, do the Conservatives see an opportunity to hack up AECL for bargain basement prices?

• (1450[°]

Hon. Lisa Raitt (Minister of Natural Resources, CPC): Mr. Speaker, the fact is that in November 2007 this government ordered a review of AECL to determine if it was fulfilling its mandate and fulfilling its promises to the Canadian public in the best way. We have the results of that review and announced today that we are moving forward on restructuring AECL.

However, I do want to point out that the NDP does not support the nuclear industry. This government does support the nuclear industry, the 30,000 high-skilled, high-paid jobs that it supports, and the \$5 billion in economic incentives that it brings to this country.

Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP): Mr. Speaker, in the middle of a medical crisis the Conservatives created, a \$50 billion deficit of their own making and a global recession they ignored until it was too late, those financial geniuses across the way think it is a good time to have a fire sale of public assets.

Canadians will be on the hook for any toxic waste produced in the future, any cost overruns in Ontario and the liability in the event of a nuclear accident.

Why is the government hitting the panic button and putting the health of Canadians at risk?

Hon. Lisa Raitt (Minister of Natural Resources, CPC): Mr. Speaker, I would suggest that the member actually read the report that is posted on the website. However, we all know that the NDP do not actually read things before they make decisions on them.

* * *

[Translation]

FISHERIES AND OCEANS

Mr. Raynald Blais (Gaspésie—Îles-de-la-Madeleine, BQ): Mr. Speaker, the help for the lobster fishery announced yesterday by the Minister of Fisheries and Oceans is not enough to deal with the crisis in this industry. Prices are falling, jobs are being lost and the crisis is worsening every day. There are no plans for short-term measures and nothing to facilitate access to employment insurance for those losing their jobs.

Will short-term emergency measures be put in place?

[English]

Hon. Gail Shea (Minister of Fisheries and Oceans, CPC): Mr. Speaker, I know that fishers are doing what they can to cut their costs in the short term. In discussions with the provinces, I know that the provincial loan boards and some banks are providing flexibility for some short-term relief. The Business Development Bank and EDC have also been working with the industry to provide access to credit.

In the medium and long term, we are supporting the industries that must help the market recover so fishers can get a fair price in the marketplace.

[Translation]

Mr. Raynald Blais (Gaspésie—Îles-de-la-Madeleine, BQ): Mr. Speaker, fishers are asking for short-term measures, improved access to employment insurance and a new round of licence buybacks with new money.

What is the minister waiting for to take action? [English]

Hon. Gail Shea (Minister of Fisheries and Oceans, CPC): Mr. Speaker, when it comes to supporting fishers, we have provided access to credit. We have provided money for marketing. We are supporting the lobster council. We have doubled the budget for small craft harbours. I must add that the member has a number of small craft harbours in his riding and he voted against money to fix them.

FINANCE

Hon. John McCallum (Markham—Unionville, Lib.): Mr. Speaker, three years ago, under a Liberal government, Canada was poised to eliminate its net debt. Think of it: Our children and our grandchildren would no longer need to pay our way.

Now we all know that our \$50 billion man cannot count and that Canadians cannot count on him but can he at least guess in which century his policies will lead to the elimination of Canada's net debt?

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, as the International Monetary Fund noted on Friday, our government paid off about \$40 billion in debt in the first three years of our mandate.

As the International Monetary Fund also pointed out, this puts this country in the best position in the G7 as we enter the recession and as we weather the storm. We have the best fiscal position of all our competitors in the G7.

Hon. John McCallum (Markham—Unionville, Lib.): Mr. Speaker, that \$40 billion debt that was paid down is more than wiped out in a single year by the finance minister's more than \$50 billion deficit.

That reminds me of a story. I ask members to picture it. At Queen's Park, November 2001, Ontario's finance minister tables an economic statement that says the books are balanced. Thirteen days later he admits there could actually be a \$2 billion, \$3 billion, \$4 billion or \$5 billion deficit. Who was that man? It was our \$50 billion man.

Did the Prime Minister really think that this theatre of the absurd needed a federal replay? ● (1455)

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, the provincial budget in Ontario in 2001-02 was balanced. Yes, it was. It was an excellent balanced budget.

I have to agree, again, with what is becoming my favourite paper, *The Toronto Star* when it looks at the opposition and it says, "The opposition should get a grip on itself. The deficit is a direct result of the global recession, nor is the new deficit projection out of line with the outlook in other countries. The deficit would still just be 3.3% of Canada's GDP. By comparison, Washington's is 13.6%. Japan's, Britain's and even Germany's finances are all higher than Canada's".

I hope the—

The Speaker: The hon. member for Vancouver—Kingsway.

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PUBLIC SAFETY

Mr. Don Davies (Vancouver Kingsway, NDP): Mr. Speaker, yesterday the Federal Court issued a decision that reveals serious misconduct by CSIS and the ministers responsible for the security certificate process.

The court found they repeatedly failed to disclose information that cast significant doubt on the case against Mohamed Harkat. Worse, the court held that the government's conduct raises grave concerns about compliance of CSIS with court orders, prevarication by witnesses and violation of the obligation to act in good faith.

Can the minister explain why CSIS and the government violated the constitutional rights of Mr. Harkat and the rule of law itself?

Mr. Dave MacKenzie (Parliamentary Secretary to the Minister of Public Safety, CPC): Mr. Speaker, CSIS does take the recent Federal Court order very seriously and intends to comply with it. The service understands its responsibility for transparency and forthrightness in these cases. In fact, it was CSIS that noticed the discrepancy and reported it to the court. CSIS is reviewing the matter

Mr. Don Davies (Vancouver Kingsway, NDP): Mr. Speaker, it is a response like that which undermines our legal process.

That man's life has been turned upside down and with clearly unreliable evidence. The court also called into question the validity of the security certificate itself against Mr. Harkat.

This is not surprising. When there is evidence heard in secret, no right to face an accuser, and no right to cross-examine witnesses, this creates a procedure that is ripe for abuse.

Would the minister now admit that secret trials violate the fundamental rights of citizens and have no place in a society built on the rule of law?

Mr. Dave MacKenzie (Parliamentary Secretary to the Minister of Public Safety, CPC): Mr. Speaker, I do not think my hon. colleague heard the answer to the issue.

CSIS does take the recent Federal Court order very seriously and does intend to comply with it. The service understands its responsibility for transparency and forthrightness. In fact, it was CSIS that noticed the discrepancy, which was reported to the court. CSIS is reviewing the matter.

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DEMOCRATIC REFORM

Mr. Kevin Sorenson (Crowfoot, CPC): Mr. Speaker, today our government announced the introduction of legislation to limit the tenure of new senators to one term of eight years.

Could the Minister of State for Democratic Reform explain to us how our government is moving the Senate toward reflecting the ideals of a 21st century democracy?

Hon. Steven Fletcher (Minister of State (Democratic Reform), CPC): Mr. Speaker, we all know that the new 18 senators are bringing a fresh perspective to the Senate, and they are working hard with their Conservative colleagues who are already there to reform the Senate. We also know that Liberal senators will do everything they can to block our Senate reform legislation.

The fact that senators can serve for 45 years is not consistent with Canadian democratic ideals. That is why we have introduced legislation that would limit Senate terms to one term of eight years.

* * *

[Translation]

GOVERNMENT SPENDING

Ms. Raymonde Folco (Laval—Les Îles, Lib.): Mr. Speaker, the Conservative government is making cuts to culture and the arts, even though every dollar spent has an even greater economic spinoff.

The Conservative government is making cuts to scientific research, when that fuels the innovation that will give our industries the edge over global competitors in the future.

Does the Prime Minister understand that Canadians cannot count on his Minister of Finance, who does not even know how to count, himself?

(1500)

Hon. James Moore (Minister of Canadian Heritage and Official Languages, CPC): Mr. Speaker, we are making smart investments. Question period is almost over, and it started with a condemnation over the deficit. Now we are being condemned because we are not spending enough, according to this member. We are investing wisely, just as we promised voters during the election campaign. We will deliver the goods.

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MILITARY TRAINING AT BORDEN

Ms. Monique Guay (Rivière-du-Nord, BQ): Mr. Speaker, at the largest military training school in Borden, 38% of basic classes and 47% of advanced or specialized classes are not offered in French. In engineering, no advanced classes are offered in French. In healthcare and dental schools, 77% of classes are not offered in French.

Can the Minister of National Defence tell us what he plans to do to ensure that the rights of French-speaking recruits and members of the military are finally respected?

Hon. Peter MacKay (Minister of National Defence and Minister for the Atlantic Gateway, CPC): Mr. Speaker, there are many things. The Canadian Forces are working hard to remedy the situation at Canadian Forces Base Borden, and they have taken a number of specific and immediate steps to support both official languages.

To this end, a language component has been added to the orientation program provided to new students and staff; it describes in detail their language rights and responsibilities. Furthermore, all evaluation reports and personnel rating procedures done by officers include official languages obligations.

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[English]

THE ENVIRONMENT

Ms. Megan Leslie (Halifax, NDP): Mr. Speaker, since it sank six months ago, a barge containing 70,000 litres of diesel fuel has been deteriorating in lobster fishing grounds off the coast of Nova Scotia. What did the government announce it would do about it? Nothing. Its plan is to have the fuel seep out slowly.

This weekend the signboard from this barge washed ashore. We have been given a sign. Will the minister accept that cleaning up this ecological disaster should be a priority for Environment Canada?

Mr. Mark Warawa (Parliamentary Secretary to the Minister of the Environment, CPC): Mr. Speaker, Environment Canada is responsible for providing scientific and technical advice. There has been no evidence of oil pollution observed from surveillance flights since November 27.

Two reports have concluded that the barge poses no serious threat to the environment and leaving it intact is the best course of action at this time

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AGRICULTURE AND AGRI-FOOD

Mr. James Bezan (Selkirk—Interlake, CPC): Mr. Speaker, farmers in my riding of Selkirk—Interlake want to make their money in the marketplace.

They export their great Canadian products to people all over the world, but to win the battles in the international marketplace, they need agreements in place that level the playing field with our competitors.

Colombia and Peru are key customers that want to buy Canadian grains and meats. Can the minister update the House and farmers across this great country on these important agreements? This is their country too.

Hon. Gerry Ritz (Minister of Agriculture and Agri-Food and Minister for the Canadian Wheat Board, CPC): Mr. Speaker, as the member for Selkirk—Interlake will know, Canadian farmers can compete on any level playing, and that is what these trade deals deliver.

Let me tell the House what an icon of the opposition, the Canadian Wheat Board, said:

Western Canadian farmers cannot afford to be left at a competitive disadvantage to the Americans. We need these trade agreements implemented.

These markets are worth some quarter of a billion dollars a year to western Canadian wheat and barley farmers and some \$100 million to the pulse farmers.

The opposition says it supports rural Canada. Now is the time to prove it.

POINTS OF ORDER

ORAL QUESTIONS

Hon. Joseph Volpe (Eglinton—Lawrence, Lib.): Mr. Speaker, when there is a reference to a particular document it is customary in this place that the document be tabled. During question period I noted that both the Prime Minister and the Minister of Finance referred to some articles in a daily publication in Toronto.

I scoured through that same publication to find the items to which they made reference, and here is what I found. That is, with the Minister of Finance, it is difficult to find a worse record than his.

Those who bother to pan through the long, uneven list of federal finance ministers will find that even the perception of such incompetence in that hypersensitive portfolio provides a compelling reason for a cabinet shuffle.

I am prepared to table the document.

● (1505)

The Speaker: Order. Is the hon, member asking for unanimous consent to table the document?

Hon. Joseph Volpe: Yes.

The Speaker: Does the hon. member for Eglinton—Lawrence have the unanimous consent of the House to table this document?

Some hon. members: Agreed.

Some hon. members: No.

The Speaker: There is no consent.

It being Thursday, I believe the hon. member for Wascana has a question.

* * *

BUSINESS OF THE HOUSE

Hon. Ralph Goodale (Wascana, Lib.): Mr. Speaker, we are now into the final semester of this parliamentary session, the supply period leading to June 23. I wonder if the government House leader is in a position to lay out his business plan for that period, at least the first couple of weeks of that time, and I wonder if he could also be more specific about two things: when he plans to designate the remaining supply days, or opposition days, between now and June 23; and when the government proposes to file its budgetary probation report, which is due at least five days before the last of the supply days.

Hon. Jay Hill (Leader of the Government in the House of Commons, CPC): Mr. Speaker, I am pleased to respond to my

Routine Proceedings

colleague's questions. Before I get to his specific questions, perhaps we will revert to the more traditional response, which is to lay out the anticipated business for the week ahead.

As members know, today we completed debate at third reading stage of Bill S-2, the customs act. We will continue and hopefully complete the second reading stage of Bill C-20, Nuclear Liability and Compensation Act. Following Bill C-20, we will call at second reading, Bill C-30, Senate Ethics Act.

Tonight the House will go into committee of the whole to consider the main estimates of the Department of Fisheries and Oceans.

Tomorrow we will begin debate on Bill C-24, Canada-Peru Free Trade Agreement Implementation Act. The back-up bills for tomorrow will be any unfinished business left over from today.

Next week we will continue with any unfinished business from this week, with the addition of Bill C-15, drug offences, which is at report stage and third reading stage.

We will also consider Bill C-32, the bill that will crack down on tobacco marketing aimed at our youth, and Bill C-19, investigative hearings and recognizance with conditions. These bills are at second reading.

As I have been doing, I will also give priority consideration to any bills that are reported back from our standing committees.

Finally, I would like to note that on Monday, June 1, at 10 a.m., there will be a memorial service in the Senate chamber to honour the memory of parliamentarians who have passed away since April 30, 2008

As well, in response to the specific questions, the hon. opposition House leader would know full well that we just had our House leaders meeting of all four parties and their whips. I thought I took extraordinary steps to inform my colleagues about the anticipated business that I intend to call between now and the House rising on June 23. He has all of that information. He knows as well that much of this is tentative and subject to change because we do not know exactly how fast committees will move and how long debate will take in this place. Having said that, I have tried to be as transparent and as open with my colleagues as possible.

As far as specific questions about the three remaining supply days, I will be designating them in the future, although I did indicate tentative dates for all three, and the member is well aware of that information; in fact, I think it has been made public.

ROUTINE PROCEEDINGS

[English]

ATOMIC ENERGY OF CANADA LIMITED

Hon. Lisa Raitt (Minister of Natural Resources, CPC): Mr. Speaker, I would like to table the review of Atomic Energy of Canada Limited summary report by Natural Resources Canada, in both official languages. I have copies of the report here for the

GOVERNMENT ORDERS

[English]

NUCLEAR LIABILITY AND COMPENSATION ACT

The House resumed consideration of the motion that Bill C-20, An Act respecting civil liability and compensation for damage in case of a nuclear incident, be read the second time and referred to a committee

The Speaker: When the debate was interrupted, the hon. member for St. John's East had the floor. There are 18 minutes remaining in the time allotted for his remarks. I therefore call upon the hon. member for St. John's East.

• (1510)

Mr. Jack Harris (St. John's East, NDP): Mr. Speaker, I am pleased to have an opportunity to continue my remarks on Bill C-20, An Act respecting civil liability and compensation for damage in case of a nuclear incident.

As I spoke before the question period portion of today's proceedings, I raised the concerns that by raising the amount of limitation of liability, we are still leaving to the public of Canada or individuals the rest of the liability for what could be extremely expensive nuclear accidents.

What we are also learning today and what we believed all along is that this is all part of the effort to privatize or sell-off and make available Canada's nuclear industry.

What is ironic though is that if the bill were not brought before the House at all and American corporations who we understand have some interest in purchasing nuclear facilities or starting nuclear facilities in Canada, they would be bound by American law and lo and behold they would be subject to a compensation limit of \$10 billion.

What we are effectively doing is raising our limitation of liability to what is known as an international minimum standard. If that is available in the case of \$650 million, then the American law which requires \$10 billion would not apply.

What we are effectively doing is making it easier for American corporations to operate nuclear plants or purchase nuclear plants in Canada in the private sector in a cheaper way without the same kind of responsibility that they would have under their own law in their own country or even in this country under existing law.

What is being presented as a significant increase in the requirements, by increasing compensation limits from \$75 million to \$650 million, in fact is a disguise for lowering the limits for foreign buyers such as the Americans. That may sound complex, but that is a function of how American law operates to protect its own citizens.

My question is this. If we are going to change the law and allow this to happen, why would we not adopt the same standard of \$10 billion? Why would we not do that?

The government has deemed fit to continue to have public liability for damages from any nuclear plants, whether it be the liability for an accident, for decommissioning or for public liability of any sort. It will either be falling on the public as the taxpayer, that is the government, or the damages will lie where they fall, just as, for example, the victims of the bankruptcy or insolvency of Abitibi-Consolidated and the pensioners of AbitibiBowater who are losing their promised pensions, severance pay and other things. They are not covered by the insolvency law and therefore the severance payments that they were supposed to get contractually are not available to them. The additional pension payments that had been agreed to are not available to them. The Federal Court of Canada has decided that that is the case under our law. In other words, the loss in a bankruptcy falls on the victims. The public is not stepping up to the plate in that situation.

However, if we had a nuclear accident or a nuclear decommissioning in a bankrupt company for whatever reason, I foresee very easily that the company's ability to look after the cost of the damages would very soon be exhausted and the \$650 million is not going to do the job. Therefore, I am assuming that there would be a public outcry and an expectation that the Government of Canada, under whose jurisdiction this falls and who allowed this industry to develop in the way that it was planning, would have to assume responsibility for the damages that were done to individuals financially, physically, health-wise or whatever long into the future.

● (1515)

That is what this bill is about. It is bringing about a situation which takes the direct control of the nuclear industry out of the hands of government and is designed to put it into the hands of the private sector with a special arrangement that says that the nuclear industry will only be expected to have a compensation limit of \$650 million. That is wrong and we in the NDP oppose it.

The development of the nuclear industry has been very controversial in Canada and elsewhere. We have seen, as previous speakers from my party have noted, a series of nuclear accidents over the years, which have been very expensive not only in terms of the health costs, the lives lost and the environmental and health damages for many years to come but also obviously in terms of dollars.

Let us look at the enormity of some of the costs of damages. For example, the cost of cleaning up the Three Mile Island nuclear incident a number of years ago in the United States would equal the cost of developing over 1.1 million 100-watt solar panels. We know that solar panels are rather expensive ways to produce electricity. The cost of cleanup alone, not the cost of operating or building, could have produced 1.1 million 100-watt solar panels.

We have the absolute cost of building nuclear plants too, which are very expensive. We have not had examples in Canada of this yet but we have long-term costs and expenses associated with finding a way to look after nuclear waste for many years to come.

We have seen an example of the mining industry running into financial difficulty. It was unable to clean up its environmental waste because it went bankrupt and the public had to step in. There is the example in my own province of the Hope Brook Gold Mine on the southwest coast, which was operated for a number of years. It did not operate for many years, just a handful, during which it made some money. It left a toxic waste situation that required millions and millions of public funds to clean up because the company itself was bankrupt.

That is the kind of situation we would be facing when the liability issue would be brought into question. It would be brought into question when something drastic and dramatic happened. It is not something that is so far beyond the realm of possibility that it ought not to be accounted for. If that were the case, the American government would not be insisting that nuclear plants and developments inside its borders have a minimum of \$10 billion liability.

Other legislators and governments have decided that this is an extremely serious matter. The amount of liability that we are exposed to when it comes to the nuclear industry are enormous and must be accounted for.

We see the very mundane example of people who drive motor vehicles, which is provincially regulated, being required to have certain levels of insurance. In some provinces it is \$100,000 public liability, in some cases it is \$200,000. Some people get \$1 million or \$2 million public liability, and they do it because they want to protect themselves if there is an accident where the costs are greater than the statutory minimum of, say, \$100,000.

There are many examples of car accidents which have incurred costs for recovery, rehabilitation and long-term care in excess of \$100,000. Some are in excess of \$1 million. Drivers of motor vehicles must protect themselves by law to the minimum but by common sense higher.

(1520)

The same thing is at work here. If individuals with \$100,000 liability insurance have a car accident that they are responsible for which ends up costing \$300,000 in damages to an injured party, the \$100,000 comes from the policy, but the \$200,000 comes from the individuals, from their assets, their homes and their properties. So people protect themselves.

By the same token, in the nuclear industry, where we are talking about the kinds of damages that would be incurred, we are talking about an enormous amount of money, hundreds of millions of dollars and into the billions of dollars. Our American friends have decided in their wisdom that a minimum of \$10 billion of liability is required to provide for the safety of the public in the United States of America.

That does two things. If the liability were \$10 billion, that requires a very strict level of activity by anyone engaged in the nuclear industry, first of all, to get the insurance and, second, to abide by whatever rules, regulations and activities are insisted upon by these insurers with respect to safety. If I were an insurance company and on the hook for \$10 billion of liability, I would be acting extremely

Government Orders

vigilantly in ensuring that any activity going on under my policy was going to be strictly looked after.

We see that in the offshore oil industry and in other industries where a lot of damages can be incurred. As a result, of course, there are very strict guidelines and international standards organizations actually monitoring, in the case of the offshore, the construction of offshore oil platforms, drilling rigs and all of these things. They get involved because they have the ultimate liability in ensuring that the rules are followed. The same thing would happen in the nuclear industry if it were to be privatized, as the government seems to be hell-bent on doing.

It is a very expensive industry and the biggest problem is that the costs are almost unknown. The additional costs can balloon by millions and billions of dollars fairly readily. With the nuclear system such as the one in New Brunswick, the cost of repairs to keep it going are in the billions of dollars. Where does all that money come from? It has to either come from the public or private enterprise, or the industry has to shut down.

These are enormous costs that are thrown upon the industry and the public without any real control. That is why we in the New Democratic Party prefer other methods of energy generation, for example, electricity generation. Some of my colleagues have talked about wind power, solar power and hydro power.

We have enormous potential in hydro power that has not yet been developed. My colleague from Manitoba spoke about the 5,000 megawatts of power in Manitoba that is yet untapped. We have a huge power potential in Lower Churchill, Labrador, that has not yet been developed.

These are the kinds of first choice developments for energy needs that we would want to see promoted and encouraged by the Government of Canada. It can do that in a number of ways. There is a lot of talk about an east-west power grid where we can provide, within our own country, for our power needs by being able to trade and transport electricity from one province to the other.

We saw an example recently, and it is a model example, where Newfoundland and Labrador is selling power not to Ontario but in this case to the United States through Hydro-Québec's power grid, under the wheeling rights provisions that Quebec is party to.

We should have similar rules in Canada with respect to allowing the transport of electricity so that one province can generate and another province can use. This requires a bit of cooperation and it requires a bit of help from the Government of Canada, for example, a loan guarantee for the province of Manitoba's power corporation or Newfoundland and Labrador Hydro in the case of Lower Churchill.

● (1525)

These are the ways in which the Government of Canada could make these projects more viable. It could allow access to capital at an easier rate for what is essentially a green technology that is renewable, sustainable and will be available for decades to come.

In the case of nuclear, the shelf life of nuclear plants inevitably results in the deterioration of the plants and the need for decommissioning in some cases. My colleague from Burnaby—Douglas talked about the project in Washington State in the United States costing \$2 billion a year. Those costs will go on for decades in order to decommission a nuclear facility that is not producing any power.

These are the kinds of long-term costs that are very difficult to predict. What we can predict is uncertainty. We can predict uncertainty and a certain amount of certainty that many of these costs ultimately will be passed on to the taxpayer.

We do not see this as the way to go when it comes to the development of power in this country. We see a lot of other alternatives that are better for the environment, produce more jobs, have less risks and less danger and will not contribute to the proliferation of nuclear technology and weapons in the world.

There has been some talk about the changes that are taking place, for example, with India and the sale of nuclear plants and the transfer of nuclear technology. Now India, which did not sign the nuclear non-proliferation agreement, is a nuclear power. Pakistan is in the same boat. There is some hope that a new round of nuclear disarmament may take place. I look forward to a government in Canada that can provide some leadership on that. We have not had it from the current government. I guarantee that we would have it from an NDP government.

We are seeing signs that one of the largest nuclear powers in the world, the United States, is ready to embark on a policy of nuclear disarmament. That is a very positive sign. We cannot have a situation where they are the ones holding nuclear weapons and they do not want anyone else to have them. However, if they are saying that they believe in world nuclear disarmament and are prepared to play a part in that, that is a different story. That is a recipe for possible future progress and peace. It is something that I would like to see happen.

This bill is not a step in the right direction. We cannot support it in the form that is before the House.

Mrs. Cheryl Gallant (Renfrew—Nipissing—Pembroke, CPC): Mr. Speaker, it is unfortunate that since September 11, 2001 AECL and our different nuclear power plants have been unable to conduct tours on their premises. Before then, they were able to give an education based on-site with people seeing what actually happens.

I would hope that the natural resources committee does conduct a study on the impact of the outage of the NRU reactor at Chalk River and that the committee members take the time as privileged members of the public to go on a tour and see firsthand what happens at this particular reactor. Not only is it the manufacturer of isotopes, but it is also the important research behind Candu technology as well as neutron scattering which helps our material science and our manufacturing study.

There was mention of legacy debts. I wanted to ensure that the member opposite understands that companies that utilize and manufacture products using radioactivity are required by the Canadian Nuclear Safety Commission to have a legacy fund so that when their business ends, there is money in place to cover any costs of cleanups. I want to give an example of that. In Pembroke, SRB

technologies actually takes the tritium that is emanated from the Candu power plants for Ontario Hydro and instead of burying it, it is reused to make watches glow. It is used for exit signs so that electricity is not necessary. It is used along the aisles of airplane floors so that passengers can find their way out if the power goes out.

I just wanted to make sure he was aware of that. Candu does not use highly enriched uranium for its power reactors. That is a real benefit when it comes to nuclear non-proliferation. Canada's technology does not use weapons grade uranium for the production of electricity.

Could the member opposite compare and contrast the terms "nuclear waste" and "spent fuel"?

• (1530

Mr. Jack Harris: Madam Speaker, if I did not know better, I would think that the member was a schoolteacher asking me to compare and contrast certain terms.

There obviously are uses for nuclear, but the fact that something could actually glow in the dark bothers me a little. The concentrations are a problem. I know there are uses for nuclear technology and that the Candu reactor is probably one of the better ones, but the point I was trying to make is that we are dealing with an industry on which there are not really the right amount of controls.

In terms of this bill itself, we are not prepared to say to the nuclear industry, whether it be private or public, that we are going to put the same standards in place that our American neighbours have by saying that the liability should be \$10 billion. If we are not prepared to do that, then we obviously do not have faith that the industry is going to develop with the right kinds of constraints.

The same issue goes for the safer world. If we had the kind of world that we are envisaging, if Mr. Obama and the Americans are successful in proceeding with a nuclear-free world, which I would like to be part of and I would like my children and grandchildren to be part of, then it is a different playing field, where we have the responsibilities in place and we have the fears under control, and we have a situation where we can feel more confident. We do not feel confident right now.

Hon. Keith Martin (Esquimalt—Juan de Fuca, Lib.): Madam Speaker, I listened to my hon. colleague's comments about a nuclear-free world. Certainly we would all like to see that, but the practical realities of the matter are something entirely different.

If we want to combat global warming and climate change, we have to use an array of non-carbon-based fuels. One of those things that we have to use is nuclear energy. Some would dismiss that and say that we simply should not, but there is a cost benefit analysis.

In the case of China, for example, 40% of greenhouse gas emissions are from coal. Would the member prefer that countries such as China and India build more nuclear power plants as part of an array of alternate energy sources, or would he prefer that countries such as China continue to build and expand coal-based power plants that are incredibly destructive to the environment?

Mr. Jack Harris: Madam Speaker, obviously that is a false choice.

The member talked about the practical realities standing in the way of a nuclear weapons free world. We do not make progress unless we take an ideal and go to work to try to make it happen.

The same thing could have been said about medicare in Canada, that we would love to have free medicare but there are so many practical barriers in the way. It happened because people with vision made it happen, because they believed in it and wanted it to happen.

We have to show some leadership as a country in this field. If this legislation were to go through, if the amount were \$10 billion, then we might have some confidence that people who are engaged in nuclear activity would be paying more attention to the safety issues than to the long-term costs and all of the things that are involved with that.

I can talk about the percentage of Alberta's electricity that is produced through coal as well. These are false dichotomies. We are talking about the principles of if we are going to develop a nuclear industry for peaceful purposes, let us do it this way, but let us have a nuclear weapons free world too.

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Madam Speaker, one of the myths out there is that nuclear power is cheap. It never has been cheap.

Look at what is happening in New Brunswick with Point Lepreau. There is talk about billions of dollars of reinvestment into that nuclear power plant, and the reality is that it is outdated now. What can the hon. member suggest be done with those billions of dollars in terms of alternative energies, and not just alternative energies to keep the power going, but also a mass educational program to reduce the amount of energy we use?

I say this with great respect, but Canadians are energy hogs. We use more electricity, more gas and more fuel per capita than most other societies on the planet, yet we do not talk about reductions. We do not talk about the need to slow it down, to look after future generations.

Eventually uranium and coal mining will cease. There will be no uranium left. Eventually it will stop, but what about the waste? There are a million questions about nuclear power that are extremely concerning, but everybody knows that one nuclear mishap can ruin one's whole day for a long time.

I would like the hon. member to comment on the fact that nuclear power is not cheap. It never has been cheap. It is very expensive, and the reality is that the taxpayers of Canada are the ones who would end up cleaning up the mess at the end of it.

• (1535)

Mr. Jack Harris: Madam Speaker, the Canadian government has invested \$16 billion to \$20 billion in research and development in the nuclear industry. If that kind of money, or anything near that kind of money, were invested in alternate fuels such as wind and solar and the options available for fuel cells, for example, we would see a proliferation of safer, cleaner and less dangerous electricity all across this country.

Government Orders

We were getting very close, but with more research and development, we could have alternative energy forms available to the public. We do not need to have the proliferation of a nuclear program with the cost, the expense, the danger and with the unlimited liability, as it turns out, in a case like Point Lepreau or other places where for many, many years to come we would have to look after nuclear waste.

Hon. Keith Martin (Esquimalt—Juan de Fuca, Lib.): Madam Speaker, it is a pleasure to speak today to Bill C-20, An Act respecting civil liability and compensation for damage in case of a nuclear incident.

As a short summary, the bill is designed to replace the 1976 Nuclear Liability Act and would establish a clear regime in the event of a nuclear accident, which are laudable goals.

The bill would establish the compensation and civil liability regime to adjust damages resulting from radiation in the event of a radioactive release from a Canadian nuclear installation. The bill would also increase liability limits from \$75 million to \$650 million and would put Canada on par with internationally standards.

The Liberal Party supports the bill in principle. We are looking forward to getting the bill to committee so expert witnesses can be brought in and our team can ask the pointed questions to ensure the bill will be respectful of and protective of the interests of Canadians.

The principles of the bill are in many ways similar to the principles of the previous bill that it will replace, in that operators are exclusively liable for damages. The operators must carry insurance. The liability is limited in time and amount and suppliers and contractors are effectively indemnified.

I am sure this question will be asked during the committee hearings. Should there be some liability for suppliers and contractors? If contractors are building a new reactor or doing work on an existing one and that work is shoddy, surely there should be some element of responsibility on the shoulders of the contractors. I am sure this issue will be delved into during the questions that will come before the committee.

The bill addresses foreseeable risks and reflects the insurance capacity of companies to pay. If a nuclear event were to take place, then the costs could be quite large. We want to ensure that the liability will be somewhat limited on the part of the companies, otherwise no insurance policy could be purchased. If possible damages to be paid out by an insurance company were to be so large, it would destroy the ability of a company to continue to exist.

I want to talk about a couple of other important issues in this area. It goes to the heart of AECL. A review of AECL found that the structure of the corporation was impacting its effectiveness, that AECL needed significant review and that review should get to the heart of structural changes that would have to take place in AECL and its two divisions, the CANDU division and the research and development division. Both are in desperate need of specific restructuring. We know process has started and we would like to see the outcome of that assessment. All Canadians need to see that.

Nuclear power is a double-edged sword. On one hand, it can provide enormous benefits in reducing greenhouse gas emissions, in using an energy source that will be needed by large industrial countries such as ours. On the other hand, there is a risk, albeit a tiny one, that has to be managed quite carefully. Therefore, the outcome of these assessments of AECL should be made known to the House and to the public.

We have some extraordinary nuclear scientists in our country and, as a nation, we should be a leader in this field. Some would argue that we should not deal with this issue at all, that nuclear power is bad and we should somehow go down the road of other non-fossil based fuels. However, given the power needs of our country, can we derive enough energy from other non-nuclear, non-fossil based sources? I do not think so.

Hydro power, geo-thermal power and solar power are very important alternate sources of energy and they will be useful to decrease our dependence on fossil fuels, but they are not the only answer. The fact is nuclear power, whether we like it or not, is and will be an important part of our strong need to wean ourselves off carbon-based fuels.

• (1540)

France, for example, does a very good job. A significant part of its power comes from nuclear power. Canada should also follow suit to some degree. We have other assets, particularly hydro power. On the other hand, we should be able to integrate nuclear power as one of the options in order to wean our country off fossil fuels.

Why is this issue critically important? My very famous colleague, our former minister of the environment and the former leader of the Liberal Party of Canada, has done, and continues to do, an extraordinary amount of work on the environment. He has been one of the top leaders in the world in dealing with climate change. He has said many times that a 2° Celsius increase in temperature will have potentially catastrophic effects for the world. Right now we are about 1.4°, if we factor in all of the elements. We are getting fairly close to that tipping point. Once that tipping point occurs, we will be faced with the following problems.

We could get into the feedback loop mechanisms. As the temperature of the earth rises above a certain degree, the temperature of the oceans increases. We have removed a lot of the polar ice, as the permafrost has melted, which contains methane and that has 25 times the greenhouse effect of carbon dioxide. For example, Siberia has a very large capacity of methane that is stored in the permafrost and that is being released. As the temperature of the oceans increases, the oceans become more acidic. Those two factors reduce the ability of the oceans to absorb carbon dioxide and produce oxygen, photosynthesis.

After a certain point, we get to a place where we have passed the tipping point, where we are getting into a feedback loop that cannot be reversed. The impact of that, as I said before, will be catastrophic, not only for our country but for developing countries in the world. It will produce not only environmental calamities but security and economic calamities as well.

This is why it is very important that we do not dismiss the use of nuclear power because of visions of Chernobyl. The responsible thing to do is to see how we can integrate nuclear power in a way that will be an addition to the tools we use to get us off greenhouse gases. A failure to do that means countries like China, which produces an absolutely appalling number of coal-based plants every year, will continue to rely on those carbon-based fuels such as coal. In the process of doing that, it is going to be releasing more greenhouse gases, which is going to have a catastrophic effect on our world

When we manage risk, is it better to allow that to occur and dismiss nuclear power, or is it wiser to embrace nuclear power plants if we are to decrease the building of coal power plants? I would argue that the responsible thing to do is to reduce our dependence on fossil fuels and use an assortment of other tools.

Another area is the issue of Chalk River. About a year and a half ago the Chalk River nuclear power plant close, and that has happened again. The Chalk River nuclear facility is facing a three month shutdown. Why is this important for patients who need those isotopes? Isotopes only last hours, not several days, so we cannot stockpile them. Isotopes are critically important in diagnostics for cardiovascular problems and various cancers. If we cannot produce those, thousands of patients, with a particular disease, will suffer the uncertainty, the unknown, which will potentially affect them.

• (1545)

Do we have options? No. Why did the government, knowing the failure of Chalk River and knowing that it was a 52 year old power plant, not understand that it was absolutely urgent to find new sources of isotopes? I cannot understand that. We are missing an extraordinary opportunity. We have amazing scientists in this area. It is a technically difficult area, yet we are losing this scientific excellence.

Canada could be a leader in the production of radio isotopes, in diagnostics and treatment in medicine, yet we are not. This deprives not only our patients, but patients around the world access to these materials.

This matter will be made even worse. The Petten reactor in Europe will be down for two to three months for a normal overhaul. I believe the reactor in Europe produces about 34% of the world's isotopes. The Chalk River reactor produces over 50% of the world's radio isotopes. Both of those reactors will be out of commission. What is going to patients who are relying on the radio isotopes for their diagnostics? This is a medical catastrophe.

I am flabbergasted. Why on earth did the government not plan to capitalize on Canada's excellence in this area and commission a new reactor to produce these radio isotopes and build redundancy into the system worldwide? We need to have that. The medical system and our patients need this in the production of radio isotopes. AECL scrapped two MAPLE reactors due to design flaws, and they were massively over budget.

People have asked this question. Why on earth can Canada not build a reactor in under a decade? Why does it take more than 10 years to build one? We have the scientists. We have the capability. We have the knowledge. Where are things going wrong? That is why a public review of AECL would be very important. Canadians could have the answer to these important questions. It is not simply an academic exercise. It is a matter of life and death.

The other issue is that the government has lost control of the public purse. A few months ago the Minister of Finance said that the deficit would be \$34 billion. Now he has said it will be \$50 billion.

At the end of last year, the Prime Minister and the Minister of Finance said that our economy was in top-notch shape and that we would not face any kind of deficit. There are two scenarios. Either the Prime Minister and the Minister of Finance did not know we were heading into a deficit when everyone else was telling them we would have one, in which case they are incompetent, or they knew about it and did not tell the truth. People will determine which of those two scenarios it is. Either one is not appealing for the Prime Minister of our country. All Canadians should ask themselves if the Prime Minister and his cabinet are fit to lead our country, since they have messed up so often in so many areas, areas that are so important to them as well as the country.

In order to generate some money, the government will try to sell off AECL. If we sell off AECL to private interests, what will be the checks and balances and oversight to ensure that our nuclear reactors will be managed properly? The public safety factor has to override all other considerations? Where is the public right to know and Parliament's right to know if AECL will be sold to private owners? This fundamental question has to be answered by the government before any kind of tender is put out. That has to be part of the process and it is critically important.

● (1550)

The other area I want to discuss is the fact that Canada has exported our nuclear capabilities to other countries. Right now, Canada and India are poised to potentially sign a deal where India would buy Canadian nuclear capabilities. It is a good thing in principle but there must be checks and balances to ensure these reactors cannot produce fissile materials. We know that India and Pakistan have nuclear capabilities. We also know there is significant, to put a fine point on it, antipathy between both India and Pakistan and we are seeing the consequences of this in Afghanistan.

In Afghanistan, where our troops are bravely working, people are paying the price in blood and our nation is paying a price in treasure for our mission there. However, the mission in Afghanistan will not be successful and the people of Afghanistan will not have the peace they so justly deserve unless the issue of Pakistan is dealt with. Pakistan can only be dealt with if its own concerns and fears are dealt with about India.

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Would it not be a great opportunity for Canada to play a diplomatic role in trying to bring India and Pakistan together to deal with the issue of the insurgency going into Pakistan? It would also help Pakistan to deal with the internal insurgency that it has that has killed thousands of people. Surely, this could be an innovative and diplomatic endeavour for our country.

Unfortunately, the government has eviscerated the Department of Foreign Affairs, cutting more than 20% of its funds just in the last couple of years. How can the government profess that Canada should have a strong diplomatic force in the world and then eviscerate the very diplomats and resources they have to do their job? It cannot.

Herein lies an opportunity and I would strongly advise the government, for the sake of Afghanistan, the Afghan people, our troops and their families in particular, that it act innovatively to address this issue. A failure to do this will simply not allow us to deal effectively with the pressing challenges within the country.

I also want to talk about an issue that deeply concerns all of us and our neighbours south of the border, and that is the loss of control of fissile materials. We talk about fissile materials getting into the hands of organized crime or terrorist groups, and it is a very real concern. Initiatives have been established to control these materials coming from eastern Europe and the former U.S.S.R. However, the reality is that Canada should be taking a role with its partners, which would improve our relations with our allies, to deal with the lost nuke problem. It is not a tiny problem but a large problem. The failure to grapple with this issue is an international security threat. This is another area where I strongly advise the Government of Canada to use its diplomatic capabilities to deal with this issue.

We know about the proliferation of nuclear weapons and the proliferation in countries that are hardly democratic, law-abiding states, such as North Korea, and it is a very serious problem that requires a multinational effort. Canada, as a country with some extraordinary diplomats within its borders, should utilize its diplomatic capabilities, fund the Department of Foreign Affairs and work with its allies to deal with the great challenges of the 21st century, and certainly the proliferation of nuclear weapons is one of those.

We in the Liberal Party will support this bill to get it to committee. We have raised many issues in the House relating to the bill and to the larger issues of nuclear power, nuclear weapons and fissile materials. We are willing to work with the government to ensure these issues are resolved in the best interests of our country.

(1555)

Mr. Jack Harris (St. John's East, NDP): Madam Speaker, I listened with great interest to the remarks of my colleague from Esquimalt—Juan de Fuca. I would agree with him that the issue of the medical isotopes from Chalk River is a matter of life and death. We do need those isotopes to continue to provide the kind of medical service that they have been providing, not only to Canadians but to the rest of the world. My colleague is very critical of the current government for failing to take measures that would have ensured the continuation of this production.

He also said that it takes 10 years to build a reactor. The reactor at Chalk River is now 50 years old and worn out. I guess 10 years ago would have been the time to try to fix this problem and put in a duplication of effort or redundancy as he talked about.

I am questioning whether this problem came about in 2005 or 2006 since the Conservative government came into power or whether this problem should have been dealt with by the previous Liberal government 10 years ago in the late nineties. Could he respond to that? I ask that sincerely because I know the member was sincere when he said that this was a life and death matter and that the government should take responsibility for it.

Hon. Keith Martin: Madam Speaker, my colleague is right. This cannot fall on the shoulders of one government. However, the breakdown of the Chalk River reactor occurred under the current government's watch. I think all sides have a willingness to work with the government to ensure we come up with a plan to develop redundancies in Canada for the production of medical isotopes.

I honestly believe that the production of medical isotopes could be an area of excellence for Canada. Canada is a net exporter of medical isotopes but we could certainly expand on that in some of the new medical technologies.

Canadian patients have little access to positron emission tomography scanners. This scanner is one of the most effective ways to detect cancer early. Canadian patients do not have access to that because governments do not have the money to pay for it but we could develop innovative partnerships to ensure this occurs. I honestly believe this is something that all parties can work toward.

This problem does not rest solely on the shoulders of the current government but the absence of any leadership after the Chalk River reactor broke down twice, displays an appalling lack of foresight given the fact that all of us warned the government to produce a plan of action to ensure this would not continue to occur, that the situation would be repaired and that redundancy would be developed within the production of medical isotopes in Canada.

(1600)

Mr. Jack Harris: Madam Speaker, I certainly respect the frankness of the answer, recognizing that the full responsibility does not fall on the Conservative government.

However, we have put ourselves forward as a world leader in terms of the production of medical isotopes but we have let the rest of the world down. We have let them and ourselves down because we have not had the kind of sustained commitment to research and development in this country that is necessary, not only to solve the problems that my colleague is talking about now, but in the broader

field of science. We talk about it from time to time and we lurch from here to there, but in terms of a sustained commitment to research and development, it needs to be supported by government, where necessary, to make the kind of progress that needs to be made if Canada is going to be a world leader, whether it be in scientific development, technology, or whether it be simply in a way of ensuring that our young people and our workforce have an opportunity to participate in new economies.

Would my colleague not agree that it is not simply a failure of the Conservative government but a failure of governments in the past, including his own, although I am not sure if the member for Esquimalt—Juan de Fuca was here, to make that kind of sustained, long range, high level commitment to research and development?

Hon. Keith Martin: Mr. Speaker, in the mid-1990s, when we were battling a very large deficit and Canada was about to have its bonds actually downgraded, and we were going the way of Argentina, the Liberal government of the day said that it could not do this. It decided that the responsible thing to do was to reduce expenditures and get the country's finances under control.

That is what happened. The Liberal government actually moved from a very large deficit to a surplus budget. We had surplus budgets from the late nineties through until the current government came on board. The current government spent wildly in a time of surplus and lowered taxes at the same time. Former President Bush did that in the United States which resulted in the catastrophic economic problem that the U.S. is now facing and which will have a massive effect on us in the future.

On research and development, the then prime minister, Mr. Chrétien, made some of the largest investments into research and development, which took our country from being in the middle to being third in the world in research and development on a per capita basis. Many of the Centres of Excellence were created, excellence research chairs appointed and the Canadian Institutes of Health Research and social sciences were created. All the major scientific bodies were created during the time of the Liberal Party with a massive increase in funding.

The government has put moneys into structures but it has failed to do invest in operating costs, which is a serious problem. We have been telling the government for months now that it needs to give our scientists the money they need to actually do the research. It has not, so scientists are leaving our country and destroying one of the fundamental pillars of our strong economy.

The government also is not investing in basic science and without an investment in basic science, we are unable to find the new dramatic innovations that change societies, change countries and change our world. It is only investing in the commercialization aspect in a narrow number of areas.

The other thing the government needs to do is invest in our high tech parks. We are lagging behind countries such as China and India that are massively increasing their investment in technology parks. I have the Vancouver Island Tech Park in my area. The head of that, Dale Gann, is the national president. He has come with a very compelling series of solutions to make Canada a leader in high tech and apply it to science and technologies. Unfortunately, those kinds of issues and solutions have been met with a tin ear on the part of the government. Its failure to act in these areas will compromise our economy and compromise the future of our nation and our citizens, and that is something that we cannot do.

We have given the government umpteen solutions. Sometimes it takes them but frequently it does not. It should listen more, act with resolve and know that in this House, during this economic crisis, it has a willing partner with good ideas in the opposition ranks. In my party, the Liberal Party, our critics have been offering many innovative solutions in a wide variety of areas. The government needs to co-operate with us more in the interests of our public, in the interest of public service and in the interest of our nation.

(1605)

Mr. Jack Harris: Madam Speaker, in a previous exchange, we talked about alternatives to nuclear power in this country. Hydro development is one alternative that is perhaps underdeveloped but where opportunities could be developed. In Manitoba, for example, there is a large opportunity, and in Lower Churchill in my own province. There obviously is a need for the kind of co-operation that would be required to share this power nationwide but also some support from the Government of Canada.

Would the member support a national government effort to perhaps buy loan guarantees for that type of development?

Hon. Keith Martin: Madam Speaker, I certainly would like to see the proposal that the hon. member has. We, obviously, are in favour of alternative sources.

One simple thing we could do is change the building codes in Canada. One of the simplest ways to reduce our dependence on greenhouse gas-producing sources of fossil based fuels is to change our building codes, change the way we build our buildings and reduce the amount of energy we actually use. That is one of the simplest ways to massively reduce our burning of greenhouse gases.

[Translation]

Mr. Jean-Claude D'Amours (Madawaska—Restigouche, Lib.): Madam Chair, I would like to address the House for a few minutes to discuss Bill C-20, An Act respecting civil liability and compensation for damage in case of a nuclear incident.

One of the reasons why it is important to take the time to study this bill is of course the fact that the act goes back to 1976. You will understand that I was only three years old at that time. The whole nuclear movement has changed and evolved over time. The time has certainly come, 33 years later, to ensure that provisions are updated and to improve the act which has been in effect since then.

Updating means ensuring that the act reflects what is going on today, but also ensuring that we go a little further by being proactive and instituting measures so that the population feels better protected.

Government Orders

We also want to see those who will be dealing with nuclear material and facilities take on some responsibility.

We all know that we need energy if we are to function. Whatever type of energy we use, have to have it to power our cars and heat our homes. That is reality, in this country and throughout the world. We are not unique in this. We most certainly live in a climate where the population has to heat their homes in the winter. We have to find a way. Some feel that certain energy solutions are less polluting than others. If we want to take the environment into account and pollute less, this may mean putting the emphasis on wind power and hydroelectric power.

However, we must also examine sources of energy that are extremely polluting, be it coal-generated energy or electricity produced by burning oil.

Nuclear energy also exists and must not be set aside. I heard certain members oppose Bill C-20, which seems a bit bizarre to me. As I mentioned earlier, when an act goes back to 1976, sooner or later we have to ensure that we update that legislation, especially when we are talking about nuclear energy.

Some members may be against nuclear energy and speak against it. However, we also have to look at the whole matter of the use of nuclear matter for worthwhile medical purposes. The crisis we are experiencing currently seems worse to me than the one in 2007. This year, in 2009, we are going to experience what appears to be an insurmountable isotope crisis. Indeed, from one day to the next or from one week to the next, we see that the government is introducing and adding amendments stating that medical isotopes will not be available before a given time.

The reality is that everyone in our country and elsewhere needs medical care. We have to be able to find solutions and identify people's illnesses. We may then see that there is no disease; that can happen. In that sense, medical isotopes allow us to move forward. They make it possible to find health-related, medical solutions for our fellow citizens.

If we want to be able to move forward in this area we have to be able to develop isotopes and this is done in a nuclear environment. It cannot be done with thin air, nor with wind turbines. We cannot make isotopes with hydroelectric energy, even if some people would like that. That is the reality we have to deal with.

If we want to continue to ensure a better quality of life where the health of our population is concerned, we must also be able to take steps to provide a safe nuclear environment. I was talking about protection earlier, and I may have an opportunity to get back to that.

When we speak in the House, it is good to have people listen to us, and not have them be talking to each other instead. Sometimes that can be distracting. It seems that some people are not interested in this very current and important matter, important for the health and safety of our populations.

● (1610)

I was talking about isotopes. Who can be against the obvious virtues of nuclear energy? Nuclear energy will be used to create medical isotopes. We must not forget that Canada produces 50% of the world's medical isotopes and 70% of the isotopes used in North America. It is all well and good to look at what we provide to other countries, but when the time comes to make a decision and vote on this bill, we will also have to take into account the fact that we use medical isotopes for the citizens we represent, Canadian citizens. How then can we be against the clear advantages of nuclear energy in that regard?

We cannot oppose it. I hope that some of the members who say they are against nuclear power will take a few extra minutes to think this through and think about their fellow citizens, the members of their family as well as themselves; they may at one time or another have had to undergo medical tests that involved the use of isotopes. It is almost impossible to be against the virtues of nuclear power in this regard. We cannot tell our fellow citizens that we will just stop producing isotopes because their production involves nuclear power. It would be like telling them that we will no longer be able to diagnose their diseases because we do not want to produce medical isotopes anymore. We really have to think about this with great care.

Once certain members have thought about this, I want them also to think about how anyone can be against updating and improving an act that has been around from 1976 to 2009. It is impossible to think that a member could oppose that and vote against this bill because he or she is against nuclear energy. That is missing the point. The point is that we have to be in favour of the bill because we are going to need nuclear energy in order to be able to provide medical care to Canadian citizens and to identify certain diseases or certain problems. Let us at least update the bill. Why run an additional risk? As parliamentarians, why not ensure that those who work with nuclear power be made more liable? We cannot be against that idea either.

Earlier, I mentioned protecting our citizens. There is no doubt that nuclear energy is not like water. We can drink water, even if it may sometimes be polluted, but not nuclear substances. So we have to be careful. Certain steps have to be taken. However, citizens must also feel that they are in a realistic environment. They must feel that parliamentarians have considered all aspects and that the government and the various government agencies have taken the necessary steps to ensure that the population is well protected, especially when we are dealing with nuclear power. It has to be said that this is an environment that can be unstable in some respects. No one will deny that. However, if we want to ensure that we are giving our citizens greater protection, one of the ways of doing that is to update this law in order to make sure that we will have much better regulation.

The other point concerns liability. We want to make sure that we are increasing the liability of nuclear power plant operators. One of the important things to point out in this regard is that the bill will increase liability from \$75 million as it is currently to \$650 million. Increasing these liability levels will ensure that people will not be able to take their work lightly. In addition to ensuring the protection of the environment and of our citizens, we will be making those who operate nuclear facilities more accountable, and raising the liability level from \$75 million to \$650 million is one proof of that.

● (1615)

Generally, it is when there are no limits that people do things in a somewhat more negligent way. If you increase liability to such a level, this clearly demonstrates that we want to attain an objective: that of ensuring that operators are doing their work seriously, so as to provide greater protection to our citizens.

As everyone will have understood, I will indeed be voting in favour of this bill. We will never be able to eliminate nuclear power, except perhaps in 100 or 150 years. This is not just about energy, but about medical treatment. Some of us may not agree with one or another of these matters, but it is very difficult to be against the medical aspect. If we cannot be against nuclear energy as it relates to medical matters, clearly we have to improve the act if we want to increase the protection we afford our citizens, and if we want operators to be more liable.

I will conclude here. If members have questions for me, I am ready to answer them.

[English]

The Acting Speaker (Ms. Denise Savoie): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Ms. Denise Savoie): The question is on the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Ms. Denise Savoie): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Ms. Denise Savoie): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Ms. Denise Savoie): In my opinion the yeas have it.

And five or more members having risen:

The Acting Speaker (Ms. Denise Savoie): Call in the members.

• (1620)

And the bells having rung:

Mr. Chris Warkentin: Madam Speaker, I ask that the division on the motion be deferred until Monday, June 1, at the end of government orders.

The Acting Speaker (Ms. Denise Savoie): Agreed.

SENATE ETHICS ACT

Hon. Steven Fletcher (Minister of State (Democratic Reform), CPC) moved that Bill C-30, An Act to amend the Parliament of Canada Act and to make consequential amendments to other Acts, be read the second time and referred to a committee.

He said: Madam Speaker, I am pleased to move second reading of Bill C-30, the Senate ethics act.

[Translation]

Bill C-30 proposes to make a single officer responsible for administering all the ethical standards for parliamentarians.

[English]

Many Canadians are surprised to learn that despite the overlap in ethics standards for ministers, members of Parliament and senators, senators have their own ethics officer while ministers and members of Parliament have another.

From the perspective of the House of Commons, there has been long-standing support to establish a single ethics officer for all parliamentarians. Several attempts have been made to correct this inconsistency.

In 1997, a special joint committee chaired by our current Speaker and Senator Oliver recommended that a single ethics officer should administer a common code of conduct.

[Translation]

In 2002, the federal government introduced a draft bill on appointing a single ethics officer in the wake of the recommendations made by the special joint committee in its 1997 report.

[English]

However, the upper house ultimately opposed the initiative, insisting that it should have its own ethics officer. As a result, the government introduced a bill that created two separate ethics officers: an ethics commissioner for the House of Commons and public office holders, and a Senate ethics officer.

[Translation]

In 2006, the House of Commons passed the Federal Accountability Act, which provided for the appointment of a single ethics officer.

[English]

However, the upper house again opposed this political accountability measure and deleted the relevant clauses from the bill. In the interest of passing the many other important accountability measures in our government's flagship legislation, the House of Commons agreed, with a promise to return to the issue.

[Translation]

Today, we are doing just that.

[English]

I hope that the House of Commons will again pass the measure it supported previously. I also hope that the other place will recognize

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the democratic will of the people of Canada as expressed in this House.

The upper house has blocked our efforts in the past on this issue. Let us pass the bill as a signal to Canadians that their voice cannot be stifled by unelected members in the other place.

The main provision in the Senate ethics act would eliminate the office of the Senate ethics officer and transfer all of its responsibilities to the Conflict of Interest and Ethics Commissioner.

There are many advantages to bringing the administration of the ethics standards for members of Parliament, ministers, parliamentary secretaries and other public office holders under a single officer. For one, it reflects the expectation of Canadians that ethics standards should be applied consistently for all public officials, rather than having a special process for a special class of people.

In 2004, the Parliament of Canada Act was amended to create two positions: the office of the ethics officer and the office of the ethics commissioner. While the Senate ethics officer's mandate was to oversee the ethics code for senators, the ethics commissioner was given a broader mandate that included members of Parliament and public office holders: ministers and parliamentary secretaries, ministerial staff and governor-in-council appointees, for example.

This mandate was continued in 2006 in the Federal Accountability Act. When it was established, it included the Conflict of Interest and Ethics Commissioner to replace the aforementioned ethics commissioner. The Office of the Conflict of Interest and Ethics Commissioner has considerable expertise in the administration of ethical standards.

● (1625)

[Translation]

The commissioner oversees ethical standards not only for the 308 members of Parliament, but also for Governor in Council appointees.

Moreover, the commissioner currently administers two codes: the Conflict of Interest Code for Members of the House of Commons, and the ethical rules for public office holders in the Conflict of Interest Act.

While there are some differences between the rules for a member of Parliament and for public office holders, where the rules do overlap, there is a stronger accountability through a common approach applied by a single officer. Indeed, it makes little sense for two ethics codes to prescribe the same conduct and yet be administered differently.

The Conflict of Interest Code for Senators is similar in many respects to the Conflict of Interest Code for Members of the House of Commons, yet there is no way to promote a consistent approach to administering similar rules under our current system.

The Senate ethics act would correct this by enabling the commissioner to administer the ethics standards for all parliamentarians. To maintain the expertise of the commissioner and allow for his or her office to access the necessary funds to pursue a new mandate, the resources and staff of the ethics officer will be transferred to the office of the commissioner to assist in these new responsibilities.

On several occasions senators have expressed their own concerns that this change would undermine their independence as a chamber of sober second thought. They fear that a single ethics officers would undermine their independent status in Parliament.

Some also feel that a single ethics officer would undermine their privileges as a chamber to regulate their internal affairs, including the power to discipline its members.

In response, I would like to point out that the Senate ethics act has been designed to respect every aspect of the upper house's independence. Currently, the Senate ethics officer is appointed by the governor-in-council after the approval of the appointment by the upper house.

The Senate ethics act preserves the upper house's role in approving the appointment of the officer responsible for its ethics code. The conflict of interest and ethics commissioner will have to be approved by both the House of Commons and the upper house before being appointed by the governor-in-council.

Our colleagues in the other place would have no less of a say in approving the officer responsible for administering their ethics code under the Senate ethics act than they do currently. Moreover, the Senate ethics officer currently carries out his duties and functions under the general direction of the conflict of interest committee.

The Senate ethics act maintains the committee's role in providing general direction, but simply specifies that the direction would be provided to the conflict of interest and ethics commissioner.

The act also allows for the House of Commons and the upper house to establish a joint committee to provide general direction to the commissioner, but in no way obliges either chamber to do so.

In this way the other place will have no less of a say in the direction of the officer responsible for administering its ethics code under the Senate ethics act than it currently does—

(1630)

The Acting Speaker (Ms. Denise Savoie): I regret to interrupt the hon. member, but I am wondering if those who have their BlackBerries on could turn them off because there is static from the BlackBerries that are perhaps near where the mic is on.

Hon. Steven Fletcher: Madam Speaker, it is amazing how BlackBerries get in the way sometimes.

As I was saying, in this way, the other place will have no less of a say in the direction of the officer responsible for administering its code under the Senate ethics act than it currently does.

However, this bill goes further to address concerns of the upper house with respect to its independence. Since senators had no role in selecting the current Conflict of Interest and Ethics Commissioner, who will now assume the responsibilities for its ethics regime, the Senate ethics act provides an important transitional provision.

The current commissioner will remain in office for no more than six months unless the upper house confirms the appointment by resolution. If the other place prefers another commissioner, the bill also provides that the upper house and the House of Commons may approve the appointment of a different officer. In this important way, the upper house will maintain its role in selecting, directing and appointing the officer responsible for its ethics code.

Another important fact to note is that nothing in the Senate ethics act affects the Conflict of Interest Code for Senators. That code is an internal document and can only be amended by the other place. The upper house remains responsible for regulating its internal affairs, including the power to discipline its members, consistent with parliamentary privilege. The House of Commons is no less independent a chamber than the upper house in our Parliament. Yet, nobody in this chamber believes that we are less independent because our ethics officer is also responsible for administering the ethics standards for public office holders.

Similarly, in provincial legislatures most ethics commissioners are also responsible for administering the ethics standards that apply to ministers. In some cases, ethics commissioners have also been given responsibilities for the ethics governing the public service and for the regulation of lobbyists. How, then, can the upper house argue a loss of independence where no loss of independence exists for the House of Commons?

Ultimately, I do not agree with the upper house argument or some of the members of the upper house. For this reason, I hope others can see that the Senate ethics act has been carefully designed to respect the independence of both houses. We may question what happens when the bill is referred to the other place. The expectation of Canadians is clear. Any concerns with the independence of the upper house have been addressed. We in this place have expressed our desire to proceed with the reform and I hope we will do so again.

The upper house has indicated its resistance to this reform in the past. Yet, the advantages are obvious and our desire to proceed with this legislation signals that the will of the democratically elected Commons should prevail. I hope members of the other place will hear the elected members of this chamber and give sober second thought to their previous position on this bill.

Since taking office, our government has emphasized through our Senate reform agenda that Canada's representative institutions must evolve with the principles of modern democracy and the expectations of Canadians. This includes the expectation that the highest ethics standards will apply to those honoured with the public trust. The institution that should be at the forefront of Senate reform is the upper house itself. Yet, time and time again, the Liberal dominated Senate has resisted changes proposed by the democratically elected members of the Commons.

Whether it is the creation of a single ethics officer or the establishment of term limits, the Liberal dominated upper house has obstructed and delayed our efforts. Indeed, the Liberal opposition senators spoke out against this bill even before they read it.

● (1635)

[Translation]

I urge our colleagues in the other place to embrace Senate reform, starting with the adoption of the Senate Ethics Act.

[English]

I would encourage our colleagues in the other place to embrace the Senate reform, beginning with adoption of the Senate ethics act. I encourage the members of this House to support the legislation. Together I hope we can make major reforms toward ensuring the upper house is a house that reflects the modern institutions that Canadians expect.

The Senate is a house that can do, and does do, work that is helpful to Canadians. However, Canadians expect that all members of Parliament adhere to the highest ethical standards. The bill helps move us in that direction. I hope the opposition party will support this important government initiative. Not to do so is not only undemocratic, it is simply wrong.

May God keep our land glorious and free.

The Acting Speaker (Ms. Denise Savoie): Before moving to questions and comments, it is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Malpeque, Agriculture and Agri-Food; the hon. member for Gatineau, Official Languages; the hon. member for St. John's South—Mount Pearl, Employment Insurance.

Since there are no questions or comments, we will resume debate. The hon. member for Toronto Centre.

(1640)

Hon. Bob Rae (Toronto Centre, Lib.): Madam Speaker, I have long taken an interest in constitutional issues, and I do not think we can consider this particular piece of legislation outside of a broader context. The fact is that we find ourselves, as a country, in an unusual position. We have a government in office that has decided to take a unilateral approach to the subject of Senate reform.

I will certainly be discussing the bill and the position of the Liberal Party with respect to the particular piece of legislation in front of it, but it is impossible for us to consider the bill without also recognizing that on this very same day the government has decided to announce several other measures with respect to the unilateral reform of the Senate.

This particular piece of legislation, which provides for the House of Commons, if you will, taking upon itself to transform the questions of conflict of interest and ethical behaviour of members of the other House is not the necessary or right approach to take in our view.

The Senate has an ethics regime. The Senate has an independent ethics officer. The Senate has a structure it has created, which reflects the views of senators according to legislation that has been passed and approved. If the government wanted to initiate a discussion with respect to particular issues about any ethical matter affecting a senator or the conduct of the members of the Senate, it knows perfectly well what it could do. It could start that conversation and

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discussion in the Senate, with the Senate, with senators making the decisions with respect to their conduct.

First, one cannot help but observe that two days after the Minister of Finance did not even announce, but let slip, the fact that the public accounts of the country are in a much greater shambles than he was prepared to admit even 37 days ago, the government has now decided as a matter of political strategy to change the channel and once again bring out the somewhat tired and hoary subject of Senate reform in one manner or another as one of its priorities.

[Translation]

Political science students have long been studying the Canadian Senate, along with the possibility of reforming it and changing its nature. The Senate was established by constitutional process prior to 1867. Members of the Senate are appointed by the government, not elected. They reflect the condition of the federation of a long ago era. Naturally, some still wonder whether this institution ought not to be reformed, and they continue to work toward that.

I remember very clearly back to the 1970s when I was an elected member of this House that there were some very clear proposals on this. The Supreme Court, however, said that if the House wanted to change the nature of the Senate, it could not do so unilaterally.

● (1645)

It needs to respect the Canadian Constitution, and it needs to respect the fact that this federal institution does not belong to the House of Commons, does not belong to the PMO, does not belong to the government in power. This institution is entrenched, rooted in the Constitution. Even if the government and the reformists who are in large part on the other side of this House may be somewhat impatient, it is quite simply not possible to do this.

Today the minister is presenting certain reforms to the Senate's code of ethics, but we know that it is already in place. It is not that there is no code of ethics in the Senate, there is, and it is well set up and well regulated. If a senator causes problems, all it takes is a call to the office of the Senate ethics officer, who will find a solution.

Here we have a government that always wants the Senate to reflect its point of view, the Prime Minister's point of view, or that of the PMO. The Conservatives insist that this is an institution that they will reform by themselves, as they see fit.

Two weeks ago, I made a speech on the right this House has to take up a position with regard to matrimonial matters on aboriginal reserves. I was speaking directly to my Bloc colleagues. I said that we had long ago accepted the need to respect the fact that we have a Constitution which guarantees important rights to aboriginal peoples. That said, the House of Commons cannot make unilateral decisions as though we were not a federation, as though we did not have a Senate and as though we did not know that it is not easy to amend the Constitution. I know something about it. Twice I sat down at a table to attempt to find solutions, and we were unable to do so. That is life in Canada, and that is how we must do things.

I know very well that when we hear from the provincial premiers, they will say straight out and clearly that it is essential to respect the Constitution so that the provinces may take positions, be consulted and see how we arrive at a solution that will reflect the true federal nature of our country.

Canada is a federation.

Hon. Vic Toews: Yes.

Hon. Bob Rae: The minister may say yes, and if that is the case, I say to the minister that Conservatives must respect the Canadian Constitution. If they really believe that they have the power to unilaterally change the status of the Senate and of the members of the Senate and the ethics requirements in the Senate, let them go to the Supreme Court of Canada to see what the House of Commons can really do to unilaterally change an institution that is enshrined in our Constitution.

I do not know what the judges will say. Neither the minister nor I are judges, even if we have ambitions and desires. We do not know, we are not there yet.

We must respect the fact that we have a Constitution. If we have a Constitution, we must respect it.

What I have a problem with is that I perceive the Reform ideology which is still alive and well within the government. The Reform ideology is determined to unilaterally attempt to change the Canadian Constitution as they see fit.

• (1650)

In their minds, that is what the reformists are going to do.

Even if I do not like some things in the Senate, I have to respect the Canadian Constitution, I must respect the independence of this House and I must respect the fact that this institution was created by the Canadian Constitution and that it is through the Canadian Constitution that we can change it.

If I am somewhat emotional on this topic, it is not because I want to become a senator. That is not it and it is not because I want to become a senator some day, but because I understand full well that we have to accept the Constitution in its entirety.

Moreover, we have to see that we cannot continue to do what the Conservatives insist on doing and want to continue doing: trying to change the nature of the Senate without having the necessary support of the provinces.

[English]

I say to the minister, with great respect, the Conservatives cannot change unilaterally the nature and structure of the Canadian Senate. They cannot change unilaterally how it is made up and who it is made up of. They have to respect the independence and integrity of that institution. If they want a change with respect to the conduct of the Senate, then start with the Senate, start with the Senators, start with their colleagues in the Senate, and then start with a process which respects the independence of that institution. We cannot do that unilaterally ourselves.

The Conservatives may get the majority that will give the ability to get this House into second reading. They may get it into third reading. They may be able to do it. I do not know where the votes will go. I know my colleagues in the New Democratic Party continue to take a puritanical position with respect to the Senate.

I will only say to my colleagues in the New Democratic Party to name a federation in the world that does not have a second chamber. They will not find it. There is no federation in the world that does not have a second chamber. As my colleague from Calgary says, they are elected.

Look, this is not about what I think nor what the member for Toronto Centre says. If I were writing a constitution in the sky, I do not know what it would look like, any more than the member from Calgary would. That is not the point.

We are not capable, we do not have the power in this House, to unilaterally change the nature of the Senate. That is something which this party opposite, the government opposite, simply does not understand. The Conservatives cannot do it. It cannot be done. They will continue trying to do it and they should not continue trying to do it. They should be told to just stop, stop trying to change the dial and change the subject, stop going back to their tired old ideologies.

If they want to sit down and change the Senate, set up a meeting with the provinces, sit down in negotiation, and go back to the process of constitutional reform. I wish them the best of success in doing so. If that is what they want to do, go ahead and do it.

Some hon. members: Oh, oh!

The Acting Speaker (Ms. Denise Savoie): Order, please. The member for Toronto Centre is speaking. He will have the floor. Other members will have an opportunity to ask questions. If they continue to interrupt now, I will not recognize them when it is time for questions.

The hon. member for Toronto Centre.

Hon. Bob Rae: Madam Speaker, I admit I was in full flight. I will try to come down to a lower decibel level. I know the member opposite is well known for never losing his temper or having arguments in his office, so I will not be making any further comment

Let me just say that even with this modest bill, the minister might say, "Look, all we are simply trying to do is create one regime for the regulation of ethics in the House and the Senate. They should be the same. It's no big deal. Nothing much to be affected by it. Nothing much to worry about".

All I can say to the minister is, if it is not broken, we do not have to fix it. There is nothing broken about ethics in the Senate. There is no crisis of ethics in the Senate. We have an independent ethics officer in the Senate. We have an independent structure in the Senate. Senators are able to do their business. They do what they do.

Some of the things the Senate does, in my opinion, are very good. There are some outstanding senators who are in the upper house, and some of them are members of the Conservative Party, and some I count among my dearest friends. They do studies, work and travel widely. They issue reports on public policy, which have had a major impact on the public policy of the country going back decades.

That is the structure that we have been given. It is not the perfect structure. Do I think it is a wonderful structure? No, I do not. I do not think it is a wonderful structure, but it is what we have.

The member from Calgary says, "Let's change it". I say to the member from Calgary that we have a Constitution. We go back to square one. The Constitution does not give the House of Commons the power to unilaterally dictate the conduct of senators. It does not give us the power to unilaterally dictate how they will run their affairs. They have an ethics officer who deals with issues. We have laws that deal with these questions. We have laws which apply to members of the House of Commons and members of the Senate.

There is no need for us to do what is being proposed. It is absolutely unnecessary. It is a classic case of changing the dial and changing the subject, and trying to make something out of nothing.

It is part of a bigger strategy on the part of the government. It is part of a bigger approach. That has to do with all that the Conservatives are seeking to do with the Senate. All I can say to the hon. members is that they are wasting their time and they are wasting our time.

It simply is not possible for the Government of Canada, for public policy, to achieve unilaterally, by one House voting one way or another, what cannot be achieved by a broader consensus of the country with respect to changing the Senate. That is why the Liberal Party will be opposing this legislation.

(1655)

Hon. Steven Fletcher (Minister of State (Democratic Reform), CPC): Madam Speaker, I listened to the hon. member's comments carefully. I noticed that we have something in common. He was a member of Parliament in the 1970s, and I was born in the 1970s.

I also noticed that the member does not seem to be fully informed about the bill. He talks about unilateral action by the House of Commons. I do not know where this is coming from. The bill is going to go through, assuming it passes this chamber, both Houses of Parliament, and we are looking for the Senate to support this bill.

The Liberal Party just announced that they were opposing this bill, but in April 2006 they supported a bill with this provision in it. So they support it and they do not support it. The member opposite seems to be a bit of an anti-Senate reformist, defeatist.

He wants to open up the Constitution during an economic crisis. I do not think that is appropriate. What we are asking Parliament to do is to work together to improve the upper chamber. This bill does that, along with other pieces of legislation. It is absolutely constitutional and within the realm.

Instead of the Liberal Party opposing the government, it should support the government in its mandate that it received during the last several elections. I know the member has been around for a very long time, and he will know that the people of Canada want Senate reform. As a youngish person, I know young people want the Senate to reflect the realities of the 21st century. Why will the Liberal Party not reflect the realities of the 21st century?

Hon. Bob Rae: Madam Speaker, I take no offence at the minister's comments about the colour of my hair and the fact that I was here when he was born. I appreciate that and I take it in the spirit

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of the good humour in which it was offered. Since I have just come back from my nap, I am feeling very invigorated this afternoon and I am quite happy to take on the comments.

The minister himself said that this is alongside other pieces of legislation. That is why we have to consider them all as a package. We all have to understand that this is part of a common approach which the government has taken, and I sincerely disagree with the minister.

In the sense of whether they are constitutional or not, I would just say that if the minister has confidence that they are constitutional, he should simply refer them to the Supreme Court of Canada and let the Supreme Court of Canada say yea or nay. That is what Mark MacGuigan had to do when he was a member of the government of Mr. Trudeau in 1977 or 1978. He had to refer the legislation and deal with it in that context.

We have been through this movie before. I know the Prime Minister has been watching a lot of tapes and movies, but a number of us are aware of what goes on in tapes and movies and we have been through this movie before.

I am certainly not recommending that we go back to the constitutional swamp. That is not what I am recommending. The government would launch us into a very expensive set of litigation with the provinces. I can assure the minister that if he follows this legislation through with the other pieces of legislation, he will be sued by many provinces. They will sue the federal government. They will say that this is ultra vires the powers of the federal government. They will go to the Courts of Appeal in the different provinces. It may be Newfoundland. It may be Manitoba. It may be Ontario. It may be Quebec. It may be New Brunswick. Then it will get appealed from there by whomever loses. It will get appealed up to the Supreme Court, and my profession, of which I am very proud member, will do very well out of this. He is setting up a legal nest that will go forward and it is not a good idea.

• (1700)

Mr. Jack Harris (St. John's East, NDP): Madam Speaker, I listened with great interest to the member for Toronto Centre's vigorous and enthusiastic defence of the status quo.

I know that the Senate has served the Liberal Party very well in the past and I guess he is hoping that it will continue to do so. In fact, one of the senators, a very admirable man, Senator Prud'homme, has threatened to run for the House of Commons when he retires from the Senate, so his commitment to Parliament is very strong.

The NDP of course is in favour of an elected and accountable Parliament, and of course the Senate is part of Parliament.

Does the member actually think that we have such a rigid Constitution that the political will of the people could not be tested by a referendum in terms of whether they want an elected Parliament or not?

I know he is talking about the rigidity of legalities and what might happen, but this bill would have to go to the Senate. I do not suppose the Senate is going to pass it. That might allow the government to appoint a few more senators and we would get into a whole race over who is going to control the Senate.

Should we not actually try to find out what the will of the Canadian people is? Do they want an elected Senate or are they satisfied with a moribund institution?

Hon. Bob Rae: Madam Speaker, there are some things which one can set one's clock by.

Certainly, the predictability of the response from my friends in the New Democratic Party with respect to the subject of the Senate is well known. I can only tell the hon. member that I would have thought that having served in a provincial institution, as I have, that he knows very well the provincial situation in every province.

We are a federal country. Every federal country in the world has a second chamber. Some of them are elected. Some of them are appointed. Some of them are half-appointed and half-elected. Some of them are elected on a proportional basis. Some of them are elected by the provincial chambers. There is a whole variety of techniques by which second chambers are chosen.

I have made it clear that I am not defending the status quo. I am simply looking at what I know is the government's agenda, which I am surprised the member would support. I would suspect that the Premier of Newfoundland would be very troubled by a unilateral change in the Constitution of Canada, and an attempt to do that by the reformists on the other side of the chamber. I would be very surprised if that were something that he thought was a great idea. I would be stunned if Premier Charest was in favour of it, or indeed if any provincial premier thought this was a wonderful idea.

We are discussing a very modest proposal on the face of it, which is to deal with the question of ethics, but it is not just a question of ethics. It is the question of the extent to which we respect the independence of the other chamber.

• (1705)

Mr. Michael Savage (Dartmouth—Cole Harbour, Lib.): Mr. Speaker, when a person comes to this place, one realizes the work the Senate does, people like Mike Kirby and his work on health and on mental health. I was at the Calgary social forum last week, and Senator Hugh Segal, a Progressive Conservative appointed by a Liberal, was speaking about poverty. He has a great deal of credibility.

I think that changes are needed. Nova Scotia has 10 senators and Alberta has six. There are things that need to be done, but my colleague is quite right that this is not the way to do them. It will not add up to anything.

I wonder if there is any reason Canadians should believe that this is anything other than an attempt to divert people's attention from a government that has the finances of this country out of control. There is a \$50 billion deficit and there are people who cannot get employment insurance. The government has totally lost control, and this is just another attempt to divert attention from that.

The Acting Speaker (Mr. Barry Devolin): Before I return the floor to the member for Toronto Centre, I want to remind members that we do not usually refer to members of the other place by their given names.

With that, the hon, member for Toronto Centre.

Hon. Bob Rae: I assume, Mr. Speaker, that means we can use nicknames.

I appreciate the question from my colleague from Dartmouth—Cole Harbour. One of my favourite films, in addition to the tapes that I am sure the government is watching, is *Wag the Dog*. It is a great movie. Members should see it. I have seen the President of the Treasury Board. I know he does not have much to do because the money is not going out the door at all. He has put a cork in the government and stopped it.

Hon. Vic Toews: Come to Manitoba.

Hon. Bob Rae: Perhaps I am only speaking for the purposes of my own riding, Mr. Speaker.

Hon. Vic Toews: We will take care of it.

Hon. Bob Rae: I thank the hon. member. I wish he would.

I will say to the hon. member for Dartmouth—Cole Harbour that I think this is an attempt to change the subject. On the face of it, one might say one wants to have an ethics officer for both chambers and what is the big deal. The answer is, maybe not much, but the fact is the Senate says it wants to have its own ethics officer dealing with its own situations, that it will apply the law fairly and it has the ability to apply the law fairly. The House of Commons should have sufficient faith in its institution that this is what it will do.

I do think the government is trying to change the subject and get back to the question of Senate bashing. I know it will please members of the New Democratic Party and others who say that is a great thing to do, but I do not know why they are taking the bait. I would not take the bait, and this side of the House has no intention of taking the bait.

[Translation]

Mrs. Claude DeBellefeuille (Beauharnois—Salaberry, BQ): Mr. Chair, I am a young member, not in terms of my age but in terms of my years of service here, and I can say that one can be inspired or notice the work of members who have many years of service. I am as passionate as the member for Toronto Centre, but not about the same things. I do not share his passion for the Senate. Today, however, the Bloc Québécois is in favour of the principle of the bill we are discussing and would like to see it studied in committee.

What I am passionate about are matters of ethics and conflicts of interest. Thus, this bill is of great interest to me. When one sits on the Standing Committee on Procedure and House Affairs, these are often the topics we have to examine. It is our responsibility to make changes or amendments to the code of ethics and to the conflict of interest code for members. And so I was careful to read this bill attentively, and it is my pleasure to debate this matter in this House.

Everyone agrees that it is desirable that various codes of behaviour be established for members of Parliament, senators and public office holders. In our opinion, the idea that these codes be administered by a single person so as to standardize procedures and decision-making is a sensible one. The Bloc notes however that the bill will do nothing to significantly address ethics and transparency in the Senate. We noticed that most of the shortcomings in the Senate behaviour code will remain the same. I will explain a bit later that the bill would only see to the appointment of one person to govern both codes, i.e. that of members and senators. However, the commissioner does not necessarily have the investigative rights and powers needed to administer and enforce the code governing the senators.

Consequently, if what the Conservative government wanted was to make the Senate more transparent and to improve its image, it is missing the mark. You might almost call it window dressing, since the bill is going to introduce fairly minor changes. If the government had really wanted to improve the Senate's image, it could have started by not imitating its Liberal counterparts and not highlighting its partisanship and anti-democratic stance by making several partisan appointments. An example comes to mind readily. It should not have appointed Michael Fortier to the Senate. Moreover, it did not oblige him to run in byelections in Quebec between 2006 and 2008. It was within the Conservative government's power to do all sorts of other things to contribute to improving the Senate's image. However, the government continued the Liberal tradition of using the Senate as a partisan tool.

Consequently, this bill is rather symbolic. I am not a fortune teller, but I think that the government is well aware that its bill will not be passed by the senators, who have already rejected this proposal three times, as hon. members need to remember. The Bloc Québécois wants to remind this House that abolishing the Senate is the best way to put an end to the lack of Senate accountability. It is that simple. The Senate is not an institution that should continue to exist. However, I do agree with the member for Toronto Centre that to abolish the Senate, the government would have to amend the Constitution and enter into rounds of negotiations, which is a bit more complicated.

Hon. members also need to remember that in 2002, under Jean Chrétien, and subsequently under Paul Martin, the Liberals tried to introduce a uniform ethics regime including a single officer who would administer codes of ethics for MPs and senators. That did not work for Jean Chrétien.

● (1710)

For his part, Mr. Martin had to introduce separate regimes so that his Bill C-34 would be passed.

In the Federal Accountability Act, which the Conservatives introduced in April 2006, the Conservative government also proposed to create a single position of conflict of interest and ethics commissioner to replace the separate ethics commissioner and Senate ethics officer positions.

The bill was passed in 2006. However, the Senate twice rejected the provisions giving the conflict of interest and ethics commissioner the mandate to apply the Senate code of ethics and insisted on keeping the Senate ethics officer position.

Government Orders

The House of Commons finally agreed to the changes proposed by the Senate so that the Federal Accountability Act would be passed in a timely manner.

We would not be wrong in saying that Bill C-30 is the government's fourth attempt to subject the Senate to a real ethics commissioner

The measures proposed in Bill C-30, the Senate Ethics Act, would amend the Parliament of Canada Act in order to abolish the position of Senate ethics officer and give the mandate to a single person, the conflict of interest and ethics commissioner. The position would be an independent one with a mandate to apply standards of ethics to senators, MPs and public office holders. The incumbent would be charged therefore with administering two completely different codes.

Under the new structure, senators would remain subject to the existing rules, that is, the senators' conflict of interest code would continue to govern the conduct of senators.

In actual fact, there are few changes. I see no reason then why the senators are upset, apart from the fact that the codes of ethics will be administered by a single conflict of interest and ethics commissioner.

The bill also contains transitional provisions on the renewal of the mandate of the conflict of interest and ethics commissioner and on the transfer of parliamentary votes and employees of the office of the Senate ethics officer to the office of the conflict of interest and ethics commissioner. That makes sense. If the position is transferred, the budgets and employees have to be transferred too.

The bill provides that, unless the Senate passes a motion approving the appointment of the current ethics commissioner, a new commissioner will be selected six months after the legislation comes into force.

Finally, the governor in council will appoint a conflict of interest and ethics commissioner after consultation with the leader of every recognized party in the Senate and the House of Commons and approval of the appointment by resolution of the Senate and House of Commons.

The bill will come into force on a date set by order in council.

This bill, despite being somewhat overblown, is fairly simple to implement and makes sense from an administrative standpoint.

As I said, the Bloc supports the principle of the bill. I repeat that it is desirable to have the various codes of conduct administered by a single officer in order to standardize procedures and decision making. It will mean consistency and makes perfect sense.

The conflict of interest and ethics commissioner will administer the conflict of interest code for members of the House of Commons and the Conflict of Interest Act applicable to elected officials and public office holders. He will thus be responsible for 1,350 full-time public office holders and 1,940 part-time office holders appointed by order in council, and 308 MPs.

● (1715)

I do not think that the addition of 105 senators will result in the commissioner being too overburdened to enforce the code. Basically, I do not think this will impede him in his work or overburden him.

From an administrative standpoint, it seems more economical and efficient as well as easier to ensure consistency if a single officer is responsible for the three codes of conduct.

It is important, though, to understand that this bill does not do anything significant to improve the ethics and transparency of the Senate because most of the shortcomings in the senators' code of conduct will remain just as they were. I repeat, for the benefit of those who are concerned, that the appointment of a single officer to administer the three codes will not do a thing to change the application of the code or the procedures for enforcing it.

I could give a few examples of the shortcomings in the senators' code of conduct, shortcomings that undermine the authority of the Senate ethics officer. This will help explain the basic point I am making. The Senate ethics officer exercises his duties under the general direction of a committee consisting of five senators and cannot initiate an investigation on his own. If he wants to conduct an investigation, he has to ask the committee for permission.

It is astonishing to find out that the Senate ethics officer does not have the authority to carry out investigations, decide which ones to do, and determine whether or not he can conduct an investigation, in contrast to the conflict of interest and ethics commissioner, who has the power to initiate investigations because she is independent.

The connections are very close, therefore, between the Senate ethics officer and the committee of five senators, which is basically like a board of directors. I use this comparison to make it easier for the people watching us at home to understand. It is this committee of five senators that holds discussions and examines documents provided by the Senate ethics officer and then decides whether or not to authorize an investigation.

As I see it, the Senate ethics officer is not necessarily as independent as the commissioner in enforcing the senators' code.

I see too in subsection 45(1) of the senators' code that the investigation reports of the Senate ethics officer are not necessarily made public. The ethics officer must report first to the committee of senators, which then reports to the Senate. It is obvious that the senators always maintain some form of control over the work of the Senate ethics officer.

In closing, as another example, the senators' code of conduct can only be amended by the Senate. In our opinion, if the government wanted to improve the Senate's image, and I am repeating myself, it should have set the example by not highlighting its partisan and anti-democratic nature with a proliferation of partisan appointments.

In the interest of properly informing the public watching on television, I would to make another point.

Members will remember that on December 22, 2008, the Prime Minister appointed 18 senators, including a number of Conservative supporters such as Michel Rivard and Leo Housakos, well-known Conservative organizers; Irving Gerstein, former Conservative Fund

Canada president; Michael L. MacDonald, vice-president of the Conservative Party of Canada; Stephen Green, former chief of staff for Reform Party of Canada leader Preston Manning; or Suzanne Duplessis, Fabian Manning, Yonah Martin and Percy Mockler, former members or—

(1720)

[English]

The Acting Speaker (Mr. Barry Devolin): I would like to remind the member that in this place we do not refer to members of the other place by their given names. There have been references made to former members of Parliament by their given names, not current members, and the same standard applies to the Senate. It is not appropriate to refer to sitting senators by their given names.

[Translation]

Mrs. Claude DeBellefeuille: Mr. Speaker, I thought this rule applied only to the House of Commons. I did not think it applied to senators. I thought that this rule applied only to those people elected to this House.

Some hon. members: Oh, oh!

Ms. Claude DeBellefeuille: There seems to be a rather lively discussion in this House. Mr. Speaker, I do not know if it is possible for you to settle things down.

Some hon. members: Oh, oh!

Ms. Claude DeBellefeuille: There seems to be another debate in this House, but I will continue. I apologize, I did not know that I could not name senators who are in the other place. I thought that applied only here, to members.

I will continue by saying that the bill—

[Fnolish

Hon. Wayne Easter: Mr. Speaker, I rise on a point of order. I believe the member is right. A senator is appointed to be a senator for the province. The only way we can name the senator is to use the last name. We do not use the first names of senators, but we use "Senator" and whatever the last name is.

• (1725)

Mr. Jack Harris: Mr. Speaker, on the same point of order, I believe the member for Malpeque is correct. Earlier a member mentioned a senator by first and last name without even saying "Senator". I think that is probably inappropriate. However, I referred to Senator Prud'homme, which is the only way to identify him as an individual in the Senate who says that he wants to run for the House of Commons. I think it is proper to mention their names and that they are senators.

It may not be proper to mention their first names or call them by name or call them by name without referring to them as a senator. I would like a clarification on that because I do not think it is possible for us to have a proper debate in the House if we cannot talk about individual senators. Senators may have a bill or they may have said something publicly that is a matter of public discourse. Therefore, I would like to hear a clarification on that. I can understand not being able to say Mike Duffy, but we may be able to say Senator Duffy. It may require some research, but it should be clarified for the House.

The Acting Speaker (Mr. Barry Devolin): I appreciate the assistance that hon. members have given to the Chair with this matter. I will reference from page 522 of the *House of Commons Procedure and Practice*, where it says:

In debate, the Senate is generally referred to as "the other place" and Senators as "members of the other place". References to Senate debates and proceedings are discouraged and it is out of order to question a Senator's integrity, honesty or character. This "prevents fruitless arguments between Members of two distinct bodies who are unable to reply to each other, and guards against recrimination and offensive language in the absence of the other party."

I believe it is fair to say that the practice of referring to members of the other place by their given name is discouraged and is not the common practice in this place. Use of first and last names is discouraged. There does not appear to be a rule that absolutely forbids it.

A couple of members have commented that possibly it is appropriate to refer to them by their family name, but not by their first name. I see no such reference in this book, but I also appreciate that in a debate regarding the Senate, where members would like to refer to statements made by individual senators who do not represent a particular riding, that it is difficult.

Therefore, I leave this in the hands of the hon. members and close by saying it is generally discouraged and is not something that often happens, but to the best of what I can see in the rules, it is not explicitly forgiven.

[Translation]

The hon. member for Beauharnois—Salaberry.

Mrs. Claude DeBellefeuille: Mr. Speaker, if I understand correctly, I am not being called to order.

What I said was in no way an attack on the integrity of the people and the senators I named. Rather, I was questioning the decisions, the integrity and the transparency of the Conservative government. I want to be very clear on that. I understand from your judgment that this practice is discouraged, but I am not necessarily being called to order.

Can you confirm this?

[English]

The Acting Speaker (Mr. Barry Devolin): I appreciate the question. My reading of the rules is that referring to individual members is discouraged, particularly if a criticism or attack is being launched against a member of the other place when the member has no opportunity to defend himself or herself here. I think the hon. member is saying that she made passing references to individual senators. As I said before, I do not see an explicit rule that forbids it. It is simply discouraged in this place.

The clock has been stopped during this proceeding. When we return to this matter, the hon. member will have three minutes remaining.

It being 5:30 p.m., the House will now proceed to the consideration of private members' business as listed on today's order paper.

PRIVATE MEMBERS' BUSINESS

(1730)

[English]

ITALIAN-CANADIAN RECOGNITION AND RESTITUTION ACT

The House resumed from March 24 consideration of the motion that Bill C-302, An Act to recognize the injustice that was done to persons of Italian origin through their "enemy alien" designation and internment during the Second World War, and to provide for restitution and promote education on Italian-Canadian history, be read the second time and referred to a committee.

Mr. Paul Calandra (Oak Ridges—Markham, CPC): Mr. Speaker, I rise today to speak to this bill and I do so somewhat with mixed feelings. I am always proud to get up in this House and speak to the successes of Italian Canadians over the years and everything that they have accomplished in Canada. However, today we are also being asked to remember and to speak about what I think is one of the darkest days in Canadian history with respect to Italian Canadians and their treatment while in this country. I think it is important that we take a look back at some of the history with respect to Italian Canadians and their internment.

It is important to note that it was at the onset of World War II that then Liberal Prime Minister Mackenzie King decided that Italian Canadians, despite everything they had accomplished in this country for the many years they had been here, all of the successes, somehow should be deemed as enemy aliens. Some 632 Italian Canadians were interned and placed in camps. Others were forced to identify themselves with local police. This was the treatment of Italian Canadians for many years.

Following the end of the war, Italian-Canadians waited for an apology. They waited through many different governments. They waited through Liberal Prime Minister Louis St. Laurent, and still no apology. They waited through Liberal Prime Minister Pearson, and still no apology. They waited through Liberal Prime Minister Trudeau, and still no apology. They waited again until, finally, in 1990, then Prime Minister Brian Mulroney, addressing the National Congress of Italian Canadians, apologized.

On November 4, 1990, speaking to the biennial convention of the National Congress of Italian Canadians, Prime Minister Mulroney acknowledged the injustices committed against Canadians of Italian origin during World War II and apologized to all Canadians of Italian origin on behalf of the Government of Canada for the injustices perpetrated on a quiet, law-abiding community. In his speech, he pledged that the violations of democratic rights so apparent during World War II should never happen again; and finally, he accepted the principle of redress for the wrongs committed to the Italian people and he suggested, again, that this should never happen again.

Italian Canadians have accomplished so much in Canada. There are over 1.4 million Italian Canadians. They are leaders in business. They are leaders in industry. They are professionals. They are tradespeople. It has often been said, in the greater Toronto area where I am from, that the first generation of Italian Canadians built Toronto and the second generation owned Toronto.

Over the past weekend I had the pleasure and the privilege of being in Halifax. I was able to visit Pier 21, where my father and my mother entered Canada with my aunts and my uncles at that time. These are proud Italian Canadians: my father Tony Calandra, my mother Franca, my uncles Peter, Ross and Carmen. They came to Canada to build a better life for themselves. They did not come to look back. They came to be productive members of society.

Italian Canadians identify themselves not by the injustices perpetrated against them by previous governments in World War II, but by what they have accomplished since coming to Canada. They identify themselves as strong family people, people who helped construct the streets that we came to work on, helped on this building, helped build Toronto, helped build Montreal, helped accomplish so much across Canada. That is how Italian Canadians identify themselves.

• (1735)

Earlier today I was speaking to my uncle, Peter Salvino, who came to Canada a little more than 34 years ago. I asked him how he felt about this, and he said he was not here at that time, but it did have an impact on Italian Canadians all those years that they waited, because people used the fact that there was no apology until 1990 as a reason to be racist in many instances toward Italians.

My uncle has ultimately built a great life here in Canada. He celebrated in 1972 when Paul Henderson scored that goal. He was proud when we launched the Anik II. He remembered when Terry Fox started his run and was sad when it ended. He remembered 1996, because he was in Atlanta when Donovan Bailey won the gold medal for Canada. He could not stop cheering. He lost his voice when the Canadian team won the relay. He was at the Olympics in Canada in 1976, and again in 1988. He was also one of the proud Italians who in 1982, when the Italian team won the World Cup, flooded onto the streets of Toronto to celebrate.

Italian culture is strong, but first and foremost, they are Canadians. They are Canadians who have moved on. They are Canadians who have accepted the apology by Brian Mulroney, then Conservative Prime Minister, for the wrongs of previous Liberal governments. They have accepted the apology on behalf of all Italian Canadians.

We have done so much more as a government, and we are moving on, just as Italians have moved on. But we are not ignoring what Italians suffered. That is why our government recently provided funding in recognition of what Italian Canadians went through, so that we could educate other Canadians on the Italian Canadian experience during the internment.

One of the reasons I am so opposed to this legislation is because, indeed, it looks back. Wrongs were committed. Italian Canadians, as I said earlier, waited a long time, but in 1990 they received an apology.

I object to this legislation because we have already done so much. Not only did we apologize in 1990, but as I said recently, we have provided, through the community historical recognition program, \$5 million in grants and contributions over four years, which will begin in 2008-09. This money will fund projects to commemorate and recognize the experiences of the Italian Canadian community in relation to the second world war internment in Canada.

I want to focus as an Italian Canadian parliamentarian not on the injustices of the past, but on the accomplishments of the Italian Canadian people. I want to focus on the things that my parents accomplished, on the things that my aunts and uncles accomplished. Most Italian Canadians want to focus on that.

We can look at the bill and ask, as I would suggest the opposition has done, how can we gain cheap political points? How can we seek to divide the Italian community? Where can we get some seats? How can we use Italian Canadians to break into communities where we have not been successful? That is why the bill is so shameful. We need to focus on what we have accomplished.

A Conservative government recognizes the accomplishments of the Italian people. A Conservative government apologized to the Italian people. A Conservative government provided the millions of dollars that will be spread across this country to help the rest of Canadians understand what was perpetrated against Italian Canadians in World War II by a Liberal prime minister. A Conservative government will help Italian Canadians move on and will help share with the rest of Canadians why Italians have been so successful, why I am proud to be an Italian Canadian.

I simply will not support a bill that seeks to divide the Italian community, that seeks to earn cheap political points over what has been the darkest period in Canadian history.

(1740)

I hope that all those Italian Canadians who are here today recognize the fact that on this side of the House there is a Prime Minister and there is a minister who appreciate everything that Italian Canadians have done. I as an Italian Canadian and member of Parliament will continue to stand up for them every day that I am privileged to be here.

Mr. John Rafferty (Thunder Bay—Rainy River, NDP): Mr. Speaker, Bill C-302 is an act to recognize the injustice that was done to persons of Italian origin through their enemy alien designation and internment during the second world war and to provide for restitution and promote education on Italian Canadian history. This is the fourth time the bill has been introduced. It was previously introduced in three sessions of Parliament. I am very glad to see that it is back, and I am prepared, certainly, to support it.

I will give some historical background. In 1939, special wartime powers were given to the Canadian Minister of Justice to prevent the subversion of Canadian interests and loyalties. Italian Canadians were designated enemy aliens by the Government of Canada, and following Italy's declaration of war on June 10, 1940, our government ordered the internment of many of these so-called enemy aliens.

Between 600 and 700 Italian Canadians were reportedly interned as a result. Most were sent to Camp Petawawa on the Ottawa River.

Italian Canadians were required to register with the RCMP and report on a monthly basis. Travel restrictions were imposed. The teaching of the Italian language was declared illegal, as were various Italian organizations. Boycotts of Italian Canadian-owned and -run businesses started and many Italian Canadians lost their jobs.

In 1990, as my hon. friend who spoke just before me indicated, the National Congress of Italian Canadians briefed then Prime Minister Mulroney on these injustices and called for an apology and compensation. An apology was delivered and the money was announced but was not delivered.

Funding was announced again in June 2008 through Citizenship and Immigration Canada's community historical recognition program. I heard my hon. friend who spoke before me say that the Conservatives say the bill is shameful. I think that was his exact description. He was talking about money to come, but to date, the program's website lists no funds granted for projects related to the treatment of Italian Canadians during World War II.

I will talk briefly about Thunder Bay. Italian Canadians have a very long history in Thunder Bay. In fact, the Italian community was established in the late 19th century. The 1901 census shows 197 persons of Italian origin in Port Arthur and Fort William combined. By 1931, that community had grown to 2,500 people. Italian Canadians remain one of the largest ethnic communities in Thunder Bay, indeed one of the largest ethnic communities right across my riding of Thunder Bay—Rainy River.

I am a proud member of the Societa' Italiana Di Benevolenza Principe Di Piemonte. I am very happy to say, just to illustrate the longevity and how important Italian Canadians have been to Thunder Bay and to my riding, that this society started in 1909. This is the 100th anniversary of that society. It was started by a small group of Italian immigrants who wanted their heritage to stay alive in this new country that they had come to call their own.

The goal of their society was to promote and maintain good fellowship and the highest level of citizenship within members and the community.

A further goal of their society was the promotion and enhancement of Italian custom and culture in all its endeavours. This society and I am sure Italian societies right across this country have lived up to these ideals and continue to live up to these ideals and show how valuable their community is to Canada.

• (1745)

I would like to note that in September 1939, three days after German troops had invaded Poland, the Principe di Piemonte passed a motion pledging its loyalty to Canada. I have already outlined the historical background of what happened after that.

I would also like to mention the Canadian Italian Business and Professional Association of Thunder Bay that was incorporated in 1993. It promotes the recreational, cultural, social, artistic business and professional activities of Italian Canadians in Thunder Bay and the surrounding area. It encourages the participation of Italian

Canadians in the economic and public affairs of that region and Canada.

What I am really trying to get at with this description is the importance and value that I am sure all of us in the House and right across this country see, not only in our immigrant population in general, but in particular today with our Italian immigrants. I believe that Canada would be a much poorer place without the contribution of Italian Canadians.

I would be willing to speak with the member later as to whether in fact the funds have flowed. I do not believe they have. As I said on the website, no funds are listed relating to projects associated with the treatment of Italian Canadians during World War II.

The Conservatives say that this bill is shameful. We can easily pass it with the co-operation of everyone in the House and, with the apology that has already taken place, we could ensure that the money that has been announced on numerous occasions is finally delivered.

Hon. Joseph Volpe (Eglinton—Lawrence, Lib.): Mr. Speaker, I hope you will forgive me in anticipation of some errors that I might make in the course of my presentation. I feel so passionate about this that I know I will lapse into my mother tongue. I do not mean any disrespect to parliamentarians who may be listening or, indeed, the translators, but I hope everyone will forgive me in anticipation thereof.

[Translation]

I would like to begin in French, because I wish to thank some of the members who spoke before me, particularly, the hon. member for Rosemont—La Petite-Patrie, a Bloc member. He talked about this bill a few weeks ago. He said it was the fair thing to do and that this bill needed the support of all members of this House. How incredible that a member of the Bloc, a self-described sovereignist party, and some might say one that is less Canadian—although I would disagree—but someone who defines his Canadian identity by the fact that he lives in Quebec. He defines himself as a Quebecker, and he believes that this bill should be supported by all Quebeckers and all Canadians from coast to coast.

Why? Because Canada wronged its citizens, not others, but its own citizens. One needs to read the bill in French in order to grasp what the hon. member for Rosemont—La Petite-Patrie was trying to get across. My colleague from Saint-Léonard—Saint-Michel deserves congratulations from all hon. members for introducing this bill. In English, we talk about Italian Canadians having been victims of the War Measures Act, while references to this in French make it clear that the Canadian government of the day felt that Italian Canadians should be treated as enemy aliens. They were Canadians. What does it mean to be Canadian? To be considered as subjects of another country, an enemy country? They had been here for over a hundred years, they were here as Canadians, as subjects of Canada.

My colleague from Oak Ridges—Markham spoke of wrongs that need to be forgotten. I know all about forgetting and putting things aside, but we need to keep in mind the rights that individuals acquired by birth or residence, their identity as Canadians. They were British subjects, they were Canadians.

● (1750)

[English]

Mr. Paul Calandra: Mr. Speaker, I rise on a point of order. I think it is important to note that at no time in my speech did I say that we needed to forget what happened to Italian Canadians. What I did say was that we apologized to Italian Canadians in 1990. The Conservative prime minister—

The Acting Speaker (Mr. Barry Devolin): I appreciate the intervention but I am not sure it is a point of order. It is possibly a point of clarification but I will return the floor to the member for Eglinton—Lawrence.

[Translation]

Hon. Joseph Volpe: Mr. Speaker, I spoke in French and I may have made some mistakes, but I said nothing that was seriously wrong. I spoke of the wrongs done by the Canadian government to its citizens, not citizens of another country, but its own citizens.

[English]

They are citizens. One becomes a Canadian to become a Canadian. One is either born here, like many of my cousins and aunts and uncles, or they acquire citizenship by virtue of their residence, their responsibility and their civic duty toward this country. That is how one becomes a Canadian. One does not then become a subject of an enemy nation.

When my colleague from Saint-Léonard—Saint-Michel proposes this legislation, my compliments go to him. My compliments also go to my colleague from Vancouver Kingsway who also stood on behalf of the NDP and said that he and his party supported the legislation because they understood the basic concept behind it and that they applaud the initiative of the member from Saint-Léonard—Saint-Michel".

I had the privilege of being around the cabinet table when this proposal, enunciated in Bill C-302, was put on the table. What the member for Saint-Léonard—Saint-Michel says is that the Government of Canada should honour the commitment that it made to the four representative institutions of the Italian Canadian community in the country. There was the Canadian Italian Business and Professional Association and the Congress of Italian Canadians.

[Translation]

There was also the Italian-Canadian Community Foundation in Quebec.

[English]

Finally, there was the Order Sons of Italy. All four organizations negotiated for the better part of 10 months in order to come up with what is called the ACE program.

The Government of Canada fell in 2006 and the current government took up this and said that it would not give them what they signed on to. It was not going to respect the contract the Government of Canada signed with the representatives of the community, the contract that called for a sum that was considerably higher than what has been proposed by the government, and, by the way, it would flow through this organization in order to establish a foundation to achieve the educational objectives, to achieve the

commemorative programs and to gauge awareness for all of the country.

However, it did not close the door to individual considerations by the estates of the 632 individuals who were unjustly interned. They were never charged and no laws were broken. They were never given any indication as to why they were there except that they were citizens of an enemy nation. They were Canadian citizens.

I ask to be forgiven if I get excited about this but it is because we are talking about the human rights and the citizenship rights of everyone.

[Member spoke in Italian]

[English]

The Government of Canada has made excuses to others and has apologized. It is not a novel thing. We are not leaving ourselves open to any kind of legal liabilities by making an apology.

[Member spoke in Italian]

● (1755)

[Translation]

If a person is a Canadian citizen, it is of little importance where one came from or what political party one belongs to. One is a citizen, and that is all. So if apologies have already been given to other citizens, there is a need to apologize to the Italians as well. Why?

[English]

We should think about this for a moment. Six hundred and thirty-two families were disrupted during the war because the political situation in the world at the time dictated a circumstance that nobody here wanted, and yet the people of Italian origin who were here were automatically put on guard as subjects of an enemy nation.

A cousin of mine was in the Royal Navy and yet the entire family was under police surveillance for the duration of the war.

A former member of this House, whom we know well, had a brother enlisted in the RCAF and a family under police surveillance.

Nobody said, "Sorry, we made an error". Nobody said that we were enemies of Canada. Nobody ever said that the Italian community committed an injustice toward the people, the country and the Government of Canada but they were interned and jobs were lost

[Member spoke in Italian]

[English]

It is right that this legislation calls, at the very least, on the Government of Canada to respect the agreement signed by the Government of Canada in 2005 with the four institutions that represent the Italian community in Canada. That is the starting point. It is not the closing point.

I compliment the member for Saint-Léonard—Saint-Michel for having brought this legislation to this point in the House. He deserves compliments and he deserves support, not negative criticism.

Mr. Dean Del Mastro (Parliamentary Secretary to the Minister of Canadian Heritage, CPC): Mr. Speaker, I rise to speak to this bill with great pride. I consider myself to be one of the most fortunate people in the whole world. I am very fortunate because of my ancestry. I am very fortunate to have come from such a strong family that taught me everything that I believe makes me successful today.

I want to talk about a number of people during my speech. I am going to make this very personal, because I do believe that this is a personal issue. I am going to go way back. I am going to go back to 1927, the year a young man named Arcangelo arrived at the port in Halifax from Italy. He came here with no money, but he came to a land of hope where he believed things would be better and where he could build a better life.

Over the years he sent money back to Italy. He brought his family over. He brought his sister and brother. His father came. They built a life and they built families. He landed in northern Ontario at a place called Britt, close to Parry Sound. He worked for the Canadian Pacific Railway. He married a woman named Marguerite. They had a family of nine children.

The War Measures Act came into place in 1939. They had been living in Canada for 12 years at that point. It had been 12 years of working, 12 years of building, 12 years of serving and 12 years of being a Canadian, but at that point, they became enemies of the state. It was a sad time in our history and it never should have happened. What did that cause? What came from that? They were under police surveillance. The people who lived in those neighbourhoods in that small town all knew that they were the Italian family. That was the Italian family and they were to be hated because they were enemies of the state. I will talk about the effects of it.

A young man was born on September 28, 1942. His name was Enrico Giuseppe. He grew up in that small town. He went to those small schools, where people knew that he was of the Italian family. They were the Italians. One did not want to be Italian in Canada then because of what had happened, because we shamed them, because we made them feel like they were lesser Canadians who should not be respected.

Arcangelo was my grandfather. Enrico Giuseppe was my father. He changed his name to Henry. He is one of the proudest Canadians I have ever known and he taught me to be proud of this country. He did not harbour any ill will, because the Italians of this country overcame that incident. They overcame that travesty and injustice that was committed against them by demonstrating a work ethic, a commitment and a love for this country that is to be celebrated by all Canadians.

What is disgraceful about this legislation is that it divides people. It tries to conjure up old wounds to make them look like they will never heal. Italians forgave. My family forgave. They went through a horrible situation. My father's family were beaten up. They were in fights. They had a tough childhood. They went through difficulty. It was hard getting jobs because of what they were, not who they were. They suffered discrimination the likes of which is similar to what one would hear for any other race or group living in Canada or anywhere else. It was because of this travesty that was committed against them.

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My grandfather, Arcangelo, worked almost 50 years for the Canadian Pacific Railway. He was so proud. In the late 1950s, he learned to speak English. He had to teach himself. My grandmother spoke five languages, as a matter of fact. He learned to speak English. People always ask me why I cannot speak Italian, given that my grandmother could speak five languages. In the 1940s the last thing people wanted their kids to be was an Italian in Canada, so they hid it

(1800)

My father never said his name was Enrico. It was Henry. In fact, everybody knew him as Hank, because if he said his name was Enrico, and Enrico Giuseppe especially, he probably would not have much of a future. His father never even spoke to him in Italian, and my grandfather could barely speak English. My grandfather's English was so bad that when my wife first met him, she thought he was speaking Italian to her, but he was speaking English.

My grandfather and grandmother raised their nine children as Canadians, proud Canadians. They spoke English. They worked hard. They built lives. They contributed to this society and they are one of many families who did. There are millions of Canadians of Italian origin living in this country. The overwhelming majority of them have forgiven for this. They do not want to go back. They are proud Canadians.

When the Prime Minister speaks I think a lot of people listen. I know I listen when the Prime Minister speaks.

In 1990 Prime Minister Mulroney did something that nobody had done before. I think even my Liberal colleagues across the floor who have brought forward this legislation, which is very divisive, would acknowledge that when they were in power in the 1940s, when the Liberals were in power in the 1950s, in the 1960s, in the 1970s, in the 1980s, in the 1990s, when the Liberals were in power in the current millennium, they did not do this. Now there is a private member's bill on the issue. Where were they for the almost 70 years that occurred? Where were they?

In 1990 Brian Mulroney said, "On behalf of the government and the people of Canada, I offer a full and unqualified apology for the wrongs done to our fellow Canadians of Italian origin during World War II". That was a full acknowledgement that what had been done was wrong, that what had been done should never have happened, and frankly, what that meant to the Italians who lived in this country, who called this country home, what that meant to them in their lives from the years that extended beyond that.

When my father met my mother, my mother was forbidden to see my father because he was an Italian. That is awful, but that was the reality. That was the situation.

What is wrong with this bill? Why will I not support it? My name is about as Italian as it gets, and when a person runs for office with an Italian name in a city like Peterborough, it is quite an accomplishment to get elected. It would not have happened back in the 1940s. Why will I not support this bill? Because it takes the country backward, not forward. It does not represent the Italian community of Canada. This comes down to money. The Liberals are trying to boil this down to making an issue of, "The Government of Canada says it will give us \$5 million. We want \$12.5 million". That is nonsensical.

I started out by saying that I feel that I am the most fortunate person in the world. My grandfather felt he was the most fortunate person in the world. My father felt that he was the most fortunate person in the world. His brothers and sisters felt that they were the most fortunate people in the world because this country was their home and they were proud this country was their home.

They do not like this because they are Canadians. They are not Italian Canadians. They are not Canadians from Italy. People do not say that I am from Italy. I am from Peterborough. I was born in St. Joseph's Hospital. I am as Canadian as it gets. They do not want to be broken down and divided into chunks by someone saying they are Italian Canadian, they were discriminated against and they should get \$12.5 million. They do not want it.

This is a disgraceful piece of legislation. It divides Canadians at a time when we need to pull together, fight together and combat everything that is coming toward us, whether it is the economic crisis we are going through or all the other uncertainties in the world. Canadians of all cultural backgrounds need to pull together. This bill divides them.

(1805)

Hon. Joseph Volpe: Mr. Speaker, on a point of order, this is a very serious topic and when I spoke on it I never made one reference to a partisan affiliation. It is important to keep in mind that the legislation calls on the government to honour what a previous government signed in a contractual arrangement. It is important to keep that in mind even though people get emotional.

Mr. Glenn Thibeault (Sudbury, NDP): Mr. Speaker, I want to commend the hon. member for Peterborough for a very passionate and a great speech tonight. I may disagree with some of the opinions on what this bill would do, but I truly appreciated what he had to say.

I am glad to have the opportunity to speak tonight to Bill C-302, An Act to recognize the injustice that was done to persons of Italian origin through their "enemy alien" designation and internment during the Second World War, and to provide for restitution and promote education on Italian-Canadian history. The New Democrats and I are pleased to support this bill and to assist with its movement through Parliament.

Let me begin my speech this evening by telling the story of an Italian born Sudburian who was the victim of the government's internment policy.

Dr. Luigi Filippo Pancaro arrived in Canada in the late 1920s after graduating with his medical degree from the University of Rome. During the early 1930s, Dr. Pancaro and his wife settled in Sudbury with the large Italian community and became a member of the staff

at the Sudbury regional hospital. In addition to joining the hospital staff, Dr. Pancaro also opened a private practice and became the family doctor for many members of the Italian community. On June 11, 1940, Dr. Pancaro was suddenly and without reason pulled away from a patient he was seeing, placed in the back of a police van and transported to the Sudbury jail.

Dr. Pancaro's abduction occurred a day after Italy had declared war on Canada. The evening before he was taken away in a police van, Prime Minister Mackenzie King ordered the internment of hundreds of Italian Canadians identified by the Royal Canadian Mounted Police as enemy aliens. Once Dr. Pancaro reached the Sudbury jail, he was locked in a cell with many other Italian born men, most of them his patients. Dr. Pancaro was part of a group of Italians that were sent to the internment camp in Petawawa, situated in the Ottawa Valley, where he remained for two years.

The roundup of Italian Canadians was virtually completed by October 1940. Most of them were sent to Camp Petawawa. It is difficult to establish exactly how many Italian Canadians were interned, although estimates range from 600 to 700.

After that bitter experience, Dr. Pancaro returned to Italy to practise medicine. He did ultimately return to Sudbury in 1956 where he continued his successful medical practice until 1981.

The facts are simple, that people of Italian origin like Dr. Pancaro were subject to internment at the hands of the government during World War II and that this act of persecution was carried out upon these people for no reason other than their Italian origins. The internment of Italians during World War II has been acknowledged but never redressed officially in the House of Commons. This bill provides an opportunity to do what should have been done long ago with dignity.

To be clear, there have been steps taken to make amends for the disgraceful treatment of Italian Canadians. In 1990, the National Congress of Italian Canadians outlined the injustices in a brief sent to then Prime Minister Mulroney. The brief outlined the desire for an acknowledgement of the injustice, compensation paid and an apology. The PM did indeed apologize in 1990. He mentioned repatriations, and former Prime Minister Paul Martin also promised repatriations. Sadly, many of the commitments were empty promises. Despite these words, money has never really flowed and although money was announced with great fanfare and media attention, successive governments did not follow up on honouring their pledges and ensuring that Italian Canadians could access these funds.

Though Italian Canadians had to endure tremendous hardships 70 years ago, they were not thwarted in their drive to incorporate themselves into Canadian communities across the country and to become leaders in their own right in the promotion of Italian heritage and culture.

• (1810)

I would like to take this opportunity to recognize some of the tremendous contributions that certain organizations and individuals have made in my riding of Sudbury toward the promotion of Italian heritage and culture.

Sudbury is lucky to host the Caruso Club, one of the largest Italian associations in all of Ontario. Formed in 1947, the Caruso Club is a not-for-profit organization with a goal to promote, enhance and preserve Italian culture and heritage within the Canadian multicultural mosaic, to render assistance to persons of Italian nationality in need and to establish and maintain a library and archives of Italian heritage.

I would like to offer thanks to the current board of directors: Sav Doni, John Santagapita, Egidio Manoni, Linda Zanatta-Beaudoin, Danilo Monticelli, Lina Sanchioni, Bob Armiento, Ugo Rocca and board president, Tony Nero for the club's continued contributions and support for the local community. Felix Santacapita, who passed away a few years ago, is another one of the many committed community members who gave countless hours at the Caruso Club.

One of the largest events the club organizes is the annual Italian festival. During this four day event, Sudburians have the opportunity of participating in a variety of events and presentations, including sporting events like cycling, soccer, and bocce tournaments and the Ms. Caruso pageant, an event my daughter Trinity is excited to take part in this year. She is able to do that, as my wife is from Italian ancestry.

A key organizer behind this event is Ms. Benita Dellece. Benita has played a tremendous role in increasing the community's awareness and appreciation of Sudbury's Italian community through her efforts in organizing this event. In addition to the Italian pageant, she has played a huge role in educating hundreds of Sudburians about the city's rich Italian heritage and culture.

Another important member of the Sudbury and Italian community is John Fera, who was recently re-elected as president of the United Steelworkers Local 6500. Mr. Fera has spent many hours around the bargaining table advocating for his union brothers and sisters, and he continues the legacy of outspoken and community-driven Italians in Sudbury.

There is precedence for official apologies in the House of Commons. Given that official apologies in the House of Commons have been offered for past actions of the Canadian government to Canadians of Japanese origin, first nations, Canadians of Chinese origin and other communities, I urge all members to join me in voting in favour of sending Bill C-302 to committee.

The New Democrats have stood against internment and the War Measures Act for decades. We will stand again in support of this bill to ensure that Italian Canadians are given the formal apology that is so long overdue and that the wrongs committed nearly 70 years ago can be righted.

● (1815)

[Translation]

Mr. Massimo Pacetti (Saint-Léonard—Saint-Michel, Lib.): Mr. Speaker, I would like to begin by thanking the members who spoke in favour of my bill. The hon. member for Eglinton—Lawrence already mentioned a few of them. The member for Rosemont—La Petite-Patrie said he would be in favour of the bill, as did the members for Vancouver Kingsway, Beaches—East York, Notre-Dame-de-Grâce—Lachine, Thunder Bay—Rainy River, my

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colleague and friend, the member for Eglinton—Lawrence and, more recently, the member for Sudbury.

I would also like to thank the Bloc Québécois, the NDP and my colleagues in the Liberal Party who have indicated their support for this bill.

[English]

I have some prepared notes, but I am going to try to summarize this. I know it is an emotional bill for people of my origin. I am a Canadian of Italian origin. I was born in this country, so I have a different perspective on how this bill is going to affect my community.

There has not been any contradiction of whether the internment ever occurred, so at least that is clear in everybody's mind. We do not have the actual numbers of how many times they were actually interned because the record keeping was never properly controlled. We are not really sure how many were interned. We know how many were interned in Petawawa, but there were three other prison camps, and we are not sure of the numbers. There were various studies done by different organizations and the actual number never came to light. There were a lot of people arrested when the internment started. They were imprisoned in different jail cells around the country, such as in Hamilton and mainly in the area of Montreal.

This is a regrettable chapter in Canadian history, and basically the bill is to provide for an official apology in the House of Commons for the injustices visited upon persons of Italian origin and the Italian community in Canada during World War II.

I would be remiss if I did not point out that there is a precedent for the Government of Canada to offer apologies in the House of Commons for past injustices that have occurred under previous governments. The immediate examples that spring to mind are the apologies offered to Chinese Canadians for the head tax, to first nations Canadians for the treatment of their people in residential schools, and a strikingly similar example of the apology offered to Japanese Canadians for the internment of persons of Japanese origin in World War II. It is roughly in the same time frame and circumstances that persons of Japanese origin and Italian origin were subjected to similar persecution by the same government for the same reason, namely their ancestry.

In one case, that of Japanese Canadians, an apology was offered in the House of Commons for the transgression. In another, that of the Italian Canadians, we are still debating whether or not an apology in the House of Commons is necessary or desirable. What makes one group deserving of an apology and another group less deserving?

I was talking with a member of the Italian community, Dominic Campione, who worked quite hard, and he said, "All you have to say is that it is a double shame". The issue is a double shame because it was a shame that this actually happened then, and it is a shame now if we do not recognize what happened and we do not come to terms with apologizing. I cannot choose any better words than saying it is a double shame. It was a shame then and it is a shame now.

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I am requesting an apology. There is no dollar amount in the bill, so if people are scared about dollar amounts, I do not think they have to be afraid. There is a clause for some type of restitution for educational purposes. That is up to the Italian communities. There are representatives. We had an agreement that was signed by the four major organizations: the National Congress of Italian Canadians, the National Federation of the Canadian Italian Business and Professional Association, the Order Sons of Italy of Canada, and la Fondation communautaire canadienne-italienne du Québec.

● (1820)

Hon. Joseph Volpe: And the federal government.

Mr. Massimo Pacetti: And the federal government.

Casa d'Italia is also quite active on this problem because of its involvement during the internment. It actually helped a lot of Italian families during the internment process.

I want to get to two quick points. The member for Peterborough mentioned the part about the Italian community forgiving. I understand that the Italian community has forgiven. The problem is that they have forgotten. The idea of this bill is to remind people that we can forget, and if we do not learn from our history we are not going to learn for our future.

Again, I want to thank the members for their support and the community for its support.

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

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Barry Devolin): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Barry Devolin): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Barry Devolin): In my opinion the yeas have it.

And five or more members having risen:

The Acting Speaker (Mr. Barry Devolin): Pursuant to Standing Order 93, the division stands deferred until Wednesday, June 3, immediately before the time provided for private members' business.

ADJOURNMENT PROCEEDINGS

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

[English]

AGRICULTURE AND AGRI-FOOD

Hon. Wayne Easter (Malpeque, Lib.): Mr. Speaker, on May 6th, my question to the Minister of Agriculture was quite direct and clear: will the minister commit today to cash payments to Canadian hog producers so they can have some financial security? Sadly, the minister's answer was the usual mishmash of misinformation and hyperbole and of course no commitment to the ad hoc payments.

Why would Canada's hog producers, who have long opposed ad hoc payments due to their concern over trade issues, request an immediate payment of \$30 per hog based on 2008 numbers? The answer is quite simple: it is a matter of economic survival. This industry is on its knees. We are losing the hog industry in this country. This is about economic survival, nothing more, nothing less.

Hog producers are ending up in financial ruin. They have spent their life doing this work. Generations of hog producers have done this work. Businesses are destroyed. Lives are ruined. Their economic future is in tatters because of events beyond their control, and the Conservative government has failed to address this economic reality.

Let us take a look at the numbers. In 2009, 8,310 farms reported having hogs. That is down nearly 30% from 2006. In Canada, 70,000 jobs are a direct result of hog production. Pork exports alone generate 42,000 jobs, \$7.7 billion in economic activity, and \$2.1 billion in wages and salaries. The whole industry is on the line.

In my province of Prince Edward Island, 80% of the producers have left, in 18 short months. In the province of Manitoba, exports of weaner pigs to the United States have come to a halt because of a labelling law in the United States that is nothing less than a non-tariff barrier.

Even the American Meat Institute, in testimony last night before the subcommittee on food safety, confirmed it shares our opinion that the United States country of origin labelling is a trade restriction. It agrees with a challenge to the WTO. The government, I will admit, is moving on that challenge. However, a challenge to the WTO, even if it gets off the ground, will take years. By that time our pork industry and its tremendous economic potential will have been cut in half and the dreams of many will be destroyed.

If the government wants to stand up against the illegal actions taken by the United States, it would immediately announce funding requested by producers. It is a justified payment based on the trade action itself.

Such money, reluctantly requested by Canada's pork industries, would assist in their survival, but it would also send a message to the United States that Canada is not going to blatantly stand by while it performs illegal acts. Canadians are behind our pork industry. They are willing to put money into it to see that the industry survives.

I ask the minister again whether he will commit to that money today.

● (1825)

Mr. Ed Komarnicki (Parliamentary Secretary to the Minister of Human Resources and Skills Development and to the Minister of Labour, CPC): Mr. Speaker, I would like to restate some facts to deal with the issues the member has raised.

There is no question the Government of Canada is committed to supporting the Canadian hog and pork industry as it continues to face challenges with respect to its competitiveness.

Industry stakeholders understand that competitiveness is key to the survival of the Canadian hog and pork industry. In response, the industry, provinces and the Government of Canada are taking the necessary steps to the adapt to the new market realities at home and abroad. We are finding new marketing opportunities around the world to help Canadian farmers weather the storm and to strengthen export markets.

The Minister of Agriculture continues to promote our safe, topquality pork to the many countries around the world. At the Canada-United States border, our Conservative government continues to defend the interests of the hog sector by launching a WTO consultation regarding the country of origin labelling. That was commenced in April.

Let me address the one point raised by the member opposite regarding a per head payment.

Let me be clear. Per head payments run a high risk of trade retaliation, not only against the hog industry, but against all other livestock and agricultural sectors. Is that what the member wants? Additionally it would be very counterproductive to our current COOL challenge.

Instead of such a counterproductive way forward, let me tell members what we are doing for hog farmers. At home, we are offering more support than ever for hog farmers. Last spring, we offered emergency cash advances to livestock producers. Now we are giving producers an additional 12 to 18 months to repay their advances. The first \$100,000 of each producer's advance will also continue to be interest-free. It is estimated that only 44% of all hog producers in Canada have participated in the advance payment program for the 2008-09 production year. More than \$450 million in advances are eligible for the stay of default.

Given the recent challenges in the hog industry, significant payments are being made under the business risk management programs, covering between 60% to 70% of the losses of producers.

These are the facts.

In 2007, \$235 million went to hog producers through agri-invest, \$20.8 million, kickstart, \$60 million, and agristability, \$254 million. Approximately 84% of hog farmers participated in agristability in 2007. Those are significant figures. In 2008, an estimated \$213 million went to hog producers through agri-invest, \$18 million, and agristability, \$195.4 million. In 2009, an estimated \$182 million has gone to hog producers through agri-invest, \$19.6 million, and agristability, \$162.9 million.

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Eligible producers who submitted 2007 agri-invest applications have access to their benefits and they can now apply for the 2008 agri-invest program.

Further, the Government of Canada is working closely with the National Pork Value Chain Roundtable to develop and implement a strategy that addresses the competitiveness issues facing the industry and to succeed in the future. In support of this strategy, the Government of Canada is responding to industry priorities, including market access, market development, innovation and animal health.

To give Canadian livestock producers even greater access to global markets, the minister has concluded several successful trade missions to Asia, South America and the Middle East. These market access initiatives are reinforced with significant market development funding directed to the hog and pork industry and have been further supported through the introduction of the Canada brand promise for export trade.

I see my time is up.

(1830)

Hon. Wayne Easter: Mr. Speaker, on what planet does the government live? The fact is farmers are going out. He said that he is out of time here tonight. Pork producers are out of time and the government sits on its haunches and talks about trade challenges. Trade challenges will not solve the problems of producers in our country.

He talks about agristability. The fact is hardly any hog producers this year will qualify for that.

If the government would put money directly out there, that would add to the trade challenge. It would tell the Americans that it is high time, that this country will stand up against this illegal trade action and non-tariff barriers that they put in place, and then we wait three years to get a ruling at WTO and elsewhere.

These people need cash. The Americans will win by default if the government does not step up to the plate and meet the \$30 per hog 2008 numbers that the Canada Pork Council has requested.

I call upon the government to just do it, do it now and save this industry.

Mr. Ed Komarnicki: Mr. Speaker, the facts are, according to a Statistics Canada report, released on May 25, farm cash receipts for hog producers have increased to over 27% in the first quarter of 2009 from the first quarter 2008. Lower feed, fuel and interest costs are improving the bottom line for hog producers.

The Government of Canada is working with the sector to address issues of increased global competition. Through the Canadian Agriculture and Food International Program, the Government of Canada has contributed \$2 million annually to Canada Pork International to support the implementation of the sector's export market development plan.

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Markets are being opened up, and that is where we should be proceeding. Dollars are being spent to ensure that a future is there for the hog producers. However, having a trade action is not something we want to encounter in a negative way.

[Translation]

OFFICIAL LANGUAGES

Mr. Richard Nadeau (Gatineau, BQ): Mr. Speaker, 40 years after the adoption of the Official Languages Act, 143 years after the creation of the Dominion of Canada, after more than four centuries of the French presence in America, the Canadian federal government is as disdainful as ever of the French fact in Quebec, in Acadie and in Canada. A new example of this: the preparations for the Vancouver 2010 Olympic and Paralympic Games. Once again, the French fact is merely being given lip service.

For the Canadian federal state, bent as it is on assimilation, the concept of two official languages is just that: a concept,with no real commitment behind it. Ministers are not even obliged to be bilingual, nor Supreme Court justices, nor ambassadors, nor deputy ministers, nor even the Prime Minister. Even a number of public service positions that are designated bilingual are staffed by unilingual anglophones. When the higher echelons of a G8 country like Canada do not even require their representatives to be able to function in one of its official languages, namely French, one cannot help but conclude that Canada is most certainly not preaching by example. Canada is a country that is, in fact, promoting the gradual disappearance of the French fact. The rate of assimilation proves this.

VANOC, the acronym for the Vancouver Organizing Committee for the 2010 Olympic Games, is yet another example. Subsidized by the federal government, VANOC has made a mockery of the francophone cultural component of the games. At the countdown ceremony on February 12 of this year, the only francophone representation was a single musician who admitted that he had likely been chosen at the last minute because of his French name.

The francophone component of the pre-Olympic concert events is non-existent. VANOC has defended itself by saying that there will be performances by Beast, a group from Quebec that sings in English, Bell Orchestre, a Quebec instrumental group whose website is in English only, and Manitoba Metis Music and Dance, which does not sing in French. In continued attempts to justify the unjustifiable, VANOC pointed out that one of the choreographers was a francophone. However, French is a language, not a dance step.

In light of this situation, on March 31 at the Standing Committee on Official Languages, I asked Ms. Marie-Geneviève Mounier, the Assistant Deputy Minister, International and Intergovernmental Affairs and Sport, if the federal government could cut VANOC funding for failing to provide adequate French programming for the cultural component. Ms. Mounier replied, and I quote: "We can do that. If the contribution agreement conditions are not complied with"

Therefore, it is evident that the minister responsible for the Vancouver Games and, furthermore, the Minster of Official Languages, is attempting to cover up VANOC's lack of respect for the French fact rather than taking it to task right here, in the House of Commons. Furthermore, he is not taking concrete action to ensure

that VANOC remedies the situation. That is shameful but so representative of the federal contempt and indifference towards the French fact.

• (1835)

Mrs. Shelly Glover (Parliamentary Secretary for Official Languages, CPC): Mr. Speaker, we take our responsibility to respect and promote Canada's official languages very seriously. Our government is firmly committed to official languages, as demonstrated by our roadmap, which includes a record \$1.1 billion in funding.

In addition, our contribution agreements with organizations that receive funding include provisions guaranteeing a number of things: communications with the public will be carried out in both official languages; services will actively be offered in both official languages; members of both official language communities will be encouraged to participate in the organization's activities.

The Government of Canada supports the festival, and the organizers are aware of our linguistic requirements.

Canadian Tulip Festival organizers recently clarified their position on services in Canada's two official languages. They explained that the reason behind having two separate festival launches, one for the English media and another for the French media, was to emphasize programming highlights for both anglophone and francophone audiences.

Festival officials said that they regretted any misunderstanding arising from this decision to communicate as well as possible with both French and English media. I think that, over the years, the Canadian Tulip Festival has proven that it respects both official languages, and naturally, we will keep encouraging the organizers to continue doing so.

• (1840)

[English]

We have mentioned the Canadian Tulip Festival, but I know my colleague also mentioned many things about the Olympics and Paralympics. I want to touch on a couple of things that our government is doing with regard to that. It has to be clear that we are engaged in promoting both officials languages at this event. It is going to be a fantastic opportunity for both our Francophone and Anglophone citizens to see the Olympics and Paralympics.

To point out some of the things that have been done, our government is actively participating in the funding of Cultural Olympiad. The whole Canadian Francophonie will be represented with all her diversity. This is a praise-worthy initiative that will foster the vitality of Francophones in both majority and minority communities. This will develop the production network among both language groups and promote exchanges between them.

Canadian Heritage and VANOC are working with the Canada Council for the Arts and equivalent provincial organizations to allow groups that were selected in 2009 and 2010 to use their trips to Vancouver to put on a series of shows in British Columbia and other provinces to maximize the benefits of their participation in the Cultural Olympiad.

I want to stress one more time that we believe in ensuring that all citizens of Canada have the opportunities to really take advantage of both the English and French languages. We are committed to that. We will continue to support these initiatives. We will do our very best to ensure that our partners also follow our lead as a role model.

I recommend that my colleague opposite engage in celebrating the successes, while also being mindful of places where we need to improve. For once, I would like to hear a celebration of the fact that Canada is one of the most wonderful places to live in this world and that we do celebrate the French and English languages alike.

[Translation]

Mr. Richard Nadeau: Mr. Speaker, why is the minister not cutting funding to VANOC, which is not meeting the official language conditions of the funding agreements?

VANOC is totally removed from the francophone reality needed to represent the Vancouver 2010 Olympics and Paralympics. It has still not called for translators for French signage in the host city and neighbouring cities. According to the Commissioner of Official Languages, the Toronto and Vancouver airports are not yet ready, eight months before the international event takes place, to welcome francophone visitors from Quebec, Canada and around the world.

With French being one of the official languages of the International Olympic Committee, the present situation speaks volumes about federalist Canada—a country claiming to have two official languages, English and French, but which treats French with contempt.

Mrs. Shelly Glover: Mr. Speaker, our government is working very hard with all the games stakeholders to ensure that both official languages are properly used in all aspects of the games.

Francophone communities from across Canada will have access to the games in their mother tongue. The Vancouver 2010 Olympics and Paralympics will be much better than the Calgary games of 1988. The games will be bilingual like no other. Canada can be proud of the place it accords this country's linguistic duality.

I would point out that the member opposite is in no position to give lessons on bilingualism, as his own website is unilingual. [English]

EMPLOYMENT INSURANCE

Ms. Siobhan Coady (St. John's South—Mount Pearl, Lib.): Mr. Speaker, I rise to speak to an issue that I first raised with the minister on April 28 and that is the issue of eligibility for employment insurance.

This is a critical issue, not just for my riding of St. John's South—Mount Pearl but one that reaches every corner of our country and one that the government is really failing to address. Unfortunately, the government would rather leave Canadian families to fend for themselves than to fix this crucial program.

I believe, as my party does, that a temporary national 360 hour standard of EI eligibility should be introduced for as long as the economic crisis in Canada persists. This would help families, as it would make it easier for workers who have lost their jobs, through no fault of their own, to qualify for benefits during this crucial time of economic downturn.

Adjournment Proceedings

There are 58 regional standards currently governing the eligibility and benefit periods for EI, and they are clearly not meeting the needs of our country and our families.

Let me give a few examples of this. To qualify for benefits in my riding, workers need a minimum of 630 hours of insured work. This standard exists for both St. John's and Mount Pearl as well as the rural community of the Goulds as well as the fishing community of Petty Harbour. No consideration is given for the different industries in these communities, but all are simply subject to the same standard as the urban areas which have a very different economic picture. During this time of record job losses there are varying standards that are creating unfair problems for my constituents.

I recently heard of a young woman in my riding who was an occupational therapist and has been laid off from her job. Her hours had been already scaled back. She was mostly working part-time in the months leading up to the permanent layoff. As a first time filer in my region, she needed 840 hours to qualify for the benefits. The reduction in hours and taking part-time work meant that she only had 581 insurable hours, not nearly enough to qualify.

I think about the fisheries workers in Petty Harbour, for example, who work hand in hand in fish plants with colleagues just one community over. They tell me that the eligibility rules are completely different. They need to have 630 hours to qualify. The people in the next community that they work hand over hand with in the same region of my province, the same area, have to have only 420 hours. That makes a disparity for some people because of the downturn in the fisheries industry. They will not even qualify this year. Does the minister not understand that?

I could go on. One of the processing plants, for example, was scaled back in recent years and another constituent of mine decided to leave the province looking for work. That happens all too often in my province. People have to travel outside the province looking for work.

This individual went with a friend who lives in another community, not necessarily in my riding of St. John's South—Mount Pearl but a more rural riding. Both worked side by side. One qualified for EI and the other needed an additional 200 hours.

The government's solution to a national crisis is just to reannounce training funding when fewer than 40% of unemployed Canadians actually qualify for this. It seems like the government's solution to the EI crisis really has not been effective.

I note in response to my question the minister stated, "The worse the situation gets, the easier it is for people to collect benefits". That is not quite the answer we were looking for. Yes, businesses are closing. Companies are failing. More Canadians are losing jobs and the thresholds are really not changing. It is an inadequate strategy.

Adjournment Proceedings

Does the government fail to understand that people are losing their jobs, that they need help now, that it needs to expand the EI system, or is it just going to fail people as it has failed the economy?

(1845)

Mr. Ed Komarnicki (Parliamentary Secretary to the Minister of Human Resources and Skills Development and to the Minister of Labour, CPC): Mr. Speaker, I hear the concerns raised by the member for St. John's South—Mount Pearl. Of course, our government is concerned by the job losses being experienced by Canadians. As I said earlier this week, our government is absolutely committed to helping Canadians through this crisis and we will continue to do so.

Our government is making unprecedented investments to help vulnerable and unemployed Canadians. Among other things, we have extended EI benefits by five weeks, more than double the two weeks advocated for by the opposition. We have extended the worksharing program. More than 110,000 Canadian jobs are being protected by working with Canadian employers to share costs and avoid layoffs.

We are investing \$500 million in skills training and upgrading for long-tenured workers, \$1 billion in further training through the EI program, and \$500 million in training for those who do not qualify for EI. We have made changes that will process claims faster and cut red tape for employers. To do so, we have invested more than \$60 million for processing, including hiring additional staff to manage workload and implement budget measures.

We are also monitoring the effectiveness of these measures to ensure that they are effectively helping Canadians. However, what we will not do is implement the Liberal 360 hour, 45 day work year idea. The opposition members can say what they want about this scheme, but the fact is that this irresponsible proposal would result in a massive increase in job-killing payroll taxes that will hurt workers and businesses alike at a time when they can least afford it. This irresponsible proposal certainly will not help Canadians find new jobs or get new skills. It will simply add billions to the tax burden on Canadians.

Let us see what others are saying about this irresponsible Liberal plan. In the *Vancouver Sun*, on May 26, Harvey Enchin said:

The Liberal option not only seems illogical but it would raise the federal deficit—and probably taxes—while doing nothing to address the fact that many of the jobs that have been lost are not coming back. The Conservative government is right to reject it...The federal government is on the right track with investment in skills training and transition programs.

In the Calgary Herald, on May 26, Don Martin said:

But just 360 hours to qualify? For a benefit payment period that's just shy of a year? Come on, that's a bit rich, even for Liberals...Yet there are many better ways to reform the system, starting with the Conservatives' re-announced \$500-million to stretch benefits for long-term workers—

Unlike the opposition's hollow rhetoric and irresponsible plans, our government's economic action plan is helping Canadians get new skills for new jobs. It is helping Canadians through these tough economic times. Unlike the opposition, on this side of the House, we will not force all working Canadians and businesses to pay more taxes for this irresponsible and ill-conceived proposal.

Our government is helping and will continue to help Canadians get the training they need for the jobs of tomorrow. We will continue to help preserve jobs so that hard-working Canadians can continue to pay their mortgages and provide for the needs of their families.

● (1850)

Ms. Siobhan Coady: Mr. Speaker, I am glad to hear, in the response, that the Conservatives are committed to helping Canadians through this crisis. I would just like to know when they are going to start

The member responded by talking about the EI training program. While I am fully supportive of funding for training, it is not going to help one single new worker qualify for EI. That particular worker will not be able to benefit under this program. In his response, he talked about monitoring measures to see if they work. I hope the government is monitoring measures because it will see very quickly that they are not working right now for Canadian workers who have lost their jobs.

One of the ways we can stimulate the economy and help families is by making some changes to EI. If Canadians cannot qualify for assistance in the first place, how is it going to do them any good?

Mr. Ed Komarnicki: Mr. Speaker, over 80% of those who pay into EI do qualify. There is a monetary program for those who do not qualify. Regardless of what the member may say, the fact is that we are making unprecedented investments to help vulnerable and unemployed Canadians.

We are investing \$8.3 billion in the Canada skills and transition strategy to help Canadians recover from this downturn and to better position themselves after this economic downturn for the prosperity and opportunities that lie ahead. The Liberal plan is to adopt irresponsible NDP proposals to change EI. They are proposals that will do absolutely nothing to help Canadians acquire new skills so that they can get the jobs of the future.

The only thing the Liberal plan will do is add billions more to the tax burden facing hard-working Canadians at a time when they can least afford it. Higher taxes are the last thing Canadians need when they are trying to get through these tough economic times. That approach is simply irresponsible and it will not be supported by this government.

The Acting Speaker (Mr. Barry Devolin): Pursuant to Standing Order 81(4), the motion to adjourn the House is now deemed to have been withdrawn and the House will now resolve itself into committee of the whole to study all votes under Fisheries and Oceans in the main estimates for the fiscal year ending March 31, 2010.

I do now leave the chair for the House to resolve itself in committee of the whole.

GOVERNMENT ORDERS

[English]

BUSINESS OF SUPPLY

FISHERIES AND OCEANS-MAIN ESTIMATES, 2009-10

(Consideration in committee of the whole of all votes under Fisheries and Oceans in the main estimates, Mr. Andrew Scheer in the chair)

The Chair: I would like to open this session of committee of the whole by making a short statement on this evening's proceedings.

Tonight's debate is being held under Standing Order 81(4)(a), which provides for each of two sets of estimates selected by the Leader of the Opposition to be considered in committee of the whole for up to four hours. The debate is also held under the motion adopted by unanimous consent on Tuesday, May 26, 2009.

Tonight's debate is a general one on all the votes under Fisheries and Oceans. Each member will be allocated 15 minutes. The first round will begin with the official opposition, followed by the government, the Bloc Québécois and the New Democratic Party. After that, we will follow the usual proportional rotation.

As provided in the motion adopted on Tuesday, parties may use each 15 minute slot for speeches or for questions and answers by one or more of their members. In the case of speeches, members of the party to which the period is allotted may speak one after the other. The Chair would appreciate it if the first member speaking in each slot would indicate how the time will be used, particularly if it is to be shared.

[Translation]

When the time is to be used for questions and answers, the Chair will expect that the minister's response will reflect approximately the time taken by the question, since this time will be counted in the time originally allotted to the party.

Though members may speak more than once, the Chair will try to ensure that all members wishing to speak are heard before inviting members to speak again, while respecting the proportional party rotations for speakers.

Members need not be in their own seats to be recognized. [English]

I would remind all hon. members that, according to Tuesday's motion, during this evening's debate no quorum calls, dilatory motions or requests for unanimous consent shall be entertained.

As your Chair, I shall be guided by the rules of the committee of the whole and by the motion adopted on Tuesday. However, in the interest of a full exchange, I am prepared to exercise discretion and flexibility in the application of these rules.

It is important that the traditions of the House in relation to decorum be respected and that members make their remarks and Business of Supply

pose their questions in a judicious fashion. The Chair will expect all hon, members to focus on the subject matter of the debate, the main estimates of the Department of Fisheries and Oceans.

I also wish to indicate that in committee of the whole, ministers and members should be referred to by their title or riding name and all remarks should be addressed through the Chair. I ask for everyone's co-operation in upholding all established standards of decorum, parliamentary language and behaviour.

At the conclusion of tonight's debate, the committee will rise, the estimates under Fisheries and Oceans will be deemed reported and the House will adjourn immediately until tomorrow.

[Translation]

We may now begin this evening's session. The House in committee of the whole pursuant to Standing Order 81(4)(a).

The second appointed day, consideration in committee of the whole of all votes under Fisheries and Oceans in the main estimates for the fiscal year ending March 31, 2010.

(1855)

[English]

Hon. Gerry Byrne (Humber—St. Barbe—Baie Verte, Lib.): Mr. Chair, I will take advantage for an opportunity to ask 10 minutes of questions to the minister followed by questions from the member for Madawaska—Restigouche for 5 minutes.

I would like to know several things. The fishery is clearly in crisis, that we do know. Not only is the lobster fishery in crisis but the crab and shrimp fisheries are as well. In fact, for nearly every commercial fishery in Canada today harvesting costs are exceeding the price fishermen are getting at the wharf.

Would the minister respond to the new challenges facing the fishery by ending the collection of licence and monitoring fees and refund the millions of dollars that have already been taken from the pockets of people who have serious trouble paying the bills they already have, yes or no? Will licence and monitoring fees be ended?

Hon. Gail Shea (Minister of Fisheries and Oceans, CPC): Mr. Chair, I know that fishers are having a tough time in this economic downturn. What has happened in the markets is affecting all sectors across the country and the fishery is no different. The government has committed to reviewing the licence fees in the industry and we will be doing that over the next little while.

Hon. Gerry Byrne: Mr. Chair, the review is in. The industry is already in crisis and this would go a long way in assisting fishermen.

I have in my hands a press release that has been issued by the minister, issued from the Conservative Party, using federal government funds. It directs media to call a phone number and talk to ministerial and departmental staff members for further information on Conservative Party matters. I will happily table that.

Could the minister tell the committee if she feels it is proper for the minister to have federal government employees listed as the contact for the Conservative Party of Canada on its press releases?

(1900)

Hon. Gail Shea: Mr. Chair, as I have said before in the House, that was an administrative error. It should not have gone out under departmental letterhead.

Hon. Gerry Byrne: Mr. Chair, if there is no money for fishermen, could the minister say or explain to us how much money was actually spent using departmental resources, fisheries and oceans resources, on issuing partisan press releases? How much money was given back to the treasury as a result?

Hon. Gail Shea: Mr. Chair, actually that was paid by the Conservative Party of Canada. It was not paid by the Department of Fisheries and Oceans.

Hon. Gerry Byrne: Mr. Chair, if we could find out exactly how much that would be that would be very helpful because, of course, there were preparation costs and the use of a private sector distributor called Marketwire. In fact, if we go to Marketwire, that press release is still on the website today and still lists government employees as the Conservative Party of Canada's contact.

However, let us get to the business of fish now. The federal government is providing Canada's auto sector with approximately \$15 billion in financial assistance in the wake of this economic crisis. That \$15 billion is for an industry that generates \$90 billion in annual sales. Obviously the government believes that a stimulus for the auto industry is required that is roughly 20% of the auto industry's annual sales.

The Atlantic lobster industry, however, is worth \$1 billion, and it has been assisted with just 1% of the industry's annual value: \$10 million for advertising. It gives 20% here and 1% for the lobster industry.

Will the minister commit to providing a minimum of \$200 million in support for Atlantic Canada's lobster fishermen, representing 20% of that industry's annual value, yes or no?

Hon. Gail Shea: Mr. Chair, this government has done much for fisheries in Atlantic Canada. The first thing that it did back in 2006 was establish the \$500,000 capital gains exemption for fishers, and budget 2007 expanded this amount to \$750,000. I know, from being a provincial politician, this is something the fishers were asking for, for a long time, from a Liberal government that ignored them.

The hon. member cannot stand and pretend that he is the saviour of the fishers here when he did nothing while he was there.

Hon. Gerry Byrne: Mr. Chair, the minister has often suggested that her government's approved access to credit and initiatives to build wharves will help fishermen today facing immediate personal financial crisis. Those statements kind of speak for themselves. They just do not fly with fishermen who cannot pay their bills today.

Immediate changes to how EI benefits are determined this year, income support, support for inventory costs and a federal government-funded, licensed rationalization program are what is needed

Could the minister tell us if any of these much needed programs are coming or just press releases paid for by the Department of Fisheries and Oceans for the Conservative Party of Canada, because that is all the minister has provided thus far?

Hon. Gail Shea: Mr. Chair, when we did prebudget consultations prior to the budget, one of the things that was asked for by the industry was access to credit. I can assure the hon. member that BDC and EDC have assisted the industry a lot to ensure that buyers are buying this year and that processors are processing this year. If it were not for that, we would be in much worse shape.

I can assure him that in discussions with the provinces, the provincial loan boards are willing to come to the table to provide some flexibility and provide short term relief to the industry. I know that fishers are doing what they can to cut their costs.

In the medium and the long terms, we are supporting the industry to help the market recover with \$10 million in marketing money, and that is where it has to come from, an increase in the markets.

Hon. Gerry Byrne: Mr. Chair, someone needs to explain why lobster buyers reduced buying or stopped buying altogether, or why the shrimp industry is now shut down in Newfoundland. If access to credit is so readily available, that would be a very good question that a fishermen from eastern Canada would love to have answered.

However, I will now quote the minister who said that Canada has now "assumed custodial management of the fishery in the Northwest Atlantic Fisheries Organization (NAFO) regulatory area". However, members of this chamber know the truth. If Canada has custodial management of the nose and the tail of the Grand Banks, why is the European Union continuing to rape cod stocks by overfishing millions of pounds of cod as bycatch? This was a fact that was acknowledged by her own government in a memorandum to NAFO from Canada, which I hold in my hand.

Does the minister really believe that Canada has custodial management in her hands, in the hands of her platform, or is that just another piece of Conservative rhetoric?

● (1905)

Hon. Gail Shea: Mr. Chair, we do recognize the fishing rights of other nations. What we will not accept is the abuse of those rights. Through our leadership, NAFO has established tough rules that severely punish overfishing. Those found to be breaking the rules face stiff penalties and risk being taken off the water.

Canada is the main NAFO party that patrols the NAFO regulatory area and enforces these rules. Through our leadership, diplomacy and enforcement efforts at NAFO, we have achieved the objectives of custodial management over the NAFO regulatory area.

Hon. Gerry Byrne: Mr. Chair, that is why the World Wildlife Fund had to put out a press release explaining that the European Union is the chief culprit in overcatches of cod as a bycatch fishery. It had to do something about it because the government certainly was not doing anything about it.

With regard to the NAFO convention that her government promised would be brought to the floor of this chamber, will the minister assure this chamber that there will be no new or increased allocations of shrimp or any other species awarded to other NAFO member states, such as the Faroe Islands in respect of Denmark, to buy their votes for the ratification of the new NAFO charter? Will the minister assure this House of that point?

Hon. Gail Shea: Mr. Chair, that is not the way Canada conducts itself on the international stage.

While we are disappointed that members have overrun the bycatch targets for cod, we will be pressing NAFO contracting parties to address the issue at the next annual meeting that will take place later this year. While they are legally binding bycatch limits, the targets for 3NO cod were much more stringent and were voluntary. In fact, the cod recovery plan adopted by NAFO in 2007 says that if a targeted reduction is not achieved, the fisheries commission is to consider additional measures for subsequent years and contracting parties will consider additional measures.

Hon. Gerry Byrne: Mr. Chair, I believe that question was on shrimp.

However, according to the most recent data provided by the federal government's own Canadian Ice Service, ice along the northeast coast of Newfoundland remains well above average, according to the government's own agency. The most extensive and extreme ice conditions have existed for 15 years today.

Will the minister now acknowledge that the northeast coast does indeed have an ice problem? She would not before.

Hon. Gail Shea: Mr. Chair, we do not deny that there is ice in Newfoundland. Of course there is ice in Newfoundland, but in the past the Government of Canada has occasionally provided financial assistance to harvesters where there were unusually severe ice conditions that persisted well into the fishing season and the fishers were not able to reach their grounds and earn the income.

Most recently, such assistance was provided in 2007. Ice conditions in 2009 have been much less severe.

[Translation]

Mr. Jean-Claude D'Amours (Madawaska—Restigouche, Lib.): Mr. Chair, I would like to ask the minister how the \$10 million will contribute to the survival of lobster fishers in southeastern New Brunswick next season.

[English]

Hon. Gail Shea: Mr. Chair, the \$10 million was targeted for marketing and product development within the lobster industry.

Mr. Jean-Claude D'Amours: Mr. Chair, so it is clear that this will not allow lobster fishers to survive.

Business of Supply

Does the minister still intend to close the Fisheries and Oceans Canada office in Saint-Léonard in the Madawaska region of northern New Brunswick?

[English]

[Translation]

Hon. Gail Shea: Mr. Chair, I will have to get back to the hon. member on that.

[Translation]

Mr. Jean-Claude D'Amours: Mr. Chair, we are not off to a good start.

How can the minister justify the fact that all of Canada's international competitors in the fishing industry, including the United States, are making huge investments in their fishing industries through rationalization and structuring projects in order to maintain their competitiveness? Where is Canada in the meantime?

[English]

Hon. Gail Shea: Mr. Chair, Canada is very competitive within the fisheries industry. I would just like to say that if the hon. member is talking about our conservation and protection program in New Brunswick, we do have a very healthy staff of officers who operate out of New Brunswick and we have added 153 new fisheries officers since 2006.

• (1910)

[Translation]

Mr. Jean-Claude D'Amours: Mr. Chair, does the minister still intend to close the Fisheries and Oceans Canada office in Plaster Rock, in the riding of her colleague from Tobique—Mactaquac?

[English]

Hon. Gail Shea: Mr. Chair, I am not planning to close any offices or reduce any of our conservation and protection programs.

[Translation]

Mr. Jean-Claude D'Amours: Mr. Chair, I was not asking about programs. Does the minister intend to close two Fisheries and Oceans Canada offices: Saint-Léonard and Plaster Rock, and to relocate staff to another office?

[English]

Hon. Gail Shea: Mr. Chair, if this was something that was discussed within the region, I am unaware of it. However, I can assure him that service will not suffer any. However, to my knowledge we are not closing any DFO offices.

[Translation]

Mr. Jean-Claude D'Amours: Mr. Chair, can the minister confirm to me this evening that in the years to come there will be full-time employees in the Plaster Rock and Saint-Léonard offices in New Brunswick?

[English]

Hon. Gail Shea: Mr. Chair, I can assure the hon. member that there will be no decrease in service to the province of New Brunswick or anywhere else in Canada.

[Translation]

Mr. Jean-Claude D'Amours: Mr. Chair, so shortly there will be no more employees at Saint-Léonard or Plaster Rock.

Can the minister explain why, when the Fisheries and Oceans Canada offices were constructed in Charlo, New Brunswick, her department awarded contracts to a Toronto firm which then subcontracted to a local business, one which could have done the job immediately and probably for less?

[English]

Hon. Gail Shea: Mr. Chair, I would need more details on that particular project.

[Translation]

Mr. Jean-Claude D'Amours: Mr. Chair, I will get back to this, because the minister seems not to know what is going on in northern New Brunswick.

Has the minister read the document "An Action Plan for Fleet Rationalization" prepared by the Atlantic Alliance for Fisheries Renewal?

[English]

Hon. Gail Shea: Mr. Chair, yes, I have read it. I get many plans throughout the year. I have stacks of them on my desk, but I know that I do have that one.

The Chair: Resuming debate. The hon. Minister of Fisheries and Oceans.

Hon. Gail Shea (Minister of Fisheries and Oceans, CPC): Mr. Chair, our government has made tremendous strides in recent months on critical fisheries and oceans issues.

It is a great honour to have been appointed minister of a portfolio with such a broad mandate. I am extremely proud of the vital work that we do in support of Canadians, their communities and the economy. DFO works hard to ensure that Canada's fisheries and marine sectors continue to provide economic benefits for Canadians. We support these sectors' efforts to become even more resilient, efficient and economically viable.

Using sound science, we are dedicated to ensuring sustainable development to our fisheries, oceans and aquatic systems. By rejuvenating the Canadian Coast Guard fleet, we are enhancing marine safety, security and sovereignty.

It is my pleasure to rise in the House to talk about DFO's projected expenditures for the 2009-10 fiscal year, and how we are spending strategically in support of that vision. Today I would like to paint a complete picture, one that illuminates the main estimates and supplementary estimates.

As members will see in the supplementary estimates, DFO is increasing its spending by \$187 million to a total of \$1.8 billion. This includes funding received from the economic action plan. Our government's plan provided additional funding above and beyond

the main estimates for vital fisheries and marine infrastructure, as well as communities affected by severe economic conditions.

Through economic action plan funding our government is investing \$451 million over the next two fiscal years to maintain the integrity of programs and infrastructure relating to small craft harbours, science and the coast guard.

My officials are quickly rolling out priority activities supported by this new stimulus package, which bears good news for fishing communities across the nation.

First, small craft harbours from coast to coast to coast are benefiting from an infusion of \$200 million over two years. Money will be put toward accelerating repairs, maintenance and dredging projects for approximately 250 harbours across Canada.

I would like to highlight that this new investment is in addition to approximately \$80 million already budgeted for 180 projects under the small craft harbour regular program this year. Local communities and contractors are close to getting shovels in the ground on many of these and the stimulus projects.

We recognize the economic value in supporting commercial fisheries, especially emerging fisheries in Nunavut, which is why our government invested an additional \$17 million in the economic action plan to speed up the construction of the small craft harbour at Pangnirtung.

We have already consulted citizens from the local community, and we have discussed upcoming work with the Government of Nunavut. Essentially, we are setting the stage for construction to begin this coming summer. In addition, we will plan to dedicate approximately \$10 million this year in support of the fisheries in Nunavut. Our communities asked for this kind of support and I am pleased to deliver.

To give members another example of how stimulus funding delivered through my department is benefiting Canadians immediately, the coast guard is busy procuring vessels. Our government is investing \$175 million to procure 68 new small vessels and 30 environmental barges. The coast guard will also undertake major repair work on 40 of its aging large vessels.

Many projects are up for tender. They are on schedule and are within budget. Refits and life extensions of aging vessels are well under way. Our long-term investments will spur the shipbuilding industry across Canada, generating spinoff benefits for years to come.

I am proud to say that DFO science is also benefiting from the economic action plan with \$38.1 million being used to address maintenance and modernization at its federal laboratories across the country. We have already received approval for these upgrades and have announced projects across the country. For example, we just announced \$8 million to upgrade salmon hatcheries in support of the salmon enhancement program in British Columbia.

We are increasing our annual spending for sea bed mapping in the Atlantic and Arctic oceans by \$3.7 million. This funding will be used to gather data that will be submitted to the United Nations Commission on the Limits of the Continental Shelf.

Here are a few highlights of the DFO spending year. We are building on our government's record in support of the fishing sector. Since 2006 our government has committed over \$2.3 billion to help Canada's fishing and marine sectors. We have increased DFO's budget by \$183 million, ongoing. We introduced and improved the first capital gains tax relief for fish harvesters. We financed the health of the oceans initiatives for cleaner waters, which will help build sustainable fisheries for the future.

(1915)

We have restored our fisheries enforcement capacity by hiring 153 new fishery officers in the last three years. We have increased spending to renew the coast guard fleet with money for three new offshore fishery science vessels and a brand new polar class icebreaker. Such expenditure is critical to our country's maritime economy.

As part of building a robust and sustainable aquaculture industry, we have invested \$70 million in aquaculture innovation and improved regulations to make the industry more successful and competitive. We invested in more science for regulations.

In response to the economic downturn, we have recently developed policies that enable the harvesters greater flexibility to self-adjust so they can better face current economic challenges. Just last week I announced \$10 million from the community adjustment fund for the lobster industry. It will improve marketing and market access. We are supporting the creation of a lobster development council to address current challenges.

We continue to protect and expand market access for Canadian fish and seafood by working closely with industry. Our efforts are helping to obtain necessary ecocertification for their products and to ensure that global, regional and bilateral market access will benefit our sector as well as others.

We are reducing overfishing and ecosystem degradation on the high seas by working with other countries, international organizations and stakeholders to promote and protect Canadian interests. Since taking office, our government has increased its investments in fisheries science. With sound science, DFO makes informed decisions. We shore up conservation and protection of stocks and fish habitat. We advance our international foreign policy and trade objectives. We make fisheries renewal a reality. We have funded a number of initiatives on both coasts to respond to sustainability challenges in Pacific waters and to help first nations develop their commercial fishing enterprises.

Business of Supply

In addition to these accomplishments, DFO forged partnerships with aboriginal communities, non-governmental organizations, unions, industry representatives and our international allies to benefit Canadian fish harvesters. Since 2006, including amounts in budget 2009, this Conservative government has committed some \$2.3 billion in initiatives and an additional \$182 million in ongoing yearly funding.

Under my leadership, DFO is a strong steward of this country's precious fisheries and oceans resources and we are good stewards of public funds. My department's main estimates together with our supplementary estimates recently tabled in the House of Commons illustrate how our government is responding to the global recession by taking action to stimulate economic growth, restore economic confidence and support Canadians and their families.

In these challenging times, I am proud to say that DFO is doing its part to ensure Canadian taxpayer dollars are used wisely. We are strategically investing in areas that will have strong economic benefits for Canadians and their communities now and in the future.

● (1920)

Mr. James Lunney (Nanaimo—Alberni, CPC): Mr. Chair, I would like to thank the minister for sharing that overview with us. The \$451 million in ramped up spending for small craft harbours, for science and for the coast guard is going to make a big difference in stimulating coastal economies. I want to thank the minister for that great overview.

Our oceans are great sources of economic activity. Ocean trade makes our oceans a tremendous contributor to Canada's economy. Oceans function like global highways. Safe and secure waterways are critical to Canada's economy.

For coastal communities, oceans have been the source and the mainstay of economic, social and cultural benefits. The most obvious examples would be found in commercial, recreational and aboriginal fisheries. In my riding aquaculture, including shellfish aquaculture, is also a big economic driver. I had the pleasure of announcing on behalf of the government as part of our stimulus package funding for a new centre for shellfish research, part of Vancouver Island University at Deep Bay. That is a tremendous contributor to our local economy.

Could the minister please describe the economic contribution of Canada's fishing sector in terms of dollars to Canada's economy?

Hon. Gail Shea: Mr. Chair, these sectors make a tremendous contribution to the national economy. Our wild and cultured fisheries contribute approximately \$12 billion annually to the Canadian economy. Fish and seafood is Canada's largest single food export commodity, exporting 85% of our seafood production.

Our country is one of the world's largest commercial fishing industries, worth more than \$6 billion a year. Commercial fishing, processing and aquaculture employ 85,000 people and are the mainstay of many of our coastal communities. Recreational fishing is popular with Canadians and tourists and generates approximately \$7.5 billion for the national economy.

These are significant figures, and upon hearing them, it is easy to understand how vitally important these sectors are to our national economy. DFO is investing taxpayers' dollars strategically in order to further economic prosperity.

Mr. Gerald Keddy (Parliamentary Secretary to the Minister of International Trade, CPC): Mr. Chair, I would first like to thank the minister for outlining the government's agenda and for the government's support for the marine and fishing sectors in the last three years. She has a very difficult job with different responsibilities and challenges, there being an ocean on the east coast, one on the west coast, one in the north and an inland fishery. It is not an easy job, but she has risen to the challenge.

When we look at the overall economic viability of the fishery and the challenges with the worldwide recession, staying viable and fishermen literally remaining solvent in this day and age, it is clear that the minister sees the importance of trying to assist the industry but there is also another challenge of allowing the industry to become more competitive and independent and make it part of the decision-making process.

I was wondering if the minister could explain her position on shared stewardship and consultation aimed at revitalizing the fishing industry.

• (1925)

Hon. Gail Shea: Mr. Chair, it is critical that we have the appropriate stakeholders at the table so that their views are taken into account when making fisheries and oceans management decisions. DFO regularly consults advisory councils, committees and boards on issues of fisheries management.

There are also ad hoc mechanisms in place, such as bilateral and multilateral discussions with stakeholders, groups, advisory panels, focus groups and steering committees. We regularly consult aboriginal communities, fish harvesting and processing industries, non-governmental groups and academia. We have a long list that includes fisheries unions and associations, the marine, commerce and transportation sectors, the oil and gas sector and the pulp and paper industries.

I look forward to working with all of our partners to continue building strong, sustainable fisheries for the future.

Mr. Randy Kamp (Parliamentary Secretary to the Minister of Fisheries and Oceans, CPC): Mr. Chair, the minister provided a good overview of how to interpret the main estimates, plans and priorities as we look forward to the things that we need to accomplish. I know we will have more opportunity to talk about that in the next few hours.

In her comments, she talked about enforcement. That really is part of what we need to do in terms of protection, sustainability and so on. I would like to ask the minister to tell us more about her priorities in that area and the investments we continue to make.

Hon. Gail Shea: Mr. Chair, fisheries officers can be found throughout Canada. They monitor and verify compliance with legislation, regulations and fishing plans that support conservation and sustainable use of our resources, as well as the protection of species at risk, fish habitat and oceans.

We have a staff of 737, which includes 636 fishery officers. As I said before, since August 2006 153 new fisheries officers have been hired and there is another troop of 30 recruits who will start their training in August. All recruits undergo a three-year training program. Conservation and protection staff are located in 131 offices across the country, with 68% of them on the east coast, 26% of them on the west coast and 6% of them inland.

I can confirm that we do not have any plans to close any fishery detachment offices. We will actually be enhancing our program, if anything.

[Translation]

Mr. Raynald Blais (Gaspésie—Îles-de-la-Madeleine, BQ): Mr. Chair, I will try to use my time to follow up on the questions and answers I just heard. My questions and answers will be a bit more concise.

I want to talk, first, about the crisis in the lobster fishery. There was a summit meeting in Moncton on May 15. That was great. On May 22 they announced that only \$10 million would be invested. Today, May 28, there was a meeting with the Premier of New Brunswick and the fisheries minister, if I am not mistaken, but people are not very happy.

Why is it that people have to come here to Ottawa to express their dissatisfaction with a meeting that took place in Moncton on May 15, when they expressed their demands very clearly?

There was a demonstration in Tracadie-Sheila, where 500 people went to the Fisheries and Oceans offices.

How many more demonstrations will it take for the minister to understand that a \$10 million investment is far from enough?

[English]

Hon. Gail Shea: Mr. Chair, several of our members met with some members from New Brunswick today, including the premier. They came to Ottawa and asked to meet with us. We talked about several issues where the province of New Brunswick was willing to partner with the federal government with some solutions for the lobster industry. We have said to the province of New Brunswick that we will consider their suggestions.

• (1930)

[Translation]

Mr. Raynald Blais: Mr. Chair, of the \$10 million announced on May 22 for the lobster crisis, how much is for Quebec?

[English]

Hon. Gail Shea: Mr. Chair, a pot of money will be come from the \$1 billion community adjustment fund, which will be spent for the greater lobster marketing promotion program and will be done in cooperation with the Lobster Council.

[Translation]

Mr. Raynald Blais: Mr. Chair, unfortunately, I have to ask my question again. Of the \$10 million announced on May 22, how much will Quebec get?

[English]

Hon. Gail Shea: Mr. Chair, the Quebec lobster fishery will benefit from this marketing program the same as the greater lobster fishery.

[Translation]

Mr. Raynald Blais: Mr. Chair, let us try another subject. I hope the answers will be a bit more specific. I want to turn now to the small craft harbour issue.

In the 2009-2010 budget, how much of the money for small craft harbours is for Quebec?

[English]

Hon. Gail Shea: Mr. Chair, for Quebec, the total is \$6,384,000 under the economic action plan.

[Translation]

Mr. Raynald Blais: Mr. Chair, I want to get this straight. The figure I heard was \$6.3 million. Some Conservative members came to my region recently to announce an additional \$25 million over the next two years.

Has that \$25 million suddenly disappeared?

[English]

Hon. Gail Shea: No, Mr. Chair, they have not disappeared. That was the additional funding under the economic action plan, \$6.3 million for this year. That is in addition to the regular program, which is \$8.8 million for this year. That is a little over \$15 million for this year. Therefore, I can assume that \$10 million would be in next year's budget.

However, I want to point out that the hon. member voted against this budget. That has taken \$25 million from small craft harbours in his province.

[Translation]

Mr. Raynald Blais: Mr. Chair, now that the minister seems to have found the right figures, I want to ask my question again.

What is the total budget in 2009-2010 for small craft harbours in Quebec?

[English]

Hon. Gail Shea: Mr. Chair, it will be over \$15 million in repairs and upgrades to harbours. There are also \$1 million for divestiture of small craft harbours that are no longer in use.

[Translation]

Mr. Raynald Blais: Mr. Chair, the minister must have been reading my mind because I had a question on divestiture.

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For the next two years, finishing in the current year, 2009-2010, an additional \$5 million a year is earmarked for divestiture.

What total amount is planned for the divestiture program in 2009-2010 and how much will Quebec get?

[English]

Hon. Gail Shea: Mr. Chair, the shares of the divestiture are determined by where the small craft harbours are located that can be divested. In this fiscal year, we have \$1 million in the fund for Ouebec.

[Translation]

Mr. Raynald Blais: Mr. Chair, I will let the minister answer a bit more specifically now on the divestiture program. In the case of the Grande-Vallée and Petite-Vallée divestitures, what does the minister intend to do over the next few months to settle these matters so that we can move on by the end of 2009 to other things and other issues for Grande-Vallée and Petite-Vallée?

(1935)

[English]

Hon. Gail Shea: Mr. Chair, there is a process to go through with divesting small craft harbours. There are criteria around it. I do not have the details of those two harbours. I assume they are in the mix to be divested, but I will have to get those details and provide them to the hon. member.

[Translation]

Mr. Raynald Blais: Mr. Chair, I thank the minister for the commitment to provide me with that information.

I would now like to hear what the minister has to say about another matter, the seal hunt. What is the department's budget for 2009-2010 for defence of seal hunting?

[English]

Hon. Gail Shea: Mr. Chair, the Department of International Trade will be working with the WTO trade challenge, so it would be its budget.

[Translation]

Mr. Raynald Blais: Mr. Chair, I will try to get an answer another way.

Loyola Sullivan, Canada's ambassador for fisheries conservation, has a budget which, as far as I know, comes from the Department of Fisheries and Oceans. Since he is ambassador for fisheries conservation, he is surely not paid by another department. What is Mr. Sullivan's office budget?

[English]

Hon. Gail Shea: Mr. Chair, Ambassador Sullivan's budget is also within the Department of International Trade.

[Translation]

Mr. Raynald Blais: Mr. Chair, I will continue with my questioning, not my torture, as I do not want to impose that on the minister. In fact, I think that this formula of quick questions and answers is easier and allows me to hit on a few more topics. I do not want to play that game.

As far as the seal hunt is concerned, what is the amount that has been invested by the Government of Canada in the European information campaign and what is the amount the Government of Canada has invested in the U.S. campaign?

[English]

Hon. Gail Shea: Mr. Chair, we have spent a lot of time and resources on the seal hunt. A lot of what we have spent has been time with staff and the time of our fisheries ambassador. I could not put a price on that, but delegations have gone to Europe to make presentations, which all cost money. Senior DFO officials also went.

I led a ministerial delegation. Minister of International Trade and Minister of Foreign Affairs also contributed to taking action in reaching out to our counterparts in Europe.

We launched an advertising campaign that was published in government magazines. We partnered with the Government of Quebec to send copies of *Phoques: le film* to EU parliamentarians so they could educate themselves on the seal hunt. We sent letters to every member of the European parliament and included copies of ads that were published in local newspapers.

We had a very exhaustive campaign in the European Union, defending the seal hunt.

[Translation]

Mr. Raynald Blais: Mr. Chair, I thought the way the formula worked, if my question was 60 seconds long, the answer could not exceed 60 seconds. I think there may have been a moment of deviation from that, but it is no big deal.

Returning to the seal hunting issue, we have heard a lot about it in recent days, mainly thanks to the Governor General, whom I congratulate incidentally. I would like to know whether the minister has plans, in the next few weeks or by the end of the summer, to meet with all stakeholders in the seal hunt in order to re-address the matter so that there can be a true plan of action to deal with the present situation.

• (1940)

[English]

Hon. Gail Shea: Mr. Chair, we are convening a meeting of the advisory board in the very near future.

[Translation]

Mr. Raynald Blais: Mr. Chair, for the benefit of those watching us this evening, and I am sure there are a great many, I would like to know who will participate in the advisory committee and when the meeting will take place.

[English]

Hon. Gail Shea: Mr. Chair, the advisory committee is made up of industry people and that meeting will be convened probably within the next month.

[Translation]

Mr. Raynald Blais: Mr. Chair, I would like to come back to the lobster crisis. I would like to hear the minister's comments on the numbers, which are striking.

The carapace size of lobsters that can be caught varies from one province to the next. The minimum size is 70 mm in Prince Edward Island, 72 mm in New Brunswick and 82 mm in Quebec. That is where the conflict concerning the size lobsters comes from.

Does the minister believe it is normal that lobster is fished not only in different ways, but also with size restrictions that vary from one province to the next?

[English]

Hon. Gail Shea: Mr. Chair, the size of maturity is used to ensure that minimum sizes are appropriate for lobster conservation. I am told by DFO scientists that lobsters actually reach maturity at different sizes in different areas.

[Translation]

Mr. Raynald Blais: Mr. Chair, I do not know if we have the authority to dismiss people who say such things, but that makes no sense. It makes no sense to think that it is better to take a smaller lobster rather than a bigger one. Why have the scientists have told us that fishing a lobster whose carapace is 70 mm is less harmful in terms of conservation than fishing a lobster whose carapace is 82 mm?

[English]

Hon. Gail Shea: Mr. Chair, they are not telling us what to harvest. They are simply saying that is when the lobster reaches maturity. Probably 10 or 15 years ago the science told the fishers on P.E.I. that the lobsters reached maturity at 70 millimetres. We should leave the science to the scientists.

[Translation]

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Chair, I would first like to thank the minister for being here and taking part in the debate.

My colleague from Gaspésie—Îles-de-la-Madeleine thinks this is torture, but I do not. We are gentle and kind, but we need answers for the simple reason that our communities are suffering. For this reason, I think tonight's debate has arrived at the right time.

Where I come from, Acadie—Bathurst in northeastern New Brunswick, for one example, but also in Quebec, in the Gaspé and on the Atlantic coast, lobster fishing is in trouble, and that did not just begin this year. The problem began last year, in fact, in Nova Scotia, unless I am mistaken. Last year in Nova Scotia, prices dropped to such a point that the fishermen were really in difficulty.

Today, small lobsters, the ones called canners, are being sold at \$2.75 a pound and large lobsters sell for \$3.50 a pound. Members will correct me if I am wrong, but the Department of Fisheries and Oceans has already done a study on this. It noted that, for fishing to be cost effective, lobster had to sell for at least \$4 a pound. The price of lobster in past years fluctuated around \$6 to \$6.50 a pound. Prices were pretty good, and that was a good thing for the fishermen. However, equipment, salaries of deckhands, the facilities and all that cost money.

This is an important industry for our region and for the entire Atlantic region. We are on the coast, and the primary industry is fishing. There are other industries, but fishing is part of our lives. My riding, Acadie—Bathurst, is bound by the sea from Pointe-Verte to Miscou and from Miscou to Tracadie Beach. The minister must know this as she comes from Prince Edward Island, which is bound by the sea.

Yesterday, there was a demonstration in Tracadie-Sheila outside the offices of the Department of Fisheries and Oceans. Over 500 people were there, fishermen, captains, deckhands and families with a fishing business who have found themselves in poverty. Boat payments, the cost of diesel fuel, all these costs are huge, and they do not make enough money to make their monthly payments. They are wondering what will happen in the coming weeks.

A lot of fishermen will fish for herring in the fall. However, in July and August, there is not a lot of fishing and so not a lot of income. The minister knows this.

I will now ask my questions. As my other colleagues have said, a \$10 million investment has been announced. I would like the minister to tell me how this \$10 million will be used and how it will benefit fishermen.

• (1945)

[English]

Hon. Gail Shea: Mr. Chair, we know that fishers are having an extremely tough time, and I appreciate that the hon. member sees it every day, as I do.

The crisis that the lobster industry is facing, of course, is because of the market. That is why we have invested \$10 million in marketing. If we, as an industry, land 100 million pounds of lobsters and they are down by \$2 a pound, that is \$200 million gone out of the economy. The only way we can recover that money is to help the markets recover. That is why it is important to put money into marketing.

As for the \$4 a pound, which the hon. member has said is the break-even point, I just want to make this comment: That \$4 a pound is break-even when we take into account the capitalization and a prolonged low price. I talked to a gentleman last week who was fortunate enough to land 30,000 pounds of lobsters, and 30,000 pounds of lobsters at \$3 a pound is \$90,000, so he will be fine. He is still making money at \$3 a pound.

As to the \$4 a pound, we have to look at it in context. That takes into account paying for the boat and everything over a number of years with prolonged low prices. I do believe we have the supply; we just have to increase the demand. That is why it is very important to put money into marketing.

[Translation]

Mr. Yvon Godin: Mr. Chair, I would like to ask the minister another question.

A catch of 30,000 pounds at \$3 a pound comes to \$90,000, but that might be in Prince Edward Island.

I can guarantee the minister that in Caraquet and Pointe-Verte, fishers are not landing 30,000 pounds. It is more like 10,000 pounds. In Gaspé, at best they are landing 6,000 pounds, which, at \$3 a pound, comes to only \$18,000.

How are people supposed to make money and get ahead after paying for diesel or gas for their boats and paying their crew? I am talking about what is really happening.

I do not know. Maybe the minister is talking about Nova Scotia, because no one where I come from is landing 30,000 pounds.

Where is she getting her figures? Is she talking about Nova Scotia? Is she talking about Prince Edward Island? Who did she meet with? I do not believe the minister came to Shippigan. What group of fishers did she meet with?

● (1950)

[English]

Hon. Gail Shea: Mr. Chair, that was an example that I used. There are plenty of fishers who do not get 30,000 pounds. There are plenty of fishers who get 8,000 or 10,000 pounds of lobsters.

I know in speaking to provincial governments that some of the provincial governments are coming to the aid of fishers. They are providing flexible, low-interest loans for fishermen so that they do not have that huge payment. They are being flexible in repayment terms to help them through this year.

However, if we do not do something to help the market recover and increase the demand for our lobster, then the price will be \$3 a pound a lot longer.

[Translation]

Mr. Yvon Godin: Mr. Chair, I am not against investing money in marketing.

Let us say that prices go up. When lobster is sold on the market again, are the big companies that bought it going to go to the fishers and pay them the difference?

People and fishers in New Brunswick are wondering, because they are the ones going through hard times right now. It is not the Barry company in Newfoundland that is struggling, it is the fishers. Fishers are struggling. What program is the government going to put in place in the short term to help fishers who are struggling?

The minister used the example of 30,000 pounds, but I could have found an example of 10,000 pounds, because there are cases like that out there.

Is there a program? Will the \$10 million help fishers immediately? Following the demonstration in Tracadie-Sheila, we read in *Acadie Nouvelle* that Ottawa likes to see Atlantic Canada suffer. That is how people feel. Families, fishers, communities and plant workers are trying every day to earn a living, but they cannot see any light at the end of this very dark tunnel.

What does the minister have to say to the fishers listening to us this evening? Fishers are listening to what the minister has to say tonight. What will they be getting? What will they have tomorrow morning? How will they benefit from the meeting with the Premier of New Brunswick, Shawn Graham, who went to the trouble of coming all the way here from New Brunswick? He certainly did not come here to say that all is well, because all is not well.

What will the government do for fishers, not just for companies that buy lobster and can afford to wait? They have money, but fishers do not.

[English]

Hon. Gail Shea: Mr. Chair, as I said, we do know that there is some real hardship out there within the lobster industry. There is hardship right across the country. People have lost jobs.

The hon. member talks about how it is not just the plants that need help. Well, it is because of the plants that the lobster is even being sold, and it is because of the plants that the people are working in the plants. So it is very important that those plants are operating. I am sure he will agree with me on that.

[Translation]

Mr. Yvon Godin: Mr. Chair, I agree and I am not disputing that.

I will wrap up my question now so as not to go on all evening. In the meantime, fishers are telling us that they do not have the money they need to make it to the end of the season and pay their deckhands, the people who work with them.

What do we have to offer them? Yes, we need to think about marketing for the long term, but what can we offer fishers now? What can we offer them today, in the spring of 2009, to help them right away?

• (1955)

[English]

Hon. Gail Shea: Mr. Chair, I have said to my department that if there is any kind of flexibility in any policy that we have that would help fishers, we are certainly willing to go down that road. If there is anything we can do at DFO to change the rules a little bit so that they can at least cut down on their input costs, we would be very willing to do that.

We have gone out and talked to the banks as a department. Our mandate is fish stocks and fish habitat, but we have gone and talked to the banks to tell them about the situation and that they may need to be flexible with the repayment terms in the upcoming year.

We have talked to the provinces. As I have said, there are other levels of government here, too. The provinces can be flexible with repayment terms. However, we cannot subsidize a pound of lobster.

[Translation]

Mr. Yvon Godin: Mr. Chair, if I understand correctly, the Conservative government has no plans to help lobster fishers, nor will it provide any subsidies to help them cover their losses. I think the answer was pretty clear.

[English]

The government will not subsidize the price of the lobster. It is clear. That is what the federal Conservative government is saying tonight, that it will not subsidize. Am I right?

Hon. Gail Shea: What I am saying, Mr. Chair, is that this is a market problem.

Yes, the federal Conservative government will help the lobster fishers. We have just helped them with a \$10 million fund for marketing of their product, to try to get the price back up on their product so that they can have more money in their pockets.

It is the same federal Conservative government that delivered the capital gains exemption to the fishers that they have wanted for the last 10 years. So the member cannot stand there and say the federal Conservative government is not helping fishers, because we are.

[Translation]

Mr. Yvon Godin: Mr. Chair, that was not my question. I asked whether the government would help lobster fishers with respect to the prices they are getting now.

I have another question now, about small craft harbours in New Brunswick. How much will the government spend on New Brunswick harbours?

[English]

Hon. Gail Shea: Mr. Chair, I guess what the hon. member would like me to say is that we are upgrading a small craft harbour in his riding. I believe it is probably the most expensive one in the country, to the tune of some \$5 million.

However, that member voted against the budget and I just cannot figure out why. I do not know how the member is going to tell his constituents about that.

[Translation]

Mr. Yvon Godin: Mr. Chair, I will take the credit for that. Perhaps it is because they have a good MP.

I would like to thank the minister, but there is more to my question than that. The budget allocates \$4.8 million for the Shippagan wharf, but that is not the only city that needs money. Is there money for the wharves in Pointe-Verte, Clifton, Caraquet and Saint-Raphaël? I could go on listing wharves and the problems we are having in the region.

[English]

Hon. Gail Shea: Mr. Chair, in this fiscal year, more than \$28 million will be spent on small craft harbours in the province of New Brunswick alone due to the Conservative government's support of the fishing industry in New Brunswick.

[Translation]

Mr. Mike Allen (Tobique—Mactaquac, CPC): Mr. Chair, thank you for the opportunity today to present the many ways in which the Department of Fisheries and Oceans fosters the economic prosperity of Canadians. The flourishing aquaculture industry in Canada is a perfect example. The aquaculture sector is an increasingly important part of our economy and an industry in which we can take great pride.

Since 1996, Canadian aquaculture production has more than doubled. It has an approximate value of \$1 billion, representing one third of the value of the country's fish and seafood sector. Canada has all the conditions for this sector to succeed: a sizeable coastline, favourable water temperatures and a long tradition of fish production. These factors, together with innovative technologies supported by a government committed to helping this industry achieve its full potential, will ensure that aquaculture will have a bright future in our country.

(2000)

[English]

DFO is committed to working with provinces and territories to grow this industry, providing valuable employment opportunities to coastal and rural communities, while contributing to the world's food supply at the same time. I am pleased to speak on this part of the industry tonight as some of this operation is in my riding, being an inland riding, which feeds to the aquaculture sector in the Bay of Fundy of New Brunswick.

This government's 2008 budget announced \$70 million in funding for the federal sustainable aquaculture program. Over the course of the next five years, this investment will help the Canadian aquaculture industry to succeed and flourish in an economic, socially and environmentally sustainable manner.

The new sustainable aquaculture program focuses on four interconnected and mutually supportive areas: governance and regulatory reform, regulatory science, innovation, and certification and market access. These four pillars are being used to help guide our approach to aquaculture development and are reflected in the concrete steps being taken to advance the industry here in Canada.

First, we are collaborating with the provinces and territories, industry, academia, other government departments, environmental organizations and international partners, all to improve the way we manage this country's farmed seafood industries.

Second, funding is being used to support the environmentally sustainable management of aquaculture operations. Part of the funding has already been used to initiate 16 research projects across Canada under the new program for aquaculture regulatory research.

Third, we have been working closely with industry to establish the Canadian Aquaculture Standards Forum to advance our collective understanding of third-party certification issues and to support the industry's efforts to become fully certified to international standards as soon as possible. We have also collaborated with industry to proactively tell our sustainability story in key markets through the United States and Europe.

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Last, we have established the aquaculture innovation and market access program, AIMAP. This grant and contributions program is making \$4.7 million available each year, totalling \$23.5 million over the next five years, to support innovation in the aquaculture industry.

I am pleased to say that through AIMAP, DFO has already made significant contributions to sustainable production and increased diversification in green technologies within our aquaculture industry across the country. For example, in December 2008, the Government of Canada made its first announcement with the Government of Manitoba regarding the allocation of AIMAP funding to support an innovative model farm project for freshwater aquaculture in the province.

The project involved an AIMAP investment of over \$300,000 to support a model aqua farm in Winnipeg that shows considerable potential for the future of freshwater farming. This development involves the construction of a state-of-the-art land-based freshwater aquaculture production system that will eventually help standardize freshwater farms for the rest of Canada.

Our commitment to working with the provinces and territories to help our aquaculture industry expand, evolve and succeed has only increased in 2009. As part of our objective to encourage sustainable fisheries, in January we invested \$1 million in four different innovative projects taking place in my home province, in southwest New Brunswick. As a result, Canadian Halibut Inc., Kelly Cove Salmon, the Aquaculture Engineering Group and Cooke Aquaculture will all have opportunities to make advancements through their projects that will make a real difference to the future of the industry.

Similarly, in March of 2009 DFO invested another \$1 million into the Newfoundland commercial Atlantic cod farm demo project, along with contributions by Cooke Aquaculture in the province of Newfoundland. These funds will assist in the development of a commercial scale cod farm in the Hermitage Bay area that will raise cod from fry to market.

With the help of agencies such as the Atlantic Canada Opportunities Agency, this project will not only demonstrate the technical and financial feasibility of commercial cod farming, it also has the potential to bring more jobs to the area over the long-term.

Since we began the aquaculture innovation and market access program in 2008, \$4.4 million in federal funds has already been leveraged for 28 projects, with a total value of over \$26 million, and DFO continues to review proposals annually.

● (2005)

Over the course of the next four years, I am confident that even more aquaculture initiatives within each of the four pillars we are focusing on will benefit greatly from the access and support of our new sustainable aquaculture program.

Canada is a world leader in researching integrated aquaculture and we are quickly becoming a model for sustainable fisheries. In order to maintain this position and drive further growth, the Government of Canada must continue to invest to encourage viable aquaculture and improve its ability to respond to market-driven opportunities.

DFO's aquaculture collaborative research and development program has a budget of about \$4.5 million annually and teams the aquaculture industry with DFO researchers, and sometimes other funding partners, to increase the number of partnerships, to share knowledge, and to develop further research and developmental opportunities. The objectives of this program include boosting the performance of fish stock, maintaining optimal fish health and practising solid industry environmental performance, all to help Canada's aquaculture sector reach its highest potential.

As members may know, the program has funded a number of successful joint projects between government and industry over the past few years. For example, researchers from DFO's Freshwater Institute and collaborators from across the country have been looking into the ecosystem effects of cage aquaculture on Canada's lakes. This research is helping to chart a clear course for sustainable freshwater cage-based aquaculture that will complement ocean farming as another industry driver.

The bottom line is that science and technology innovation are driving the success of a vibrant and innovative aquaculture industry. Solid research is working to strengthen the industry's environmental performance and improve economic development at the same time.

From east to west, aquaculture is providing jobs and a future to many Canadians in communities where the economic options were at one time more limited. In fact, the majority of aquaculture jobs in this country employ people younger than 40.

The concrete benefits that this industry brings to Canadians are made much clearer when looking along the coast of bays in southern Newfoundland where a thriving aquaculture industry has reenergized coastal rural communities that have seen tough times in the past.

With the funding we received in the 2008 budget, the programs I mentioned today, along with other DFO initiatives, will help us to improve the industry's competitiveness and environmental performance on the global stage. Our investment will encourage continuous development of the aquaculture sector and help make Canada a stronger international contender during the period of economic uncertainty and beyond.

[Translation]

I would like to reiterate that the Department of Fisheries and Oceans is committed to working alongside its partners in order to attain its objectives and improve the assistance provided to this country's aquaculture industry.

[English]

I have a couple of questions that I would like to ask the minister about the aquaculture industry and, if I have time, maybe one about salmon

I believe it is clear that this government is taking significant steps to support the sustainable development of the aquaculture industry. Commercial-scale aquaculture emerged in Canada during the 1970s. Since then there has been a significant increase in public scrutiny of industry and pressure on governments to take action to reduce impacts of industrial activity on the environment. Environmental advocacy groups have closely scrutinized the salmon farming sector

since the late 1990s as production began to grow exponentially on both coasts of Canada.

We all know that there are inherent challenges to farming fish and seafood, just as there are with any kind of fisheries and land-based farming. Yet, despite these challenges, the Canadian aquaculture sector has grown steadily and addressed gaps between supply and demand for fresh fish and seafood. The sector is providing valuable and rewarding jobs for many Canadians in coastal, rural and aboriginal communities. The latest trend is the concept of seafood sustainability. Many different certification and standard criteria have been developed.

How has DFO adapted its management of the aquaculture industry to ensure that fish and shellfish farms have improved their environmental performance?

• (2010)

Hon. Gail Shea: Mr. Chair, as the lead federal department responsible for aquaculture management, Fisheries and Oceans Canada works with the provinces and other federal departments, and together we ensure that the aquaculture industry develops in an environmentally responsible way while remaining economically competitive in the national and international markets.

The management regime has adapted and grown with the industry. All aquaculture operations are subject to rigorous environmental monitoring under a number of federal and provincial acts. They have to meet high standards of environment sustainability. There is no single aquaculture act but, rather, a mix of legal tools for protecting the marine environment, which includes the Canadian Environmental Assessment Act; the federal Fisheries Act, which provides fish, fish habitat and water quality protection; the federal fish health protection regulations, which provide effective disease control; and the federal Species at Risk Act, or SARA, which protects endangered species.

Canada has measures in place to ensure a sustainable, efficient and effective aquaculture sector, and this government will continue to work with partners to foster even further growth.

Mr. Mike Allen: Mr. Chair, in explanation of the management of the industry and how it is so important, I am encouraged to know there are checks and balances in place, because we have obviously seen some challenges in the industry over the past.

One particularly important safeguard is that the management plans are mandatory as a condition of licence. Each plan is specific to the site where the shellfish farm is located and the health of the aquatic species being farmed. It also outlines guidelines to manage fish farm waste and to prevent disease and escapes from the farm. This is all very encouraging.

From a broader perspective, given the past, I would like the view of the Minister of Fisheries and Oceans on the potential of the aquaculture industry.

Hon. Gail Shea: Mr. Chair, we are closely monitoring the aquaculture industry as it evolves, and I am encouraged by what I see. The management of aquaculture in Canada is constantly improving. Fish farming practices evolve as new scientific research is completed and new technologies are developed. These advancements are continuously integrated into new aquaculture practices.

To be successful in the long term, the Canadian aquaculture industry must be seen to be environmentally sustainable. There is a big opportunity for aquaculture into the future. It is predicted that there will be a severe shortage of fish around the world and that is one place where aquaculture can grow.

Mr. Mike Allen: Mr. Chair, I will ask a local question on the wild Atlantic salmon. It is a subject of much interest in my riding on the Saint John River system. Following the release of Canada's policy for conservation of wild Pacific salmon in 2005, DFO began work on the wild Atlantic salmon conservation policy to parallel the Pacific document.

I know the minister was there when a group from my riding won the national recreational fisheries award from the Miramichi Headwaters Salmon Federation.

I would like to ask if the minister could give us an update on the wild Atlantic salmon policy.

Hon. Gail Shea: Mr. Chair, extensive consultations were held across the Maritime provinces and Quebec in May and June of 2005, with further consultations with provincial officials, aboriginal organizations and other stakeholders in the spring of 2008, at which time comments were provided on the draft of a new policy.

The policy will provide a modernized framework for setting priorities and making decisions with respect to Atlantic salmon and will help guide the delivery of DFO programs in the Atlantic salmon endowment fund.

It will also allow any input by community stewardship groups to more open and transparent decision-making.

Hon. Lawrence MacAulay (Cardigan, Lib.): Mr. Chair, I am splitting my time with the members for Brossard—La Prairie and Cape Breton—Canso.

I first of all want to welcome the minister, my colleague from the province of Prince Edward Island. I think she is well aware of the disastrous situation in the fishing industry and the great problems, as she represents a fishing area.

I have some questions I would like to ask. The minister received a proposal from the P.E.I. Fishermen's Association and the minister responsible for HRSDC, and I believe the Prime Minister received the proposal, on employment insurance.

As the minister is well aware, It's by the catch that fishermen are paid EI. Now some fishermen may be catching 30,000 pounds, but I represent a lot of fishermen who probably caught 15 or 20 lobster.

What has the minister done with the proposal? What success has she had with the minister?

Please do not stand and tell me it is the responsibility of the minister of HRSDC. We have many fishermen, particularly in area 26A, who are going to have a very tough winter if something is not

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done. The process is there to put the EI funds in the hands of the fishermen. The fishermen I represent need money, they need development and marketing dollars, but they need dollars to pay their bills this winter.

Can the minister tell us where this proposal is?

• (2015)

Hon. Gail Shea: Mr. Chair, we have received all sorts of proposals around EI, and a number of other things. All the proposals and all the different ideas have gone to the Minister of HRSDC for consideration.

Maybe the member can enlighten us on the EI system and the current state of affairs in his area of the fishing industry and the projected catch for an average fisher in that riding.

Hon. Lawrence MacAulay: Mr. Chair, there are areas in my riding where the catch is reasonable.

There has been a lot of discussion here tonight. I am sure the minister did not wish to indicate to the House, or to the people watching tonight, that \$3 a pound is good. It is nothing but a horror. It is an insult to fishermen.

The fact is there are fishermen who are catching a decent catch, but they are not getting paid for it. We have fishermen who are not catching lobster. If they do not have any way to receive an income this winter, they will have to go out west to work, and there is no work there.

I urge the minister to work as hard as she possibly can with her colleagues and the Prime Minister so that the fishermen are able to receive EI funds. The mechanism is there. All they have to do is go to the 2008 catches. If they do that then they will be able to receive EI.

I have to ask the minister a question about rationalization. I am sure the minister is well aware that it is federal jurisdiction. Any fishermen that I speak to has absolutely no time for a loan that has to be paid back. They see this as a responsibility of the Government of Canada.

I fully agree that the tobacco growers in Ontario are paid. Many, many times across this country there have been payouts. What we need to do in the rationalization program is to be sure we do not do it on the backs of the fishermen who are left in the industry.

I would be pleased if my hon. colleague from the province of Prince Edward Island could tell us here tonight that this will not happen.

Hon. Gail Shea: Mr. Chair, I asked the hon. member for some information on the average catch in that area, but I guess he probably does not know that.

I do realize that rationalization is a problem. We are working on a plan for rationalization. We are gathering some information. The fishermen I have talked to want to see rationalization happen, and they are quite willing to be a part of it.

I want to point out to the hon. member that for as long as I can remember rationalization has been an issue in the Northumberland Strait. Maybe the hon. member could tell his constituents why that is

The Chair: I would inform the hon. member for Cardigan that if he takes any more time it will be taken away from his colleagues.

We will go to the hon. member for Cape Breton—Canso.

Mr. Rodger Cuzner (Cape Breton—Canso, Lib.): Mr. Chair, I find it strange to be in the House talking about fish without the member for Delta—Richmond East.

The minister has referenced \$10 million several times tonight for marketing, innovation, product technology development. How much will actually be spent on marketing?

• (2020)

Hon. Gail Shea: Mr. Chair, that will be decided by the lobster council in discussions with ACOA.

Mr. Rodger Cuzner: Mr. Chair, we will see if it might match the amount that has been spent on the attack ads.

Before the minister took her post, her predecessor, Loyola Hearn, granted a million dollar crab licence to Tim Rhyno against the advice of the department and against the wishes of the fleet. The minister granted this licence, and it was refused on three different appeals. If the minister is going to honour this licence, who is going to suffer because of this decision?

Hon. Gail Shea: Mr. Chair, the licence was granted by my predecessor. The hon. member knows that licensing decisions are confidential matters and they will not be discussed on the floor of the House.

I believe the quota was increased in that area. Obviously the minister at the time felt that was the right thing to do.

Mr. Rodger Cuzner: Mr. Chair, if it is given to one it is being taken from another. Obviously the minister is referring to the broad and deep sweeping nature of the powers of the minister.

The minister has been in contact with the Inverness South Fishermen's Association. Is she looking at granting an allocation to crab in area 12 to this group?

Hon. Gail Shea: Mr. Chair, I did have the pleasure to meet with the group that was referred to. They outlined their concerns. They were looking for some increase in crab quota, because apparently they fish a small quota right now. But no, we are not planning any increase to the crab quota this year.

Mr. Rodger Cuzner: Mr. Chair, the Department of Fisheries and Oceans, and all fishermen in the gulf region, are very committed to conservation of the lobster fishery. They looked at the 10 point conservation plan. It was supposed to be a mandatory plan. All the people were moving ahead knowing that it was going to be a mandatory plan. The minister pulled back from being compelled to comply with the 10 point plan. I will ask her why.

Hon. Gail Shea: Mr. Chair, there were several organizations that did not feel they had enough time to work on a 10 year plan. They said they were only contacted in October. They had to have their plan done by January. They did not feel that two months to work on

a 10 year plan was enough time. We have made the plans voluntary for this year, and they will have extra time to work on those plans.

Mr. Rodger Cuzner: Mr. Chair, it is a 10 point plan, not a 10 year plan.

The minister spoke about the salmon hatcheries and funding for the salmon hatcheries. Will the Margaree Salmon Hatchery qualify for any of this money?

Hon. Gail Shea: Mr. Chair, the salmon endowment fund was given \$30 million in 2007, and I assume it can apply to the fund for funding for this purpose.

Mr. Rodger Cuzner: Mr. Chair, \$30 million was given in 2005 by Paul Martin to the endowment fund. The government has done nothing for the salmon hatcheries. What is it going to do for the salmon hatcheries in Atlantic Canada?

Hon. Gail Shea: Mr. Chair, it is my understanding that \$30 million of the endowment fund went to the Atlantic salmon association in 2007.

Mr. Rodger Cuzner: Mr. Chair, commercial smelt nets have decimated the smelt fishery in Lingan Bay and destroyed the recreational fishery. Is there a plan in place to remove those nets and re-establish the fishery?

Hon. Gail Shea: Mr. Chair, that is something I would have to deal with the regional director about.

Mr. Rodger Cuzner (Cape Breton—Canso, Lib.): Mr. Chair, regarding \$200 million for small craft harbours, I am wondering if there is any plan that would include land based projects that would be able to assist fishermen who are not going to qualify for their EI this year?

Hon. Gail Shea: Mr. Chair, I am not sure if the hon. member means whether it would be possible that fishermen could find work with all the work that will be going on in small craft harbours. I would suppose that is a possibility, because contractors should be very busy.

● (2025)

[Translation]

Mrs. Alexandra Mendes (Brossard—La Prairie, Lib.): Mr. Chair, the minister has announced a fishery plan for Greenland halibut in the St. Lawrence. At present, access is restricted to fixed gear fishers.

Can the minister assure this committee that trawlers will be permanently prohibited and that the 450 tonnes of halibut reserved for bycatches will continue to be reserved exclusively for fixed gear fishers?

[English]

Hon. Gail Shea (Minister of Fisheries and Oceans, CPC): Mr. Chair, we have several fishing plans that are still in process. That is something we will be finishing up in the next week.

Mrs. Alexandra Mendes: Does that mean it will be reserved exclusively for our fixed fisheries?

Hon. Gail Shea: Mr. Chair, that will be part of the management plan that will be completed this week, and when it is completed it will be made public.

[Translation]

Mrs. Alexandra Mendes: Mr. Chair, I understand it was already announced.

Although the shrimp fishery is going through a crisis, the minister thought it wise to take the rights of Quebec fishers and give them to people in Prince Edward Island, only for them to turn around and sell those rights back to Quebec fishers for a profit.

Does the minister believe that the solution to this fishery problem lies in taking the quotas that legitimately belong to Quebec fishers and give them to third parties, who then sell them back to the same fishers, thereby risking the viability of the original recipients of those quotas?

[English]

Hon. Gail Shea: Mr. Chair, actually, nothing was taken from Quebec. There was a 2.3% overall increase in the quota increase, and I believe of the total quota Quebec fishers get almost 60% of it, while P.E.I. and Nova Scotia get 1.15%.

[Translation]

Mrs. Alexandra Mendes: Mr. Chair, what is the department doing at this time to help the viability and sustainability of jobs in the fishing industry?

[English]

Hon. Gail Shea: Mr. Chair, I take that to be the durability or the maintenance of employment.

What we have done, as I have said here several times this evening, is we are trying to assist the lobster industry to ensure that the markets can recover so that fishers can get paid a decent price for their product. That would be maintenance in the lobster fisheries.

Mrs. Alexandra Mendes: The problem, Mr. Chair, is that the people who have left the fishery industry take away with them a large amount of knowledge and know-how.

[Translation]

Does your department have an action plan to guarantee that the these highly qualified individuals will return? Do they have a future in the fishing industry?

[English]

Hon. Gail Shea: Mr. Chair, I am not quite sure I understood that question because when people leave the industry they normally leave because they retire.

We talked about having rationalization programs. That actually is a program that would help people to exit the industry.

[Translation]

Mrs. Alexandra Mendes: Mr. Chair, the idea is to retain their knowledge and wisdom regarding the fishing industry.

What kind of programs is the department offering to help communities that depend on a single industry like the fishery deal with times of crisis?

[English]

Hon. Gail Shea: Mr. Chair, my experience has been that the younger fishers are normally mentored by older fishers and industry

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organizations normally sponsor different courses that fishermen take before they become a core fisher.

Mrs. Alexandra Mendes: Mr. Chair, the small craft harbour program is a key initiative of the Department of Fisheries and Oceans to help foster economic sustainability to small rural communities throughout Canada.

[Translation]

Yet your own department does not believe that the program is viable in the long term. Thus, instead of making corrections or transferring funds to other programs that are more likely to succeed, the department continues to inject more and more money, simply to conduct studies.

Does the minister believe that this is still what we need?

[English]

Hon. Gail Shea: Mr. Chair, I am not quite sure what the hon. member is getting at, but when it comes to small craft harbours, we are injecting an additional \$200 million into small craft harbours to benefit our fishing sector.

● (2030)

Mr. James Bezan (Selkirk—Interlake, CPC): Mr. Chair, I am pleased to have the opportunity to speak today to some of the investments we have made through the Department of Fisheries and Oceans as a result of our government's economic action plan from last January.

The fishing and seafood industry in Canada is a driving force behind a large portion of our economy. We know that the commercial fishery will play a major part in our economic recovery. Like industries in other areas, the fishing industry needs every opportunity to succeed.

Our government is acting aggressively during these tough global economic times to help Canadians through this period of financial uncertainty. Part of our approach is to make smart stimulus spending decisions that will create jobs.

Canada's economic action plan announced funding for DFO programs over the course of the next two years that will do exactly that by helping to stimulate the economy and protect our country during the current global recession.

One example is the \$175 million our government is putting into the Canadian Coast Guard. This funding will go toward small boats and conducting vessel life extensions and additional repairs on our larger vessels so that the Coast Guard can continue delivering on its important mandate.

We understand just how important the fisheries are to Canadians in many communities across the country and that Fisheries and Oceans Canada has a responsibility to ensure this industry remains not only sustainable and competitive, but that it holds a place in our future.

Investments made through our government's economic action plan to initiatives, such as the small craft harbours program and the funding for our federal science labs, will help ensure this happens.

DFO is currently responsible for approximately 1,163 harbours across Canada. In fact, together, these harbours include almost 6,000 facilities.

Although I represent a Prairie riding, my riding of Selkirk—Interlake has 20 small craft harbours that are serving over 1,000 commercial fishers.

Those who work in the Canadian fishing industry, an industry whose landings are valued at approximately \$2 billion, rely on access to these facilities in order to make a living. The value of the inland fishery landed from Lake Winnipeg and Lake Manitoba in my riding is \$20 million a year in freshwater sales of pickerel, whitefish and other species. This is a significant sector of the economy in Selkirk—Interlake.

That is why our Conservative government is increasing its investment in a network of safe, well-functioning fishing harbours.

As part of the economic action plan, the small craft harbours program will receive \$200 million in funding over the next two years to accelerate repairs, maintenance and dredging projects at our core commercial fishing harbours across Canada, repairs that are so badly needed after 13 years of Liberal neglect in Atlantic Canada, on the Prairies and across the country. This significant investment is in addition to the approximately \$93 million in regular funding already planned for this program this year.

That is almost \$300 million in small craft harbour investments over the next two years. I am proud to say that this kind of investment was previously unheard of, especially from the previous Liberal government.

We are spending this type of money on small craft harbours because we recognize that commercial fish harvesters must have safe and well-functioning harbour facilities to make an honest living. We also know that in addition to addressing the safety needs of harbour users, these investments are providing stimulus to the Canadian economy, creating real jobs, often in small coastal communities and small towns like in Selkirk—Interlake, areas that have been hardest hit by the economic downturn.

Thanks to the additional funding provided in Canada's economic action plan, a considerable amount of work will be carried out in the short term at an accelerated pace across the country. A number of much needed projects will be completed sooner rather than later. DFO is working in close co-operation with harbour authorities who manage and operate the facilities to accomplish this.

We have already announced a number of new projects in Newfoundland and Labrador, Prince Edward Island, Nova Scotia, Quebec and Ontario, and other projects will be announced in other provinces as soon as the details are finalized.

Over the past couple of years, repairs to small craft harbours in my riding have included Berens River, Easterville, Arnes, Matheson Island, Gull Harbour, and McBeth Point, totalling over \$750,000 in new investments from this government.

I would be remiss if I did not recognize the efforts of the Minister of Fisheries and Oceans in making small craft harbours a priority for this government. The minister recognizes the importance of these harbours to the local economy, coming from a small fishing town

herself. Her leadership on this issue has been key in maintaining a safe and reliable network of harbours for the benefit of fish harvesters and small communities from coast to coast to coast.

• (2035)

The small craft harbours program is a highly visible program at DFO but it is not the only program in which we are seeing change and growth as a result of the economic action plan.

Canada's fishing and oceans industries rely upon the science and research that takes place in DFO laboratories, so it only makes sense that the department was one of a number of agencies chosen to receive funding to modernize our labs.

The federal government has committed to a \$250 million investment over the course of the next two years to address maintenance and modernization at a number of facilities. Of this amount, \$38.1 million has been allocated to DFO.

DFO operates 15 laboratories in Canada where fundamental research, testing and regulatory services are performed by the scientific community each and every day. Many DFO labs require repairs to their aging infrastructure and alterations in order to meet the changing needs. It is not an option but necessary that we tackle these issues now.

The economic action plan is designed to give Canadians some relief. This investment in DFO labs will not only contribute to the infrastructure of the facilities, but will support business and communities in every region across the country.

Among the labs chosen to receive funds, St. Andrews Biological Station in New Brunswick, Canada's number one marine biological institution, is one of them. I am pleased to say that over the course of this fiscal year and the next, \$1.3 million will be put into restoration and modernization of this important facility, in addition to the current major construction of a new wet lab and science building. Contributions such as this will have far-reaching benefits for improving our research and technology capacities throughout Canada. With these investments, it is our goal to ensure that our fishers are operating at a competitive level with the rest of the world and that our ocean industries continue to grow.

The plans we have developed for these federal labs will go nowhere without a labour force to help us make them a reality. As we seek out workers to address maintenance repairs, issues and upgrades, the accelerated investment program will create job opportunities throughout the country.

Finally, the impact that funding for our labs will have on the scientists, researchers and employees who work in our facilities, cannot be ignored. The strength and productivity of our aquatic ecosystems, the environmental management of Canada's aquaculture industry and the protection of our marine resources are all backed and supported by the work that has been accomplished by our scientists in these facilities.

Part of our plan for new and existing labs include addressing emerging health and safety issues. Upgrades to these facilities will enhance the quality of scientific activities that will take place in our labs, helping to make the important work that goes on in them much easier in the future.

Speaking of undertaking scientific activities, in my riding of Selkirk—Interlake, the government has committed \$18 million toward cleaning up Lake Winnipeg. I want to thank the Conservative government for standing up for the cleanup of Lake Winnipeg since it was ignored for 13 long years under the previous administration.

The Lake Winnipeg stewardship fund provides funding to retain experts and tools that are needed to physically clean up the lake and remove all the excessive nutrients which create algae blooms and dead zones in the lake. Fishers in my riding will benefit from this important initiative.

Our government is committed to supporting our fishing industry, and both our small craft harbours and our federal science labs are integral parts of that support. The investments we are making to these areas on behalf of the economic action plan are investments for Canadians and our quality of life in the future.

We will continue to act diligently and ensure that our taxpayer dollars are used prudently and effectively. By providing funding for this essential infrastructure, our government is helping to stimulate economic growth and support Canadians across the country from coast to coast to coast. It is the right thing to do.

We all agree that small craft harbours deliver important services to Canadians. In many remote coastal communities across Canada, small craft harbours are the most visible link between the communities and the federal government. For years the program has suffered from budget cuts and insufficient funding. Members of Parliament have long called on the government to invest in a small craft harbour program and I was rather disappointed to see that not all of them were able to join me in supporting this \$200 million investment, as well as the \$17 million for accelerated construction at Pangnirtung harbour where my mother grew up, funding that was recently outlined in our economic action plan.

As outlined in my earlier speech, our government is contributing to Canada's economic growth by investing in those areas where we can have the most direct, beneficial impact on the Canadian economy. The small craft harbour program at Fisheries and Oceans Canada is a great example.

• (2040)

For those who may not be as familiar with the program, could the Minister of Fisheries and Oceans please explain how investment in her department's small craft harbour program is an investment in our economy?

Hon. Gail Shea (Minister of Fisheries and Oceans, CPC): Mr. Chair, I appreciate the opportunity to speak in further detail about our small craft harbours program.

As he mentioned, communities have waited a long time in vain, through several governments, to deliver funding that never came. I am pleased, however, to be a member of the government that is able to deliver this funding.

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Through our economic action plan, the government is delivering direct support to fisheries, marine industries and the coastal communities that they support. I am pleased to say we are moving quickly to get shovels in the ground. In the Maritimes and gulf regions, for example, \$12 million in projects are already underway and another \$14 million in projects have been awarded or are being tendered.

In P.E.I., for example, we will invest \$13.9 million for projects at core commercial fishing harbours over the next two years. This is in addition to our regular program funding of \$3 million that will also be taking place in the province this year.

Mr. James Bezan: Mr. Chair, at the risk of sounding repetitious, I feel the need to, nevertheless, reiterate how essential I feel small craft harbour facilities truly are in providing an essential service to the fishing industry.

They provide access to fishing grounds. They protect millions of dollars invested in vessels and gear. They offer safe haven to mariners in distress. I fully agree that by investing in small craft harbours, our government is creating real jobs right away in places like Winnipeg Beach, where a major harbour development project will be accelerated this year, thanks to EAP funding. In Victoria Beach, other major repair and construction work will be carried out over the next two years with this new funding.

Could the minister provide other examples of communities benefiting from the program?

Hon. Gail Shea: Mr. Chair, I would be pleased to provide examples of investments in other provinces, which we have announced over the past month.

Aside from the harbours that are in the hon. member's riding, we are spending \$52.5 million for Newfoundland and Labrador over the next two years in addition to the regular program of \$14.1 million for projects in the province this year. Over the next two years, \$22.5 million will go to Quebec in addition to regular program funding of \$6.5 million for projects in the province this year. Over the next two years \$4.6 million will go to Ontario in addition to \$1 million in regular program funding for projects in the province this year. We will be spending \$40.2 million in Nova Scotia over the next two years in addition to the regular program funding of \$7.9 million.

We are investing in these areas because we believe, like the member, that they offer the most direct benefits to the Canadian economy. As a native of Prince Edward Island, I understand the importance of small craft harbours to coastal communities and to this country's economy.

[Translation]

Mr. Claude Guimond (Rimouski-Neigette—Témiscouata—Les Basques, BQ): Mr. Chair, thank you for giving me the opportunity to direct a question to the Minister of Fisheries and Oceans, and thank you, minister, for listening to me. One issue in my riding is of particular concern to me.

On May 4, I asked you a question in this House about an ongoing situation at the wharf in Rimouski. Fishers and some users of the wharf have been faced with a serious problem for a number of years.

Is the minister aware that when storms come in from the east and northeast, crab fishers in particular are unable to dock with their cargo? They are forced to wait out the storm in open waters, so that they do not damage their boats.

Is the minister also aware that when storms come up at night and crab boats are docked, fishers have to spend the night on their boats to keep them from hitting the wharves and breaking apart?

In your answer to my question, you naturally boasted about your economic action plan, which includes an additional \$200 million for improvements to small craft harbours across the country. You also said, "I am not quite sure if Rimouski is on that list, but I will only be too happy to check."

Have you checked?

● (2045)

[English]

Hon. Gail Shea: Mr. Chair, I assume the situation the hon. member is referring to is dredging. This happens in a lot of places in the spring because of the winter storms and whatnot. We try to dredge the harbours as fast as we possibly can in the spring.

I do not see the Rimouski wharf on the list for this fiscal year. [Translation]

Mr. Claude Guimond: Mr. Chair, I do not believe it is a question of dredging. As I mentioned earlier, the ongoing problem with the Rimouski Wharf is the cribbing, the rock seawall that is inadequate during northerly and easterly storms. Therefore, it is not about dredging.

I have been told that this is the first time I have spoken to the minister about this matter. That is the case because I was just elected in October 2008. However, my predecessor questioned her predecessor on May 19, 2006. In his reply, the latter confirmed that he intended to carefully examine the options.

[English]

Hon. Gail Shea: Mr. Chair, the small craft harbours are all rated and safety concerns are the number one issue. I do not know the condition of the other harbours on the list ahead of Rimouski, but I do not have the list for next year's work. It is possible that Rimouski is on that.

[Translation]

Mr. Claude Guimond: Mr. Chair, I thank the minister.

I would like to know what criteria would make the Rimouski wharf a priority this year or next. What criteria are used by the Department of Fisheries and Oceans to assess the work to be done on infrastructure?

[English]

Hon. Gail Shea: Mr. Chair, safety is the number one concern. Safety of the structure is what is taken into account. I know that is the number one concern when the officials look at these structures. [*Translation*]

Mr. Claude Guimond: Mr. Chair, I will repeat what I said earlier about safety. Is the Department of Fisheries and Oceans waiting for terrible accidents to happen during storms because the cribbing on

Rimouski wharf is inadequate? Is she waiting for someone to be injured, or killed or simply for vessels, a large investment for fishers, to break up when they crash into the wharf?

[English]

Hon. Gail Shea: Mr. Chair, certainly not. Safety weighs in at 20% of our prioritization of criteria for these projects. We also look at functional need. We look at economic participation, economic benefits, the amount of harbour activity and where the harbour is located.

If it is in a remote area and there are only a few fishers in it, it is possible that it can be consolidated with another harbour before we make decisions to spend money in it. I can assure the hon. member that the safety of fishers is number one and we will ensure that someone has a look at Rimouski.

[Translation]

Mr. Claude Guimond: Mr. Chair, I invite the minister to go to Rimouski with me and meet the fishers and other wharf users so she can see how critical and dangerous the situation is.

As I said, the Government of Canada has been appealed to for some years about this situation. We know now that preliminary studies have been carried out and everyone agrees on extending the breakwater. Everyone also agrees that remedying the situation will take a few million dollars.

Does the minister commit, right away tomorrow, to finding out from her departmental people what the status of these studies is? Will she commit to going to Rimouski to see the situation for herself?

● (2050)

[English]

Hon. Gail Shea: Mr. Chair, with the wonders of modern technology, I have already checked. We are doing plans and the specs on Rimouski this year.

[Translation]

Mr. Claude Guimond: Mr. Chair, I thank the minister for her reply and I can assure her that a number of interested parties from the Rimouski region have been listening to her this evening. They will have taken note of what she has said and will surely be waiting for results in the coming days.

I have a few more questions for her on a different tack.

With respect to the cod fishery, we know that the minister is preparing to announce a groundfish management plan for the southern Gulf of St. Lawrence, When will the minister be announcing this plan?

[English]

Hon. Gail Shea: Mr. Chair, we have a number of fishing plans that are still being finalized. We hope to have those out the door in the next week or so.

[Translation]

Mr. Claude Guimond: Mr. Chair, the minister could perhaps provide us with a bit more detail. Does this plan which she will be announcing shortly call for 2,000 metric tonnes as called for by the fishers in that industry for the southern Gulf region?

[English]

Hon. Gail Shea: Mr. Chair, I think the hon. member said two million metric tonnes. When the management plan is finished, it will be made public. We hope to do that within the next week or so.

[Translation]

Mr. Claude Guimond: Mr. Chair, I would clarify that I said two thousand metric tons, not 2 million. My English is still not that great, but I can say "two thousand" in English to be perfectly clear.

Now for a few questions on another subject: the strategy of her government and her department on the seal hunt.

What efforts have been made to convince the European Union not to ban seal products?

[English]

Hon. Gail Shea: Mr. Chair, our government, as I have said to a previous speaker, has put a lot of effort into trying to convince the European Union not to go down this road of bringing in a ban on Canadian seal products. It has gone through a couple of votes. There is still another vote to be held, which I am told is basically a rubber-stamping of what the European Parliament has voted on, which is unfortunate.

We are going to continue our campaign of getting the truth out there about the Canadian seal hunt and that we do have a humane hunt. We of course have said that if—

The Chair: I am trying to be fair with the time.

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

[Translation]

Mr. Claude Guimond: Mr. Chair, the minister seems to be saying that efforts have been made to lobby the European Union. That may be, but I would like to hear some numbers: how many times has the minister gone to Europe, herself, to raise awareness among European parliamentarians about the seal hunt?

[English]

Hon. Gail Shea: Mr. Chair, I have been to Europe on one occasion. I am here only as long as the hon. member is, but I can assure him that there have been other representations in Europe.

A senator from Newfoundland was part of the delegation. Our ambassador has spent a lot of time in Europe talking to everyone involved and to people in all 27 European countries. We have put massive amounts of time into defending the Canadian seal hunt.

● (2055)

[Translation]

Mr. Claude Guimond: Mr. Chair, once again, we want real numbers: how many foreign parliamentarians have our people contacted to make sure they heard Canada's side of the story before the latest European Commission vote?

[English]

Hon. Gail Shea: Mr. Chair, every parliamentarian in Europe would have been contacted prior to the vote. Unfortunately they were also contacted by a Liberal senator with the opposite message.

[Translation]

Mr. Claude Guimond: Mr. Chair, I realize that, like me, the minister has parliamentary work to do and many not have had time to go to Europe as often as she might have liked. But did Fisheries and Oceans officials attend European Parliament committee meetings so they could talk, as they should, to the parliamentarians?

[English]

Hon. Gail Shea: Yes, Mr. Chair, several of our staff have been to Europe. There has been a presentation made to a committee of the European parliament where our members went to defend the seal hunt, along with other groups that were also there to present on the seal hunt.

[Translation]

Mr. Claude Guimond: Mr. Chair, that is parliamentary diplomacy.

Has the government paid for advertising in foreign media? That is another concrete approach. Was money invested in advertising campaigns? Which media outlets were contacted?

[English]

Hon. Gail Shea: Mr. Chair, yes, DFO has advertised in various EU media. We have taken out full-page ads in European magazines. We have posted advertisements on key European parliamentary websites. We have done a lot in defending the Canadian seal hunt.

[Translation]

Mr. Claude Guimond: Mr. Chair, I would like some clarification. How much money did the minister invest in these advertising campaigns?

[English]

Hon. Gail Shea: Mr. Chair, I do not have that figure at my fingertips. What I can tell the member is that we have also written letters to the chairs of every European parliamentary committee and to every member of the European parliament. We have sent them copies of newspaper ads. We have even delivered, with the Province of Quebec, copies of the film *Phoques: le film* so that they could educate—

The Chair: Order. Resuming debate. The hon. member for Chatham-Kent—Essex.

Mr. Dave Van Kesteren (Chatham-Kent—Essex, CPC): Mr. Chair, I am very privileged to be here this evening to discuss the estimates. I am also privileged to be on the fisheries and oceans committee. Some would ask what a southwestern Ontario boy would be doing on that committee. For those who do not know, Chatham-Kent—Essex has the largest freshwater fishing port in the world.

The Department of Fisheries and Oceans is responsible for the management of freshwater and ocean reserves on behalf of Canadians. This work touches our country and its citizens from Newfoundland and Labrador to British Columbia, from the Great Lakes to the high Arctic, but DFO also plays an important role in defending and advocating for our nation's interest in the international sphere.

Allow me to provide some information on DFO's international activities in support of the department's mandate.

Canada has three oceans, the world's longest coastline and a strong reliance on balancing use and conservation of our resources. This is true in both our national waters in areas beyond Canadian jurisdiction. Canada exports more than 80% of its fish and seafood, or \$3.9 billion last year, which is Canada's largest food export. For these reasons, Canada influences international debate and practice in a strategic way.

Sustainability continues to be an important issue to Canadians and to many people around the globe. In fact the world has never been more attuned to its changing environment or more intent on conserving its resources. Consumers have become savvy.

In the case of world fisheries, the United Nations estimates that about 80% of them are fully exploited, overexploited or depleted. By the year 2030, there will be a shortfall of aquatic food in the neighbourhood of 30 million tonnes per year. Clearly, Canada has significant interests to protect and advance, and international engagement is critical.

DFO works in a complex policy and management field that involves multilateral, regional and bilateral work and is increasingly dominated by new players, power arrangements and new issues. Canada has interests to both advance and defend, to ensure ocean industries, particularly responsible fishing activities, remain viable.

DFO enforces Canada's domestic fisheries legislation in our national waters and takes part in the regional fisheries management organizations, RFMOs, such as the Northwest Atlantic Fisheries Organization, NAFO, which manages fish stocks on the high seas outside Canada's 200 mile zone.

To guide its international work, DFO has several key priorities, including ending overfishing, improving the way the world manages high seas fish stocks and ensuring healthy ocean ecosystems. The department also works to help keep Canada safe and secure and helps ensure a well-functioning trading and commercial system that guards and protects Canada's interests.

Ultimately, DFO's international strategy considers all stages of the international fishery to support the long-term health of the world's shared oceans and fish stocks. It also helps ensure that the fishing sector can demonstrate its responsible use of the world's ocean resources. This ocean-to-plate concept incorporates sustainable fisheries, sustainable industry and sustainable ecosystems.

To advance Canada's objectives, our government builds relationships and strategic alliances with key countries, both developed and developing. This includes frequent informal contacts as well as formal meetings with key like-minded countries and decision makers.

Canada also presses the international community for improved sustainable oceans management at the United Nations and through other international organizations that allow us to urge action on overfishing and sustainable fisheries and defend against calls for actions that might gain media attention but are otherwise impractical.

In fact, DFO has achieved a remarkable degree of success over the last number of years in managing fisheries and oceans resources, in particular, advances in stopping foreign vessels from overfishing, which as mentioned, has been a key priority for our government. This government made a commitment to finally deal with the long-standing problem of weak rules and poor follow in NAFO. Canada had clear objectives and would not compromise.

● (2100)

As a result of Canada's strong enforcement presence, significant improvements to monitoring, control and surveillance measures adopted by NAFO in 2006 and strong cooperation between Canada and many fishing partners, there has been a steep decline in serious illegal fishing incidents in the NAFO regulatory area.

This drastic positive shift came about thanks to the determination that this government brought to the table in its talks with our international partners. Once common ground and a united sense of purpose were found, we were able to successfully tackle illegal overfishing for the long-term benefit of the stocks and harvesters alike. It was a promise kept.

Canada is also active in the International Commission for the Conservation of Atlantic Tunas, ICCAT, and is pressing international partners for better management of eastern Atlantic and Mediterranean bluefin tuna fisheries. Canada works with and encourages all ICCAT members to implement conservation and enforcement measures that will lead to better adherence to fisheries management rules.

Canada also works with its partners to support sustainable use of marine resources. Through the 2006 United Nations General Assembly sustainable fisheries resolution, states agreed on the need for better protection of vulnerable marine ecosystems, VMEs, from significant adverse impacts of bottom-contact fisheries. DFO played a leadership role during these negotiations to ensure that provisions would be practical and effective and is now playing a leading role in implementing these provisions in NAFO.

In particular, DFO has been instrumental in the successful adaptation of measures to protect vulnerable marine ecosystems such as seamounts and deep sea corals in the NAFO regulatory area. These new requirements for fishing vessels engaging in bottom-fishing activities are essential to ensure that fishing is responsible and respects the aquatic ecosystem. More and more, countries are becoming aware of the need to consider whole ecosystems when interacting with marine environments.

In addition to these very important efforts through international organizations, DFO has signed several memoranda of understanding, MOUs, with countries such as Portugal, Norway, Spain, Chile and Russia. These MOUs support Canada's own efforts to ensure the conservation and sustainable international management of global marine resources and to better control fisheries off the coast of Newfoundland and Labrador.

For example, DFO signed an MOU with Norway last May, which demonstrates the commitment of our two nations to work together in advancing technical, scientific, economic and enforcement activities. This agreement demonstrates how our government is working hand in hand with our Norwegian partners to address issues faced in our oceans, which touch Canadians from coast to coast. This shared experience and information benefit both countries and the international organizations to which we belong.

Another agreement with Chile involves aquaculture, an industry worth nearly \$1 billion per year in Canada. The MOU signed in March 2008 strengthens our two countries' commitment to sustainable aquaculture development. DFO is working collaboratively on matters that touch the sector, including technical, scientific and economic issues, so that we can create an even more resilient and sustainable aquaculture industry.

Closer to home, our government promotes Canadian interests and negotiations with our neighbour to the south, the United States. DFO has successfully completed agreements on issues that touch both of our countries, including the recent renewal of the Canada-U.S. Pacific Albacore Tuna Treaty. Given the highly migratory nature of albacore tuna stocks, the tuna treaty allows Canada's tuna harvesters to fish and land their catches in the U.S. while also permitting American harvesters port privileges in our country.

DFO is continuing to monitor the harvest and is taking efforts to ensure that the stock is healthy and that the fishery is sustainable, which I am pleased to say is the case.

• (2105)

Earlier this year, our government also renewed parts of the Pacific Salmon Treaty that expired at the end of 2008. The renewal means Canada and the United States will continue their joint management of Pacific salmon resources. This supports the long-term conservation and sustainability of Pacific stock—

The Deputy Chair: I would like to mention to the hon. member that he should allow time for questions and he has spoken for a little more than 10 minutes. I allowed for some flexibility, so I would suggest that now would be the time to—

Mr. Dave Van Kesteren: Madam Chair, did you say I have another five minutes?

• (2110)

The Deputy Chair: No, five minutes for questions. So perhaps it would be possible for the member to finish by asking a question.

Mr. Dave Van Kesteren: All right, Madam Chair. Let me wrap up by saying that DFO's work is central to these efforts that are important during these difficult economic times.

The House can be assured that our government will continue to lead and collaborate with like-minded countries. This government

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will promote and defend our interests and produce the best results for Canadians.

I do have a number of questions that I would like to ask the minister.

The Department of Fisheries and Oceans is working with international organizations and other countries around the world on issues that affect our waters. Our oceans and fresh waters are an integral part of our national landscape and provide so much for Canada and Canadians.

I am interested in knowing more about how having our country at the table benefits Canada and its citizens. Could the minister please elaborate on this and explain to the House and Canadians the tremendous results achieved by actively pursuing our international strategy?

Hon. Gail Shea: Madam Chair, indeed having Canada participate in international organizations and negotiations is essential to fulfilling our mandate, as well as delivering the results that Canadians are looking for.

One example of the significant achievements made on behalf of Canadians is DFO's leading role in gaining agreement on the protection of vulnerable marine ecosystems at the United Nations in 2006, a matter that is now considered to be the most important regime shift in high seas fisheries in decades. This agreement allows bottom fisheries to proceed while avoiding significant adverse impact to vulnerable marine ecosystems.

Canada brought consensus to the issue when the international community was sharply divided, by providing a practical and credible way forward. This consensus agreement was strongly supported by industry and environmental organizations.

It gives me great pride to say that the implementation of the 2006 commitment is well under way in regional fisheries management organizations, including NAFO. I want to emphasize that this achievement has direct implications for Canadians. By leading the negotiations, Canada made a significant impact on international standards. This is but one instance of the outstanding international work being done for Canadians by my department.

Mr. Dave Van Kesteren: Madam Chair, I would like to thank the minister for her excellent explanation of the central role that Canada and DFO play at the international table. Clearly, collaborating with other nations is necessary to further press Canada's interests forward while providing the best results for Canadians.

It is important that we continue to consider the environment and the sustainability of our waters, and we must do so together with other countries, as well as at home in Canada.

This was touched upon briefly, but could the hon. minister provide another example of what DFO's international work has achieved in terms of sustainability of key fish stocks, particularly Pacific salmon?

Hon. Gail Shea: Madam Chair, the government recognizes the importance of conservation and sustainability of our resources.

As mentioned, Canada and the United States have ratified an agreement to renew parts of the Pacific Salmon Treaty that expired at the end of 2008. We consulted widely with affected Canadian stakeholders, something I am proud to say is one of my key priorities as minister. The renewed chapters will be in effect for the next 10 years and place strong emphasis on conservation, the stability of access for harvesters, and the sustainability of the Pacific salmon resource. This agreement will help conserve B.C. chinook stocks, as well as those listed under the United States' Endangered Species Act.

It is only with the co-operation of our neighbours to the south and other jurisdictions that we can protect precious stocks such as salmon.

Mr. Scott Simms (Bonavista—Gander—Grand Falls—Windsor, Lib.): Madam Chair, I would like to inform the House that I will be splitting my time with the member for Sydney—Victoria, as well as the member for St. John's South—Mount Pearl.

I have a quick question off the top for the minister. This is more of an administrative question. It was brought to my concern a short time ago.

The area chiefs for small craft harbours in Newfoundland and Labrador are paid less than their counterparts across the country. What steps is the minister taking to rectify the problem, if indeed it is?

Hon. Gail Shea: Madam Chair, I would have to look into the matter, because I am not aware of that.

Mr. Scott Simms: Regarding the seal hunt, I do not need to go into too much explanation, but recently, of course, what has happened is that there is a ban on the importation and the sale on the market of seal products.

Can the minister confirm to the House at this moment, beyond the Inuit exemption, is there an exemption for products transiting through Europe?

Hon. Gail Shea: Madam Chair, it is my understanding that the text is silent on that, so we have not confirmed that.

• (2115)

Mr. Scott Simms: Madam Chair, I spoke to a representative of the European Commission and he assured me that it is going to happen. Perhaps we can look into that further to clarify that, because that is a big exemption that we can take advantage of.

Also at this point I would like to talk about NAFO and NAFO reform. The government's acceptance of proposed NAFO reforms negotiated in 2007 seemingly hit a roadblock.

We had many experts who testified on Parliament Hill and other places about how it was going to be detrimental for management, especially when we are talking about custodial management.

The government tried to claim that it had achieved custodial management. My opinion differs from the government's.

One of the unfulfilled campaign promises beyond custodial management was another one that said the government would bring this agreement into the House for debate and vote.

When is that coming, and why has it not been here yet? It has been two years now.

Hon. Gail Shea: Madam Chair, yes, this agreement will come to the House for debate. As to when, I do not have a date for the member.

Mr. Scott Simms: Madam Chair, it has been three years since the courts ruled in the Larocque decision that DFO could no longer fund its scientific activities by selling fish. The decision left DFO with a funding shortfall.

The science branch of fisheries management right now is understaffed and we are eagerly crying for more science studies. What is the government's plan to rectify this shortfall in funding because of the Larocque decision?

Hon. Gail Shea: Madam Chair, at DFO we take science very seriously. It is the basis of our resource management.

In 2007, the federal budget allocated \$58 million over five years to DFO to address science gaps created by the court decision, the Larocque ruling.

Mr. Scott Simms: Madam Chair, I have a question that comes to me from the Fisheries Community Alliance of Newfoundland and Labrador. I would like to read verbatim what they asked me to ask the minister. They said:

While all groups (governments, processors and the unions) keep pushing for rationalisation of the fishery, excessive debt load is making fishing licences and quotas highly vulnerable (in the longer term) to excessive licence, quota and wealth concentration. Rationalisation means that instead of our small boat fishers chasing the fish, we now have money (through debt accumulation) chasing the fish instead. How is rationalisation good for rural Newfoundland and Labrador—and good for the future of the small boat fishery?

Hon. Gail Shea: Madam Chair, what rationalization does is help to bring economic stability to an enterprise by either amassing more quota or having access to more fish.

Mr. Scott Simms: I have a quick question, Madam Chair, before I get into the second part.

Concerning the bycatch quota set in the NAFO regulatory zone, did it increase from 5% to 13%?

Hon. Gail Shea: Madam Chair, we recognize that the bycatch quota has been overrun in the NAFO regulatory area. That will be addressed when we attend meetings this fall.

Hon. Mark Eyking (Sydney—Victoria, Lib.): Madam Chair, I am pleased to be able to participate in this important estimates debate on our fishing industry.

To put it simply, the government is out of touch. Lobster fishers in my riding from New Waterford to Pleasant Bay have been telling DFO and this minister that action needs to happen.

For months, the fishers of North of Smokey have been asking this minister for a meeting. So my first question to the minister is simply this: When will she meet with the fishers from North of Smokey?

Hon. Gail Shea: Madam Chair, as the hon. member would probably know, I have plenty of requests for meetings. I try to accommodate all that I can.

Actually I think this may be the group that I may be able to get to very soon, because I plan to be in Cape Breton for a function.

Hon. Mark Eyking: Well, Madam Chair, I would appreciate a quick response.

When the lobster fishers of area 26B on the western side of Cape Breton requested their opening day to be the same as the rest of the region, the minister delayed the opening day by two days, which caused them a great loss of revenue.

Again my question to the minister is quite simple: Why did the minister suggest in her letter of response to their opening date that it is okay for some lobster fishers to have a delayed opening because they will not lose money, because they can get it from their crab licences, which they can fall back on? I will be tabling this letter tomorrow.

Why did the minister respond in that way?

• (2120)

Hon. Gail Shea: Madam Chair, I assume that the response went to the organization, because when this issue was first raised with me by the hon. member, my department did talk to several of the fishers in the area who are in charge of the fisheries organizations. They reviewed what had happened in the meetings on opening dates and found that the majority of the fishers wanted the opening dates that they had asked for, and that is what was set.

Hon. Mark Eyking: Madam Chair, it is very disappointing that she would allude to the possibility that the fishing dates being changed would not have a big impact because they could make money from the crab industry. We do not know how that is going to turn out.

The lobster industry is \$1 billion industry, as was said here tonight, and it is now in a perfect storm, a perfect financial storm, really, and it will not recover unless the government makes substantial assistance available. Up until now, this minister has committed only \$10 million, and that is just for marketing.

This is peanuts, and it is an insult when we look at all the bailouts for the rest of the industries that are in dire straits right now.

I have another straightforward question: What substantial assistance is going to be proposed that will give immediate assistance to the fishers of, not only Cape Breton, but the rest of Atlantic Canada?

Hon. Gail Shea: Madam Chair, I have said several times tonight that we are in this crisis because of a downturn in the markets. Therefore, it makes sense to try to help the markets recover. That is why \$10 million was put into lobster marketing, and we will support the lobster marketing council.

I am sure the hon. member knows that the fishing industry was a fractured industry and it did not come together as one eastern Canadian industry to promote itself. That is why we are supporting the lobster council, because we have to change the demand. We have

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the supply, but we have to increase the demand. That is how we are going to get back into a viable situation.

Hon. Mark Eyking: Madam Chair, that is not really going to help until maybe next year. What we need is immediate assistance.

The Liberals have three examples of how the government can help. The first is to improve the employment insurance, the second is to ease credit to support inventory costs, and the third is to implement government support for capacity reduction. Those are three simple ways that this minister and the Conservative government can help these fishers get through this year.

So my question to the minister is, why do you not step up and use those three examples that we recommend to your government?

The Deputy Chair: I would like to ask all members to address themselves to the Chair.

Hon. Gail Shea: Madam Chair, I would just like to say that we do recognize that rationalization is an issue, particularly in areas around Northumberland Strait and in areas where catches are very low.

We are doing some work on this issue. We have supported lobster fishers in the past. We had done a small marketing campaign earlier in this season. We have responded to fishers by implementing a \$500,000 capital gains exemption, which we then bumped up to \$750,000.

Ms. Siobhan Coady (St. John's South—Mount Pearl, Lib.): Madam Chair, does the minister believe that investments in fishery science is important to a healthy fish stock? Just a yes or no would be fine.

Hon. Gail Shea: Madam Chair, I have said several times in the House that science is the basis for decisions in DFO. There is a lot of pressure for sciences as technologies change and new ways of doing science are discovered. There are new pressures to do science in a number of different areas so, of course, I think science is very important.

Ms. Siobhan Coady: Madam Chair, I would like then to ask the minister a series of questions about the 2009-10 estimates.

From those estimates, I am referring to sustainable fisheries in aquaculture. I would like to ask the minister if she would look at the science for sustainable fisheries in aquaculture forecast for 2008-09 of \$165.3 million. The plan for 2011-12 is a decrease over those years to \$140.3 million, a difference of \$25 million.

I would like to ask the minister if she would advise what exactly she is cutting from the science for sustainable fisheries in aquaculture.

● (2125)

Hon. Gail Shea: Madam Chair, the 2009-10 report on plans and priorities indicates that the total planned spending on science has decreased by \$32.4 million. The most significant reason for the decrease is due to the transfer of funds to the Canadian Coast Guard for fleet operational readiness, which ensures that the Coast Guard has the means and the ability to respond to the on-water and marine related needs for science.

We simply have taken what we have paid the Coast Guard in the past for its cost of assisting us with the science and that has now gone into the Coast Guard's operational fund. Members will see that in several areas of the budget the science money has simply gone to the Coast Guard.

Ms. Siobhan Coady: Madam Chair, I am looking under healthy and productive aquatic ecosystems, sustainable development integrated management of resources for in and around Canada's aquatic environment through oceans and fish habitat species at risk management, and I see that science for health and productive aquatic ecosystems is down \$8.5 million. Is the answer the same?

Hon. Gail Shea: Madam Chair, yes, for the same reason. In all three areas of science, we have moved the amount of money that the Coast Guard would normally charge us for the services that we use it for in our science projects and we have moved that to the Coast Guard.

Ms. Siobhan Coady: Madam Chair, is the minister confirming that she is indeed maintaining the science program for those numbers of years or is she increasing it?

Hon. Gail Shea: Madam Chair, since 2005-06, funding for science has increased by \$10.3 million, from \$220 million to \$230 million in 2009-10.

Ms. Siobhan Coady: Madam Chair, could the minister advise us on the status of the scientific research vessels that have been attempted to be put in place for a number of years?

Hon. Gail Shea: Madam Chair, the process has been gauged for the three science vessels and I believe the tendering process is closing very soon.

Ms. Siobhan Coady: Madam Chair, I have two quick questions.

First, when does she expect these very essential scientific research vessels to be in the water giving us essential science?

Second, NAFO has increased the northern shrimp quota. Will the minister confirm that she will base her management decisions on historic allocations?

Hon. Gail Shea: Madam Chair, we do have, as I said, some management plans that are still not completed but they will be out soon

Mrs. Nina Grewal (Fleetwood—Port Kells, CPC): Madam Chair, I am pleased to stand this evening on behalf of the constituents of Fleetwood—Port Kells to discuss the important work done by the Canadian Coast Guard.

Our government recognizes the value of the Coast Guard and, as the estimates show, is investing in the modernization of its fleet and operations to meet increasing demand for its services.

The value of the Canadian Coast Guard is very clear to the 2,900 people the Coast Guard rescues each year. Its worthiness is evident to the crews of the 300-plus vessels it escorts through ice annually. Its importance is obvious to Canadians who live in the Arctic and for whom the arrival of a Coast Guard icebreaker is not just a welcome signal of spring, but a vital source of food and supplies. These people know first-hand the value of the Coast Guard, as do fish harvesters, pleasure boaters, shippers and others who use its services.

However, like an iceberg, with most of its mass below the water's surface, much of the Coast Guard's work is not immediately visible to Canadians, even though it has an enormous impact on them.

On an average day, 4,400 Coast Guard employees achieve the following: save 8 lives; assist 55 people in 19 search and rescue missions; service 55 aids to navigation; handle 1,127 marine radio contacts; manage 2,346 commercial ship movements; escort 4 commercial ships through ice; carry out 12 fisheries patrols; support 3 hydrographic missions and 8 scientific surveys; deal with 3 marine pollution reports; survey the bottom of 5 kilometres of navigation channels; and, do all the supporting work needed to accomplish these things each and every day.

That is quite the to-do list, carried out on three oceans, the St. Lawrence River, the Great Lakes and other major waterways.

I will provide some details. Canada's maritime search and rescue system is one of the world's most effective. The Canadian Coast Guard agency responds to and coordinates the resolution of about 6,000 maritime incidents each year, making search and rescue the Coast Guard's largest single expenditure.

The Coast Guard is an integral part of the multi-department federal search and rescue program led by the Minister of National Defence. The agency is responsible for the 5.3 million square kilometre maritime component of the federal system. It is supported by the Canadian Coast Guard auxiliary, a dedicated group of 4,300 civilian volunteers and 1,200 vessels with whom the Coast Guard has a long and proud relationship and to which it devotes about \$5 million in contribution agreements each year.

The Coast Guard also protects the marine environment. The Canadian Coast Guard is mandated as the lead federal agency for all ship-source spills of oil and unknown source spills into waters under Canadian jurisdiction. It monitors and responds to more than 1,200 spills each year.

Navigation safety, that is safe and accessible waterways and safe, economical and efficient movement of marine traffic, is a key Coast Guard preoccupation. The Coast Guard supplies and maintains more than 17,000 marine aids to safe navigation, from buoys, to radar, to GPS systems. Its maritime communications and traffic services program and its waterway management activities are also essential services that help ensure waterways are safe for vessels and mariners.

Of course, more highly visible are the powerful red and white icebreakers escorting ships, freeing vessels stuck in ice, maintaining open channels through ice, opening up frozen harbours, providing ice routing advice and resupplying isolated northern communities. They also provide important flood control for communities along the St. Lawrence by breaking up ice jams.

• (2130)

Although the Coast Guard does not have a direct mandate for maritime security, it supports departments and agencies, such as DND, the RCMP and the Canada Border Services Agency in their security and enforcement activities, providing vessels, information, maritime expertise and traffic information, including conducting joint law enforcement patrols with the RCMP on the Great Lakes and the St. Lawrence Seaway.

The Coast Guard also contributes to maritime security through its automatic identification system, which enhances surveillance and the identification of vessels in the Great Lakes and offshore.

The Coast Guard and its precursors have supported Canada's northern sovereignty since 1903 when the department of marine and fisheries began sovereignty patrols in the Arctic. Today the Coast Guard deploys seven icebreakers to the Arctic each year. These vessels are typically the first to arrive in late June and the last to leave in November. They deliver not only Coast Guard programs, but also food, fuel and other supplies to remote sites and communities where commercial ships do not venture.

The Coast Guard also deploys several other ships in the Arctic to provide navigational services and to support scientific research. This Arctic presence is reinforced through the agency's base in Hay River, Northwest Territories, seasonal marine communication centres in Iqaluit and Inuvik, and storage sites in 14 communities for equipment to contain marine spills and other environmental hazards.

The fleet supports DFO efforts to fulfill its mandate in many ways. For example, DFO conservation and protection officers use Coast Guard vessels to patrol fishing areas and conduct inspections at sea. The fleet also enables a range of DFO scientific research, including fisheries population surveys, oceanographic surveys in support of climate research and hydrographic surveys for charting or providing platforms like the CCGS *Amundsen*, which returned from a 14-month Arctic scientific expedition last October.

A number of other government departments also turn to the Coast Guard for important vessel support to fulfill their own mandates. I have already mentioned the Coast Guard's growing role in delivering maritime security services in partnership with the RCMP and DND.

In addition, Natural Resources Canada conducts marine geology from Coast Guard ships and Environment Canada acquires much meteorological information from weather buoys launched from Coast Guard vessels. Canadian Coast Guard ships are critical to priority missions, such as seabed mapping. These commitments give the Coast Guard an even more prominent role within the federal government and on our waters.

I would now like to talk about the important investments our government is making in the Canadian Coast Guard fleet. Rising maritime traffic, technological advances, heightened national security and border security concerns, climate change effects on water levels and longer shipping seasons are placing new demands on the Coast Guard and its services.

After many years of neglect by the previous government, the Conservative government made an important choice to invest in this important asset. In the past three budgets, our government has

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invested \$1.4 billion to acquire up to 17 new large vessels for the Canadian Coast Guard. Twelve will replace existing vessels that will be taken out of service and five will be additions to the fleet. All of these procurement processes are under way.

In February, the Government of Canada once again signaled the importance of the Canadian Coast Guard to both Canadians and to the federal agenda. As part of the Government of Canada's economic action plan, the Canadian Coast Guard received \$175 million over two years for small boats and to conduct vessel life extensions and additional repairs on our larger vessels.

This means our Coast Guard will have more modern, safer equipment that it can rely on to get the job done. It means that there will be hundreds of jobs created or maintained in the shipbuilding industry as proud Canadian workers assist in the revitalization of our Coast Guard. It means that millions of dollars will be injected into communities that rely on shipbuilding as a means of economic sustainability, ensuring thousands of Canadians can remain in their home towns without having to look elsewhere for employment, which—

● (2135)

The Deputy Chair: Order. The member has five minutes left to ask questions in order to give the minister the opportunity to answer.

Mrs. Nina Grewal: —which, Madam Chair, is a far cry from the Liberal record when it comes to the Canadian Coast Guard. For 13 years Liberal government after Liberal government let our Coast Guard deteriorate, ships were left rusting in the harbour, the fleet was severely underfunded, and morale was low—

The Deputy Chair: Order. The hon. member must now proceed to question the minister.

Mrs. Nina Grewal: Madam Chair, this is a significant period of growth for the Canadian Coast Guard and we should be proud of the direction in which it is going, so our government's continued support for the Coast Guard fleet will ensure that it can continue to keep the country's waters safe, accessible and secure for the benefit of Canadians across the country.

I have a few questions for the minister.

As the minister knows, British Columbia and British Columbians are very proud of their pristine wilderness areas and impressive streams. We have mountains and the incredible Pacific Ocean. I, myself, have a strong connection with the Fraser River, which is in my riding.

As with many Canadians, we struggle with the need to balance economic development with preservation of the environment. In times of economic downturn or a global recession, it is vital that we find new jobs for Canadians, but it is also very important that we do it in a way that respects the environment.

There are many government departments which have a role to play in doing this and we also partner with the provinces. Would the minister please tell me and perhaps clarify the role that Fisheries and Oceans would play in protecting the environment while supporting much needed economic development?

(2140)

Hon. Gail Shea: Madam Chair, DFO and the Canadian Coast Guard recognize that a responsible approach to preserving a healthy environment and addressing the challenge of climate change is needed to sustain Canada's economic prosperity. In fact, the pollution prevention provisions of the Fisheries Act are among the most powerful legal instruments available to protect Canada's waters and aquatic life forms.

We are working with our clients to raise public awareness, create policies, regulations and partnerships, and monitor compliance with requirements to protect fish habitat, and when required, to take enforcement action.

Mrs. Nina Grewal: Madam Chair, I am relieved to hear that so much effort is being made to partner with others. That is usually the way that best solutions are found.

To follow up, I have heard at certain times in B.C. that we need marine protected areas. I am also wondering if the minister could please tell me more about the marine protected areas in Canada.

Hon. Gail Shea: Madam Chair, DFO is working with provincial and territorial partners to develop a national network of marine protected areas by 2012. We have already designated seven marine protected areas with several more to follow.

Our government has provided an additional \$61 million to create these marine protected areas. We are also working on the Pacific north coast, in the integrated management area called PNCIMA. It is in the early stages of extensive consultation, but we are making progress, which is even lauded by David Suzuki.

Mrs. Nina Grewal: Madam Chair, Coast Guard ships are deployed to support scientific research in the Arctic every year from late June to early November. I understand that the Canadian Coast Guard deploys a total of seven icebreakers to the Arctic, providing escort services to delivering vital food, fuel and other supplies to remote sites and northern communities where commercial ships do not venture. These vessels deliver a range of Coast Guard programs.

I believe these vessels also support a significant amount of scientific research. Could the minister please provide more details on the Coast Guard's role in supporting Arctic science?

Hon. Gail Shea: Madam Chair, hon. members will no doubt be familiar with the International Polar Year, IPY, which is a project that was conducted across the Arctic in 2007-08.

Our Coast Guard science icebreaker, the *Amundsen*, spent a record 15 months in the Arctic for the International Polar Year, making port only twice during that period. She sailed for 450 days, travelled close to 32,000 nautical miles and hosted more than 400 scientists in that time, so we are heavily involved in Arctic science.

Mr. Peter Julian (Burnaby—New Westminster, NDP): Madam Chair, I thank the minister for being available tonight. She has been grilled now for a number of hours, but it is a very important

procedure within the House of Commons to have these estimates and ask questions of the minister. It is kind of like an extended question period of a few hours, but it allows us both the answers we need to hear and sometimes the answers we do not want to hear. I appreciate the minister allowing this grilling tonight.

I am the grandson of a fisher and I come from British Columbia. My questions for the department are going to be specifically oriented to the Pacific region. We have an overall departmental budget of \$1.6 billion. I would like to ask the minister, what percentage of that is spent in the Pacific region?

● (2145)

Hon. Gail Shea: Madam Chair, I will very quickly get these stats out. Fifteen percent of the budget is spent in the Pacific region.

Mr. Peter Julian: Madam Chair, I would like to have the actual dollar figure of moneys that are spent in the Pacific region. Could the minister also indicate the percentage of the overall staff component across the country that is allocated to the Pacific region?

Hon. Gail Shea: Madam Chair, from our main budget estimates, that is \$250 million. Give us just one moment to find the staff component.

The Acting Speaker (Ms. Denise Savoie): Would the hon. member for Burnaby—New Westminster like to ask another question while the staff and minister are looking?

Mr. Peter Julian: Madam Chair, I will go to subsequent questions because I know that the figures are there. It is just a matter of digging them up and she has some assistance over there.

Looking at the overall monetary allocation for docks and small craft harbours going into British Columbia and fish hatcheries as well, how does the allocation of \$250 million break down broadly in each of the spending categories?

Hon. Gail Shea: Madam Chair, I believe we are spending \$8 million to upgrade hatcheries in British Columbia. That was part of the upgrades of our laboratories. For small craft harbours, I believe the spending will be just over \$20 million in this fiscal year in British Columbia.

Mr. Peter Julian: Madam Chair, coming back to the issue of how the \$250 million global budget breaks down, the fish hatchery question was not about the upgrade but more about the overall operational costs in the Pacific region for the fiscal year.

Hon. Gail Shea: Madam Chair, we do provide \$26 million on an annual basis for the salmon enhancement program in British Columbia. Whether that takes into account the physical operation and the electricity of the hatcheries, it will take us a minute to dig that up.

Mr. Peter Julian: Madam Chair, I would not expect that the salmon enhancement moneys would be a loan involved in the operational costs for the overall hatcheries. I know she is looking for those figures and, as I mentioned earlier, the breakdown of the \$250 million by spending category.

Hon. Gail Shea: Madam Chair, we do not have the breakdown of the \$250 million for the specific region, but we can certainly get that for the member

Mr. Peter Julian: Madam Chair, I have a question with respect to the fish hatchery operational costs for the 14 major hatcheries and for the smaller hatcheries. Is that something the minister is coming up with there?

Hon. Gail Shea: Madam Chair, those are region specific and it is very detailed information, so we would have to compile that information for the hon. member and get it to him.

Mr. Peter Julian: Madam Chair, I thank the minister. I will expect those figures.

I would like to move on to a couple of specific fisheries.

The minister has responded to questions on this before, but I would like to come back to the allocation of halibut quota. This is a pretty fundamental issue in British Columbia and many people are concerned about it. We are aware of the commercial fishers and their concerns around any real allocation, but the recreational fishers are also concerned about the existing allocation of halibut quota.

Solutions have been put forward that basically meet a consensus from all parties, but the minister needs to pull all of the different parties together and come up with a series of recommendations that would actually allow all parties to feel that the halibut allocation is being fairly dealt with and that we are getting the maximum economic stimulus off the Pacific coast of British Columbia.

I would like to know, what are the minister's plans? The NDP has repeatedly called for a halibut summit in British Columbia to bring all of those fishers around the table under one roof and get the issue resolved. Does the minister have plans to come to British Columbia and have that halibut summit?

• (2150)

Hon. Gail Shea: Madam Chair, actually, I do have plans to go to British Columbia and I hope to visit some of the people within the halibut industry.

Both these sectors are very important to the economy. Because there is a decrease in the overall total allowable catch, I guess both recreational and commercial harvesters will be facing that decrease this year. The recreational fishery did open on March 1 with a daily catch limit of one halibut and a possession limit of two.

We are working with the sectors. I do understand that some progress has been made and that is good to hear because we have to get that marketing mechanism in place to allow both sectors to perform to their full potential when it comes to the halibut fishery.

I am more than willing to work with both because I recognize that the recreational fishery needs some stability because it plans a whole year ahead for its businesses. I will be working with the fishery and hopefully we can find a solution.

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Mr. Peter Julian: Madam Chair, that is encouraging to hear, but we need to have some dates. It is good news if the minister is coming to British Columbia, but when will she be coming to start pulling that together?

Is it her intention to pull together that halibut summit at that time or is her next visit to British Columbia designed to prepare that next step that both the NDP critic, the member for Sackville—Eastern Shore, and I have been calling for, for some time?

Hon. Gail Shea: Madam Chair, I do believe that right now I am scheduled to go to British Columbia around the first week of July. However, that could change. We will be speaking to the industry out there and we will be setting up meetings prior to my going there.

Mr. Peter Julian: Madam Chair, am I to take it that this is the first step in what would lead to a halibut summit then on the issue of the allocation of halibut quota?

Hon. Gail Shea: Madam Chair, that certainly is a possibility. We will be having some dialogue with the industry while we are out there. If that is its wish, and if it sees that as a way to finding a solution, then it is something we will pursue.

Mr. Peter Julian: Madam Chair, I would like to move on to the issue of salmon.

My first question has to do with the total amount of moneys allocated for the Pacific region for protecting, preserving, and enhancing salmon habitat and salmon stocks. I have a number of other questions as well. I will ask the second one at the same time.

For the Pacific region, what is the number of scientific and enforcement officers out of the roughly 1,300 employees in the Pacific region? These two questions come from my colleague, the member of Parliament for Nanaimo—Cowichan.

• (2155)

Hon. Gail Shea: Madam Chair, I believe the number is 178 enforcement officers.

Mr. Peter Julian: Madam Chair, that is 178 enforcement officers. How many scientific officers are there out of the number of employees?

Coming back to the first question, what is the budget allocated for protecting, preserving and enhancing salmon habitat and salmon stocks?

Hon. Gail Shea: Madam Chair, most of the \$26 million that goes to British Columbia on an annual basis goes directly to enhance the salmon stocks.

Mr. Peter Julian: Madam Chair, I will come back to the two questions again. Is that the total amount of moneys? It appears that is the minister's answer. Could she could just confirm it with a yes? Also, on the number of scientific officers, does she have that figure available?

Hon. Gail Shea: Madam Chair, we do not have the figure on the number of officers in the region with us tonight, but we can add that the information package the member has asked for on the Pacific region.

Mr. Peter Julian: Madam Chair, I will move on to another couple of questions.

About 100 first nation bands depend on the food fishery up the Fraser River. I am interested in knowing how the department is working with those first nations for management of the salmon. How is the minister moving around the issue of community control of the fisheries?

Hon. Gail Shea: Madam Chair, our aboriginal fishing policy in Canada is guided by supporting a healthy and prosperous aboriginal community through building and supporting strong and stable relationships with first nations, working in a way that upholds the honour of the Crown and facilitating aboriginal participation in fisheries and aquaculture, associated economic opportunities and in the management of aquatic resources.

We have the aboriginal fisheries strategy, which was launched in 1992 and has funding of \$22 million a year. We have an aboriginal aquatic resource and oceans management program that provides aboriginal groups, where DFO manages the fishery, with the capacity to participate effectively in the DFO and multi-stakeholder processes, which is used for aquatic resource and oceans management.

Participation in that program is voluntary, but aboriginal groups are signatories of 35 contribution agreements, covering an estimated 200 aboriginal communities from that fund.

Mr. Peter Julian: Madam Chair, how is the minister and the ministry implementing the decision that was made on February 9 regarding the Fisheries Act and aquaculture?

Hon. Gail Shea: Madam Chair, we are working with the province of B.C. to establish the way forward. The courts allowed for a one-year transition phase from the provincial government to the federal government. However, no matter who is responsible or who manages the aquaculture industry, we have to be sure that it is sustainable, so that is what we are doing.

I want to add that we did find the answer for the science personnel in the Pacific region and it is 456.

Mr. Peter Julian: Madam Chair, my last question is with respect to the \$14 million allocated annually for aquaculture. How is this money allocated?

Hon. Gail Shea: Madam Chair, this is for the habitat and science to ensure we have healthy stocks.

Hon. Keith Martin (Esquimalt—Juan de Fuca, Lib.): Madam Chair, I will be splitting half of my time with the excellent member for Humber—St. Barbe—Baie Verte.

I thank the minister for being here. Three search and rescue needs analysis by DFO recommended clearly that Victoria must have a permanent search and rescue vessel. That does not exist. There is 47 footer in Saanich. Will the minister authorize that 47 footer to be in Victoria so Victoria has a permanent SAR capability?

• (2200)

Hon. Gail Shea: Madam Chair, with our Coast Guard vessels, we have a vast territory to cover and we cannot be everywhere. However, we are quite happy that we are acquiring a number of new vessels through our economic action plan.

I will take the hon, member's concerns into consideration.

Hon. Keith Martin: Madam Chair, this is a matter of life and death. Three search and rescue needs analyses from her department have recommended that this occur. I want to impress upon her that this must happen. Victoria has the second busiest straits in the world around it and it is a matter of life and death.

How many fisheries officers are doing enforcement in South Vancouver Island?

Hon. Gail Shea: Madam Chair, I do not have that level of detail with me this evening, but I did say to the last questioner that there were 176 conservation protection officers on the job in British Columbia.

Hon. Keith Martin: Madam Chair, I hope we will receive that specific answer soon.

Our fish hatcheries are starved for cash. They are essential for our fisheries. Will the minister tell us what increases she will give to our fish hatcheries on Vancouver Island?

Hon. Gail Shea: Madam Chair, our economic action plan allowed for upgrades of several hatcheries in the British Columbia area. We will be spending \$8 million to upgrade hatcheries. On an annual basis, we provide \$26 million for a salmon enhancement program in British Columbia.

Hon. Keith Martin: Madam Chair, will any of those moneys go to the Goldstream Hatchery?

Hon. Gail Shea: Madam Chair, I do not have a list of the specific hatcheries with me tonight, but 33 hatcheries will see upgrades.

Hon. Keith Martin: Madam Chair, the west coast halibut recreational fishery is in disarray. Will the minister allow for a west coast-South Vancouver Island recreational halibut fishery from February to December?

Hon. Gail Shea: Madam Chair, we fish recreational halibut and commercial halibut against a set quota. We do that by consultation with the industry.

Hon. Keith Martin: Madam Chair, the early closures are causing a serious problem for South Vancouver Island. Will she at least be able to provide recreational halibut fishers with a 1.5 million pound floor on the west coast of Canada?

Hon. Gail Shea: Madam Chair, as I said to the earlier questioner, the reason why we are having this problem is because there is an overall reduction in the total allowable catch. Both groups, the commercial and the recreational, are taking a 15% reduction. The quota has been set at 88/12, and we are sticking with that quota. We are working with both sectors to try to come to some sort of solution so they can both realize their full potentials through the fishery.

Hon. Keith Martin: Madam Chair, is it not true that Canada took a greater decrease in the total allowable catch than the United States in the west coast halibut fishery?

Hon. Gail Shea: Madam Chair, the quota is set through negotiations and I believe both countries have the same quota.

Hon. Keith Martin: Madam Chair, will the minister make a commitment right now to stop the damaging practice of short notice, late season openings and early season closures, which is so damaging to the recreational fisheries on the west coast?

• (2205)

Hon. Gail Shea: Madam Chair, I know our staff is working with the recreational sector in British Columbia to discuss what the best possible opening date is to benefit its businesses. They have tourists who come in to take advantage of the halibut fishery. We do work with the recreational sector to set those dates.

Hon. Keith Martin: Madam Chair, will the minister affirm to the House that Canada's fisheries are a common property right belonging to all the peoples of Canada?

Hon. Gail Shea: Yes, Madam Chair, that they are.

Hon. Keith Martin: Madam Chair, there is currently a proposal for mega marina in Victoria. The studies that have been done on the impact on fisheries shows it has been absolutely appalling. This will be an environmental disaster.

Will the minister assure the House that studies will be done and released publicly, which are adequate and essential on this project?

Hon. Gail Shea: Madam Chair, I would expect that any such project would be subject to all the environmental impact assessments that would be required.

Hon. Keith Martin: Madam Chair, will the minister authorize a halibut tag system, the moneys of which can be used to buy up commercial space within the halibut fishery on the west coast?

Hon. Gail Shea: Madam Chair, I believe this is one issue on which we have had some discussion with the recreational sector, trying to find a solution on how to best share the resource between the commercial and the recreational fisheries in B.C.

Hon. Gerry Byrne (Humber—St. Barbe—Baie Verte, Lib.): Madam Chair, in these very difficult times, why will the minister not rescind the licence and monitoring fees that fishermen must pay the government, fees that they definitely cannot afford to pay right now? Why will the minister not rescind those fees?

Hon. Gail Shea (Minister of Fisheries and Oceans, CPC): Madam Chair, I know fishermen are having a very difficult time. The licence fees is an issue that was brought to my attention shortly after I took this post. I have committed to doing a licence fee review. How fast we can get that completed, I could not say, but we are committed to reviewing the licence fees.

Hon. Gerry Byrne: Madam Chair, could we have a review then? If we cannot have a review right away of licence fees, which is so badly needed, could the minister inform this committee exactly how much money was paid back to the public treasury when public funds entrusted to the Department of Fisheries and Oceans were used to prepare and to distribute a political press release as if it were an official document of the Government of Canada, including preparation fees, distribution fees as well? How much money had to be paid back?

Hon. Gail Shea: Madam Chair, no public funds were used to distribute that material.

Hon. Gerry Byrne: Madam Chair, I beg to differ because at the bottom of the press release a government official was used as the

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contact for that partisan press release. Obviously government resources were indeed used for that.

Since we cannot get an answer on that, I will ask a question out of empathy that maybe the minister can answer.

If a fisherman breaks his back or is diagnosed with cancer, the minister has ruled that no one else can be temporarily designated to operate his vessel and fish these licences while he recovers. The only two options available to him at that point in time, when recovering from a temporary illness, are bankruptcy or sale and get out of the fishery.

Why did the minister make that policy decision?

Hon. Gail Shea: Madam Chair, it is my understanding there are special considerations for illness.

Hon. Gerry Byrne: Madam Chair, when these special considerations are made, are they available to all fishermen? I know of examples where people have written the minister asking for special consideration to be made and she has refused them outright and she has not given any reason why.

For example, Guy Greenham of Pacquet has written the minister asking her why she upheld the decision to allow Eugene Kean of Renews a core licence after Mr. Kean appealed and lost three times before an independent licensing body. Mr. Guy Greenham applied under the exact same circumstances. He did not get any consideration from the minister, but if one lives in the former minister's home town of Renews, one gets the licence. Even though one has appealed three times and lost, the minister upholds and changes the appeal.

Why can Guy Greenham not get that kind of consideration?

● (2210)

Hon. Gail Shea: Madam Chair, of course I cannot speak to individual cases on the floor of the House.

Hon. Gerry Byrne: Madam Chair, she is the Minister of Fisheries and Oceans. She does speak to those issues. Fairness and transparency are important parts of fisheries management.

I will ask the minister again. Can Guy Greenham of Pacquet get an appeal directly to the minister for his core status, yes or no?

Hon. Gail Shea: Madam Chair, all decisions from appeal boards do end up coming to me for a final decision.

Hon. Gerry Byrne: Madam Chair, well, under identical circumstances, which is exactly the circumstances that we are talking about, will Guy Greenham get the same treatment that Eugene Kean got. Eugene Kean applied three times under appeal. He lost three times under appeal. Guy Greenham applied in a similar fashion. He did not get his appeal. They were the exact same circumstances.

Will the minister intervene and provide some relief, some transparency and some fairness to this process?

Hon. Gail Shea: Madam Chair, I am not going to talk about the lives and cases of individuals on the floor of the House for the whole country to listen to. As I said before, the decision rests with the minister. The appeal board makes the recommendation to the minister. That is where the final decision is made.

Hon. Gerry Byrne: Madam Chair, Mr. Guy Greenham asked me to raise this with the minister because he wrote to the minister and she has not bothered to reply to him.

Let us talk about a public policy issue then. I will ask the minister, in these tough times is it ever a good decision to give fish to those who will not fish it, to those who will not process it? They will just broker it off as a royalty charter for their own profit and at the expense of the traditional industry. Does the minister think that is a responsible thing to do at this time in the fishery?

Hon. Gail Shea: Madam Chair, it all depends on who benefits from the fish.

Hon. Gerry Byrne: Madam Chair, I think, with the minister, it all depends on who is going to get the fish.

I would like to ask the minister a very direct question. Shrimp prices are now at rock bottom. The shrimp industry of Newfoundland and Labrador is now effectively closed. Is the minister going to award shrimp from the NAFO regulatory area, the northeast coast of Newfoundland, to P.E.I.? Yes or no?

Hon. Gail Shea: Madam Chair, the northern shrimp management plan is one that will be announced within the next couple of weeks. As I said, we still have several plans that have yet to be finalized.

Hon. Gerry Byrne: Madam Chair, this is a very good opportunity for the minister to actually say where she stands on this issue.

In these economic times, the fiscal downturn that this country has experienced, but most in particular that the fishing industry has experienced, the shrimp industry has now effectively shut down. Is she or is she not going to award shrimp to those who do not fish it, who do not process it? They just simply broker it out on a royalty charter for profit for their own back pockets and watch as legitimate fishers in this industry declare bankruptcy.

Is that the responsible action that the minister intends to uphold?

Hon. Gail Shea: Madam Chair, as I said previously, when the management plan is completed, it will be made public.

Hon. Gerry Byrne: Madam Chair, there is a duty to inform and to consult. The consultation has been completed. I hope that the minister will not allow mobile gear access to turbot in the Gulf of St. Lawrence area. We have a bycatch fishery here which, if she awards this turbot to a fleet in a directed fishery, she basically has to explain where the bycatch resource will come to be able to keep the other fisheries open. Will she explain how she would do that?

Hon. Gail Shea: Madam Chair, when the management plan is complete, it will be made public.

• (2215)

Mr. John Duncan (Parliamentary Secretary to the Minister of Indian Affairs and Northern Development, CPC): Madam Chair, the Department of Fisheries and Oceans plays an important role in protecting our nation's waterways and aquatic ecosystems. DFO is working hard to advance Canada's interests in these areas through

scientific research and making sound decisions and policies based on science.

An important part of the department's work is understanding Canada's unique aquatic environments and how our actions affect them. DFO depends on its scientific institutes, labs and centres of expertise for vital information to make the decisions that are both environmentally sound and economically prosperous.

I will now talk about science at DFO, as well as how the department puts science to use. DFO-led scientific research is continuing to make strides in understanding our oceans and freshwaters, from locating natural resources to identifying areas that need special protection, such as the department's work with provincial and territorial partners in our marine protected areas.

Our government has made strides in this work through the announcement of marine protected areas, including Bowie Seamount in the Pacific and Musquash Estuary off the coast of New Brunswick. Facilities such as the Bedford Institute of Oceanography, the Pacific Biological Station and the Maurice Lamontagne Institute play an integral role in the department's work. The data they produce creates the groundwork for DFO's policies and regulations. They are essential for the department's ability to deliver results for Canadians.

Scientists are an integral part of DFO but they are also a part of the broader scientific community. Scientists around the world share a commitment to advancing our understanding of the world around us and DFO scientists regularly receive international accolades.

Along with fostering scientific knowledge and supporting effective policies, the research conducted by DFO can lead to successful commercial applications. For example, DFO scientists contributed to the development of the autonomous underwater recorder for acoustic learning. This tool monitors and records underwater sounds, including the sounds of marine mammals and the noise generated by marine traffic. This was commercialized and generated enough sales in the first two years to repay the initial investment tenfold.

Further, the department's science and resource experts are working on the elaboration of DFO's plan for sustainable fisheries. Building on these policies and incorporating new ones, DFO's plan forms the basis for implementing an approach to the management of our marine fisheries that focuses on ecosystems. This ensures a sound basis for sustainable fisheries management in Canada.

One important organization that calls DFO home is the Canadian Hydrographic Service. Canada has more than 130,000 nautical miles of coastline, which is more than any other country in the world. With 300 dedicated employees distributed across Canada, this service publishes and maintains nearly 1,000 nautical charts, as well as hundreds of publications. It gives our government great pride to say these products are renowned the world over for their quality.

The data collected by the service is essential to understanding our waters. With access to Canadian Coast Guard ships, the service takes advantage of every opportunity to take hydrographic and oceanographic measurements. Regular field surveys, especially for higher risk, higher priority areas, with both shore parties and marine vessels, include specialized hydrographic craft.

Most recently, the service completed surveys of the deeply complex Labrador inshore route. This was a significant accomplishment and the CHS employees deserve our congratulations for their fine work.

The Canadian Hydrographic Service contributes to the safe navigation of Canada's waterways and uses the latest technology to collect high-resolution data. The service monitors tides and water levels to collect information on our climate and natural hazards, and plays a role in determining maritime boundaries and Canadian sovereignty.

• (2220)

While it is important to continue pressing forward in our understanding of our aquatic resources, we must also work to conserve and protect them. One way to do this is by upholding the legislation and regulations that set the rules for the wild capture fishing industry.

DFO takes these rules seriously. In fact, Canada has one of the most advanced monitoring, control and surveillance programs in the world. To enforce compliance and preserve fish stocks, DFO uses aerial and at-sea patrols to monitor fishing vessel activity inside and outside our 200 mile limit. We track catches using independent onboard observers, as well as electronic and dock-side monitoring.

These enforcement systems are important, but of course they require personnel. We have world-class fisheries officers who go through a three year training program. They are the front line. They conduct patrols on the land, on the sea and in the air. They work in every kind of weather, in rough terrain, on sea, and board vessels in dangerous conditions. These officers are protecting the interests of Canadians and helping advance key priorities, such as eliminating illegal fishing activities and demonstrating the importance of conservation and protection.

DFO has hired 153 new fisheries officers in the last three years. This hiring is an expansion and a significant improvement made by the Conservative government, which reverses a trend that existed under the previous Liberal government that allowed the number of fisheries officers to shrink. This government understands the importance of proper enforcement in our Canadian waters and we are taking this responsibility seriously.

DFO's scientific research and conservation and protection efforts play an important role in managing our waters and resources. Our government knows they are an important part of Canadian identity.

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We work together with other levels of government, partner with industry and organizations, preserve and protect our ocean and freshwater, and encourage the sustainability of fisheries.

We will maintain DFO's position as a leader in science and continue using the knowledge gained from our research to inform decisions and policies so that we can continue to meet the needs of the present without compromising the ability of our children and grandchildren to meet their own needs.

I would like to conclude by talking about a very sustainable fishery in my own backyard, which is the integrated ground fishery on the west coast. It is considered to be a sustainably managed, transparent, accountable and progressive fishery. This was implemented in 2006 and we are into year four now. The world has noticed the camera monitored, dock-side observer and independent audit within a scientifically determined total allowable catch. The transferable quota mechanisms that are now built into this fishery create total accountability, eliminate the old problem of discards and allow for an extended season so that the commercial boats can harvest at opportune times chosen by them, which has led to higher value production.

Canadians should be very proud of this fishery which was implemented and is now considered to be the most sustainably managed commercial fishery anywhere in the world.

We do not blow our own horn enough, and I am attempting to do just that.

I hope my speech in some way has made it clearer to members about how the department uses science and conservation and protection efforts to support the Conservative government's vision for fisheries.

• (2225)

Canada's coastline is vast and diverse, from the Pacific shoreline of rugged mountains, inlets and fjords, to the Arctic's complex food web and habitats, to the wide continental shelf of the Atlantic.

There is a piece of legislation that is key to governing our oceans. It is known as the Oceans Act. Could the Minister of Fisheries and Oceans share how this government is implementing the Oceans Act?

Hon. Gail Shea: Madam Chair, the hon. member has posed a very relevant and important question. I am proud to say that we are making strong progress in implementing the Oceans Act. This government recognizes that the richness and biodiversity of Canada's oceans provide enormous potential for present and future generations.

The health of our oceans and sound management of ocean resources are not only coastal issues, they are truly national and affect all Canadians. That is why we have adopted and are implementing an oceans strategy. Canada has also established five large oceans management areas covering over two million square kilometres, designated seven marine protected areas with more to come, and recently held our first stakeholder forum for the Pacific north coast integrated management area.

DFO is working diligently with other departments to implement the Oceans Act and Canada's ocean strategy to ensure healthy and productive marine ecosystems in support of sustainable communities and economies.

Mr. John Duncan: Madam Chair, DFO's scientific laboratories and facilities across the country do important work to support the department's mandate. The work being done by DFO scientists is truly world class. This is exemplified best by the top-tier recognition they receive, for example, the 2007 Nobel Peace Prize.

In addition to the scientific research being done as well as the dayto-day conservation and protection efforts carried out by the department, what is DFO doing to ensure that our oceans and their resources are sustainably managed?

Hon. Gail Shea: Madam Chair, the government recognizes that Canada's oceans—the Pacific, the Arctic and the Atlantic—are critical to the social and economic well-being of coastal and rural communities. We support actions to preserve and protect our ocean resources through greater surveillance and enforcement along our coasts, for example. DFO is also working on furthering ecosystem assessments and our capacity to deal with increased activity in arctic waters.

Actions such as these on our own shores are essential, as are partnerships with other countries. This government continues to collaborate with international partners on ocean and transboundary water matters to deliver on DFO's mandate on behalf of Canadians. Sustainability continues to be a cornerstone of how this government manages Canada's oceans and their precious resources so that future generations may enjoy their riches.

Mr. John Duncan: Madam Chair, the integrated groundfishery on the west coast is now in year four. Implemented in 2006, this fishery is being called the most sustainable commercial fishery in the world. Would the minister care to highlight the importance of adopting the changes that have been made to the groundfishery on the west coast to achieve such high praise from other nations, conservation groups and consumer advocates and interests?

Hon. Gail Shea: Madam Chair, the Pacific integrated ground-fishery is an important example of ecosystem-based management where all fish harvested, target catch and bycatch, is accounted for. This management approach was developed though a collaborative effort involving DFO and the fishing industry. It is particularly important for the protection of Pacific rockfish.

As my colleague noted, the fishing industry should be commended for its collaboration. I also believe that the industry has been rewarded for its efforts through such benefits as longer and more viable seasons and fisheries will no longer be threatened by excessive bycatch.

To be certain, in these tough economic times, fishers do not need any additional threats to their livelihoods. We are proud of this success story.

The Deputy Chair: The hon. parliamentary secretary has 29 seconds to make a final comment.

Mr. John Duncan: Madam Chair, would the minister care to highlight the announcement of last Friday at Capilano that benefited west coast fisheries?

Mr. Randy Kamp: Madam Chair, I would be happy to answer that question. I actually made the announcement at the Capilano hatchery. It was part of an \$8 million investment by the government to improve hatcheries.

(2230)

Mrs. Alexandra Mendes (Brossard—La Prairie, Lib.): Madam Chair, I have one question I would like to ask the minister, and the remainder of the time will be split between the member for Bonavista—Gander—Grand Falls—Windsor, the member for St. John's South—Mount Pearl, and the member for Humber—St. Barbe—Baie Verte.

[Translation]

Throughout the world, trawling is denounced by everyone concerned with the sustainability of the seabeds. It appears, however, that this government is preparing to lift the restrictions on trawlers imposed by the Liberal government 10 years ago.

Can the minister explain to us why she is going to authorize this obvious threat to the turbot fishery?

[English]

Hon. Gail Shea: Madam Chair, I do not think anybody caught the first word the hon. member said about the type of fishing

Mrs. Alexandra Mendes: Madam Chair, I was talking about the threat to the Greenland halibut in the St. Lawrence.

Hon. Gail Shea: Madam Chair, we have not yet announced the management plan for that fishery. We will be completing it soon.

Mr. Scott Simms: Madam Chair, I would like to return to the second part of my question from an hour ago. Just to refresh the minister, I asked about the quota increase in a NAFO regulatory zone for the bycatch, which went from 5% to 13%.

The core issue here is about the idea of the commitment to custodial management. During the years 2003 to 2005, when former minister Hearn openly discussed the idea of custodial management, in his view custodial management pertained to the Government of Canada making the primary decisions in areas such as the Nose and Tail of the Grand Banks. Therefore, if a decision were made through the NAFO mechanism to increase quotas, how can NAFO claim that it has effectively achieved custodial management when that decision should have been made by the Government of Canada? Is that really custodial management? I do not think it is.

Hon. Gail Shea: Madam Chair, I want to quote from a gentleman the hon. member would know quite well, by the name of Earle McCurdy, who is a natural commissioner. He says:

I think it's nonsense to claim that, in respect to what most people claim as "custodial management". I do not agree with it. The new regime that we have is, in my personal opinion, and if given the choice between the old regime and the proposed new regime—on the balance of all considerations—an improvement.

Mr. Scott Simms: Madam Chair, the opinion of Mr. Hearn in the years prior to the election was far different than what was just described. It really was a commitment to regulatory management of the 200 nautical miles by the Government of Canada. In essence, that was the promise.

I would like to go to the issue of access to financial capital. Fish harvesters have little means to access financing from banks or other financial institutions. In these difficult times, fishermen need to access capital in order to improve vessel efficiency, combining licences, or purchasing new equipment.

What steps does the government plan to take to help fish harvesters access capital in order to improve their individual enterprises? Could the minister outline what specific steps the government plans to take, and has taken, regarding the access to capital?

Hon. Gail Shea: Madam Chair, as part of our economic action plan, our government announced a very generous package to provide access to capital through BDC and EDC. They have been very active within the fishing industry.

Mr. Scott Simms: Madam Chair, I would like to move very quickly to the seal hunt, once again, and the ban on the importation of seal products by the European Union. I will end up closing on this, as I believe my time is getting short.

Recently *The Economist* published an article condemning European politicians, basically stating, and I am paraphrasing, that in essence it has created a dangerous precedent by which other animals being harvested throughout Europe are unregulated or not as regulated as what the seal hunt would be. Therefore, it has shone a bad light on its own practices.

Would the minister say in the House now that it has created a dangerous precedent? Would she tell the Europeans that their unregulated hunts will be subject to criticism by the Conservative government?

• (2235)

Hon. Gail Shea: Madam Chair, we always have said this. Maybe we should be telling the NGOs this, because they have been very active in Europe spreading mistruths about our seal hunt. Maybe they can now turn their sights on something in Europe.

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To get back to the seal hunt, and the hon. member knows this, when parliamentarians in the European Union received letters from a Liberal senator from Canada, it had to be very confusing to them as to whether Canada supported or did not support the seal hunt.

Ms. Siobhan Coady: Madam Chair, I asked the minister a short time ago about the NAFO increase in the northern shrimp quota. I did not ask her what her management decision was. I asked her to assure this House that she would base her decisions on historic allocations. Could she please do that?

Hon. Gail Shea: Madam Chair, that will be part of the management decision.

Ms. Siobhan Coady: Madam Chair, we hope it is.

I would like to ask the minister this. She did advise that the tender for the new science vessel was about to be let. I would like to ask her for the parameters of the tender. When is she anticipating this vessel will finally be completed? I am sure that she has had her considerations in that area. As well, can the minister give some assurance that she will indeed proceed once the tender has been let?

Hon. Gail Shea: Madam Chair, I can tell the hon. member that we expect to have the first vessel in the water by 2013 and the final one by 2015.

Ms. Siobhan Coady: Madam Chair, could the minister assure the House that we will indeed be proceeding on this tender?

We do know this government has proceeded with tenders before on coast guard vessels that have not even been re-let, so I am asking for her assurance that we will indeed have a research vessel by 2013 or 2014, which is again quite a significant time.

Hon. Gail Shea: Madam Chair, these coast guard vessels are currently going through the tender process. I cannot prejudge what the outcome is going to be, but I can tell the hon. member that the last attempt to get these vessels tendered was because we did not feel we were getting the best value for our money. It was in the interest of Canadian taxpayers.

Ms. Siobhan Coady: Madam Chair, may I ask what the minister has done to ensure that at this particular juncture she will have the tender she expects to have and we can proceed with this very important scientific vessel?

Hon. Gail Shea: Madam Chair, we have tried to put a little more flexibility within our specs.

Ms. Siobhan Coady: Madam Chair, has she allocated the required dollars in the estimates we are reviewing?

Hon. Gail Shea: Madam Chair, that is correct.

Hon. Gerry Byrne (Humber—St. Barbe—Baie Verte, Lib.): Madam Chair, since the minister will not comment specifically on management plans that are apparently days away, does the minister hold true, as a principle in making management decisions, that those who actually fish a resource, those who have made investments and taken risks to establish a fishery are the ones who can expect to be assigned new quotas in that fishery, or will they be assigned to those who are awarded a royalty charter, hold that royalty charter up and say, "Now that I have been assigned this right to fish, who wants it and how much will you pay for it?" Or, will she give it to the fishermen who actually fish the resources?

● (2240)

Hon. Gail Shea: Madam Chair, as the hon. member knows, anyone who holds an ITQ, which is an individual transferrable quota, can ask someone else to fish their quota. This happens on a regular basis.

Hon. Gerry Byrne: Madam Chair, that is not on a regular basis. It is not a regular circumstance. It is the circumstances of the fishery right now. There is an economic crisis, a financial collapse in this fishery.

Will the minister adhere to a principle that those who fish the resource, those who are barely making ends meet today, those who need a leg up, a helping hand up instead of a kick down, will be given any new resources or new allocations first, as opposed to those who simply want to have a piece of paper that entitles them to hold it up and say that they now own a royalty charter assigned to them by the minister and if anyone wants the fish that they will not be fishing they will give it out to the highest bidder? Those people will pocket the money, which will actually cause economic collapse and chaos for everyone in the fishery.

That is exactly the prescription that the minister has suggested in the past. That is what she would do. She would simply allow those who have no stake in the fishery whatsoever to be granted an access for use as a royalty charter and put in jeopardy those entrants who are already there. Is that what she intends to do next week?

Hon. Gail Shea: Madam Chair, I think what the hon. member is implying is that we should change the policy and give people who have individual transferrable quotas, cut out those who actually do not go in the boat. However, a few minutes ago he was talking about how fishers are having a hard time making ends meet. Actually, if one has an individual transfer quota, would it not make sense for two quotas to get together on one boat to save money?

Hon. Gerry Byrne: Madam Chair, this is a situation where new quotas are being provided. I would agree that those who have two quotas should be allowed to get up on one boat, but the buddying up system that was put in place by the minister actually puts in place so many restrictions and so many rules that she is the very one who is actually preventing that from happening.

Why does the minister not do what she just said she would do? When it comes to the buddying up system, why were so many restrictive covenants put in place by the minister, basically assigning quotas to one vessel working in partnership with each other and allowing them to fish?

What the minister fails to want to talk about is a new quota that is in the fishery like the northern shrimp quota. The minister wants to dodge the issue and talk about her failures on buddying up to try and prevent discussion about the fact that she wants to give quota to a group of people who have no actual capacity to fish the resource or process the resource. They just simply want to hold up a piece of paper and say that they have a royalty charter, ask who wants it and then ask how much they will pay for it. That is the wrong thing to do for this fishery, especially in these economic times, and the minister should know the difference.

Hon. Gail Shea: Madam Chair, I want to remind the hon. member that it was his government that gave the quota to Prince Edward Island in the first place.

Hon. Gerry Byrne: Madam Chair, the price of shrimp was a heck of a lot higher at that point in time. I will tell you something—

The Acting Speaker (Ms. Denise Savoie): Order, please.

Resuming debate, the hon. Parliamentary Secretary to the Minister of Fisheries and Oceans.

Mr. Randy Kamp (Parliamentary Secretary to the Minister of Fisheries and Oceans, CPC): Madam Chair, as I might well be the last speaker here, I will take this opportunity to thank the minister and her officials for a fine job of explaining the estimates to us. I thank my colleagues who participated as well, and my colleagues from the other side. We always appreciate constructive questions and we appreciated many of theirs.

I am proud to say that Canada is a leader in the production of high quality, safe, fresh, nutritious and sustainable fish and seafood, thanks to the leadership of our Prime Minister and the support from the Minister of Fisheries and Oceans. It is our commitment to our fishing industry that will help ensure the sustainability of our aquatic ecosystems, as well as the industry's success now and in the future.

As many know, our country is currently the seventh largest seafood exporter in the world by value and Canada's commercial fisheries and aquaculture generate a total economic revenue of \$7 billion for the country. In 2008 alone, we exported \$3.9 billion of fish and seafood products. Our great nation has the ideal conditions for a successful seafood sector: an extensive coastline, the largest in the world, in fact; favourable water temperatures; and a vibrant history of fishing.

At the same time, due to the current economic environment, the fishing industry is changing quickly in Canada, as it is in other countries around the globe. Recently there has been an increasing demand around the world for the seafood sector to demonstrate its sustainability. That is the word that is used over and over. There have been a number of consumer education campaigns on how to purchase sustainable seafood, and more markets are demanding evidence of sustainability through eco-certification programs.

Now retailers and consumers alike want greater transparency regarding how the products they purchase come from sustainably managed and responsible fisheries. We think that is not a bad thing. It is clear that sustainability will continue to be a significant part of maintaining and expanding market access in Canada as well as in the international sphere. That is why Fisheries and Oceans Canada is working hard on sustainable fisheries and ecosystem protection issues while also balancing the needs of coastal Canadians who rely on the fisheries and aquaculture industries for their livelihood.

I will now talk about sustainability. We know that sound science and effective management are critical to sustainable fisheries and aquaculture, and our government has responsible management measures in place. We make informed decisions based on scientific research and peer reviewed advice and we plan ahead with stakeholders, including aboriginal peoples. We manage environmental impacts and apply the measures that are necessary to conserve our fish stocks and address ecosystem impacts.

I am proud of how our government is managing Canada's fish and seafood to meet today's needs without compromising future generations. Our government is proudly committed to adding more fishery and habitat officers to improve services at DFO and to show our commitment to the men and women who rely on natural resources, such as fish and shellfish. These officers are working across the country to monitor and enforce compliance. Canada has one of the most advanced monitoring, control and surveillance programs in the world.

As has been mentioned earlier, since 2006, we have trained and hired 153 new officers at DFO. We are proud of them and their commitment to our cause as they work on the front lines. We continuously strive to improve as we learn more. The key is to find balance that serves the needs of Canadians while managing environmental impacts, and that is what we seek to do.

Our plan for sustainable fisheries forms the basis for improved decision making by introducing new policies and tools that build on existing measures to support sustainable fisheries. It is helping to improve the way precautionary decisions are made for the conservation and sustainable use of the fisheries resource. It is also helping to improve the way we think about and address the impact of fishing on the ecosystem, including target fish stocks, other species caught incidentally and sensitive marine habitats.

Our aquaculture industry has also managed sustainably and is constantly improving. Canadian aquaculture products are safe and our fish farming practices are among the best in the world.

I will now talk about market access. While sustainability is important to DFO's work in maintaining healthy and vibrant aquatic ecosystems, our demonstration of that sustainability is now an imperative for Canadian industry, particularly those operating in the international marketplace. I want to emphasize that our government recognizes how important this is.

• (2245)

Since more than 80% of Canada's fish and seafood is being exported, we needed to take seriously those new and emerging market requirements. Ensuring our fish and seafood products remain accessible to international markets is a priority. The international

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marketplace has unique challenges for the Canadian aquaculture and seafood industries, namely the increasing demands for eco certification and traceability of seafood products, and the overall sustainability of the seafood sector, as well as market access issues such as the high tariffs that our products currently face.

By working together, governments and industry will address them and maintain Canada's position as a leader in sustainable seafood. Our government will support industry in meeting the standards required by the world's major seafood markets.

As mentioned, domestic and international markets are increasingly demanding that seafood products they buy come from fisheries that have received this certification, usually a third party assessment that a fishery is being managed sustainably.

While the decision to pursue eco certification lies with industry, fisheries and oceans has an important supporting role in providing fishery science and management information to help meet assessment requirements.

DFO has also worked with the provinces and territories through the Canadian Council of Fisheries and Aquaculture Ministers to produce a national strategy on eco certification that will guide us as we respond to industry's needs.

Our government is also hard at work on traceability issues. The world fight against IUU, illegal, unreported and unregulated fishing, is growing stronger and that is a good thing. We all know that these activities are costing industry, fishing communities and governments billions of dollars in losses.

A new European Union regulation which will go into effect at the beginning of 2010 is intended to help mitigate IUU fishing by requiring catch information from any seafood products entering the EU. For Canadian industry, it means that most seafood products exported to the EU will need to be accompanied by a DFO issued certificate with this catch information.

Supporting industry in meeting these requirements is a priority for our government, and we are working with the EU as well as our colleagues in the United States to do this. We are also working collaboratively with provinces and the fishing industry to ensure that Canadian seafood exporters are consulted and informed. This will enable them to better respond to these new requirements.

Another example of our government's work on market access is on lobster. We have spoken about that a fair bit tonight. The Government of Canada recognizes that Atlantic Canada has been hard hit by the sharp decline in demand for lobster. Our government will continue to work alongside all stakeholders, including the provinces and fishermen's associations, to seek solutions for the industry in the near term and address some of the long-term structural changes needed in the fishery. The \$10 million of investment from the community adjustment fund announced last week is just one way our government is assisting the lobster industry.

Our government is committed to working together with stakeholders on an array of issues faced by Canadian industry, in particular eco certification and traceability, to help them maintain and expand market access. We are confident that our collaborative relationships with all levels of the seafood chain—industry, harvesters and processors, provinces and territories, the federal government and our international partners—will help us better meet current challenges and help the seafood industry as it moves forward.

The funding outlined in DFO's main estimates is what makes these efforts possible. We must continue investing in DFO programs and services to ensure that we continue to meet our mandate and to excellently serve Canadians.

I would like to take this opportunity to ask the minister a couple of basic questions. The first one has to do with this whole issue of sustainability. It has become a very popular word these days. Could she tell us how her department is committed to that, and how it will benefit Canadians?

(2250)

Hon. Gail Shea: Madam Chair, sustainability is what the fisheries industry has to be all about. That is reflected in our policies and it is reflected in the amount of resources that we put into science programs to ensure that we make the best possible decisions so that resources are sustainable.

Mr. Randy Kamp: Madam Chair, I thank the minister for her helpful definition on sustainability. We hear it so much, and as Canadians we need to do what it is talking about.

When I was at the Boston seafood show a few years ago, I remember being in a meeting with the previous fisheries minister and a roomful of industry leaders. I remember one of them saying that the light we see coming down the track is a train, and that train is this whole issue of eco certification. At that time, three years ago, it was not as big an issue but that turned out to be quite prophetic. In fact, it has become a very important issue.

I would like to ask the Minister of Fisheries and Oceans to tell this House what progress has been made in terms of helping Canadian industry gain eco certification.

• (2255)

Hon. Gail Shea: Madam Chair, I again want to thank my parliamentary secretary for posing this question. It certainly touches on the importance of industry meeting new and emerging standards and requirements. Pursuing eco-certification is an industry decision, but the work of my department plays an important role in facilitating this process through science and management information.

Last September, the Gulf of St. Lawrence northern shrimp fishery was the first Canadian fishery to attain certification with the Marine Stewardship Council for being a sustainable and well-managed wild capture fishery.

It is a testament to Canada's leadership and sustainability that it is the largest shrimp fishery in the world. Three-quarters of this fishery has received certification, and the remainder is in the final stages of assessment.

The certification of this fishery is the result of a three-year effort of harvesters, processors and provincial partners, as well as DFO, to work towards an environmentally and economically sustainable northern shrimp fishery in the Gulf of St. Lawrence.

Joint efforts such as those are essential to managing our waters and our resources in a sustainable manner. It gives me great pride to say that we will continue to work in collaboration with other fisheries to support them in gaining their eco-certification.

Mr. Randy Kamp: Madam Chair, if I have a moment, I have one final comment or two and a question for the minister.

I think one of the things we have heard throughout our conversations and debate here tonight is that, for everything we do, the foundation needs to be built on good knowledge. In fact, good science helps us achieve that.

I would like to ask the minister if she has a few comments on that as we close this evening, the importance of science as we move forward in doing what is right for Canadian fisheries.

Hon. Gail Shea: Madam Chair, as Canada's Minister of Fisheries and Oceans, it certainly has been a pleasure for me to be here tonight to tell my hon. colleagues about the work being done in our department and on behalf of all Canadians.

I want to take this opportunity to thank our stakeholders, the team that helped prepare for the debate tonight, as well as all the dedicated public servants who are committed to delivering excellence to Canadians through their work and support of our mandate at DFO.

I also want to take this opportunity to thank all the government members who have participated, the opposition members who have participated, and you, Madam Chair, for putting in a late evening.

I also want to say many thanks to the Standing Committee on Fisheries and Oceans and the Senate Standing Committee on Fisheries and Oceans. These committees deserve great praise for their hard work, their dedication and their significant contributions to our department.

It is our government's goal to maintain long-term sustainability of our fisheries and oceans, and to get the job done, we will place policy grounded firmly in science over politics. Through our past investments and our economic action plan, we will ensure that our fisheries and oceans will continue to provide for our country and Canadians from coast to coast. Our investment of \$200 million in small craft harbours over the next two years will allow fishing ports to operate with updated facilities for years to come.

Likewise, our science and our collaboration with international partners will ensure that the world's fish stocks and ocean resources will be maintained and sustainable for future generations.

With our commitment to the Canadian Coast Guard and the Canadian Hydrographic Service, we will provide improved safety, security and sovereignty to our country's oceans and waterways.

We know this is a very difficult time for the fishery, but as we move forward we will continue to work with our partners, as well as industry. Together we will ensure our waters are vibrant and healthy Business of Supply

so that future generations continue to reap the benefits of our aquatic resources.

Thank you very much, Madam Chair, and goodnight. [Translation]

The Deputy Chair: It being 10:59 p.m., pursuant to Standing Order 81(4), all votes are deemed reported. The committee will rise and I will now leave the chair.

• (2300)

[English]

The Acting Speaker (Ms. Denise Savoie): This House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 11 p.m.)

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