



CANADA

House of Commons Debates

VOLUME 144 • NUMBER 098 • 2nd SESSION • 40th PARLIAMENT

OFFICIAL REPORT
(HANSARD)

Thursday, October 22, 2009

—

Speaker: The Honourable Peter Milliken

CONTENTS

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

HOUSE OF COMMONS

Thursday, October 22, 2009

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

• (1005)

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

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

* * *

[*Translation*]

INTERPARLIAMENTARY DELEGATIONS

Hon. Denis Coderre (Bourassa, Lib.): Mr. Speaker, pursuant to Standing Order 34(1), I have the honour to present to the House, in both official languages, the report of the Canadian delegation of the Canadian branch of the Assemblée parlementaire de la Francophonie respecting its participation in the Bureau meeting and the 35th regular session of the APF, held in Paris from July 2 to 6, 2009.

In addition, pursuant to Standing Order 34(1), I have the honour to present to the House, in both official languages, the report of the Canadian delegation of the Canadian branch of the Assemblée parlementaire de la Francophonie respecting its participation in the 25th regional assembly and the conference of presidents of the Americas section of the APF, held in Halifax, Nova Scotia, from September 16 to 20, 2009.

* * *

[*English*]

CRIMINAL CODE

Mr. Scott Andrews (Avalon, Lib.) moved for leave to introduce Bill C-464, An Act to amend the Criminal Code (justification for detention in custody).

He said: Mr. Speaker, it is a pleasure to rise here today to introduce my first private member's bill for the protection of minor children of persons who are accused of a serious crime. This has been an issue in my area for a long time. There was an inquiry on

this on Zachary Bagby Turner. This Sunday, there will be a documentary on CBC at 10 p.m. eastern time that will outline the story and the history behind this bill.

It is a pleasure to introduce this bill, and I look forward to having it debated here in the House of Commons.

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

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons, CPC): Mr. Speaker, the following questions will be answered today: Nos. 407 and 412.

[*Text*]

Question No. 407—**Mrs. Carole Lavallée:**

With respect to the renovation of the landing strip at the Saint-Hubert Airport: (a) has a department received a request for financing from "Développement Aéroport Saint-Hubert de Longueuil", the City of Longueuil, "Aérocentre YHU Longueuil" or any other organization; (b) under which program is this request being processed; (c) has this request been approved; (d) what amount does the department intend to contribute to this project; and (e) when does the department intend to announce its contribution?

Hon. John Baird (Minister of Transport, Infrastructure and Communities, CPC): Mr. Speaker, in response to (a), Transport Canada has not received a request for financing from any organization with respect to the renovation of the landing strip at the Saint Hubert airport.

In response to (b), not applicable.

In response to (c), not applicable.

In response to (d), not applicable.

In response to (e), not applicable.

With respect to infrastructure, in response to (a), we received a letter from the mayor of Longueuil, dated March 26, asking about the building Canada plan.

In response to (b), not applicable.

In response to (c), as of June 18, 2009, no announcements have been made concerning this project.

In response to (d), as of June 18, 2009, no announcement has been made concerning this project.

Privilege

In response to (e), projects are selected on the basis of merit through a federal-provincial-territorial negotiation process. As of June 18, 2009, no announcement has been made concerning this project.

Question No. 412—**Ms. Raymonde Folco:**

Given that the government has stated that it intends to increase the programs it offers in Africa in 2009-2010: (a) which African countries of the Francophonie and exactly which programs will benefit from this increase; (b) what amounts will be distributed by country and by program for this increase; (c) what amounts has the government distributed to the Organisation internationale de la Francophonie (OIF) in 2007-2008 and 2008-2009 budgets; (d) what are the amounts that the government will distribute to the OIF in the new 2009-2010 budget; and (e) what funds will be distributed to other international institutions of la Francophonie working in Africa?

Hon. Bev Oda (Minister of International Cooperation, CPC): Mr. Speaker, in response to (a), the government met its G8 commitment to double Canada's aid to Africa, with a total disbursement of \$2.1 billion in 2008-09. African country members of La Francophonie that benefit from CIDA's funding for geographic programs include those that are CIDA's countries of focus: Ghana, which is an associate member of La Francophonie, Mali, Mozambique, which is an observer, and Senegal; as well as those in which CIDA maintains a modest level of programming: Benin, Burkina Faso, Democratic Republic of Congo, Egypt, Morocco, Niger and Rwanda. African country members of La Francophonie also benefit from CIDA's funding for multilateral and global programs, and Canadian Partnership programs.

In response to (b), CIDA's 2009-10 aid budget is still being finalized, and therefore dollar amounts are not available at this time.

In response to (c), CIDA disbursed \$5.8 million to the International Organization of La Francophonie (OIF) in 2007-08, and \$8.1 million in 2008-09.

In response to (d), CIDA's 2009-10 aid budget is still being finalized, and therefore the dollar amounts to be disbursed to the OIF in 2009-10 are not available at this time.

In response to (e), CIDA's 2009-10 aid budget is still being finalized, and therefore the dollar amounts to be disbursed to the other international institutions of La Francophonie in 2009-10 are not available at this time.

[*English*]

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

The Speaker: Is that agreed?

Some hon. members: Agreed.

* * *

[*Translation*]

PRIVILEGE

INTRODUCTION OF BILLS

Mr. Pierre Paquette (Joliette, BQ): Mr. Speaker, I would like to raise a question of privilege about something that has concerned me a great deal for some time now, but that we have witnessed first-hand this week. I am talking about public disclosure of government bills that have not yet been introduced in the House.

I want to draw your attention specifically to the press conferences held in various locations across Canada on Tuesday to announce the measures in Bill C-52, which was introduced in this House yesterday by the Minister of Justice and the Minister of Public Works. I am also talking about a press release issued by the Minister of Justice and his parliamentary secretary.

In fact, the ministers went so far in disclosing the measures in this bill that before we even read it, we had a detailed knowledge of the measures it contains. When I read Bill C-52, I also noticed that the copy I received 24 hours after the press conference, but before the bill was introduced, was marked "Secret until introduced in Parliament".

When we read Bill C-52 once it had been introduced in the House, we found that we already knew everything it contained, because we had read about it in the morning papers and heard about it on the television news the day before. This is highly unusual. In our opinion, publicly disclosing the content of a bill that was on the order paper when the disclosure was made constitutes contempt of Parliament.

According to Maingot, contempt of Parliament is "an offence against the authority or dignity of the House".

May defines it as follows:

• (1010)

[*English*]

...the House also claims the right to punish, as a contempt, any action which, though not a breach of a specific privilege, tends to obstruct or impede the House in the performance of its functions...or is an offence against the authority or dignity...

[*Translation*]

Maingot and May also state that contempts cannot be codified and that contempt may exist even where there is no precedent.

Mr. Speaker, although you have not ruled on a matter identical to the one at issue today, you have addressed the question of the confidentiality of bills on the order paper. In a ruling rendered on March 19, 2001, you said: "—the convention of the confidentiality of bills [on the order paper] was necessary, not only so that members themselves would be well informed, but also because of the pre-eminent role that the House plays [and must play in the] affairs of the nation".

Later that same year, the House Standing Committee on Procedure and House Affairs considered a point of order concerning the disclosure of the contents of a bill and commented as follows in its 40th report: "The Committee reiterates its position that it views the disclosure of bills prior to their tabling in the House of Commons, while on notice, with extreme seriousness. Members of the Committee are committed to protecting the privileges of the House of Commons and of its Members in this regard".

These two passages indicate that there is a convention requiring that the contents of bills on the order paper not be divulged. I believe that the convention exists because members of Parliament have an important role to play as legislators. Consequently, they should be the first to know the contents of bills so that they can do their work well, and the Speaker must do everything in his power to honour that role and enable members to fulfill their duty.

In a ruling issued on November 6, 1997, the Speaker of the House at the time said that issues affecting the role of members of Parliament as legislators were not insignificant. Even then, he warned the executive that “this dismissive view of the legislative process, repeated often enough, makes a mockery of our parliamentary conventions and practices”.

We take our role as legislators very seriously, and we do not vote on a bill until we have carefully examined all of its provisions. By disclosing details about the measures in Bill C-52 over 24 hours before it was introduced in this House, the ministers, and the Minister of Justice admitted it himself, wanted to put pressure on Parliament. By increasing pressure on me and on all opposition members to make a decision about this bill before it was introduced in the House, the ministers wanted to prevent us from doing our work with all due diligence and care. The laws that we enact are not mere political tactics; they are measures that will apply to all citizens of this country for a very long time.

But that is not all. I believe that the actions of two government ministers on Monday constituted a serious offence against the dignity of this House, and as such, constitute contempt of Parliament. By publicly disclosing the contents of a bill—while the bill was on the order paper—to admittedly put pressure on Parliament, the ministers undermined the authority and dignity of the institution of the House of Commons.

I would like to quote the current President of the Treasury Board, when he was speaking about a similar question of privilege on March 14, 2001. He said:

If the House is to function with authority and dignity then it must be respected, especially by the executive. Every elected member is not the servant of the executive. The executive is the servant of each and every elected member. When a member of the executive thwarts the parliamentary process they deny the rights and privileges of each member and destroy the authority of the House. If the House is to function with authority and dignity then it must be respected, especially by the executive. They are responsible to parliament, not to the media.

I completely agree with these comments. I believe that the actions of the two ministers, the Minister of Justice and the Minister of Public Works, constitute a contempt of Parliament, and if you feel that there is a prima facie case in my question of privilege, I am prepared to move the appropriate motion.

[English]

Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons, CPC): Mr. Speaker, I thank my hon. colleague for his intervention, but I would submit that there certainly has been no breach of confidentiality here, and therefore there should be no question of privilege found.

Let me point out that this bill was not leaked to the media. In fact the Minister of Justice held a news conference, that is true, and he gave an overarching viewpoint of the bill, but he did not go into specific details of the bill itself. That is a key point.

Privilege

I would point to a previous ruling on March 15, 2001 by the Speaker, who ruled on a question of privilege concerning the fact that the media was briefed on a bill before members of Parliament. I will quote from that ruling:

To deny to members information concerning business that is about to come before the House, while at the same time providing such information to the media that will likely be questioning members about that business, is a situation that the Chair cannot condone.

However, that was certainly not the case with Bill C-52. In fact I would submit, as my hon. friend obviously knows, the members of Parliament were given an advantage over the media.

Bill C-52 was introduced yesterday. It will be called for debate today. In fact, since the government recognized, because of the shortness of time, that we did not want to have the opposition members unaware of the contents of the bill, we gave an embargoed copy of the bill to all of the opposition parties yesterday so they would be able to discuss it in detail at their own national caucus meetings. In other words, we gave them ample opportunity to study the bill before we debated it.

I would point out that they had the opportunity to study the bill before the Minister of Justice made his comments to the media.

Once again, there is no case whatsoever for a question of privilege. I would also point out the obvious, as the Speaker very well knows, that questions of privilege are only to be made if something actually impairs the ability of a member of Parliament to do his job. There is no impairment whatsoever in this case, because opposition parties had copies of the bill before any comments to the media were made.

Mr. Speaker, I know you will take this under your very wise consideration. I look for a response as quickly as possible.

● (1015)

[Translation]

The Speaker: Does the hon. member for Beauvéjour wish to address the same point?

Hon. Dominic LeBlanc (Beauséjour, Lib.): Mr. Speaker, I would simply like to say that we agree entirely with the hon. member for Joliette and the Bloc Québécois on this. We believe this situation constitutes a fundamentally unfair contempt of Parliament, and we would ask you to rule on this very serious matter.

[English]

The parliamentary secretary referred to the minister's comments to the media about the bill. We perhaps have to wonder if it was the first, second, third or fourth news conference the minister had before the bill was tabled in the House of Commons.

The notion that the minister in his comments to the media spoke in generalities and not in specifics about what was contained in the bill, as the parliamentary secretary just asserted, unfortunately is not accurate at all.

Privilege

Before the opposition received an embargoed copy or before the bill was actually tabled in the House of Commons, some of us were responding to very specific media questions following the minister's news conference at the Lord Elgin Hotel where he discussed mandatory minimum sentences of two years, prohibition orders, restitution orders, victim impact statements and community impact statements.

Mr. Speaker, I know you were busy last evening at an important event, but once you have had time to study this bill yourself, you will see every one of those elements in the bill that we were discussing the day before the bill was tabled in news reports because the minister had made them public at a news conference off Parliament Hill.

Finally, I think the parliamentary secretary misrepresented the facts when he said that the minister made no comments to the media before the embargoed copy of the bill was given to opposition members. Again, we got the embargoed copy after the minister's news conference, the following day. By then we did not even need to read the embargoed copy, because we could have read any one of a number of daily newspapers that covered all of the details in the bill, which was released the following day.

[*Translation*]

Mr. Pierre Paquette: Mr. Speaker, we did in fact receive the bill yesterday morning marked "Secret until introduced in the House", but the press conference took place on Monday. In my letter to you, I included the government's press release and the articles that very clearly show the very strong similarity between what the Minister of Justice presented and the bill itself. Furthermore, it also very clearly shows that, by devising this media stunt, the minister was definitely trying to pressure Parliament. This constitutes contempt of Parliament and a breach of all members' privileges.

• (1020)

[*English*]

Mr. Derek Lee (Scarborough—Rouge River, Lib.): Mr. Speaker, I have a couple of comments on the same point.

The issue raised here, with respect, is not about embargoed copies. It is fairly customary for ministers to provide embargoed copies of bills to opposition critics just prior to the introduction in the House. It is a courtesy that helps the other parties, the members and the critics to prepare in doing their work. This is not about the giving over of embargoed copies. It is about a minister and the government pre-empting the role of Parliament by having a news conference about a bill before it is introduced in the House.

I as a member did not get an embargoed copy of the bill and did not have an opportunity to see this. Apparently, the news media had an opportunity to hear comments from the minister.

If I may suggest, Parliament has always regarded these matters quite strictly. There is a reason that a bill is secret before it is introduced in the House. It is marked secret and it is secret. It is not just a pro forma little stamp that is put on a bill. However, this may be another attempt by government to do what governments want to do politically and that is go out and sell the thing before it is in the marketplace.

We in Parliament cannot let that happen. This may be an example of the thin edge of the wedge. It may also involve informal discussions among House leaders prior to the introduction of the bill. However, as a member of the House, none of that matters to me. What matters is that a bill cannot be placed out for public debate in the public domain, through press conferences or whatever, before the members of the House have an opportunity to see that bill.

That is the line that must be drawn and maintained. I believe the minister is offside here, and if it is not clear, then, hopefully, an appropriate committee can deal with this if, Mr. Speaker, you feel you cannot.

Mr. Tom Lukiwski: Mr. Speaker, I want to stress a couple of points. First, when the minister spoke about the bill he did not give media copies of the bill. He spoke in generalities, terms that would be contained by this legislation. That is a key and very critical point.

Opposition members may think it is a minor point of distinction but it is a major distinction. The minister did not give copies of the bill to the media.

Second, as my hon. friend from the Liberal Party just noted, he said that he did not have an opportunity to examine the bill. All House leaders were given copies of the bill on an embargoed basis so that their caucus members would be able to examine the bill before it was brought forward in this place for debate. In no way would that be considered an impairment of their ability to debate the bill with pre-knowledge. They had that pre-knowledge.

Once again, Mr. Speaker, I do not think there has been any breach whatsoever here but we will await your ruling on the matter.

The Speaker: I thank the members who have raised this point.

[*Translation*]

I also thank the hon. member for Joliette for his comments on this matter. I will consider all the arguments presented here today concerning the privileges of Parliament. I think that is what is important here. As all hon. members have pointed out, it is a privilege of the House to receive bills before they are published anywhere else. This is an age old privilege of our Parliament.

[*English*]

I will consider the arguments and come back to the House with a ruling in due course. I do not believe this impacts upon the debatability of this bill today. The bill has been introduced in the House. It was ordered for second reading. Whether or not it was disclosed in advance is, in my view, irrelevant to the consideration of the bill itself, but it may be something that affects the privileges of members and therefore, as suggested by the hon. member for Scarborough—Rouge River, a committee might want to look into this if the Speaker finds there has been some breach of the House privileges. However, I will look into the matter and come back to the House.

Government Orders

•(1025)

[*Translation*]

As well, if the hon. member for Joliette has a copy of this bill marked "secret" that was distributed to anyone other than his leader in this House, I would be interested to receive a copy and see it. Perhaps I could contact the clerk about all of this.

[*English*]

That concludes the matter. We will now proceed with orders of the day.

GOVERNMENT ORDERS

[*English*]

RETRIBUTION ON BEHALF OF VICTIMS OF WHITE COLLAR CRIME ACT

Hon. Gordon O'Connor (for the Minister of Justice and Attorney General of Canada) moved that Bill C-52, An Act to amend the Criminal Code (sentencing for fraud), be read the second time and referred to a committee.

He said: Mr. Speaker, this is the real beef. This is what they have all been talking about and now they are going to get it.

I am very pleased to have the opportunity to speak on the subject of Bill C-52, An Act to amend the Criminal Code (sentencing for fraud). This bill contains a number of provisions that are designed to ensure that people who devise and carry out serious fraud offences receive tougher sentences.

The objective of this bill is clear and simple. It would amend the Criminal Code to improve the justice system's response to the sort of large-scale fraud we have been hearing about so much lately. The bill would send a message to those who think they can outsmart Canadians and dupe them into handing over their hard-earned savings. On the contrary, the bill would make clear that fraud is a serious crime for which there are serious consequences.

It is also designed to improve the responsiveness of the justice system for victims of fraud. These proposed measures would send a strong message to the victims of fraud that the crimes committed against them are serious and the harms they suffer will be taken into account and addressed to the greatest degree possible. Overall, the measures in this bill would do much to increase Canadian's confidence in the justice system.

Before I describe the measures in the bill, it is worthwhile to consider the current state of the law. The Criminal Code already addresses all known forms of white collar crime, from security related frauds, such as insider trading and accounting frauds that overstate the value of securities issued to shareholders and investors to mass marketing fraud, theft, bribery and forgery, to name a few of the offences that may apply to any given set of facts.

The maximum penalties set out in the code are high. In particular, for fraud with a value over \$5,000, the maximum term of imprisonment is 14 years. This is the highest maximum penalty in the code, short of life imprisonment.

Also, mandatory aggravating factors for fraud offences are already in place. They require sentencing courts to increase the penalty imposed to reflect, for example, where the value of the fraud exceeds \$1 million, the offence involves a large number of victims and, in committing the offence, the offender took advantage of the high regard in which he or she was held in the community.

Our courts have clearly stated that for large scale frauds, deterrents and denunciation are the most pressing objectives in the sentencing process. The courts have been clear that a serious penitentiary sentence must be imposed in large scale frauds. We routinely see sentences in the four to seven year range for large scale frauds. Most recently, of course, Vincent Lacroix was given a 13 year sentence for the massive security fraud he perpetrated in Quebec just a few years ago.

The courts are starting to take these frauds seriously but this government believes that still more can be done to strengthen the Criminal Code's responses in these cases to send a clear message that Parliament is in agreement with this trend toward tougher sentencing. To this end, Bill C-52 proposes reforms that are designed to ensure that sentences imposed in these cases adequately reflect the severe impact they have on the lives of the victims, many of whom have lost their life savings or retirement savings.

One measure in this bill that is particularly significant is a new mandatory minimum penalty of two years for large scale frauds. As I mentioned, more and more courts across the country are recognizing the devastation that can be caused by large scale frauds and have emphasized that deterrents and denunciation must be front and centre in sentencing offenders in these cases. The government wants to carry this message forward and clearly establish a minimum penalty for frauds with a value over \$1 million.

Many frauds cheat Canadians out of significantly more than \$1 million. We have read recently of frauds in the hundreds of millions, but the line must be drawn somewhere and this government believes that if a person orchestrates and carries out a fraud of at least \$1 million, this is a very serious crime that demands a term of imprisonment of at least two years.

Of course, this two year mandatory jail term is a floor, not a ceiling. If Parliament declares that a \$1 million fraud must result in at least two years in prison, then, naturally, larger frauds will result in even higher sentences. The application of aggravating factors to the sentencing process will also help guide the process for determining the ultimate sentence. The Criminal Code already contains several aggravating factors that can be applied to a fraud conviction to enhance the sentence.

Government Orders

● (1030)

The bill would add several more aggravating factors, such as: if the fraud had a particularly significant impact on the victims taking into account their personal characteristics such as age, financial situation and health; if the fraud was significant in its complexity or duration; if the offender failed to comply with applicable licensing rules; and if the offender tried to conceal or destroy documents which recorded the fraud or the disbursements of the proceeds.

These aggravating factors reflect various aspects of fraud that are deeply troubling. The clearer Parliament can be with the courts about what these factors are, the more accurately sentences will reflect the true nature of the crime.

Another important measure in the bill is the introduction of a power which would enable the sentencing court to order that a person convicted of fraud be prohibited from having control or authority over another person's money or real property. This prohibition order can be for any duration the court considers appropriate. Violating a prohibition order will be an offence. This measure is aimed at preventing future crime. The idea is to prevent the offender from having the opportunity to commit another fraud.

There are several prohibition orders already in the Criminal Code, such as the one which can be imposed on individuals convicted of sexual offences against children, prohibiting them, among other things, from working in schools or other places where they would be in a position of trust or authority over young people.

I would like to devote a few minutes to the proposals in the bill which address the specific concerns of victims of fraud. Consideration of, and support for, victims of crime has been a hallmark of this government, and this legislation is no exception.

There are two measures in the bill that touch directly on the interests of victims: our proposals on restitution and on community impact statements. Let me begin with restitution.

Restitution is defined as the return or restoration of some specific thing to its rightful owner. It is distinct from compensation which, in the Canadian legal system, is a scheme of payments managed and made by provincial or territorial governments to assist victims of crime.

Restitution is the payment by the offender of an amount established by the court. The Criminal Code currently provides for restitution for criminal offences including: damages for the loss or destruction of property, bodily or psychological harm, bodily harm or threat to a spouse or child.

An order for restitution is made during the sentencing hearing of a convicted offender. It is part of the overall sentence provided to an offender as a stand-alone measure or as part of a prohibition order or a conditional sentence.

Restitution orders may be particularly appropriate in the case of fraud offences. In several recent high profile cases, we hear from media accounts of thousands of dollars taken by offenders. These shocking cases of duplicity have deprived many innocent Canadians of hard-earned savings, and in truly awful cases, of retirement funds. It will be the decision in each trial as to whether restitution will be appropriate.

Our proposals provide that, in the case of fraud, the sentencing judge must consider an order of restitution as part of the overall sentence for the offender. The court shall inquire of the Crown if reasonable steps have been taken to provide victims with the opportunity to indicate whether they are seeking restitution. This step will ensure that sentencing cannot happen without victims having had the opportunity to speak to the Crown and establish their losses.

The courts have found that it is not possible to make an order when the amount is not readily ascertainable or when it is difficult to apportion the amount among several victims.

To further assist victims, our proposals include an optional form to assist victims in setting out their losses. The form identifies the victim, their losses and clarifies that the victim needs to provide receipts, bills or estimates in order to assist the court in making the restitution order. In all cases, these losses must be readily ascertainable.

Put together, these proposals would increase the likelihood of orders of restitution being made. It is our hope that these proposals will increase the responsiveness of the legal system to victims of fraud.

I would note that the Federal Ombudsman for Victims of Crime recommended improvements to the restitution scheme in one of his first recommendations to the Minister of Justice. These proposals, while not as exhaustive as the ombudsman urged, are steps along the road of improving the experience of victims in the justice system.

The second element of the bill relating to victim issues is the proposal to create community impact statements.

The Criminal Code currently provides that judges may consider a statement made by a victim of a crime known as a victim impact statement. The purpose of this provision is to provide the sentencing judge with additional information on the harm or loss suffered as a result of the offence. This statement is delivered in the context of a hearing on sentencing of a convicted offender.

● (1035)

Jurisprudence has indicated that the victim impact statement serves three purposes: to educate the offender on the consequences of her or his actions with some rehabilitative effect, to provide a sense of catharsis for victims, and to provide sentencing judges with the information on the impact or effect of the offence. The provisions in this bill to create a community impact statement provision for fraud offences share these three purposes: education, catharsis and information.

Government Orders

The Criminal Code indicates that the victim impact statement should describe the harm done to or loss suffered by the victim. The Criminal Code details the procedure for presenting the victim impact statement, which includes a requirement that the statement be in writing and be shared with the Crown and defence. The victim impact statement provisions of the Criminal Code also provide that the court shall consider any other evidence concerning the victim for the purpose of determining the sentence.

The courts have given the term “victim” a broad interpretation, so the people other than the direct victim, including communities, have been permitted to provide victim impact statements. Victim impact statements made on behalf of communities that have been considered by the courts include: a victim impact statement made by a synagogue on behalf of the members in an arson case and a victim impact statement from a first nations band describing the impact of the theft of band money, and the murder of a first nations child on a first nations community. These cases and others offer examples of the courts' recognition that communities are affected by crime.

Our proposal would make the recognition clearer in the law. We are proposing that, when a court is sentencing an offender for the offence of fraud, the court may consider a statement made by a community describing the loss or harm to the community. The statement must be in writing, identify the community, clarify that the person can speak on behalf of the community and be shared with the Crown and the defence.

It is our view that these community impact statements will affirm several principles of sentencing that are laid out in the Criminal Code: denunciation, deterrence and rehabilitation. A community impact statement will allow a community to express publicly, and to the offender directly, the loss or harm that has been suffered to allow the community to begin a rebuilding and healing process. It will show the community denunciation of the conduct of the offender. It will assist offenders in their rehabilitation to understand the consequences of their actions.

In sum, this bill would help to improve the responsiveness of the criminal process for victims of fraud. It would require the sentencing court to consider if restitution should be ordered and it would permit the court to receive a community impact statement in cases where a community, in addition to individuals, has suffered from the fraud.

This bill represents an important step forward toward improving the current criminal justice system response to serious fraud. By creating a mandatory minimum sentence for fraud over \$1 million, adding aggravating factors for sentencing that highlight the serious consequences of fraud, introducing a prohibition order as part of a sentence, and requiring mandatory consideration of restitution for victims, this bill represents a complete package of reforms to reflect the seriousness of fraud offences for communities and individuals.

For these reasons, I urge that all members support this bill. This bill offers members an opportunity to show their unequivocal support for victims of fraud crimes. Victims of crime deserve no less than the respect of the House. I urge all members to support this bill and send it to committee for study.

● (1040)

Hon. Larry Bagnell (Yukon, Lib.): Mr. Speaker, I always appreciate the minister's comments and have great respect for him. I will put a concern on the table for the committee to look at and then I will ask a question.

There is always a problem with mandatory minimums. It may or may not apply in this case. It is a tenet of our legal system that we do not provide cruel or unusual punishment or punishment that does not fit the crime. In those cases, judges who we determine to be the best in the country to make these judgments may then not convict if the punishment is not appropriate. A mandatory minimum may have the opposite of the intended effect of having less people in jail. That is something the committee could wrestle with, in this case.

Most people who commit fraud over \$1 million are sentenced to two years or more in jail already. Could the minister give us some specific examples of people who have committed fraud over \$1 million and have not received at least two years in jail, which is the basic tenet of this bill?

Hon. Gordon O'Connor: Mr. Speaker, the matter of the minimum two year sentencing is justifiable in the case of fraud over \$1 million. As somebody said yesterday, we have great respect for our judges, but our judges are bound by the system. They are also bound by precedents. At this moment, I cannot pull out an example of somebody who has been found guilty of fraud over \$1 million who has received less than a two year sentence, but I am pretty darned certain that if I spend a few minutes, I could find many examples.

[*Translation*]

Mr. Marc Lemay (Abitibi—Témiscamingue, BQ): Mr. Speaker, I will have a chance to speak to this bill on behalf of the Bloc Québécois in a few minutes, but I am extremely surprised by the minister's response. The real minister, in other words the Minister of Justice, was asked the following question: can he name one case where someone committed fraud over \$1 million and was sentenced to less than two years in prison? We are talking about \$1 million or more and the minister was unable to give an example.

I will ask him the question again. They held a press conference on Monday. We may not have had all the information on Monday because the bill was secret, but perhaps today they might have some information for us. Can the minister tell us whether he knows of a single case where there was a sentence of less than two years for fraud over \$1 million?

[*English*]

Hon. Gordon O'Connor: Mr. Speaker, to address the issue, it is our government's contention that if a person carries out a fraud of \$1 million or more, the minimum sentence is two years. We believe that is a reasonable benchmark. We are saying basically that if it is \$1 million or so, the punishment will be two years. If it is many more millions, the punishment will be greater. In our judgment a two year minimum is satisfactory.

Government Orders

Mr. Dennis Bevington (Western Arctic, NDP): Mr. Speaker, I thank the minister for presenting the bill, but to my mind the bill is basically, as pointed out by the questions of other hon. colleagues, a bill that would not change much in the legal system. I would like to see the government put forward regulations that would reduce the volume of the fraudulent opportunities in the economic system, and we have not seen that.

With this bill the government is continuing to appear to be making it tougher on criminals, but not looking at the root cause of fraudulent behaviour in the marketplace where the regulations are not sufficient to ensure that people's entry into that market is protected.

Why is the government moving in this particular direction rather than taking the more useful direction in reducing the opportunities for fraud in our market system?

• (1045)

Hon. Gordon O'Connor: Mr. Speaker, I cannot accept the premise from the hon. member.

The bill does add many things to the issue of fraud. We are putting in a minimum sentence for people who are guilty of fraud over \$1 million. We are now indicating more aggravating factors, and we are also indicating that judges might take into account these aggravating factors. We are also bringing in prohibition orders and community impact statements. We believe this will have a substantial effect on fraud.

Mr. Jim Maloway (Elmwood—Transcona, NDP): Mr. Speaker, I am curious as to why the government decided on the \$1 million figure. It seems to me that fraud is serious, no matter how big it is. Why would the government draw the distinction at \$1 million? Why not half a million? Why not a million and a half?

Hon. Gordon O'Connor: Mr. Speaker, when we make a decision about what is large-scale fraud, we must have some minimum number. In the judgment of our government, \$1 million, which is a substantial amount of money and more money than I have ever seen, is a serious fraud.

Mr. Brian Jean (Parliamentary Secretary to the Minister of Transport, Infrastructure and Communities, CPC): Mr. Speaker, I sat here and listened with interest. As a person who actually practised law for some period of time in northern Alberta and who has had an opportunity to deal with these cases, I think this is a great step forward by this government.

I was somewhat more interested in the victim impact statement and how judges could utilize that to their benefit, not only to find out exactly what took place and how it affected the family, but how it continues to affect a family. As members know, families affected by these crimes are usually totally innocent of being susceptible to it. As a result, I think that judges now will be able to better utilize the tools necessary to actually see the impact behind the scenes, as sometimes evidence cannot be brought out.

I would like the minister to reflect on that particular issue, how it affects victims and how we stand up for victims instead of criminals.

Hon. Gordon O'Connor: Mr. Speaker, the victim impact statement is a very important part of the bill. In too many cases in criminal law, the victims are forgotten and there are no con-

sequences. Having a victim impact statement in the case of large-scale fraud would allow the courts to understand the impact on an individual or a community of the stated fraud. It would affect the judge's determination on what the punishment should be.

[*Translation*]

Mr. Marc Lemay: Mr. Speaker, I would invite the hon. member to read sections 718 and following of the Criminal Code, which he surely has not done. He would see that under the provisions of the Criminal Code, the court is now required to call before it the victims of criminal acts to get their opinion on the sentence to be handed down.

I have a much more important question to ask. I will come back to it in a few minutes. If he is introducing this bill, will he also eliminate tax havens?

Allow me to explain because I do not think he understood. I will speak slowly. An individual commits several millions of dollars in fraud. What do these white collar criminals, who have spent a great deal of time setting up the fraud and who are very intelligent, do? They invest in tax havens. Would the whip like me to name a few? I think the hon. member knows what I am talking about because his government is already supporting them.

If they are asking us to pass Bill C-52, will they put an end to tax havens while they are at it?

[*English*]

Hon. Gordon O'Connor: Mr. Speaker, our government addresses these issues in a wide range of areas, including tax law. However, in this case, we are talking about Bill C-52.

As I said, there are substantial improvements in this bill on the matter of fraud. There are some egregious cases of fraud going on in Canada and some famous ones going on throughout the world. This would help in bringing the fraudsters to justice.

• (1050)

Ms. Kirsty Duncan (Etobicoke North, Lib.): Mr. Speaker, corporate scandals rocked the beginning of this decade, decimated the lives of millions and set in motion a wave of legislative reforms.

Fraud at WorldCom ultimately topped \$11 billion and led to the country's largest bankruptcy filing. In 2005, WorldCom former chief executive Bernard Ebbers was sentenced to 25 years in prison for his role in orchestrating the greatest corporate fraud in the nation's history.

Adelphia, Enron, Qwest, Tyco, and the list goes on, but more recently, Bernie Madoff, former non-executive chairman of the NASDAQ stock exchange, pleaded guilty to 11 charges of defrauding investors out of as much as \$65 billion over 20 years in a Ponzi scheme. Many victims were working people. One retired couple, 82 and 78 years of age, have been forced to look for work because they lost everything.

Former theatre producer Garth Drabinsky was given a seven-year sentence for his role in a \$500 million fraud at Livent. Justice Benotto said:

Government Orders

The business community must be put on notice that deception, dishonest dealing, will be punished severely, whether the victims are the vulnerable and unsophisticated or well resourced financial institutions driven themselves by a desire for profit....The members of the business community...must understand that honesty is the currency in which they trade.

She stated that Drabinsky presided over a corporation whose culture was one of dishonesty and that corporate frauds result in tangible losses to creditors, employees, investors and society. Fraud also erodes public confidence in financial markets and fosters cynicism. Justice Benotto said that the court has a duty to strongly denounce such conduct.

Vincent Lacroix's Norbourg Group swindled 9,200 mutual fund investors, many of them retirees, out of \$150 million. Quebec Superior Court Judge Richard Wagner said:

The evidence shows that Vincent Lacroix's acts...shook the structure of financial markets while causing serious moral damages to the victims of this scandal—one without precedent in the annals of Canadian law....This saga has also underlined the weakness of [securities] regulation and nourished a healthy reflection, both on the seriousness of such crimes in our era and on the urgency to clean up financial activity in this country....The court is of the opinion that a clear and dissuasive message must be sent to the population. Economic crimes must be severely punished.

Lacroix was handed a 13-year sentence.

In the meantime, the case of alleged Ponzi schemer Earl Jones has been put off until December. His lawyer says the Crown has told him police have identified over 160 people who allege they were victims of fraud worth a total of \$75 million.

While these are high profile cases, the Department of Justice provided a list of 12 cases valued at more than \$1 million that received sentences of less than two years.

Fraud takes many forms. The Canadian Institute of Chartered Accountants defines fraud as “an intentional act, by one or more individuals among management, other employees, those charged with governance or third parties, involving the use of deception to obtain an unjust or illegal advantage”. These activities can include misappropriation of cash or inventory, fraudulent financial reporting and money laundering.

White-collar crime is a scourge on Canadians. Sadly, it is often invisible crime. Its damages are done internally in terms of emotional, financial and psychological damage.

I therefore support this bill because we believe the principles behind stricter sentencing rules are very important, but we also know that they are not enough to prevent these frauds from happening. I will come back to this point later.

The bill imposes a mandatory minimum sentence of two years for fraud over \$1 million, effectively eliminating conditional sentences and sentences at home. The maximum penalty of 14 years remains.

The bill specifies aggravating factors to be considered at sentencing, including age and health of victims, duration of the fraud, financial and psychological impacts, and what aggravating and mitigating factors were considered relating to the sentence. It also requires judges to consider community impact statements and to consider repayment to victims when possible. It allows the court to prohibit an offender from assuming any position, paid or voluntary, that involves handling other people's money or property.

● (1055)

The question is, does the bill go far enough? A member of the criminal law section of the Canadian Bar Association criticized the proposals as not really making substantive changes. The lawyer pointed out that those who are now convicted of fraud that exceeds \$1 million face serious jail time that can exceed the proposed minimum of two years. Judges currently take into account aggravating as well as mitigating factors when sentencing a person who has been convicted of white collar crime.

Important questions remain. Will there be increased support to police fraud squads? If there are not the supports to investigate, it does not matter how strict the sentences are. Should people convicted of serious fraud have been removed from the list of criminals who are eligible for parole after serving one-sixth of their sentence? How much would the new measures cost? How much would they increase prison populations?

Instead of focusing on answering these important questions, the government gave its fourth press conference several blocks from Parliament Hill. How much did the press conference at a rented meeting room at the Lord Elgin hotel cost?

Organizations depend on the individual ethical behaviour of every member and associate of the organization. The most notorious corporate wrongdoers arrogantly rejected this basic concept. In fact, Bernie Ebbers, disgraced WorldCom CEO, called employee efforts to implement such a code a colossal waste of time.

We must go beyond negative incentives for corporations to behave in socially responsible ways. Companies are not islands but rather an essential part of society; that is, they produce goods to satisfy needs and wants. They employ millions, and they have the ability to improve society and the environment.

There needs to be more positive incentives, positive corporate climate, employee motivation, attraction of ethically conscious consumers and investors. With this will come competitive advantage.

Organizations must regain the trust of society on which they so fundamentally depend. Corporate codes of ethics are important. Organizations cannot remain value neutral but must clearly identify acceptable guidelines for behaviour and assume their fundamental responsibility to enforce it at all levels of the organization.

In closing, I am supporting sending this bill to committee because Canadians need protection, but I want to ensure that there is necessary support to enforcing legislation.

[*Translation*]

Mr. Marc Lemay (Abitibi—Témiscamingue, BQ): Mr. Speaker, I listened quite carefully to my colleague. I have a fairly specific question for her. I know that her party, like ours probably, will support this bill at second reading so that it can be studied in committee.

Government Orders

What will it take for her party to support the bill? What amendments does she see the committee making to the bill? What main points will her party focus on when the bill is studied in committee?

[English]

Ms. Kirsty Duncan: Mr. Speaker, we support this bill. One of the recommendations we would like to consider is the parole after serving one-sixth of the sentence. That needs to be looked at in committee.

Mr. Brian Jean (Parliamentary Secretary to the Minister of Transport, Infrastructure and Communities, CPC): Mr. Speaker, I am very pleased to hear that the Liberals will be supporting the tough on crime agenda of this Conservative government. I wish they could somehow convince the Bloc members to do the same thing and to protect victims of crime rather than protect criminals. It would be very refreshing.

I was wondering if the member could comment on the new sentencing tool for this particular offence. It is preventing the commission of further crimes. Indeed, the court can actually order that people who are found guilty of these particular crimes or are under court order are not able to participate or continue to help, for instance, non-profit groups, or deal with money, securities or land. In particular, this will help people not commit further offences nor commit further aggravating factors. We know they have already committed the offence. They are already under the jurisdiction of the court. This will ensure that they cannot deal with money and other securities.

I would like to hear her comments on that, and whether or not she supports that particular aspect of this bill.

●(1100)

Ms. Kirsty Duncan: Mr. Speaker, I think I was clear in saying that the prohibition for handling another person's money is important. Someone who has been caught should not be able to handle other people's money or property.

We also think it is very important that victim impact statements be heard and that there is an attempt to redress losses.

Mr. Jim Maloway (Elmwood—Transcona, NDP): Mr. Speaker, I think the member knows that the United States has fairly tough laws and certainly has a far better track record than we have of putting some of these white collar criminals in jail.

However, the fact is that Bernard Madoff got away with his crimes for so long because the regulatory authority was basically controlled by insiders and people in the industry. In fact, it was a member of the regulatory body who brought the whole case to the authorities on several occasions and they ignored him. That has been tied to the fact that when governments appoint the regulatory bodies, they actually take people right out of the industry, which compounds the problem. They should be appointing people who are at arm's length from the industry in the first place.

I would ask the member to comment on that.

Ms. Kirsty Duncan: Mr. Speaker, at the beginning I gave examples of large corporate crimes in the United States, such as Adelphia and WorldCom.

One of the things I mentioned in my speech is that there needs to be more resources for our police for fraud investigations. So tax them at the beginning.

Mr. Francis Valeriote (Guelph, Lib.): Mr. Speaker, I have a question for the member for Etobicoke North. As we all know, that period of time at the end of one's sentence, when the person is let out on probation, is often to allow the convicted person into a program of transition back into the community, that they are not just simply released into the community, that they go into a transitional program to help them better prepare for a life in the real world again, as opposed to just releasing them unprepared.

I am wondering if the member for Etobicoke North has any feelings about the value of this transitional period at the end of a sentence as opposed to simply being thrown out into the street.

Ms. Kirsty Duncan: Mr. Speaker, my hon. colleague raises an important idea. However, it is the one-sixth parole piece we have to come back to. I think this is something that really needs to be looked at in committee.

Mr. Brian Jean: Mr. Speaker, it was interesting to see the NDP members stand up and talk about getting tough on crime when they, quite frankly, refused to vote for our agenda and protecting victims.

I saw one particular clause of this proposed legislation from the Conservative Party to get tough on crimes and that was in relation to data from 2006 and 2007 only 20% of fraud convictions resulted in a restitution order. Those victims, who are as a result of whatever activity of a criminal, are out of money and out of pocket. They often are looking for that. It was a bit shocking to see that only 20% of those people who are actually damaged in this way would receive a restitution order from the court.

In this particular circumstance, I thought it was a great initiative of this Conservative government in that it would require sentencing courts to ask whether reasonable efforts were being made to give victims a chance to indicate whether they wanted restitution, which I imagine they would.

Secondly, the courts would also be required to consider restitution in all fraud cases and to provide reasons if restitution is not ordered. I thought this was great because it obviously stands up for victims and not for criminals. I would like to hear the member's comments in relation to that.

●(1105)

Ms. Kirsty Duncan: Mr. Speaker, sadly, in my riding we have had numerous cases of fraud. We have had elderly people come to us who have lost everything. The police have told us that they do not have the resources. They have told us that even for a small fraud it takes an average of two years to chase the evidence.

Government Orders

It is important that we give the police the resources and the tools they need to chase corporate fraud. It is important that we protect Canadians. We have the responsibility to provide restitution.

[*Translation*]

Mr. Marc Lemay (Abitibi—Témiscamingue, BQ): Mr. Speaker, I am pleased to rise on behalf of the Bloc Québécois to debate Bill C-52, which is getting off to a bad start.

This bill was announced by the Minister of Justice on Monday morning. For the past few weeks we have been asking questions in the House. I hope that my colleagues opposite, who are always reading notes, will remember that the Bloc Québécois was already asking questions about this bill on June 15, 2007. It was announced with great fanfare everywhere in Canada but in the House of Commons.

On Monday, the bill was announced in Calgary by the minister, in Montreal by the Minister of Public Works and Government Services, and in an Ottawa hotel by the Minister of Justice. The only thing they did not do was distribute a copy of the bill to the journalists present. However, they explained what it was all about. They are giving this bill a poor start in life.

We would like to tell this House that we will be voting in favour of the bill. I hope that my Conservative colleagues will finally understand that we are voting for this bill not because we support their agenda but because we intend to study it in committee and make substantial amendments. I hope that is clear to our Conservative friends. They should not believe that this bill will be passed handily. We will be making improvements in committee.

The chair of the Standing Committee on Justice and Human Rights told the House yesterday that all bills would be studied quickly in committee. I have good and bad news for him: the good news is that I hope he will be chair of the committee for a long time; the bad news is that we will take whatever time is necessary to study this bill thoroughly and, in particular, to add what we believe a bill should contain, that is, sufficient measures to fight, rein in or at least adequately punish these white collar criminals.

I am going to share a true story. A man from Quebec just pleaded guilty to charges of fraud, so we can talk about it. Vincent Lacroix defrauded 9,000 investors. It is true, so I can say it. I am not talking about Mr. Jones, who also defrauded a lot of people. I am talking about Mr. Lacroix, who scammed people out of more than \$150 million.

The bill has good intentions, but does anyone believe that the \$150 million Vincent Lacroix stole is still sitting in a Canadian bank account? I hope that nobody in the House is naive enough to believe that the money is still in Canada.

This bill has two big problems. If we want to go after white collar criminals, we have to go after tax havens. I will explain what tax havens are, because I have a feeling that my Conservative colleagues do not really get it.

Their government has supported tax havens, and even helped create them in the first place in countries like Panama, Jamaica, the Bahamas and the Cayman Islands. Anyone in Canada can deposit a million dollars in an account anywhere—be it Jamaica, the Caymans

or Panama—but the money must be declared. Interest earned on the money must be declared. Money and interest invested in other countries must be taxed in Canada. But some people conveniently forget that they have put money in accounts in other countries, and they conveniently forget to declare it. Consequently, those countries become tax havens.

What do people think white collar criminals do? We are taking on extremely smart criminals here. We have to be honest and tell it like it is. These criminals are brilliant. They plan their schemes carefully. They spend months, even years, planning their schemes.

• (1110)

What do they do? They cheat people and take their money.

Are they going to deposit \$150 million in some off shore account overnight? No, instead they will deposit small amounts: \$1 million, \$500,000, \$2 million, \$700,000. They deposit money outside of Canada a little at a time and then forget about it. They also forget to pay back those who gave them the money to invest. So they are in fact stealing from and cheating people.

Until we eliminate tax havens, this bill is doomed to failure. It is not complicated; it is doomed to failure if this government does not understand and agree that tax havens must absolutely be eliminated in conjunction with this bill, because that is where the money goes.

I hope there is no one—least of all the hon. member for Lévis—Bellechasse—naive enough to believe that Vincent Lacroix's money is still in Canada. I hope nobody believes that, because if they do, they are out in left field.

There are two important points here. The first, which I already addressed, is that tax havens must be eliminated. We have already asked the minister about this. This is about criminal law. Some of us have practised criminal law. I did for 30 years. I can say for sure that during my entire career, I never saw anyone sentenced to less than two years for fraud involving over \$1 million or \$2 million. I have never seen that.

Mr. Burns from the Trois-Rivières area just pleaded guilty to fraud involving \$4 million. He stole \$4 million. Does anyone really believe that this man will be sent home to put his feet up and relax, as the members across the floor would have us believe? Please. The proof is that the organization that monitors Quebec's financial markets prosecuted Vincent Lacroix and managed to get a sentence of 12 years. That sentence was reviewed, re-examined and reduced by the court of appeal.

Government Orders

That is not the end of it. Mr. Lacroix was convicted and has just pleaded guilty to fraud in the amount of \$150 million. Is it possible that he will be given a sentence of less than two years? What is he going to do? I will tell you what he is going to do. He has pleaded guilty and the judge has sentenced him to 12 or 13 years. If the one-sixth rule is not eliminated, he will be eligible for release after serving one-sixth of his sentence. That has been requested. Let us do the math: dear Mr. Lacroix will be eligible to get out of prison after one-sixth of his sentence, in a year and a half or two years. He will then be 50 years old. And what will he do then? He will get on a boat or a plane or a train or a subway, or get in a car, or all of them if necessary, to get as far away as possible and go to whatever tax haven he has put his money in. That is why speedy action must be taken.

And that is the problem with this bill. At present, it is not possible, because the government is going about it piecemeal, amending anything at all in the Criminal Code, and introducing things. I think the Minister of Justice neglected and forgot to look at his Criminal Code when he introduced this bill, because when we consider the victims, the court has to be sure, before sentencing, that the victims have been heard. That is in section 718 of the Criminal Code. Why is he putting this in the bill? It is not necessary, because it is already there. What point is there in putting it in again? It is just one more thing to complicate the Criminal Code, according to the judges.

We are saying that the one-sixth of sentence rule has to be eliminated, and that we have to tackle tax havens. This is urgent. It has to be done at the same time as this bill is supported, amended, changed and chopped up in committee. It all has to be done at the same time, and the parole system has to be eliminated.

The best one is what I heard in this House yesterday afternoon, when the Minister of Public Works and Government Services told this House that the Minister of Public Safety was currently looking at the parole system and did not want to go at it piecemeal, and rather wanted to make comprehensive changes. That is really laying it on a bit thick, since that is exactly what they are doing in the Criminal Code.

• (1115)

They are chopping it up and amending it. If it is not section 742, it is section 350. If it is not section 350, it is section 132. This government will amend anything anywhere, without making sure there is any logic behind it. That is what the judges are criticizing it for. It has been criticized by the Quebec bar and in argument in various court cases. Unfortunately, judges cannot speak and do not often speak. When they do, however, particularly retired judges, they say that this government has no vision.

Tough on crime: that means nothing. It means nothing when they do not take all the appropriate action.

This bill is like Bill C-42 yesterday. They are eliminating conditional sentences. Where will those people end up? Unfortunately, they will end up in the prisons of Quebec, the prisons of Ontario, the prisons paid for by provincial governments. The prisons in Quebec are overflowing right now. The same is true in Alberta, in Vancouver, and everywhere in Canada. They are thinking no further ahead than to respond to a supposedly immediate need.

It is really too bad, but this bill does not meet society's needs at the moment. This is something the Bloc has criticized and will continue to criticize. In addition, the bill could send the wrong message. Fraud in the amount of \$2 million or more warrants a sentence of two years or more in prison. In other words, someone committing fraud in the amount of \$1.5 million would deserve a six month prison sentence perhaps. That is what it says. It runs the risk of sending the wrong message and resulting in lesser sentences. At the moment, the average sentence for fraud of over \$2 million is at least five years, and I checked out only the sentences in Quebec and some elsewhere in Canada. I did not look further afield. It is a minimum of five years. What have they done with this bill? We do not need this. The sentences already exist and they are longer than two years.

Other things must be dealt with. They have been telling the Bloc for a very long time that their tough on crime policy requires a series of measures that, in combination, will ensure that crime is fought properly. For example, a police squad has to be established. We have to stop thinking the RCMP is limited to catching drug dealers. It will have to become specialized. There will have to be special squads, which some of us call the accountants or auditors, that may consist of police officers. Some officers did not know the other side of this. In the past, there were police officers who knew about drugs. That is good and can continue, but special squads will have to be set up and the people in them will have to be able to read a balance sheet and follow a trail.

I have explained that to the Minister of Justice. I do not think he understood, so I will explain a little more to him. Does he think that the funds appearing on balance sheets exist? Those who commit fraud for huge sums do all sorts of things. They are really brilliant. They can have balance sheets say things that practically no one can understand. It takes special squads. The banking regulations must be tightened. Bank secrecy is all very well, but today, in our situation, the banks must cooperate with the police squad on the trail of white collar crime. The Income Tax Act must be amended.

In addition, I hear my colleagues opposite talking about confiscating assets. I heard the member from the Quebec City region, the Parliamentary Secretary to the Minister of Justice, who sits on the Standing Committee on Justice, say on air yesterday that it will be possible to remove and seize assets belonging to white collar criminals. Is someone in this House dreaming? Do they think that white collar criminals bought themselves 44 houses, three castles and four boats? Oh, come on! They buy themselves a house and maybe a cottage, but all the money is in tax havens. Often, the house is not in their name but in the name of their brother or sister. How will it be proven that the house was purchased with assets or money from the fraud perpetrated by Vincent Lacroix? Good luck! That is what is happening now. So, this money has to be tracked and the special squads will be able to do it.

• (1120)

I was talking about tax havens, and they should certainly be eliminated. They are a great place for hiding money, stealing and committing fraud. We should also abolish the right to parole after one-sixth of the sentence has been served.

Government Orders

I would go even further. Although I was a criminal lawyer and defended people accused of serious crimes, I have always said and will continue to say in the House that parole should be earned. That should be included in the bill because people who do nothing, who just sit in prison and wait for a quarter or a sixth of their sentence to go by, are not doing anything to earn their release. They are just sitting and waiting in these schools for crime, which is what penitentiaries are. If they do nothing, they do not deserve parole. It has to be earned.

Programs have to be made available. If people do not participate in them, they should serve their full sentences. That is what we say and what I have been repeating in the House ever since I was elected in June 2004. Criminals must serve their sentences. We do not need minimum sentences. They do not solve anything. But criminals must serve their sentences. As things stand now, people sentenced to three years in prison do not even serve eight months.

Nothing can be done with people like that. They are sent to prison for three years and get out after eight months. They have learned nothing. That is the problem the Conservatives do not understand. If we want to deal seriously with crime, we have to deal seriously with the reason why criminals are able to get out most easily, and that is parole. We have to put an end to this system which allows people to be released after serving one-sixth of their sentence. They do not even serve a third of it. Conditional release has to be earned.

We think this bill should be studied in committee and the justice minister should appear before the committee. I already know what my first question will be for the minister. I hope he will be prepared and that someone on the other side will tell him. Has he ever seen sentences of less than two years handed out in cases of fraud over \$1 million? If someone can answer that, I would like a response as soon as possible. This kind of fraud generally attracts sentences of six or seven years.

At this stage, I can say that the Bloc Québécois will be in favour of the bill. However, I would not want this to be misunderstood. I will say it one last time. It is not at all because we agree with the Conservatives' tough on crime program. It is because we want to amend this bill to reflect what modern Quebec society wants.

• (1125)

[English]

Mr. Derek Lee (Scarborough—Rouge River, Lib.): Mr. Speaker, I applaud the member for giving great notice to the Minister of Justice of the first question he is going to ask at committee. Let us get the answer, because it is an important question. Just how many times has the sentencing for serious fraud offenders involving large amounts of money gone in the wrong direction, at least from the point of view of the common man?

Bill C-52 is an important reform, and there are reasons it is happening now and going ahead as opposed to having happened 25 or 50 years ago.

The Parliamentary Secretary to the Minister of Transport suggested that opposition parties were joining the Conservatives in their get tough on crime agenda. I just want to signal as one member that that is absolutely not the case, but there are many members in

the House, and I think all opposition parties are going to support the bill for good rational reasons.

I would like the hon. member to comment on the insinuation that somehow the get tough on crime agenda has been adopted by all parties in the House.

[Translation]

Mr. Marc Lemay: Mr. Speaker, I agree with my colleague. The Bloc Québécois does not and certainly will never support the Conservatives' tough on crime agenda.

We have figures now showing that this magical tough on crime approach does not accomplish what it is supposed to accomplish. According to US figures, minimum sentences have not reduced crime, quite the opposite.

Minimum sentences are not a solution for a fact that is easy to understand, namely, that crime cannot be reduced by imposing longer sentences. What we are trying to make the Conservatives understand is that criminals should serve their time behind bars. Let them serve their time in prison.

If we manage to make them understand that, we will have taken one step in the right direction, at least.

Mr. Steven Blaney (Lévis—Bellechasse, CPC): Mr. Speaker, my colleague from Abitibi—Témiscamingue failed to mention one very important factor in this bill, and that is the victims of fraud or white collar crime.

Restitution is an important part of this bill. It affects both adults and minors.

On October 14, I was at the Centre jeunesse in Lévis, which is doing excellent work in the Chaudière-Appalaches region. Officials there told me that when it comes to preventing crime and encouraging young people to stop committing this type of crime, the idea of restitution is very important. So there is something in this bill about restitution for both adults and minors.

The bill would require judges to consider restitution from the offender in all cases of fraud involving an identified victim with ascertainable losses. There are different measures to allow for this. It would also require the Crown to advise the court what steps have been taken to allow victims to set out their readily ascertainable and quantified losses to the court so that restitution can be considered.

So this bill has an extremely important aspect that would acknowledge the losses incurred by victims. I would like to ask my colleague whether he plans on supporting these measures in the bill. Does he plan on supporting the bill in the House, but also, when the time comes to vote, will he rise in this House to support it?

• (1130)

Mr. Marc Lemay: Mr. Speaker, I will just say first that, unlike some members of this House, I have never remained in my seat and I have always voted. I will vote again, and I will vote for this bill so that it can be chopped up, changed, amended or transformed in committee, as the public wants.

Government Orders

I will now answer my colleague's question. If he were to read section 718.2 of the Criminal Code, he would see that everything in this bill that has to do with restitution is already in the Criminal Code. Judges shall—not “may” or “could” or “are not required”, but “shall”—ensure that victims have been heard. This is not an option; judges must hear the victims.

This is exactly what the judge did in the case of Vincent Lacroix. He met with the victims' association, as he is required to do under the Criminal Code. There is no need to include this in the bill, because it is already in the Criminal Code. This is what we would call needless redundancy. The government is not tackling the real problem, but sending up a smokescreen by saying that this is a major measure. It is not a major measure at all. It is already in the Criminal Code. There is no need to put it in again.

[*English*]

Mr. Jim Maloway (Elmwood—Transcona, NDP): Mr. Speaker, I think the government is offering a lot of false hope here if it thinks people will get proper restitution for these schemes.

The member has rightly pointed out that the big problem here is that the government needs to come to grips and deal with tax havens. The people who run these schemes, particularly Ponzi schemes, get money out of the country. They put money in Panama and the Cayman Islands so that when the time comes and the scheme has unraveled, there really is no money left to give back to the people in terms of restitution.

The government needs to deal with the whole issue of tax havens but, more important, it needs to deal with the whole issue of industry insiders who are running the regulatory bodies. We need to take action in those two areas to prevent these things from developing in the first place, because once they develop it is too late.

[*Translation*]

Mr. Marc Lemay: Mr. Speaker, my colleague is quite right. With all due respect for the Conservatives, I must criticize them for introducing bills without considering their full impact.

We say that the government not only has to go after white collar crime, but has to address the possibility that white collar criminals are investing and squandering this money somewhere other than where they stole it.

If the government thinks that white collar criminals keep the money they steal under their beds, then it is still living in the 19th century. Today, with the sophisticated methods these fraudsters have invented, they can deposit the money in an account in Quebec, Ontario or anywhere in the world in minutes.

The government must tackle the problem of tax havens right away. This is urgent. Otherwise, this bill may have no effect.

• (1135)

Mr. Mario Laframboise (Argenteuil—Papineau—Mirabel, BQ): Mr. Speaker, I would simply like to say to my colleague, who is a criminal lawyer and expert on the Criminal Code, that what victims want is restitution.

Will this bill provide victims with restitution?

Mr. Marc Lemay: Mr. Speaker, the answer is no.

This bill will not provide restitution for the victims unless we take measures to address the root problems. I would like to quickly repeat that these white collar criminals plan their fraud and theft over a long period of time. It is not armed robbery, although it amounts to almost the same thing sometimes, but it is robbery carried out over a very long period of time. Thus, they have the time to move the money and to make it disappear. That is the problem.

It is not true that this bill alone will solve the problem. That is just not true. People are being asked to believe something that is not true.

[*English*]

Mr. Jack Harris (St. John's East, NDP): Mr. Speaker, I am pleased to speak today to Bill C-52 which proposes amendments to section 380 of the Criminal Code of Canada dealing with fraud and affecting the public market.

This is one of a series of crime bills which are brought before the House as part of the government's PR attempt to make it look as if it is tough on crime and other people in this House do not seem to be. I say that with some deliberation because it is part of the PR campaign. Otherwise, why would the government release this bill to the media before it even presented it to the House? I know that was the subject of a debate earlier today, as to whether it is a breach of privilege or not, and I understand the Speaker will rule on that at some point, but as part of the government's approach to this, it seems this is aimed at public relations.

Now that does not mean we will not support it because I think Canadians do want to know that parliamentarians care about white collar crime. It is important, particularly the kind of crime that affects people whose savings have been taken, supposedly in good faith, by people for investment or other purposes and they are defrauded of their savings, their pensions or their right to benefit from the money they entrusted to other people.

However, this bill would not create any new crimes. In fact, the real problem with white collar crime, in particular frauds of this nature, is not the lack of sentencing tools available but the lack of prosecution and proper investigation.

We see lots of frauds when they are complained about but the investigations take one year, two years, sometimes three years before they are actually prosecuted. That seems to be the real weakness in the prosecution of crimes.

If we are going to be tough on crime, supposedly, we ought to be very adept at conducting prosecutions, doing investigations and providing resources for that particular purpose, but that is where our system is lacking. It is not lacking at the other end. I will give an example.

One of the provisions of this bill, and perhaps even the major provision that the government likes to wave around, is one that would provide for a two-year minimum sentence for frauds involving over \$1 million. Again, that is not necessary because judges will recognize the value of the fraud in determining a sentence.

Government Orders

We had a sentencing in our province of Newfoundland and Labrador six or eight months ago involving a fraud of considerably less, perhaps less than \$200,000, and the sentence given was two years less a day for a fraud involving about one-fifth of the million dollars that has been put forth here as a minimum sentence.

It is a perception that the government is trying to use for a public relations purpose as opposed to the reality of the need for a mandatory minimum sentence.

The bill itself is not a very strong reaction to the need to provide protection to the public on issues of fraud, particularly fraud affecting the markets, securities and the type of fraud that goes on in our country that receive a lot of headlines when they happen. It is the tools of prosecution and the tools of investigation that seem to be inadequate. On the sentencing end, that is a different story.

What do we have here? Well, the judges can consider restitution. In fact, the Criminal Code has provision for restitution orders under sections 738 and 739. There is no compunction here for the individuals to pay restitution. It really just stipulates that the court shall consider making a restitution order under sections 738 and 739.

I would suspect that the judges do not need to be told. These judges are intelligent, educated people who are administering the Criminal Code and who are being advised by prosecutors when a situation calls for restitution. Surely, the government is not suggesting that a judge would not consider making a restitution order where one was warranted.

How strong is that in terms of an additional tough on crime sanction? Surely, particularly in the case of fraud where a victim has been deprived of his or her savings, pension or income, that restitution would be a top priority in any sentencing regime without the need for some specific direction to the court.

• (1140)

The government seems to be suggesting, and I hear it as part of their rhetoric from time to time when it talks about these liberal judges, et cetera, that somehow these judges do not care about the victims of crime. As of next April, I will have been a member of the practising bar for 30 years. In my experience the judges are extremely concerned about the victims of crime, particularly when there is an economic crime where the possibility of restitution exists. That would be the number one priority.

Obviously there have been a lot of changes in our Criminal Code over the last number of years concerning victim impact statements and the possibility of those individuals who are victims of crime coming before the court and telling of the financial and psychological impacts, the kinds of things for which the bill provides. That happens all the time.

The aggravating factors must be considered and I do not see anything particularly wrong with enumerating them, but they are also part of the precedence of our court. Aggravating factors in sentencing would include the kinds of things that are suggested, the impact of the fraud on the victim, whether the offender complied with applicable licensing rules or professional standards, the magnitude, duration and complexity of the fraud and the degree of planning. Degree of planning and premeditation is always a consideration when a judge is looking at sentencing.

While these things may add, to some extent, to the recognition that there are particular issues with respect to fraud that ought to be taken into consideration, the bill is substantially weak in that regard.

What is really needed to protect Canadians from the kind of frauds that we are talking about is better regulation, the kind of regulation that needs to ensure that the individuals who are taking people's money and investing it in trust are protected by significant regulations. This is the kind of thing that the government seems to avoid. It wants to have a free market. It does not like big government, too much bureaucracy or too much regulation. However, the way to help Canadians avoid being victims of this kind of crime is prevention.

One of the most significant deterrents to criminal behaviour is not necessarily the sentencing, and this is also true for many other criminal laws, it is whether people will be caught. That is a big, or bigger, deterrent. There is no point in having a sentence available if they are getting caught and we see no prosecutions. We see individuals not being investigated properly. We see people not being protected.

There is a lot of media attention being paid to the kind of sentences that take place in the United States. Recently, Bernie Madoff was sentenced to 150 years in jail. Somehow people think that is a great disincentive to committing a crime. I do not see how that is more of a disincentive than 120 years, or 130, or 75 to a 60 or 70-year-old man. It is only foolishness.

That is the kind of hyperbole that the Americans have gone to in order to somehow convince people there is a deterrence effect. Bernie Madoff carried on his fraud for 25 years without being caught. That is the biggest incentive to commit crime, that people can get away with it for many years without being caught.

We need a system that better regulates, investigates and ensures that people who handle the money of individuals are subject to the kind of regulation, intense scrutiny and high standards that should be expected of people who act in those kinds of positions of trust. That is where the problem is.

First, if we want to be tough on crime, we should ensure that the people who commit crimes have a disincentive because they will be caught if they carry on this type of behaviour. Second, if there are any complaints being made, they are thoroughly and swiftly investigated. These are perhaps more important, by far, than the kind of measures that exist in this legislation.

The mandatory minimums, we have a problem with that. Our party is committed to sending the bill to committee, so we will support it at second reading.

• (1145)

The bill itself is weak. It does not provide the kind of protection that people need and it is not really much of an improvement over what we have had before. However, there does need to be a message sent that white-collar crime is taken seriously. It is important that society is not satisfied to let people, who happen to engage in this kind of fraud and behaviour, get away with it. They should not be treated any differently than other criminals. These are serious crimes and that they ought to be taken seriously.

Government Orders

If we really take them seriously, we would ensure that they are investigated promptly, that every complaint be followed up seriously, that there be considerably greater regulation and control over people who handle money from members of the public who have been offered rates of return. The Government of Canada needs to play a stronger role. It is not simply a matter of the government saying it is tough on crime. It wants to have mandatory minimums for any crime it can think of and make it look as if it is tough on crime but the other parties do not support that. There has to be some sense in this kind of amendment. We just cannot willy-nilly amend the Criminal Code and hope people will believe that somehow they are better protected. In my view the increased protection provided to ordinary Canadians by this legislation is not very strong.

Maybe the message will get out somehow so people feel that being tough on crime is going to deter those people, but what is the mandatory minimum of two years going to do? Will that convince someone only to defraud someone to the extent of \$900,000 instead of \$1 million? Can they get under the wire and avoid the mandatory minimum sentence? This is foolishness, the very idea of mentioning it brings up the fact that this is a fairly arbitrary type of number.

As I mentioned earlier, we can give greater than two year sentence for a fraud of significantly less than \$1 million when it is deserved, when the aggravating factors are there and when premeditation is there. When the victims have been harmed to the extent that they have been harmed in other cases, the courts have adequate tools to provide the kind of deterrence as required. That is what we are talking about.

The Criminal Code is supposed to be a tool for the use of society and of courts and judges to satisfy the prevention of crime, the protection of society, the punishment of criminals and to help victims as much as they can be helped by the courts in these circumstances.

The question is this. Does this make that tool more effective? Maybe it sends a message, but I have never been a big fan of mandatory minimums. They can be a deterrent to a proper sense of justice. I am not suggesting there may easily be circumstances where someone defrauds more than \$1 million is not entitled to a sentence greater than two years. I do not think we need to tell judges that. In fact, perhaps all we are doing, by suggesting a mandatory minimum of two years, is playing catch-up with what the judges are already doing.

Anyone who closely follows sentencing decisions, the courts always take into account what the community feels, the reaction of a community to a particular type of crime. An offence is more than just an offence against certain individuals. It is also an offence against community standards. If the community is very concerned about this type of crime, about people being taken advantage of in fraud circumstances, there will be a stronger response from the judiciary.

We have seen that already when the white-collar criminals get before the court. Our problem is, despite all the high profile cases we see in the United States, we do not see very many in Canada. How many prosecutions have there been? There have been so few that they are sensational when they come forward. What jail is Conrad Black in? He is not in a Canadian jail. He broke all these laws in Canada, but he is not in a Canadian jail, he has not been prosecuted in Canada.

● (1150)

We do not see many Canadians who have been prosecuted for white collar crime. There is a lack of substantial action by the Government of Canada to ensure white-collar crime is pursued, investigated properly and brought quickly to the courts for a decision. I do not assume anybody who is charged is guilty, but it should be brought quickly to the courts. A proper investigation should be done and the matter should be brought before the court. If a decision is made that the person is guilty of this kind of crime, the person should be treated as quickly and as appropriately as possible.

Passing legislation in the House for the sake of passing legislation and for the sake of having another bill to add to the government's list of tough on crime bills, which for various reasons other parties may or may not support, is just playing politics with the reality of a serious problem about which Canadians are concerned.

The people in Montreal who have been victims of Mr. Jones, who has yet to be convicted of any crime, have lost the money they invested with him. He has been accused of serious crimes. The consequences for those individuals are absolutely devastating. When people are dependent upon an income from funds they have deposited so they can live in an apartment and have a lifestyle for which they have saved and are all of a sudden thrown out of that and cast into poverty, it is absolutely devastating and ought not to happen. That is why it is a crime.

Why does that happen? It does not happen because the sentences are not strong enough. It happens because the kind of regulation under which this activity takes place is not strong enough. People need the ability to complain about alleged fraud and have those complaints taken seriously. When someone does complain, it should raise a red flag, an investigation should be triggered and it should be stopped and prevented long before it gets to the stage where hundreds and perhaps thousands of people have been defrauded and have lost their savings and investments. A more vigorous approach to investigation, prosecution and prevention are the important factors we would like to see pursued, not merely some changes in the Criminal Code, which are frankly quite weak.

Mr. Glenn Thibeault (Sudbury, NDP): Mr. Speaker, there have been a few cases of white collar fraud in my riding of Sudbury. The individuals affected by that are usually seniors who have put their trust in an individual to invest their money wisely. We have seen scandal and scheme again and again take dollars from seniors.

Could the hon. member talk a little more about a system that better regulates and investigates, some of the things he spoke about in his speech? What does he think that should be and is there anything like that in the bill?

Government Orders

• (1155)

Mr. Jack Harris: Mr. Speaker, many a fraud takes place in my own province of Newfoundland and Labrador. A few years ago a funeral director took money from hundreds of people for their funerals and spent it money on his own lifestyle. When people died, their family looked to this individual for the funeral costs. In Newfoundland it is colloquially called burying money. It is very important for seniors, certainly in my province, who believe they have a responsibility. They do not want to be a burden on anyone when they die, so they save money for their funeral costs. Even people who are not at all wealthy ensure they have a small fund available to take care of the burial costs when they die. The pity of it is individuals who are concerned about that have entrusted their money to an individual and then find that trust has been betrayed by a fraud. It is particularly devastating.

How was that fixed? Obviously by criminal prosecution, but also by establishing particular rules for setting up trust funds, reporting and regulation. A better set of regulations is needed. When people take funds from individuals, they have to be regarded as the trustees of those funds and there should be control of those trusts. There should be a regime of inspection and reporting.

Mr. Derek Lee (Scarborough—Rouge River, Lib.): Mr. Speaker, I enjoyed the hon. member's remarks. I would like to lob at the member a couple of thoughts with respect to the bill. Would the member accept that one of the reasons for the apparent need for legislation follows upon the vast increases in wealth in our society, large increases in wealth among the middle class, and the proliferation of financial instruments and people who buy and sell those things?

Second, would he care to rebut the apparent suggestion by many on the government side that the reason we have a problem is that our prosecutors, police and judges have all let us down?

The bill actually does not do too much. It does a few good things to update legislation and at least it allows all of us in the House to show our electors that we are not asleep at the switch when these large frauds are taking place.

Mr. Jack Harris: Mr. Speaker, I think the member is right. There is a proliferation. There is way more money around now than there was 20 years ago. I do not think our society has caught up with what to do about that. Individuals who have access to the money for one reason or another do not necessarily have the sophistication to deal with it on their own. They are relying on people who come forward and offer themselves as people who will look after their money. There is a high degree of trust involved, trust that unfortunately is often misplaced.

That is why we need the kind of regulation that we are talking about. It is not simply a matter of the prosecutors and judges letting us down. On the police side, I do not know if they have at their disposal the resources they need.

If it is a question of the police not having enough resources, this is something that the Government of Canada can help with. If someone came into the House on the government side and said, "We have a proposal to increase the ability of the RCMP at the national level or police forces across the country to investigate and get quickly to the

bottom of any allegations of white-collar fraud", we would be all for it.

That would be fighting crime of this nature, but we cannot just blame the police and blame the prosecutors and judges. We have to say we have a solution that actually will provide some measure of support for people across the country.

• (1200)

Mr. Brian Storseth (Westlock—St. Paul, CPC): Mr. Speaker, I compliment the member on his speech.

In answer to a question, he just commented that if the government side brought forward legislation to help our prosecutors, our RCMP and our police forces, he would have no problem standing up and supporting that.

Let me ask the member this. If legislation comes forward, as has come forward in the past, as we had with violent crimes, to tackle some of the drug issues that we have, and our police officers, our law enforcement community and our prosecutors say that it is going to help them and give them the tools that they need, even if it provides within it mandatory minimum sentencing, would the member stand up and support the legislation or would he vote against it simply because of that provision?

Mr. Jack Harris: Mr. Speaker, I suppose that is a bit of a theoretical question.

This legislation is going to committee. The member's suggestion is a philosophical point. I thought he was going to get up and ask why we voted against salary increases for RCMP officers when we voted against the budget. That is the usual kind of tactic that we hear from the other side.

However, I think the member asked a fair question. Mandatory minimums are a bad thing. We do not need that in legislation. We are suggesting to the House that we will support this legislation in principle at second reading because it provides some direction to the courts and sends a little bit of a signal that perhaps a more serious approach might be taken to white-collar crime and fraud, but we do not think this bill really provides a lot of tools.

The kind of tools that I suggest that the RCMP or the police forces across the country need are more resources to be able to do a more effective job in investigating these crimes.

Whether we will support the bill at the end of the day, I am not prepared to say at this point. We are sending the bill to committee, and the committee will discuss it. Mandatory minimums are a problem. They have been unsuccessful in the United States and we will have to wait and see whether this is in the bill when it comes back to the House.

Mr. Jim Maloway (Elmwood—Transcona, NDP): Mr. Speaker, the NDP will be voting in support of Bill C-52 at second reading to get it to the committee. However, the government is acting after the horse is already out of the barn. The victims want restitution in these situations, but they are not going to get it. A lot of false hopes are being raised for the public.

Government Orders

As the Bloc member mentioned, the government shows no initiative to close down the tax havens in the Cayman Islands, where these fraudsters are hiding their money. We have to stop the fraudsters in the beginning before this happens by strengthening the regulatory bodies. We have to get rid of the industry insiders who are sitting in the regulatory seats, and we have to license the participants and properly police them.

If we do all of that, we are not going to have the problems that we are having right now.

Mr. Jack Harris: Mr. Speaker, my colleague's comments remind me of the former existence of crimes compensation boards across this country that were at one time funded by the Government of Canada but no longer are.

As a result, a number of provinces including my own have shut down their criminal injuries compensation boards, which provided some support for victims of crime. Perhaps the government would consider reintroducing those.

Ms. Lois Brown (Newmarket—Aurora, CPC): Mr. Speaker, I am pleased to be splitting my time with the member for Kelowna—Lake Country today.

I am pleased to have the opportunity to speak on the subject of Bill C-52, which amends the Criminal Code with respect to tougher sentences for fraud.

This bill contains a number of provisions that will help to ensure that perpetrators of serious fraud receive tougher sentences. These measures will send a strong message that fraud is a serious crime for which there are serious consequences, and this in turn will increase public confidence in the justice system, particularly in light of some recent high-profile fraud cases we have been hearing about in the media.

Under Bill C-52, the harm suffered by victims of fraud will be an important consideration for judges when imposing sentences on offenders convicted of fraud. The Government of Canada is committed to responding to the concerns of victims of all types of crime, including fraud and white-collar crime.

Today I would like to focus my remarks on two of the measures in this bill that centre on the need to consider the harm done to victims.

Bill C-52 contains provisions designed to encourage the use of restitution orders in fraud cases. The Criminal Code currently enables judges to order offenders to pay restitution to victims in appropriate circumstances. Restitution may be ordered to help cover monetary losses incurred by victims as a result of bodily or psychological harm or damage to property caused by the crime. It may also be ordered to cover the expenses incurred by the members of the offender's household as a result of moving out of the household in cases of bodily harm or threat of bodily harm.

The amount of restitution must be readily ascertainable and not in dispute. It cannot be ordered for pain and suffering or other damages. It can be assessed only in civil courts. Restitution may be ordered as a stand-alone order or as a condition of probation or a conditional sentence.

Bill C-52 would require judges to consider restitution in all cases of fraud involving an identified victim with ascertainable losses.

Under these proposals, if a judge decided not to make a restitution order, he or she would have to give reasons for declining to do so.

In addition, before imposing a sentence on an offender found guilty of a fraud offence, Bill C-52 would require a judge to enquire of the prosecutor whether reasonable steps had been taken to provide victims with an opportunity to indicate whether they were seeking restitution. This provision is designed to ensure that sentencing does not take place before victims have had a chance to indicate that they would like to seek restitution from the offender, and would allow time for victims to establish the amount of their monetary losses.

Finally, Bill C-52 includes a standard form for claims for restitution in cases of fraud. While the use of this form would not be mandatory, the availability of a standard form should facilitate the process for victims who are seeking restitution.

Taken together, the proposals in Bill C-52 concerning restitution, if adopted, should ensure that victims are given the opportunity to seek restitution from offenders found guilty of fraud and encourage courts to make greater use of restitution orders in appropriate cases.

Bill C-52 also contains provisions aimed at encouraging courts to consider the impact that fraud can have not only on individuals but also on groups and communities. The Criminal Code currently requires courts, when sentencing an offender, to consider a victim impact statement describing the harm done to or loss suffered by a victim of the offence.

Canadian courts have already, in previous cases, considered victim impact statements made on behalf of a community. When a group of people have been targeted for fraud, many of them, including even some who are not financially impacted, may suffer consequences. Bill C-52 would explicitly allow courts to consider a statement made by a person on a community's behalf describing the harm done to or losses suffered by the community when imposing a sentence on an offender found guilty of fraud. These community impact statements would be an effective means by which a particular community, such as a neighbourhood or a senior's club, for example, could make the court more fully aware of the harm suffered as a result of the fraud.

● (1205)

Recent events, including those in Quebec and Alberta, have highlighted the terrible impact that white collar crime can have on individual Canadians and our communities. Bill C-52 would go a long way to ensuring that the harm done to, and losses suffered by, victims are recognized as important factors that must be taken into account when dealing with those who perpetrate these reprehensible crimes.

While improving the responsiveness of the justice system for victims of fraud is obviously a priority for this government, other aspects of the bill go straight to the heart of the sentencing process and affect the sentence that fraudsters can expect to receive.

Government Orders

Briefly, the bill would clearly instruct courts to impose a minimum sentence of two years for fraud with a value over \$1 million. Many frauds are well over that amount so we would expect significantly higher sentences in those cases.

The bill also describes additional aggravating factors which should be applied in sentencing the accused, including consideration of the particular impact the crime had on its victims.

Finally, the bill would permit a sentencing court to help prevent additional victimization by ordering that the offender in no way work or engage in volunteer activities that involve having authority over people's money or real property.

Taken together these proposals represent a complete package of reforms to reflect the seriousness of fraud offences for communities and individuals.

• (1210)

Mr. Ron Cannan (Kelowna—Lake Country, CPC): Madam Speaker, it is a pleasure to rise in the House this afternoon to speak on a very important piece of legislation, the subject of Bill C-52, An Act to amend the Criminal Code (sentencing for fraud).

The bill would target the fraudsters who have recently been the focus of so many stories in our local papers and discussions at local coffee shops around the country.

Let me speak a little bit about what fraud looks like today and why this is a problem that truly deserves our attention.

Some of today's criminals are so sophisticated and imaginative that anyone could fall victim to their schemes. The variety of fraudulent schemes is mind-boggling. These are organized crime gangs that forge lawyers' documents and real estate title documents, and fraudulently sell or mortgage properties that do not belong to them. There are reported incidents literally of houses being sold out from under homeowners or homeowners returning from absences to find strangers living in their houses. It is hard to believe.

There are still the old-fashioned telemarketing scams of various sorts. People are called out of the blue and told they have won a contest or a prize, offered a desirable item to purchase or asked to make a charitable donation to a good cause.

We all have a responsibility to do our due diligence, but often it is hard for Canadians to distinguish legitimate businesses and charities from those which are scams. The result is that the Canadians and foreigners continue to be defrauded out of millions. Familiar to so many of us are the securities frauds, the Ponzi schemes as they are often known as, accounting frauds which specifically overstate the value of a stock, and other complex schemes designed to trick investors into making investments they would not otherwise make if they knew what was really going on. In these cases, as we know, the losses are just staggering.

These securities frauds have also had the horrible effect of diminishing the confidence Canadians have in the capital markets, in Canadian companies, and in the regulatory authorities that are supposed to ensure that business practices are transparent and accountable. And the list goes on and on.

PhoneBusters, the Canadian Anti-Fraud Call Centre, lists over 20 different types of scams which are currently active. Some are particularly frightening.

In one scam, which PhoneBusters calls the "Hitman Email", consumers apparently receive emails sent by a supposed hitman who says he has been hired by someone to assassinate the recipient. The sender demands a large sum of money in return for not carrying out the mission.

Of course, many of us receive that mysterious email from the Nigerian prince to send \$20,000 and we will be rewarded handsomely.

Other scammers prey on people's affection for animals. We all love animals. A photo of a dog is advertised with a caption saying that the owners are moving and that new owners are being sought; whereas just for a small fee, if someone sends it, the animal could be theirs and as soon as the money is sent, there is no animal and the money just seems to disappear.

There is also the home renovation fraud. I represent the constituency of Kelowna—Lake Country where there are many seniors and they are often susceptible to smooth-talking salesmen. There are fraudulent travel advertisements on eBay and other online classified site scams. The list is endless.

Fraudsters could be such productive members of our society if only they used their creativity in law-abiding ways. Instead, they take advantage of innocent people for their own gain.

In my own riding of Kelowna—Lake Country, last month Gloria Lozinski told CTV *Canada AM* that her sister committed suicide when she realized she lost her life savings, about \$300,000, in the Ponzi scheme based out of Alberta. Lozinski said her sister, Edna Coulic, called her to tell her what had happened. "She said she lost everything," Lozinski explained. "I asked her to elaborate and she said she [just] got conned. Lozinski said Coulic was convinced that she was set to get a big return and that the people involved did everything to convince her that was the case. "They had her believe she had to get a safety deposit box", Lozinski said. When she realized there was not going to be a return, Coulic contacted the people involved several times, pleading with them to return her money, said her sister. "Edna became Edna no more," her sister said. Her demeanour had changed. She became anti-social and depressed. Shortly after, she took her life.

This is the kind of devastation that white-collar crime has on the lives of real people, people in my riding and families across the country. After decades of indifference, Canadians are now waking up to a world in which there is a scam around every corner. No one is immune.

• (1215)

These are true crimes which cause true suffering, and it is time that criminal justice began to take fraud seriously again.

Government Orders

This bill would improve the Criminal Code sentencing provisions for fraud to ensure that sentences imposed on offenders adequately reflect the harm they cause. For frauds which have crossed a certain monetary threshold, that is to say that they have a value of \$1 million or more, there would be a minimum sentence of two years imposed. Of course, if the fraud was larger than that, as so many are, or if there were other aggravating factors at play, the sentence should be well above two years.

Speaking of aggravating factors, Bill C-52 would also add additional factors to the list in the Criminal Code for fraud offences. The bill would make clear that if the fraud had a particular significant impact on victims because of their financial situation, their health or any other factor, that should aggravate the sentence. Likewise, the more sophisticated or complex the fraud is, the longer it lasted, the higher the sentence should be.

If the offenders failed to comply with application regulations, such as those which require them to have a licence to sell securities or if they concealed or destroyed the records which would show where the money went, these factors would also increase the sentence.

Bill C-52 also seeks to help mitigate future frauds. The prevention element is found in the new prohibition order which can form part of an offender's sentence. When ordered by a judge, the offender could be prohibited from having authority over another person's money, real property or valuable securities in any employment or voluntary capacity.

This is very important, the fact that justice needs to be seen to be done. There has to be truth in sentencing. This means that convicted fraudsters can be prevented from deceiving others into handing over money again. Failure to abide by this prohibition would itself be an offence.

The bill would also help to improve the responsiveness of the criminal process for victims of fraud. It would require the sentencing court to consider if restitution should be ordered, and it would permit the court to receive a community impact statement in cases where a community, in addition to the individuals, has suffered from the fraud.

This is a very important addition, the fact of a community impact statement. Some people may not have been personally defrauded, but it has had a holistic impact on the seniors population or a condominium complex or strata or a group of investors.

I encourage all Canadians to visit the PhoneBusters website to better inform themselves of the scams that are swirling around their mailboxes and telephone answering machines. There is also excellent information on the RCMP website and the websites of local police forces. Consumer agencies also have lots of useful information.

We have awakened in this country to the world of fraud that has previously gone unseen. Education is our first line of defence. The more Canadians know, the better they will be able to protect themselves beginning with the first tenet, if the offer seems too good to be true, then it probably is.

I am confident the measures in this bill will help send a strong message to the fraudsters out there that their time is up. They are

doing a cost-benefit analysis and saying that it is not too bad, they can take a risk because the reward is greater. Not anymore.

I am pleased that this bill can act as a springboard for discussion and raising awareness about fraud more generally. I am hopeful and encouraged by the members who have spoken here today. I encourage all hon. members to support this bill and to help ensure it is passed into law as quickly as possible.

• (1220)

Ms. Lois Brown (Newmarket—Aurora, CPC): Madam Speaker, the member spoke about a number of situations in his own riding. I think many of us in this House could speak about those. He spoke about a number of dollar values. I wonder if he could tell the House why the amount of \$1 million was established as the breaking point for this.

Mr. Ron Cannan: Madam Speaker, in fact, it is one of the questions I asked when we were discussing this bill, why \$1 million, not \$1.5 million or \$500,000?

The fact is that \$1 million is basically established as the benchmark within fraud in criminal case laws within the courts. We also have to realize that a fraud of this size can only be described as large scale and would have been the result of a great deal of time and energy. In essence it is premeditated. There is a lot of planning that has to go into it.

Such frauds demonstrate a tremendous amount of contempt and disregard for law-abiding Canadians, the fact that people fall prey and become victims of their scheme.

The law should be clear that any fraud of that scope must be met with a minimum term of imprisonment. We believe \$1 million is the appropriate level.

Mr. Jim Maloway (Elmwood—Transcona, NDP): Madam Speaker, this is an initiative that we support as well, at least as far as getting the bill to committee is concerned.

The government is offering a lot of false hope that people are going to be able to get restitution in these cases of fraud. The member should know that the people who are perpetrating these frauds are actually spiriting the money out of the country. It is being hidden in tax shelter areas like the Cayman Islands. The government would be well advised to develop a strategy in that regard and try to shut down these tax havens. Furthermore, it should try to license participants, police them more properly and set up a proper regulatory body that does not have a lot of industry insiders regulating the industry.

That is where the problems are. This law is to deal with the problem after it has already reached the point where there is probably nothing left in terms of restitution for the people. I would ask the government to reconsider how it is approaching this matter. The legislation should be at the end of the process, not at the beginning of it.

Mr. Ron Cannan: Madam Speaker, I do not accept the premise of my hon. colleague's question, but I do support the fact that there are other measures that could be taken as we proceed.

As I mentioned in my comments, this is a springboard for further discussion to move other pieces of legislation forward. In fact, we are dealing with Bill C-52. We are looking at minimum mandatory sentencing. We need to deal with economic crime and the serious effect that white collar crime has on families and communities across the country.

There is a provision within the proposed legislation. It is very exciting. Restitution will be required in the sense that the judges will now have to work with the victims. There will be an online form. They will be able to work with the Crown prosecutor and ensure that the dollar value is calculated. If restitution is not provided, the judge has to provide reasons.

This is one of the most proactive aspects of this bill. We want to make sure that people get the money back. It is often said that these carpetbaggers take the money and do not pay it back. They have to pay it back and they also have to do the time that fits the crime.

This is one step in the journey of many bills that are in the House. With the way it is right now, criminals could receive house arrest for committing a crime. That is ridiculous. We need to continue to support this as a whole House. This is a non-partisan issue and it is for the benefit of all Canadians.

[Translation]

Mr. Francis Scarpaleggia (Lac-Saint-Louis, Lib.): Madam Speaker, I was particularly determined to take part in this debate because many of the victims of self-styled financial advisor Earl Jones live on Montreal's West Island. It may be that most of them live there. In other words, a large number of those victims live in my riding of Lac-Saint-Louis. I personally know some of the victims or the loved ones of those who lost a fortune because of Mr. Jones' actions.

I would also like to commend the community of Montreal's West Island, the people of the community who pulled together to help these victims. Some people have even made personal donations to help victims get through this very difficult period in their lives.

I would also like to attest to the courage of many of these victims, who are in a very difficult financial situation and who continue to fight for change in the legal system to deal with white collar crime, which seems to be creating victims on a daily basis from what we see in the news.

● (1225)

[English]

Technically, fraud or financial crime is not a violent crime, but as the previous speaker pointed out, it is a crime that inflicts a form of violence on people. Some of the stories I have heard coming out of the Earl Jones case leave no doubt that people who have been victimized by him are under extraordinary stress.

I know of one case. I do not know the individual personally nor do I know the person's name, but I have heard in the community that one of the victims is a 99-year-old woman who was living in a retirement residence. She lost everything as a result of the fraudulent behaviour of Earl Jones. She is 99 years old and has to move to the home of one of her children. Everyone can imagine the shock to the system of someone who is 99 years old, who all of a sudden is

Government Orders

subjected to a drastic change in her lifestyle. As I said, the previous speaker brought out many examples of people whose lives have been physically damaged by being victims of financial crime.

In the case of Earl Jones, when the story broke in this past summer, I attended a victims meeting along with elected representatives from other levels of government in my community. I was informed of some of the tactics Mr. Jones would use to defraud his victims. I would like to share some of them with the House.

Earl Jones would prey on people who were emotionally drained. For example, perhaps someone who had been caring for an ill loved one who had since died simply wanted someone to settle the estate and do the paperwork which unfortunately accompanies the death of a person. Earl Jones would convince such people, especially widows, to give him power of attorney so that he had control over their lives. In other words, he would have the power to sign all kinds of documents in their name, often without their knowledge.

He would also say to individuals that he would take care of everything for them, that they could have their phone bills and municipal tax bills sent to his office and he would pay them. In the last couple of years, as Earl Jones became financially squeezed, he would not pay the bills and the individuals in question would not know that the bills had not been paid because the late payment notices would go to Earl Jones. People suddenly woke up to the fact that their insurance had not been paid for a year and they were not insured, or that their taxes had not been paid for a year and a half and they were at risk of losing their home. This is a particularly underhanded crime.

● (1230)

[Translation]

We are talking about an extremely underhanded crime here. The government must take action against this type of fraud.

Not only are there repercussions on the health of the victims, but, as the hon. member who spoke before me was saying, these crimes undermine the public's confidence in the Canadian financial system. The Canadian financial system is extremely important to the health of the economy.

Such crimes shake people's trust in financial advisors in general. Many financial advisors across Canada, honest people, are suddenly being looked at suspiciously by people who are wondering whether their advisors are honest and trustworthy and whether their investment advice is sound. There are other victims in addition to those who lost significant amounts of money.

I am very proud that the Liberal Party was able to develop a platform or program that was comprehensive enough for this type of crime. I would like to acknowledge the contribution of the member for Beauséjour and Liberal justice critic, who helped develop this platform. I would also like to acknowledge the contribution of Michel Picard, Ph.D., a Liberal candidate in Saint-Bruno—St-Hubert, who worked for a number of years on the RCMP's anti-fraud unit, and who contributed a number of ideas regarding financial crimes to the Liberal platform. I would obviously like to thank the member for Bourassa for his contribution to this platform.

Government Orders

[English]

The bill is a step in the right direction but a couple of issues need to be addressed. One is the fact that even if the bill were to pass, it would still be possible for fraudsters, who have received a minimum two year sentence for defrauding their clients, to apply for parole after one-sixth of their sentence. Therefore, it is possible that, despite the public relations value of a two year minimum sentence, fraudsters would only serve a few months in jail. I do not know if the public would take very kindly to knowing that the bill leaves a gap in the current situation.

The other point is that this is not just a question of sentencing reform. Getting to the bottom of financial crime or preventing financial crime is not just a question of tightening the sentencing regime. These crimes can be complex. I would refer to a case in Calgary where the police have been investigating for a number of years but could not find evidence of wrongdoing until very recently. One of the reasons was that the financial arrangements were so complicated that it took a great deal of time, energy and effort to try to understand them.

Therefore, if we are going to stop financial crime in this country, we need to give the RCMP the resources it needs. It may only need to hire more officers or more forensic accountants, for example, but it is very important to give the RCMP the resources it needs to track what is happening when it suspects there might be some criminal activity. The government should be investing more in the RCMP and perhaps other police services to give them the capacity to follow these developments.

The other problem many victims have, and we have heard this first-hand from the victims of Earl Jones who have come to see me and from some of my colleagues, is that the banks are very slow in providing information following a fraud. For example, after a fraud it is very important that the victims obtain financial statements and different kinds of information from the banks but the banks are not required to provide this information within a specific period of time. The Liberal Party proposes that the banks be limited to 30 days for responding to an information request from victims of a fraud as that would accelerate the process of investigating and perhaps charging the alleged fraudster.

Another issue raised by victims of financial fraud is that when a fraud is discovered it turns out that previous tax returns going back many years often become a fiction and they have no way of going back beyond maybe the immediate year to amend tax returns and get some tax relief in the process. Victims have told me that when they go to see the tax authorities, whether they be federal or provincial, the tax authorities themselves do not know how to handle the situation. They just do not know what to tell these people. It is not just a question that their hands are tied by the law or by regulation. They do not even know where to begin. We may need to put more resources into training tax collectors or the people who work for Revenue Canada in how to deal with these situations, how to go back and look at previous tax returns so that maybe the victims can get some tax relief.

●(1235)

[Translation]

Another suggestion was brought to my attention. The government could require companies that operate under federal jurisdiction, like banks or telecommunications companies, to temporarily ease the burden for these victims. For example, for people who must continue to pay their phone bills, the companies could maybe give them a little 12-month break. Obviously, these customers would later reimburse the money they owe. As things stand, we can imagine a situation in which a telephone company would suddenly decide to cut off a victim's service because they had not paid their bills for a few months. Perhaps we should do something on this end to help victims of financial crimes, but obviously not with this bill.

[English]

I also would like to raise the issue of a national securities regulator. I am pleased the government adopted an idea from the Liberal platform on this issue, which was to refer the matter to the Supreme Court for some kind of guidance as to whether the federal government would have the constitutional authority to create a national securities commission. As the House knows, this was an idea put forward by the Liberal Party. It is much better to do that than to propose a commission and then to spend years in court when challenged by provinces like Quebec, Alberta and perhaps Manitoba in court waiting for a decision on whether the federal government has the constitutional responsibility or not.

I would like the government to provide more information on how a national securities regulator could prevent financial crime from happening in the future. I personally think that the reason the government is proposing a national securities regulator is not so much to do with financial crime. That is a convenient reason in the current circumstances. Obviously, the government is looking at creating a national securities regulator perhaps as a means of integrating the Canadian economy more than it is presently in the hopes of stimulating more economic growth, and that the real reason is not to stop financial fraud.

Right now, no one on the government side has told us exactly how a national securities regulator would prevent financial crime. What will prevent financial crime is pouring more resources into police authorities so they can do the investigative work that they need to do.

Therefore, it would be helpful if the government would spell out exactly how creating a national securities regulator, how replacing one bureaucracy with another, would prevent financial crime. Perhaps there are some reasons why that would happen but they have not been highlighted yet.

The only thing I would like to add to my remarks is that it would be a good idea for the government, separately from this legislation, to begin international negotiations on a convention or some kind of agreement that would bring countries together to combat financial crime.

Government Orders

For example, when there is a financial crime, it might be hard for the banks of one country to get the information they need from the banks of another country. We have international agreements against terrorism, obviously, and we have international agreements to track other kinds of criminal activity, such as financial transactions involving money laundering and so forth, but maybe it is time for the government to take a somewhat multilateral approach to this and try to kickstart negotiations toward an international protocol to combat financial crimes.

• (1240)

Mr. Jim Maloway (Elmwood—Transcona, NDP): Madam Speaker, the member made several important points.

When we look at the United States and the case of Mr. Madoff, Harry Markopolos found out about this Ponzi scheme 10 years ago and turned over all the information to the SEC. However, when he was asked how long it took him to find out about it, he said that he became immediately suspicious because Madoff never reported losing money in any month. He knew it was a fraud in about five minutes.

The fact is that the ability is there for people to pick up on these frauds at very early stages.

We just recently developed money laundering laws that require real estate and insurance people to report suspicious transactions. The key here is the banks. The commonality that these fraudsters use is the banking system. The banks are already required to report deposits over \$10,000 in cash, but we should have stricter reporting requirements on the banks.

I liked his idea about forensic auditing, because that is part of it too, but the tools are all there right now. We just need to work together, rather than having a kind of hands-off disinterest in this problem. These people have been operating right under the noses of the banking system all these years.

The government needs to spend more time advertising the problem. It has millions and millions of dollars for feel-good advertising, for “the land is strong and vote Conservative” ads, but it should be running advertising campaigns on this very problem, on how to report and how to discover these sorts of fraudulent activities.

There are a lot of different areas that we should be looking at right now. The tools are out there. We just need to act on them.

Mr. Francis Scarpaleggia: Madam Speaker, I agree that we need to act on many fronts. It would be valuable for different levels of government, federal and provincial, to do more public awareness on this issue. I do not think there is any doubt about that.

As I mentioned in my remarks, we in the Liberal Party believe that banks should need to cough up financial reports much more quickly after a fraud is committed. I know that does not prevent the fraud from happening in the first place but I think it is incumbent upon the banks to react quickly to these situations.

I am not a banker. I do not work in a bank, obviously, and I do not know much about the nature of banking transactions within the banking sector. I would only hope that after the headline cases involving Earl Jones and others that the banks are being much more vigilant with respect to these transactions.

It is possible that the banks are being vigilant but that, in selected cases, someone within the bank was not doing his or her job, in which case that person should be held responsible and the banks standing behind the person should be held responsible. For example, if we find out that in some of these fraud cases an error was made by a bank and that the millions of dollars lost to the clients of Earl Jones, for example, were the result of a banking error, then the bank should be held responsible through the court system.

I agree with the hon. member that the banks have a responsibility always to keep a vigilant eye on what is going on.

• (1245)

Mr. Brian Jean (Parliamentary Secretary to the Minister of Transport, Infrastructure and Communities, CPC): Madam Speaker, I found it a little puzzling that the NDP member would ask us to advertise how to catch criminals and what criminals will get as far as penalties, but, at the same time, he does not want the government to advertise how Canadians can take advantage of tax savings, how they can help themselves and how they can have a boost in confidence in our Canadian economy. I find that somewhat puzzling but it is good to see that the NDP is finally getting onside with the government's tough on crime agenda.

It should be noted that the Liberals are finally, in this place at least, coming forward and supporting the Conservative government. I wish they could convince the members in the other place to do the same.

However, I wonder if the member could comment on the statutory aggravating circumstances and the new four aggravating circumstances that are being put into the bill, specifically the impact of the fraud on the victims, the complexity and magnitude of the fraud, the failure of the offender to comply with the applicable rules and regulations, and any attempt by the offender to conceal or destroy records relevant to the fraud.

Quite frankly, I think most Canadians would think that those things should have been put in place long ago by a previous Liberal government, and obviously was not, but we have finally moved forward on those four particular aggravating circumstances that are very crucial to the sentencing factor. I wonder if he could comment on that.

Mr. Francis Scarpaleggia: Madam Speaker, these appear to be good, sound ideas. Yes, it is very important to take account of the repercussions of the fraud on the victim and also on the community. As I was saying before, when a fraud like this occurs, it impacts the livelihood of financial advisers everywhere. All of a sudden they find themselves under suspicion and no doubt there has been a drop in their business. It is good to bring in the idea of the impact on the community.

I would urge the hon. member not to view this as a partisan issue. Unfortunately, often terrible situations must occur before governments act. The government has had four years to address this issue, but is only addressing it after the Earl Jones case has come to light.

It is important that we treat this as a non-partisan issue because the victims themselves do not have much patience. It is good that the government has brought in some legislation. It is good that the parties are working together to send the bill to committee.

Government Orders

I do not think there is anyone in the House who does not feel sympathy for victims of financial crime. Earl Jones' crime was committed in my riding. There really is not a day that goes by that I do not think about those victims and what the loss of their lifetimes means for them and their families.

There are some very good ideas in this legislation. Maybe we could make the legislation better, tougher when it gets to committee. That is the crux of the issue.

• (1250)

Mr. Derek Lee (Scarborough—Rouge River, Lib.): Madam Speaker, I want to point out what may be an omission in the statute and I wonder whether the member has noticed it or wants to comment on it.

Clause 4 in the bill deals with prohibition orders against those who are convicted of these types of crimes. The prohibition order would allow the court to give an order prohibiting the offender from seeking, obtaining or continuing any employment or becoming a volunteer in any capacity that involves having authority over money, et cetera. What it does not deal with is a fraudster who is self-employed. The prohibition order only deals with employment or volunteering.

I do not know whether there are any members here on either side of the House who sit on the justice committee where the matter will be addressed.

I can think of one fraudster from Toronto who defrauded many people by selling faulty franchises. A group of people tried to deal with this and get a response from the feds or the province, but they felt that they fell between two jurisdictions. They never did get anything.

The portion of the bill dealing with prohibition orders could address the current problem of the guy who sold all the phony franchises. He is still out there selling phony franchises. The guy is self-employed and most of these guys are. They do not care if they are employees or not.

Could the member comment on that?

Mr. Francis Scarpaleggia: Madam Speaker, my hon. colleague has brought up an important point. That is precisely why committee work is important. It is precisely why we need to send the bill to committee to round out the rough edges.

No doubt members on the government side have taken note of the hon. member's point and hopefully that will be addressed at the justice committee.

Mr. Kevin Sorenson (Crowfoot, CPC): Madam Speaker, it is a pleasure to speak to Bill C-52, an act to amend the Criminal Code, which deals with sentencing for fraud.

Before I get into the body of my speech, I want to say that during the break last week and the summer recess, members had the opportunity to go into their constituencies and hear the real concerns of constituents. Not so much during the summer but during break weeks when the schools are still operating, we have the opportunity of going into the schools and speaking to students in grade 6, grade 9 or grade 12 where the curriculum deals with governance and governing.

We have the pleasure of telling students part of what our job in this place is. We have the responsibility of representing constituents, their ideas and concerns here in this remarkable institution. We also have the responsibility of taking their concerns and building law. Sometimes we see a real common sense need for a law change. Other times we hear about certain aspects of law that should be changed to address certain concerns.

The bill we are debating today deals with the frauds that we have heard about more and more often over the past number of years. Stories have come out of the United States. Stories have come out of every province in Canada. They have been around for a long time.

It seems that as time goes on, there is a greater propensity for people to get involved in schemes that are the plan of someone who has sat down, concentrated and drawn up a Ponzi scheme or some type of scam. People get involved in things that may have a certain degree of common sense to them but later they find out that it has drifted and become fraudulent and the people who have perpetrated those offences have done it knowingly. Members have an opportunity to speak about that in the House.

In my riding numerous people have phoned me about these types of scams, schemes and frauds. These things have cost them. We can sit back and think of all the terms that we use, such as, buyer beware, huge risk investments, all those types of things, but speaking to these people on the phone or sitting down in a coffee shop and dealing with individuals who have been hit hard in some cases, there are tears, passion and emotion. In some cases they have lost everything.

In his speech earlier, the minister described what fraud looks like today and why it is a problem for Canadians. Today's criminals are very sophisticated. Any Canadian could fall victim to their schemes.

As the minister said, there are numerous threats to Canadians when it comes to fraud. He mentioned a number of them. There are organized crime frauds. There are forgers, those who work their way into a fraudulent scheme by forging documents that look very official. There are fraudulent telemarketing scams, Ponzi schemes, security frauds, bogus charity scams, accounting frauds, all sorts of mail and personal information theft and many other schemes. It is becoming increasingly difficult for Canadians and their families to detect when they are dealing with legitimate businesses and legitimate charities, or with others that may be fraudulent.

• (1255)

A problem is that by the time many Canadians find out that what they have just invested in or what investments they have had for a number of years have been determined as being fraudulent, in some cases it is far too late. They have handed over their hard-earned dollars for an investment that appeared worthy and safe, but it was not.

Most of my riding is rural. In some cases, although our Internet connections may not be all that great, pretty well everyone is on high speed Internet. Many of the rural communities are not on high speed Internet yet, but through wireless and other things, we have access to it. We are as vulnerable as anyone living in the big cities. All Canadians have money they want to invest. We want to prepare for retirement. We want to be protected from losing the money we worked hard to earn.

Government Orders

In my constituency we see transfers of farms into the hands of the next generation. We see that less and less all the time because the next generation is not really buying into this whole farming thing, but that is another story. However, at some point we do see a transfer of farmland or business or however people have made their livelihood, and as they are ready to move into their retirement, they realize they have a little nest egg. They have cash in the bank. They have sold their farm. They have had their farm sale and they have the proceeds from the sale of the machinery. They have paid off some debts. There may be a small little nest egg left. Many times they are approached by those who are slick, who say they have a way for them to turn that little nest egg into a much larger one, and those people become vulnerable.

There are people in my constituency, indeed probably some who are related, who have received a phone call telling them they have won some gift if they pay for the shipping. They received that one gift, and that was real. They received their gift. Then all of a sudden they are told that if they send more money, they will get a bigger gift, and they have been chosen out of a lot of people. Pretty soon they have invested thousands and thousands of dollars into a scheme. The more they put into it, they realize that they have to keep contributing to the scheme or they could lose it all, so that is what they have done. They have been enticed into it. They are honest and good people who have never, ever thought of breaking a law or being caught up in something like that. The people at the other end are involved in organized crime or they are fraudsters. They do this to hundreds and hundreds of people. They do this to many people in my riding. I know this because I get the phone calls.

At some point Canadians and people around the world are defrauded out of millions of dollars. In some cases it is only \$10,000, \$15,000, \$20,000, but the cumulative effect is that millions of dollars are made by those who say that they will set up a scheme to make some money.

In some cases, we know that the losses can be devastating to individuals and families. I will not go into the devastation that it causes, but we have heard about these losses ending in the break-up of a marriage, the break-up of a family.

A case was reported in the *Calgary Herald* about a son who knew that something was not right and that something was going on, so he investigated. He was one of the key individuals who brought down a Ponzi scheme into which had been drawn hundreds of people and cost Canadians millions of their retirement dollars. This is part of their response to those types of issues and those types of concerns that Canadians have.

Our government has been elected and re-elected to stand up for Canadians. Today with Bill C-52, we are helping Canada's criminal justice system stand up to fraud. The bill will improve the Criminal Code sentencing provisions for fraud to ensure that sentences imposed on offenders adequately reflect the harm they cause.

• (1300)

Once again we are putting the rights of the victim before the rights of the criminal. In most of our justice legislation, we believe the protection of society is the guiding principle. Bills like this serve to act as a deterrent to those who knowingly set up such a scheme.

For the type of legislation we bring forward today, frauds that have a value of \$1 million or more, there will be a minimum sentence of two-year imprisonment. If the fraud was larger than that, as so many are or if there were other aggravating factors at play, the sentence could be well above the two years. This may seem lenient, particularly to victims who have been severely hurt by a white-collar crime. Again, I would remind them that this puts in place minimum sentences.

A number of years ago, a former government said that it would get tough on this kind of thing and it increased the maximum sentences. The problem is very seldom do we see where a judge ever imposes anything close to a maximum sentence. There may have been in a few cases. In many cases, those who set up such schemes, never see any jail or any prison time. This would give certainty to the fact that those who devised such fraudulent schemes would see time in prison.

Bill C-52 goes much further than that. It would also add additional factors to the list in the Criminal Code for fraud offences. The bill provides that if the fraud had a particularly significant impact on the victim because of their financial situation, health or other factors, age or retirement, then these factors should be considered as aggravating and increasing the sentence handed down to the perpetrator of the crime.

As well, Bill C-52 provides that the more sophisticated or complex the fraud is and the longer it lasted, the higher the sentence should be. If offenders broke regulations or if they concealed or destroyed records that would show where the money went and help recover it, that is if they tried to destroy evidence that would serve against them, then these factors should be considered as well and cause an increase in the sentence handed down to the convicted fraudster.

I mentioned just in passing that the legislation will serve as a deterrent. That is what we are trying to do. We are trying to prevent future frauds. The prevention element is found in the new prohibition order, and this can be part of the offender's sentence.

Bill C-52 would make it so that offenders could be prohibited from having authority over another person's money, real property or valuable securities in any employment or any volunteer capacity after they served out their sentence. This means anyone convicted of deceiving innocent people through fraudulent means, enticing them into handing over money or tricking them or whatever, the individual could be prevented from doing it again.

If this measure is used against a fraud artist and that fraud artist continues his or her ways, then the person failing to abide by a prohibition would itself become an offence. We are also insisting that the sentencing court consider if restitution can be ordered. This is where we really give the victims their day in court.

Last night I sat down and read through the bill a number of times. One of the things I noted in it and which we have advocated for a number of years is the whole idea of restitution. The bill states:

As soon as practicable after a finding of guilt and in any event before imposing the sentence, the court shall inquire of the prosecutor if reasonable steps have been taken to provide the victims with an opportunity to indicate whether they are seeking restitution for their losses, the amount of which must be readily ascertainable.

Government Orders

●(1305)

It asks the victims to be prepared to list the amounts that they have lost. It makes it much more accountable in the fact that it is not just rumour that they have lost millions or thousands. It asks specifically how much they have lost and if it will move forward to restitution.

If the bill passes, the sentencing court can consider if restitution can be ordered. We give them their day in court, because the bill also allows for a community impact statement. We have heard about victim impact statements, which are very similar, but this would be an individual who speaks on behalf of the community or constituency of people who have been taken in by such fraudulent activity. In Bill C-52, we make provisions for the delivery in court before sentencing of the community impact statement.

We talk about one or two families or a retired family being hurt, and I have made reference to it in my speech. In many cases people have been hurt by the same scheme. Entire towns or communities can really be affected, although it can be interprovincial and intercontinental as well. The productivity and economies of those communities can be affected in a major way. We are providing an opportunity for these people to speak as an individual or as a community. We are also adding those statements to the considerations before he or she is being sentenced.

I was watching CBC one evening after a certain Ponzi scheme came to light. The individuals had been charged and arrested. I watched as the media covered the victims. One woman spoke on how her sister, I believe, had ended up taking her life for a number of reasons. It was not just because she had lost a lot of money in the scheme, but in some ways it was because she could not live with the fact that she had been sucked in. Other people were asking her how she could be sucked into such a scheme. It absolutely demoralizes the person who has been taken.

I have made some poor investments in my time and I stand back and I think shame on me. However, for some of those who have invested in a scheme where there is nothing to show for it, the shame and disappointment is beyond what they are able to cope with.

We have watched stock markets rise. We have seen people invest in markets and make a significant amount of money. We have seen recently where those markets have cooled down and fallen. People have lost money, but they realize the risk of the stock market or of those types of investments. However, when people put their investment into a program or plan that they believe has very little risk and they lose everything, in some cases it is more than they can live with.

I urge my constituents and all Canadians to take these types of schemes very seriously and to visit the RCMP website. There is excellent information on frauds that are occurring and how to protect themselves and their families. As the Minister of Justice has said, education is our first line of defence. I would encourage my constituents and all Canadians across the country to educate themselves.

I remember parents and grandparents saying, "If something sounds too good to be true, chances are it is". Although we have seen a lot of things that paid off when we had the strong economy, we now have to educate ourselves. The more Canadians know, the better

they will be able to protect themselves. I am proud that our government is standing up to the fraudsters and trying to protect innocent, vulnerable Canadians from them.

I appreciate the opportunity to bring this important issue forward and to speak on it here in the Parliament of Canada.

●(1310)

Mr. Jim Maloway (Elmwood—Transcona, NDP): Madam Speaker, the member would know that Canadians, when they deal with their lawyers, they can deal with them properly. If the lawyer steals the money, the money will be reimbursed through the law society. They know they are protected when they deal with security dealers. If the money disappears, the security dealers are properly registered and properly bonded.

Therefore, the issue really becomes why people like Earl Jones are able to operate in an unlicensed, not bonded, unregulated environment. That is why there have to be further regulations put on the banks, just as we have federal regulations dealing with money laundering, where real estate agents across the country have to report suspicious activity. I believe lawyers are supposed to as well, at least that is what they talked about last year. Certainly life insurance agents have to report suspicious activity. If that onus were put on the banking system, these people would be unable to operate very long.

Do not forget, they are transferring money out of the country to tax havens in the Cayman Islands and other places. For all of these fraudsters that is the common element. They deal with banks. Banks are heavily regulated. Bank people are trained to spot suspicious activity. In fact, by law, they have to report deposits in cash over \$10,000. It is not that much more difficult to train them to spot suspicious activity on the part of people like this.

Even when Mr. Jones was registering at the bank for his bank account, he should have had to produce registrations proving that he was a licensed investment dealer and that he had the proper bonding and registrations.

This is the type of additional activity at which the federal government should look. The bill is a good first start and we will support it to get it to committee. However, we should be looking at these other areas as well, and I think the member was alluding to that in his speech.

Mr. Kevin Sorenson: Madam Speaker, I know a number of safeguards are in place already. I know, as the member has already mentioned, banks are required to report certain action that they may see when people walk in and withdraw \$50,000 from a bank account or anything over \$10,000. They are asked to file those types of reports.

I look across the way and I see a colleague from the Liberal Party whom I sat with on a national security committee. We have studied this. We know those types of withdrawals can be used for terrorist activities. My colleague is correct. It is organized crime.

Government Orders

This is not specific to pyramid schemes. Pyramid schemes are an offence in themselves and are listed somewhere else. However, a lot of this can also be the \$4,000, \$5,000, \$6,000 investments multiplied over hundreds of people, which banks would not recognize it on the one side from those who are investing or losing the money. I think what the member is alluding to is they had better recognize it on those who are perpetrating that activity.

Let me very clear. Very seldom do these individuals use one little local bank and everything is there under one account in one branch or in one banking institution. Organized crime uses hundreds of different institutions. Those people are masters in being able to launder money, but they are also masters in being able to put it into a place where there is going to be very few questions asked.

I am not certain I would disagree with the member. We can always be looking at ways that we can better educate and better protect Canadians. I would hope that our government is doing that.

• (1315)

Mr. Gordon Brown (Leeds—Grenville, CPC): Madam Speaker, some of the issues the member for Crowfoot talked about are some of the very things I hear from my constituents.

I live in a rural riding that has a fairly large senior population. I know the legislation the government is bring forward is going a long way to help combat some of the issues with which we are dealing.

Earlier today a member from the Bloc Québécois wanted to know if there were any cases where a person who had committed fraud over \$1 million had been given a sentence that was under two years. The fact is there have been cases like this.

Could the member for Crowfoot give us a few examples of those types of cases?

Mr. Kevin Sorenson: Madam Speaker, the answer is yes, there have been. There have been a number of cases where the courts deemed differently because of mitigating circumstances such as first time offence, others with no criminal record or a case where it involved the community's best people. These were people who were volunteers in minor hockey programs or in their communities, but they were also involved.

In *R v Cioffi* the accused was authorizing loans to fictitious people. She was charged with fraud over \$5,000. The fraud amounted to more than \$4 million and lasted for four years. The scheme was set up by another person who was accused merely of implementing the program that someone else had set up. The aggravating factors in that case, the court found there was a huge abuse of trust. A large number of fraudulent transactions over a long period of time had taken place, so it was not just that she was caught up for a short period of time. The mitigating factors in this case: she never had an extensive criminal record. The accused did not personally benefit because she had set it up for someone else and the accused was also a victim of fraud. She ended up with two years less a day and the stay was granted.

In another case, *R v McCarthy*, the accused was charged with three counts of fraud over \$5,000 related to two loans totalling in excess of \$3 million and the ongoing trading of shares. The court found aggravating factors: breach of trust, considerable amount defrauded, significant number of victims. The mitigating factors

were: no criminal record, no threat to the community, a record of community involvement. He received a conditional sentence. The \$3 million impact to the economy is one thing that we did not really get into, but a \$3 million fraud received a conditional sentence of two years less a day followed by a year of probation. The list is long.

One of the differences between governments is that when the former Liberal government tried to make it look like it was toughening up on this type of crime, it extended the maximum sentence. The courts simply did not give very many people the maximum sentence.

The bill says there will be a minimum sentence, a minimum of two years in prison for any fraudulent activity where people are charged and sentenced. Again, the bill also says we will look to restitution. That is what Canadians want. They want to know that there will be a degree of restitution where we can find it. That is what the bill does.

• (1320)

Ms. Candice Hooppner (Portage—Lisgar, CPC): Madam Speaker, I would like my colleague to reiterate some of the ways that victims truly are traumatized and doubly victimized by this kind of crime, not just that the funds that are stolen from them but some of the intangible ways that their lives are affected so negatively.

The Acting Speaker (Ms. Denise Savoie): The hon. member for Crowfoot has 40 seconds for his response.

Mr. Kevin Sorenson: Madam Speaker, I can speak quickly. I own an auction company, so I can do it like an auctioneer.

Many people invested in these types of things to secure an education for their children. We had a case where they felt they could invest in a program and in five years, when their kids were ready to go to college, they would not have to go through the student loans. There were reasons why perhaps their children could not access a student loan. They put money in hoping their children would get an education. Well, they got an education from the school of hard knocks. That is where the children ended up going because there were no moneys because of the loss.

In other cases, the farm has been put up and owners have seen significant losses. There are cases in retirement where they have stopped—

The Acting Speaker (Ms. Denise Savoie): Resuming debate, the hon. member for Argenteuil—Papineau—Mirabel.

[*Translation*]

Mr. Mario Laframboise (Argenteuil—Papineau—Mirabel, BQ): Madam Speaker, I am pleased to speak on behalf of the Bloc Québécois to Bill C-52 relating to economic crimes.

I am particularly pleased because our colleague from Abitibi—Témiscamingue had an opportunity today to deliver the main position of the Bloc Québécois. As we know, before our colleague from Abitibi—Témiscamingue became a member of this House, he was a criminal lawyer for 30 years.

Government Orders

We also have our justice critic, the member for Marc-Aurèle-Fortin, who is also a criminal lawyer, and who of course was Attorney General of Quebec and was also a senior official in the ministère de la Sécurité publique in Quebec.

When the Bloc Québécois analyzes bills, it does so thoroughly. For two days now, the Bloc Québécois has been asking the Minister of Justice to provide a list of the cases in which criminals and fraud artists defrauded people of over \$1 million and were then given sentences of less than two years.

For two days, our Conservative colleagues have had their research service working on it. This has to be examined, because we must never forget that the legal system we have inherited from our parents and our grandparents is based on precedent, and so is obviously a constantly evolving system. I hope the examples the Conservatives have cited for us are recent law and are new decisions or the most recent decisions.

It is too easy to engage in demagoguery, particularly when it comes from the Conservatives, because they have decided to do politics the easy way. It pays to be tough on crime, because often the public listens to the media, and obviously both the press and the electronic media often sell papers or attract viewers by inflating a news item and trying to sensationalize it. That is how our democratic societies work, and that is fine.

The public can make up their own minds. They watch more than one television network. They are not all the same. They can read more than one newspaper and they do not all have the same opinions on a subject. That is fine. Except that when a political party like the Conservative Party decides to jump to conclusions, it is very easy and it is demagoguery at its worst when they try to take a single trend and apply it to a party's agenda. And they think this is the way to win elections.

Obviously, they may think this has borne fruit for them, except that in Quebec, Quebecers are much more vigilant in terms of how justice is administered, and they get to the bottom of things. That is why, election after election, a majority of the members they elect to this House are from the Bloc Québécois, which gets to the bottom of things before taking positions.

In Quebec, we have had to deal with major white-collar crime cases. We are talking about the Norbourg case, with Lacroix, and the Earl Jones case. Obviously, these are perfect examples of criminals who have abused the system. These fraud artists had built up their system over a number of years. These were not occasional frauds. These are criminals who built an entire empire, one that made a lot of profit for them personally. They were able to live the high life, they had a wonderful life, and obviously, with the outcomes we have seen when the economic crisis hit, everything collapsed and all the houses of cards they had built crumbled.

This clearly left victims, people who lost a lot of money, in distress. Once again, when I talk about a government's skill at exploiting public opinion, that is what it is trying to make us believe, that Bill C-52 is going to solve the problem.

• (1325)

What the victims of Vincent Lacroix and Earl Jones are looking for is to recover their money. It is wrong to say that the bill will

enable victims to do so. It will not make recovery of the money possible.

Once again, it is all very well to say the guilty person will be required to reimburse something, but they have to have assets left to do so. The fact of the matter is that, in the cases of Vincent Lacroix and Earl Jones, it becomes clear very quickly that the money has disappeared because they had set up the system years previously. Perhaps the Conservatives are fooled, but we in the Bloc Québécois are not. The money has disappeared and is probably to be found in tax havens protected by the government. The Bloc has, for a number of years now, called on both the Liberals at the time and the Conservatives to abolish tax havens, and they do nothing about it. This bill is not going to make it possible to recover all the funds in tax havens that might be held by white collar criminals. It has absolutely no impact on tax havens.

So, once again, the victims are stuck and for good reason. The Minister of Justice's strategy was to publicize this bill before introducing it in the House. Today, the leader of the Bloc Québécois rose on a point of order about this. I know that the Chair will consider the matter and rule on the Conservatives' new approach, which is to short-circuit the House of Commons. Our prime objective, however, is to enact legislation. This is the first time in the history of Canada that a government has decided, in an effort to influence public opinion, to release the bill directly in the media before parliamentarians have seen it.

Once again, why did they do it? Out of sheer partisanship. This is the Conservative approach to politics. I repeat. Quebecers are not fooled. The people of the rest of Canada, however, clearly are fooled by the Conservatives' behaviour. That is their problem. Quebecers have understood the messages. Nevertheless, for non partisan purposes, the Bloc, on our return to the House of Commons in September, sought the unanimous consent of the House to table a measure regarding the abolition of the granting of parole after one-sixth of a sentence has been served. The Conservatives will try to convince us that there must be a minimum sentence of two years for crimes involving over \$1 million.

All that that accomplished—the fact that the Conservatives waited—is that criminals in Quebec, the Vincent Lacroix types of this world, are pleading guilty. Earl Jones is in the process of doing the same thing. Vincent Lacroix decided to plead guilty in September. Earl Jones is getting ready to plead guilty. They are doing so precisely to avoid having a bill, such as the one introduced by the Bloc Québécois to abolish parole after one-sixth of a sentence has been served, come into effect before they are sentenced, so they can be paroled after serving one-sixth of it. That was the twisted part. The victims are not reimbursed, and these criminals can be released after serving one-sixth of their sentence.

Government Orders

Vincent Lacroix was sentenced to eight years in prison. He got out after serving one-sixth, or 15 months, of his civil court sentence. He was sentenced in criminal court as well as a result of legal proceedings instituted by the AMF. He decided to plead guilty to these criminal charges. He was sentenced to 15 years in prison but will be eligible for release after serving one-sixth. This means we will see Vincent Lacroix back on our streets after two and a half years. That is what the Conservatives are trying to stuff down the throats of Quebecers.

But Quebecers have already moved on. They know we have to get rid of conditional release after one-sixth of the sentence for these criminals. Why? These criminals are obviously not what are usually considered dangerous. They have not committed armed robbery. Ultimately, though, they are just as dangerous because they get to their victims psychologically. I know, of course, that the Conservatives have a bit of a difficulty with psychology and things like that. I know quite a few of them who find that sort of thing difficult. But that is where Quebecers are now, and that is what the Bloc Québécois expected.

In a spirit of non-partisanship, therefore, the Bloc Québécois is saying today that it will vote in favour of this bill so that it can be sent to committee and improved. As it now stands, it will not resolve the problems of the victims.

● (1330)

The minister's attempt to hold a press conference to unveil his bill failed miserably because the victims were not convinced when it came to their two major problems: the reimbursement of their money and ensuring that these criminals do not return to our streets after two and a half or three years. This bill does nothing to resolve these two problems.

It is hard because we are dealing with a government that has the entire bureaucracy and tremendous resources at its disposal. It uses them to promote itself. It even makes cheques out with the Conservative Party logo on them. It is quite the thing to see them in action. They use government advertising dollars to sing the praises of their own political platform.

The Conservatives will not succeed, though, because they are not achieving the objectives, at least in Quebec. It is difficult for them because they are on the wrong path. We have experts here. The hon. member for Marc-Aurèle-Fortin and the hon. member for Abitibi—Témiscamingue are well-known criminal lawyers. The hon. member for Marc-Aurèle-Fortin was the Attorney General of Quebec. But the Conservatives are not listening to common sense.

That is the message the Bloc is delivering here. That is the hand that the Bloc reached out to the government in September. First the Bloc Québécois tried to show that there are criminals who are prepared to plead guilty because they will be eligible for parole anyway after serving a sixth of their sentence. Why not unanimously support a Bloc Québécois bill to abolish conditional release after a sixth of the sentence? That would prevent the Vincent Lacroix's and Earl Jones's of this world from serving a two-and-a-half year sentence when they should be serving 15 years. Even if they got a 25-year sentence, they would only serve a couple more years if they served just one-sixth. In that case, they would serve four years instead of two and a half before returning to the streets. That is the

reality. We do not know whether a two-year minimum is enough. Lacroix got eight years and was released after 16 months. If he pleads guilty, he will be sentenced to 15 years in prison but will be back on our streets after two and a half years. That is the reality and that is what the victims find so infuriating.

The second problem has to do with restitution. There is no mention of compensation or a compensation fund in this bill. The Conservatives are introducing a compensation process by saying that the guilty party will have to compensate his victims. That already exists in the Criminal Code. The problem with organized fraud by the likes of Vincent Lacroix, Earl Jones or Cinar is that there is no solution in this bill. For weeks, the Bloc Québécois and its leader have been saying in this House that there was fraud in the case of Cinar. There was collusion at the Department of Justice under the Liberals. The press took note of that. Again, the Minister of Justice rose in this House to ask whether we had new information to reopen the case. We see new information in many of the newspapers in Quebec. They probably do not read newspapers from Quebec. We can see what impact it has on them politically not to do so. They would be well served to read the Quebec media, which has all the details on this affair. The people of Quebec have decided to clean house. They truly want white collar criminals to stay in prison for the duration of their sentence, be it 15, 20 or 25 years. Criminals have to serve their sentence.

People who lost their money want to be compensated whether it is the government that does so or not. Some may have submitted requests, but they want someone to go after the money hidden in tax havens by the criminals. People are under the impression, and I agree with them, that when the criminals get out after serving one-sixth of their sentence, or after a year and a half or two years and a half, they get on a boat or plane and are never seen again. They will live out their days under the sun thanks to the money they stole from their victims. It will be thanks to the Government of Canada because the elected members of this House will not have been intelligent enough to understand what the Bloc Québécois has been trying to say for over three years now.

Requests were submitted to the government in 2007 and again in 2009. We have been saying that the system needs to be fixed. It is time to take action. It is no time to be ideological and keep bleating about being tough on crime, as the Conservative MPs are doing. Tough on crime, tough on crime; it is rather redundant.

● (1335)

We have to be able to prevent white collar criminals, the likes of Vincent Lacroix and Earl Jones, from returning to society and the community after 16 months. That is what happened with Lacroix after his first trial even though he was sentenced to eight years imprisonment. He was recently sentenced to 15 years but in two and a half years he will be out again.

Quebeckers do not want this to happen any more. Victims who have lost money want restitution and want us to simply abolish tax havens because that is where the money is.

Once again, the member for Marc-Aurèle-Fortin has proposed a special squad of accountants. The RCMP should set up such a squad to track the money in these tax havens.

Government Orders

I realize that this is a problem for the Conservatives. When tax havens are allowed and, through bilateral agreements with certain countries, you encourage citizens to invest money in them, you are not too keen on having the RCMP investigate the money that is transferred to these countries.

Those countries that have signed an agreement with Canada would surely call to tell us to not set up a squad to conduct investigations in their countries. We should simply break our ties with these countries and establish special squads of chartered accountants, specialized accountants and certified general accountants who would conduct investigations.

If we look back in history, Eliot Ness was finally able to charge Al Capone with the help of the US Internal Revenue Service. That is how they sentenced the most notorious criminal in America. It was not by trying to arrest him for crimes committed because they were never able to prove them. They convicted him of tax evasion and that is how they were able to nab him.

That is the reality. We must use our tax system in order to follow the money trail. Day in and day out, victims tell us that they do not understand how they were drawn into such an affair. What is worse, they find themselves back where they started but with no money.

Then we learn that people like Earl Jones and Vincent Lacroix have no money left. People find it very difficult to believe—as I do—that these fraudsters have gone through hundreds of millions of dollars just like that. Earl Jones traveled all around for three weeks before being taken into custody.

The authorities looked for him worldwide. Search calls went out. Was he in England or another country? We were told that he was here, but he was able to stash all his money away and that is what we need to find out. I understand why people are cynical. They are saying that since he pleaded guilty, no one can know what is going to happen and we will not learn any more. They are right because Canada does not have a specialized RCMP investigation team to trace those funds. That is a fact.

Once again, and with a great deal of respect from all the members of this House, the Bloc Québécois introduced such measures and called for the unanimous consent of the House, which we did not obtain. Our request was simple, that is, simply to abolish the practice of parole after one-sixth of the sentence for white collar criminals. Our request was not complicated. We asked for unanimous consent, and the Conservatives said no.

Yesterday the Minister of Public Works and Government Services told us that more research was needed and that it was complicated. However, it is not complicated to say that white-collar criminals will not be entitled to early parole and will have to serve their full sentence. It is not complicated. It would have been a simple question of adding a few paragraphs to the legislation. We can do that. But, no, they want to completely overhaul the entire parole system.

So for four years now, they have been amending the Criminal Code section by section, one at a time, according to what is happening in society. There is no Conservative plan to amend the Criminal Code. They are doing it piece by piece. When a crime is committed and the public interest has been captured by the media, they introduce a bill. In the case of parole, they have decided they

want to make a number of amendments. Once again, the Conservatives should pay attention to the wisdom of Quebeckers, represented here by the Bloc Québécois.

● (1340)

[*English*]

Mr. Jim Maloway (Elmwood—Transcona, NDP): Madam Speaker, once again I think the government is doing a little false advertising with this bill and raising false hopes among the people in the country that white-collar criminals are actually going to spend a lot of time in jail when we pass this bill.

I think the member is on the right track here. If we are going to put people in jail and then allow them out after serving one-sixth of their sentence, I do not think that is what the public actually thinks is going on with this bill or that it is something the public would actually support.

The other area that the member raised was the whole issue of tax havens. Nobody believes that these criminals are keeping their money sitting in bank accounts here in Canada. We know that they are sending this money out to tax havens in the Cayman Islands and places like that.

I would ask the member whether he would agree that perhaps the government should be looking at regulating the banks a little more tightly so that we can try to track these suspicious movements of money.

I like his idea about beefing up the RCMP and having forensic auditors being more active. However, we also have to look at the regulatory framework and have tough regulation in this country, as opposed to having industry insiders sitting on the panels that are supposed to be doing the regulating.

[*Translation*]

Mr. Mario Laframboise: Madam Speaker, in answer to the first part of my colleague's question, I would say that the Conservatives are using the justice system for purely partisan purposes. "Tough on crime" is a snappy little sound bite. It is easy to fit into speeches. The Conservative members have been well trained, like sheep, and they all know how to say "tough on crime". However, actually being tough on crime is something else entirely. My colleague raised some good points about that.

Proclaiming that one is tough on crime is not what it takes to unanimously pass a bill eliminating conditional release, as the Bloc Québécois proposed, to prevent white collar criminals from being put back in the community after serving 16 or 18 months of an eight-year sentence. That is what happened with Vincent Lacroix, who is expected to spend two and a half years of his 15-year criminal sentence in jail. He was sentenced to eight years on civil charges. He will be back on our streets in two and a half years.

It was simple enough. We were not trying to play partisan politics, and we were not getting all dramatic, saying we were tough on crime. We just did not want criminals to be back on the streets after serving one-sixth of their sentence. It was not that hard to understand, but apparently, it was a little too complicated for the Conservatives.

• (1345)

Mr. Yves Lessard (Chambly—Borduas, BQ): Mr. Speaker, I want to congratulate my colleague from Argenteuil—Papineau—Mirabel for the relevance of his remarks. What he did not say was that he also has legal training, like our colleagues from Abitibi—Témiscamingue and Marc-Aurèle-Fortin.

The relevance of his remarks was very much appreciated. I think that they helped clarify the intentions of this bill. The bill's title in French is meaningful. The French title refers to “châtiment”, meaning retribution or punishment, on behalf of victims of crime. That is the word used, and the root of that word comes from the French for “sharia”. I do not think that parliamentarians should be creating revenge bills; they should be creating bills that seek justice.

Often, in order to get people to understand the scope of a measure, we need to stimulate their imaginations. The Leader of the Bloc Québécois spoke about a role model, Guy Lafleur, who became very famous because of what he accomplished both on and off the ice. Under a similar bill, he could have been the victim of some of these measures. These measures would be identical to those applied to someone who did something as horrible as stealing more than \$1 million, when he simply gave contradictory evidence in court. The measure is pretty clear.

Would this bill not end up creating more victims?

Mr. Mario Laframboise: Madam Speaker, yes, and that was very eloquent.

I said earlier that the problem with the Conservatives is that they do not read the Quebec papers. It was very telling to see the analyses in the press, even the ones by legal experts, because they were clearly divided on the issue. Most said, though, that under this bill, people like Guy Lafleur would have automatically been sentenced to prison. It is amazing how the Conservatives are determined to replace the justice system. There is a reason we have been asking them for two days to cite one case where a criminal who committed fraud over \$1 million was sentenced to less than two years in prison.

Earlier, a Conservative finally gave us an answer and named cases. The Bloc Québécois experts and I have taken note of them. We have to be careful. We are talking about cases, crimes and sentences in recent case law. There have been many such cases in Quebec and the rest of Canada recently. We are talking about case law that is up to date, because it evolves. Obviously, cases affect other cases and form case law, which evolves over time. It is therefore important to consider the latest cases and trends. We will check. Lately, at least for rulings handed down in Quebec in the case of fraud over \$1 million, offenders have been sentenced to more than two years in prison.

That is not the problem. Vincent Lacroix was given a civil sentence of eight years imprisonment because the sentences were for terms of less than two years cumulatively. He was able to get out after 16 months incarceration because he was eligible for parole after serving one-sixth of his sentence. That is the problem identified by all victims and all Quebecers who saw Vincent Lacroix plead guilty immediately after the Bloc Québécois presented its motion.

We had unanimously requested in this House that the provision of release after serving one-sixth of sentence be abolished for white

Government Orders

collar criminals. The Conservatives said no. Two days later, Vincent Lacroix pleaded guilty in order to avoid serving his full sentence of 15 years, which would have been the case under the Bloc Québécois proposal to abolish parole after serving one-sixth of a sentence.

The Conservatives' inertia made it possible for Vincent Lacroix to be sentenced and to be free in two and a half years. That is the reality. That is how the Conservatives play petty politics with the topic of the day. The Conservative members say they are tough on crime but in the end they just follow along blindly. The result is that Vincent Lacroix pleaded guilty and was sentenced to 15 years imprisonment but will be out on the streets in two and a half years.

ROYAL ASSENT

• (1350)

[English]

The Acting Speaker (Ms. Denise Savoie): Order, please. I have the honour to inform the House that a communication has been received as follows:

Rideau Hall
Ottawa

October 21, 2009

Mr. Speaker:

I have the honour to inform you that the Honourable Thomas Cromwell, Puisne Judge of the Supreme Court of Canada, in his capacity as Deputy of the Governor General, signified royal assent by written declaration to the bills listed in the schedule to this letter on the 21st day of October, 2009, at 5:36 p.m.

Yours sincerely,

Sheila-Marie Cook
Secretary to the Governor General

The schedule indicates the bills assented to were Bill S-4, An Act to amend the Criminal Code (identity theft and related misconduct), and Bill C-25, An Act to amend the Criminal Code (limiting credit for time spent in pre-sentencing custody).

Resuming debate. The hon. Parliamentary Secretary to the Minister of Transport, Infrastructure and Communities. I should advise him that he will have not quite 10 minutes and may continue after question period.

GOVERNMENT ORDERS

[English]

RETRIBUTION ON BEHALF OF VICTIMS OF WHITE COLLAR CRIME ACT

The House resumed from consideration of the motion that Bill C-52, An Act to amend the Criminal Code (sentencing for fraud), be read the second time and referred to a committee.

Mr. Brian Jean (Parliamentary Secretary to the Minister of Transport, Infrastructure and Communities, CPC): Madam Speaker, I appreciate the opportunity to speak today to this particular bill.

Statements by Members

I work with the Bloc member, who spoke earlier, on my committee, and he asked what the Conservative government's plan was. I can assure him that the Conservative government's plan and priority is to protect victims of crime, not to stand up for criminals but to stand up for Canadians and Canadian families and ensure victims are protected and future crimes are avoided.

The Bloc would like to join us in this particular agenda, and I would welcome them. I have noticed as well, from the questions of some of the NDP members, that they are also interested in moving forward with the Conservative government to protect victims and to ensure that criminals actually pay for the crimes they commit.

As one famous Canadian said, the Liberals, however, are so confused, they are stabbing each other in the front right now. So, I am not sure where they sit, although they have said that they will join us in this particular agenda. I would welcome them to join us in future agendas to protect Canadians and Canadian families.

This bill contains six measures, all of which are designed in some way to enhance the sentencing process for offenders convicted of fraud. Indeed, many families are devastated as a result of fraud, especially serious fraud involving tens, if not hundreds of thousands upon millions of dollars of pension funds. Many Canadians are affected by this. We as a government are committed to ensuring that this practice will stop as much as possible and that those people who do commit these crimes actually pay, so we discourage future criminals from committing those crimes.

The first of these elements is the mandatory minimum penalty, which is so popular with most Canadians. Canadians are most concerned about large scale frauds, as I mentioned, that actually wipe out people's life savings and demonstrate the extreme greed of the criminal and indifference to others. To address this concern, the bill includes a mandatory penalty of a minimum of two years imprisonment for any fraud or combined frauds of over \$1 million.

We should mention that this mandatory minimum penalty acts as a floor to ensure that there is some consistency with judges and justices throughout this country and that people who do commit this crime have a clear message from the government that they will do the time if they commit the crime.

The second element is in relation to aggravating factors. This is an excellent case of where the government is taking some common sense approaches to ensuring we protect victims and punish criminals. There are currently four statutory aggravating factors for fraud under section 380.1 of the Criminal Code, and the bill would add new aggravating factors to the list. We believe, as a government, that these new factors would go further to deterring criminals and ensuring victims are considered in all aspects of these matters.

The first factor is the impact of the fraud on its victim. The victims would prepare a victim impact statement and provide that to the court so that the court can see first-hand how this particular offence and how this particular criminal has affected them, their family, their friends and their future life.

In my past life as a litigator for some 11 years, I saw this impact directly, not just on individuals, Canadian families and seniors, but also many times on clubs: curling clubs, skating clubs and many non-profit groups that actually rely on these funds and then find out,

after they have appointed somebody to a position of trust to manage these funds and take care of them, they find after three or four months, sometimes even years, that all of a sudden all the money is gone and all that is left is paperwork. The criminal has spent it either on gambling, which many times is the case, or just simply on a lavish lifestyle. That would be the first of the new aggravating factors to be considered by justices and judges across this country.

The second factor that is important for today is the complexity and magnitude of the fraud itself, because these criminals are becoming much more adventurous, much more intellectual as far as the crime itself and how they go about committing it. We want to ensure judges consider this in the sentencing provisions themselves.

The third aggravating factor is the failure of the offender to comply with the applicable rules and regulations as set out by the particular situation they are in, and, off course, that speaks for itself.

● (1355)

Finally, the fourth statutory aggravating factor that would be added to section 380.1 of the Criminal Code would be any attempt by the offender to conceal or destroy records relevant to the fraud, which obviously shows the offender's bad faith and intention to try to get away with the crime even after he or she is caught.

All of these issues are extremely important. Criminals and victims themselves should recognize that this Conservative government is standing up for them and ensuring their priorities are met.

The third measure is what judges have considered as aggravating and mitigating circumstances. This would require the sentencing court to state on the record, which is very important, which aggravating and mitigating factors it has applied. The reason for this is to ensure consistency. As we know, we have a system of law that relies on case law and precedents to ensure that judges that make future decisions are able to examine what past judges have done and make decisions based upon that to ensure consistency across the country from province to province and coast to coast, which is very important. This is also to ensure transparency in the decisions themselves made by the judges so that when they make a decision, which may not be normal or may fall outside of the boundaries, they state it clearly on the record.

These factors will in part be very effective to ensure that future criminals will not consistently—

The Acting Speaker (Ms. Denise Savoie): Order, please. The hon. member will have 13 minutes remaining for his comments after question period.

STATEMENTS BY MEMBERS

● (1400)

[*Translation*]

DENIS LÉVESQUE

Hon. Maxime Bernier (Beauce, CPC): Madam Speaker, today I would like to pay tribute to an outstanding member of the Beauce community. Denis Lévesque received the Dollard-Morin volunteer award for sports and recreation on October 16, 2009, at a ceremony in Quebec City.

Statements by Members

Mr. Lévesque is the head of the Tour de Beauce, or Grand Prix cycliste de Beauce, the largest bicycle road racing event in Canada, and has been helping organize competitions since 1993.

His tireless and conscientious work has led to success after success over the years. He has helped make the Tour de Beauce one of the largest sporting events in the world.

Congratulations, Denis. You have my utmost respect for your great generosity and dedication to amateur sports in Beauce.

* * *

[English]

EAST HANTS SPORTSPLEX

Hon. Scott Brison (Kings—Hants, Lib.): Madam Speaker, the East Hants Sportsplex in Lantz, Nova Scotia needs an expansion.

The local population has doubled over the last decade. Families are being turned away due to lack of ice time. The high school cannot get ice time for their hockey team. Public skating is limited to only once a week. The *Halifax Chronicle Herald* has written about the much-needed expansion. CBC has also aired a story on the project.

Municipal and provincial governments support the expansion project. It is shovel-ready. The planning is complete. East Hants has committed \$3.5 million to the project. Nova Scotia has committed \$5.6 million to the project. Project organizers have applied for federal funding. They met with the regional minister.

To date there has been nothing but silence from the Conservatives. The residents of East Hants pay the same taxes voters in Conservative ridings pay.

Why is funding for a project in the defence minister's riding announced in the absence of any municipal partnership? Why are the people of East Hants being treated as second-rate citizens by the Conservative government just for exercising their democratic rights as citizens?

* * *

[Translation]

PETER KENNEDY

Ms. Christiane Gagnon (Québec, BQ): Madam Speaker, around noon on Monday, an explosion on the Hill was heard for miles around. The event turned tragic for several of the region's workers and families when three employees were injured, one of them seriously.

Following the explosion of a boiler in the Cliff Street heating plant right here on the Hill, Peter Kennedy, a 51-year-old husband and father, received second-degree burns to over 50% of his body and a serious head wound.

We were deeply distressed to learn that Mr. Kennedy, whom his colleagues describe as a hard worker and a mentor, passed away on Tuesday as a result of his injuries.

On behalf of my Bloc Québécois colleagues, I would like to convey our most sincere condolences to Peter Kennedy's family and

friends. I also wish the other two workers injured during the tragic accident a speedy recovery.

* * *

[English]

PENSIONS

Mr. Wayne Marston (Hamilton East—Stoney Creek, NDP): Mr. Speaker, over a year ago the NDP began setting our priorities for much-needed change to Canada's pension system.

We held a round table where pension experts, actuaries, financial experts and seniors' groups raised concerns but offered innovative ways to address the problems of our pension system.

Liberals are just now starting to engage the same expert on pensions that we consulted months ago. The June NDP opposition day motion, which passed unanimously, laid out a road map for this House to direct its energy regarding pension and income security for seniors.

As the NDP's critic for seniors and pensions, I spent the summer visiting seniors in 20 communities across Canada, listening to their concerns, and forming our planning on this important issue.

Months of activity culminated today in the announcement of the NDP plan for retirement security for all. Our plan will end seniors' poverty by increasing the GIS and strengthening the CPP and QPP in consultation with the provinces, with the goal of doubling benefits and developing a national pension insurance program as well as a national facility to adopt pensions of companies in crisis or bankruptcy.

The NDP is working for seniors.

* * *

CANADA-UNITED STATES RELATIONS

Mr. Merv Tweed (Brandon—Souris, CPC): Mr. Speaker, tomorrow former Manitoba premier Gary Doer will formally present his papers to the U.S. state department and officially begin work as ambassador.

Before he goes, he is in Ottawa to meet with our cabinet. In the days ahead our government will continue working with our American neighbours as we come together to solve the challenges of the global economic downturn.

We are not out of the woods yet, and it is important that we continue moving forward with stimulus projects on both sides of the border. As well, we must apply the lessons of history and continue to resist protectionist pressures.

Our two countries have had great success in working together in the past, and the clean energy dialogue is another great example of how we can address common problems through a common approach.

On behalf of this House and all Canadians, I would like to extend best wishes and wish great luck to Ambassador Doer.

Statements by Members

●(1405)

VETERANS AFFAIRS

Ms. Siobhan Coady (St. John's South—Mount Pearl, Lib.): Mr. Speaker, Mr. Joe Hawco laid his life on the line for his country, serving in the Canadian military for 17 years. He was a peacekeeper who did two tours of duty in the Middle East. He had a fellow peacekeeper die in his arms while on duty.

Mr. Hawco is now 74 years of age and suffers from dementia. I am sure all members of the House would want him to be treated with the dignity and respect he deserves.

However, Mr. Hawco does not qualify for the Department of Veterans Affairs Caribou Pavilion because he did not serve in a world war or in the Korean conflict. Only those who did so have access to the services of the Department of Veterans Affairs facilities. Peacekeepers do not have access, nor do those returning from Afghanistan.

It is time to review this practice. We must do right by our heroes.

* * *

ZIMBABWE

Mr. Deepak Obhrai (Calgary East, CPC): Mr. Speaker, Prime Minister Tsvangirai of Zimbabwe announced that his party would be disengaging from the inclusive government.

Prime Minister Tsvangirai has since embarked on a regional tour of key Southern African Development Community capitals hoping to gather support that would pressure ZANU (PF) into honouring its commitment to implement the power-sharing agreement, the so-called global political agreement.

Canada continues to encourage regional leaders to use their influence to help resolve the crisis in Zimbabwe.

Canada maintains targeted sanctions which send a clear message that Canada abhors the degrading of a legitimate democratic process and the continuing human rights violations in Zimbabwe. These sanctions target those in power and will not affect the Zimbabwean people.

Our government continues to act in the name of human rights and the rule of law abroad.

* * *

[Translation]

ONONDAGA SUBMARINE

Mr. Claude Guimond (Rimouski-Neigette—Témiscouata—Les Basques, BQ): Mr. Speaker, it is with great pride and admiration that I rise to commend the hard work of the staff at the Pointe-au-Pere maritime museum and of its executive director, Serge Guay, who have turned HMCS *Onondaga* into a major and important tourist attraction in the lower St. Lawrence region.

The only submarine museum in Canada, this impressive vessel, weighing over 1,400 tonnes, and the unique experience it offers aroused the curiosity of visitors all summer long. Indeed, through various activities, visitors were able to discover what it means to be a submariner.

A total of over 90,000 people came to visit HMCS *Onondaga*, 85% of whom were from outside the Lower St. Lawrence region, which means it is an important tourist and economic attraction for the region.

I wish the submarine and Pointe-au-Pere maritime museum, and its staff, many years of success.

* * *

[English]

JUSTICE

Mr. Rick Dykstra (St. Catharines, CPC): Mr. Speaker, our government has been committed to restoring justice within our justice system. A key component of that is abolishing the deeply flawed two-for-one practice that allows violent criminals to walk free after sentencing, sometimes following as little as one day in jail.

I am proud to say that I have supported the abolishment of this practice since I earned the right to represent the people of St. Catharines, and I introduced a private member's bill to end this practice.

The Liberal Party supported the end of two for one when it left this place on June 8, but it seems the Liberal senators still favour the practice of extra bonus credit for time served. However, despite Liberal senators' opposition to this legislation, today the bill received royal assent.

The Liberal Party supports tough on crime legislation when the cameras are on and then ignores the plight of victims when the cameras are off.

It is time the Liberal Party of Canada stopped playing politics with our justice system.

* * *

SMALL BUSINESS WEEK

Mr. Marcel Proulx (Hull—Aylmer, Lib.): Mr. Speaker, this week we mark the 30th anniversary of Small Business Week, organized by the Business Development Bank of Canada.

This event started in 1979 in British Columbia and went national two years later. This year's theme is "Your dream, your business, your passion". This anniversary edition of this annual celebration is held until October 24, and events are taking place from coast to coast.

●(1410)

[Translation]

For the 22nd year, the Young Entrepreneur Awards were handed out to entrepreneurs under the age of 35 in each of the provinces and in one territory. I would like to take this opportunity to congratulate them. You have a brilliant future ahead of you. This award proves that your dreams can come true. In business, it is not your age but your ideas that will set you apart from your competitors.

Statements by Members

[English]

Small businesses are the pulse of our economy, which is why it is so important for our country to keep the jobs related to them. When one is the owner of a small business, one understands all the sacrifices that need to be made to achieve success.

* * *

[Translation]

JUSTICE

Mr. Jacques Gourde (Lotbinière—Chutes-de-la-Chaudière, CPC): Mr. Speaker, Canadians from coast to coast to coast support our government's legislation to guarantee mandatory minimum sentences of imprisonment for serious offences related to drugs, organized crime, violence or attacks against young people.

We all know that the production and trafficking of drugs is a major source of illicit revenue for organized crime, but enough is enough and Canadians are calling for action.

They want the government to defend victims of crime and crack down on gangs and organized crime.

Bill C-15 on drugs received support in this House, so what are the Liberal senators waiting for, an order from Toronto? The Liberal leader has to stop playing partisan politics on the backs of victims of crime. When is he going to tell his Liberal colleagues in the Senate to pass this important legislation? Let us pass this bill quickly. Canadians are calling for it and we must take action.

* * *

[English]

HARMONIZED SALES TAX

Mr. John Rafferty (Thunder Bay—Rainy River, NDP): Mr. Speaker, Grand Chief Stan Beardy of the Nishnawbe Aski Nation and first nations across Ontario are deeply concerned about the impact of the unfair HST on their communities.

Ontario first nations are currently exempt from paying tax at the point of sale, but the harmonization of Ontario's taxes will remove this exemption, raising everyday taxes for Ontario's first nations. First nations communities already experience higher than average levels of poverty. Removing the exemption will create even greater financial burdens for Ontario's first nations.

The Ontario minister of finance agrees that the point-of-sale exemption for first nations is a right. At the federal level, the Minister of Finance and his Conservative government continue to claim that the harmonized sales tax is a strictly provincial initiative.

If the HST truly is a provincial initiative as he claims, the federal Minister of Finance should defer to the Ontario minister and ensure that the point-of-sale exemption for first nations people is maintained. The minister's refusal to do so to date speaks for itself.

* * *

LIBERAL PARTY PLATFORM

Mrs. Tilly O'Neill-Gordon (Miramichi, CPC): Mr. Speaker, yesterday the Liberal leader released a Liberal platform that is filled with huge, irresponsible and uncoded spending proposals.

For example, he repeated his commitment to the Liberal EI 45-day work year. This plan is offensive to hard-working Canadians and will cost \$4 billion per year. The Liberals continue to want to impose a national day care system that the Child Care Advocacy Association of Canada has costed at \$6 billion per year. These two proposals alone would cost \$10 billion per year and there are dozens more.

Yesterday, Canadians were reminded that the Liberal leader does not want to help hard-working Canadians and that he does not trust parents to raise their own children. We know how he is going to pay for these Liberal pet projects: by huge tax increases on hard-working Canadians.

This is more proof that he is not in it for Canadians. He is in it for himself.

* * *

[Translation]

SUPREME COURT OF CANADA

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, in a ruling handed down this morning, the Supreme Court of Canada declared Bill 104 unconstitutional. This law is designed to close a loophole in Quebec's charter of the French language that allows parents to enrol their children in public English language schools even though they are not entitled to.

This shocking decision is contrary to the primacy of the French language in Quebec and ignores the language laws passed by the National Assembly of Quebec, the supreme body of the Quebec nation.

Historically, the Supreme Court of Canada has always ruled against the legitimate choices of the Quebec people, who are seeking with Bill 101 to ensure the survival of French in Quebec.

In 1979, 1984, 1988, 1992 and again today, the Supreme Court denied the Quebec nation the right to adopt the means of protecting the French language appropriately.

It is even clearer today that the Supreme Court of Canada is the court of another nation, the Canadian nation. The real way to ensure that French survives in Quebec is for Quebec to become a sovereign nation.

* * *

● (1415)

[English]

CANADIAN FORCES

Ms. Judy Foote (Random—Burin—St. George's, Lib.): Mr. Speaker, I rise in the House to pay tribute to a young man from Cape St. George, a community in the riding of Random—Burin—St. George's. Frank Rubia has been promoted to master warrant officer in the Canadian Forces communications branch and was also appointed chief communications operator.

Oral Questions

Frank, who just recently returned to Canada from a tour in Afghanistan, is now responsible for all Canadian military communications systems deployed at both the national and international levels.

The men and women of the Canadian Forces put their lives on the line every day. Their efforts to bring peace and security to troubled regions are critical to creating a better future.

Canadians are proud of the important work that our troops do both here and overseas. The people of Cape St. George and particularly Frank's parents, Roderick and Audrey Rubia, are very proud of his accomplishments.

I ask the House to join me in welcoming home Master Warrant Officer Frank Rubia and congratulating him on his appointments.

* * *

LIBERAL PARTY PLATFORM

Mrs. Kelly Block (Saskatoon—Rosetown—Biggar, CPC): Mr. Speaker, yesterday the Liberal leader unveiled the first glimpse of the Liberal Party's platform. It calls for massive new spending which can only be paid for through tax hikes.

Now officially part of the Liberal platform is the Liberal leader's irresponsible and expensive 45-day work year that would cost Canadian taxpayers \$4 billion. He has also promised a national child care program that is said to cost \$6 billion annually.

While our Conservative government is focusing on the economy and committing to returning to a balanced budget once our economic recovery is assured, the Liberal leader is committing to a massive new permanent spending deficit.

Canadians know how he will pay for his spending promises. He has told us before. He will have to raise taxes.

Promising unaffordable spending and crippling tax hikes shows the Liberal leader is not in it for Canadians. He is in it for himself.

ORAL QUESTIONS

[Translation]

INFRASTRUCTURE

Hon. Ralph Goodale (Wascana, Lib.): Mr. Speaker, Canadians are worried about their jobs and their families, yet the Conservatives are engaging in an orgy of pork-barrelling.

Three independent investigations confirm the research done by the member for Parkdale—High Park: a shocking proportion of the recovery plan is meant for Conservative partisanship.

Will the Conservatives admit that this poses a threat to Canadians who did not vote for them?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, the recreational infrastructure Canada program is very important for the Canadian economy and for communities. I do not understand why the Liberal Party of Canada is opposed to these projects, even in its own ridings.

The hon. member's allegations are completely false. In fact, the Liberal deputy premier of Ontario said as much.

[English]

Hon. Ralph Goodale (Wascana, Lib.): Mr. Speaker, what the Conservatives have done here is cheating pure and simple, and it gets worse. They are not just butchering the taxpayers' dollar to pump pork into Conservative ridings. Nearly half the Conservative caucus is now under investigation for phony cheque presentations and they are running the most twisted, expensive government advertising in Canadian history headed toward \$100 million or more. Independent experts say it is blatantly partisan, a form of political corruption. When is it going to stop?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, Canada has an important economic action plan to deal with the effects of the recession. It has been widely noted by experts around the world the superior performance of the Canadian economy due in part to the effectiveness of these programs. Obviously when we are spending tens of billions of dollars of public money we want to inform members of the public as to how their money is being spent, to rebuild confidence in the economy, and that is exactly what is happening. The Liberal Party should welcome the continuing good news we are hearing about the Canadian economy rather than complain about it.

• (1420)

Hon. Ralph Goodale (Wascana, Lib.): Mr. Speaker, the Conservatives taint themselves with their abusive tactics: corrupt advertising, phony cheques, partisan logos, billboards on doorknobs, untendered contracts, and worst of all, the twisted distribution of infrastructure money to discriminate on a partisan basis against millions of honest, hard-working Canadians.

Why, for example, is a disabled child in Dartmouth worth less to the government than such a child in Whitby? Why?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, I guess when one is stuck in a party that is talking only to itself, one can whip oneself into that kind of lather.

I see this allegation, for instance, that RInC moneys have been distributed in a way that discriminates against Liberal ridings. This of course is a list of projects agreed to with the provincial Liberal government of Ontario and the Deputy Premier Mr. Smitherman himself said there is no such discrimination.

[Translation]

Mr. Pablo Rodriguez (Honoré-Mercier, Lib.): Mr. Speaker, it would seem the Conservatives have something to hide about the Champlain Bridge contract.

Usually, information on a website is not changed from one day to the next unless there is a good reason to do so.

Oral Questions

My question is very simple. Did the Prime Minister's spokesperson, Dimitri Soudas, have anything to do with the changes to Senator Housakos' website?

Hon. Christian Paradis (Minister of Public Works and Government Services, CPC): Mr. Speaker, the contracts for repairs to the Champlain Bridge are awarded by an independent crown corporation, Jacques Cartier and Champlain Bridges Incorporated.

The process was fair, open and transparent, and there was no involvement by any minister's office. If my colleague wants to make accusations outside the House, he is free to do so.

Mr. Pablo Rodriguez (Honoré-Mercier, Lib.): Mr. Speaker, it is quite clear that we are talking about influence peddling and certainly about partisan use of taxpayers' money, because, as we now know, Senator Housakos was a member of the board of the engineering firm BPR. Today, he is one of the Prime Minister's most important organizers in Quebec.

My second question is just as simple. How many sole-source contracts has BPR received from the federal government since the Conservatives came to power?

Hon. Christian Paradis (Minister of Public Works and Government Services, CPC): Mr. Speaker, we have been listening to baseless accusations here since the beginning of the week. I repeat: if they have any serious accusations, they should make them outside the House. An independent crown corporation awards the contracts in a fair, open, transparent process.

* * *

JUSTICE

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, the government is using all kinds of ridiculous excuses to justify not eliminating the practice of releasing offenders after they have served one-sixth of their sentence. Yesterday, the Minister of Justice and the political lieutenant for Quebec stated that getting rid of this practice was a very complicated undertaking and that they could therefore not include it in their white-collar crime bill. However, all it would take is revoking sections 110.1 and 126.1 of the Corrections and Conditional Release Act.

Can the Prime Minister tell us what is so complicated about eliminating the practice of releasing offenders after one-sixth of their sentence?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, yesterday, the Minister of Justice announced that our government will impose mandatory prison sentences for fraud in excess of \$1 million. I hope that the Bloc Québécois will support this measure. It will strengthen the criminal justice system's ability to crack down on white-collar crime, and I believe the Minister of Justice indicated that our government will follow up with other measures.

● (1425)

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, it will make the system so much stronger that the Minister of Justice was unable to refer to a single case from the past 20 years. I am so impressed by that kind of strength.

The only reason that the government is not planning to eliminate release after one-sixth of a sentence is that it wants to introduce

another bill with a poison pill so that it can play the tough guy. They remind me of right-wing American preachers. It is hypocrisy, pure and simple.

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, the only hypocrisy is the fact that the Bloc leader has been against strengthening the criminal justice system here in the House for the past 19 years.

As I just said, yesterday, the Minister of Justice announced harsh sentences for fraud over \$1 million. The leader of the Bloc says that he cannot think of an incident where that happened even though the francophone media report such incidents every day. I hope that the Bloc leader will support these reforms.

* * *

INFRASTRUCTURE

Mrs. Carole Freeman (Châteauguay—Saint-Constant, BQ): Mr. Speaker, this week the Prime Minister's Quebec lieutenant said that he did not think there was a problem with two Federal Bridge Corporation officials participating in a Conservative Party cocktail fundraiser, yet the crown corporation's vice-president of communications acknowledged that its code of conduct officially prohibits such partisan activities.

Will the Minister of Public Works, who should be extremely vigilant when it comes to the ethics involved in awarding contracts, stop condoning such unacceptable behaviour?

Hon. Christian Paradis (Minister of Public Works and Government Services, CPC): Mr. Speaker, the contracting out for the Champlain Bridge repairs is handled by a company that is independent of this government. It is an independent crown corporation, namely, Jacques Cartier and Champlain Bridges Incorporated. The process was fair, open and transparent. If there are any legitimate accusations, I invite members to bring them forward outside of this House. However, no one will, because they are all talk.

Mrs. Carole Freeman (Châteauguay—Saint-Constant, BQ): Mr. Speaker, by promising to take care of the individual who exposed the incestuous link between the Conservative regime, the Federal Bridge Corporation and BPR, Senator Housakos is acting like any good Conservative: go after the whistleblower instead of those who break the rules.

I again ask the Minister of Public Works: will he finally admit that he was wrong and clearly denounce the violation of the code of conduct by two Conservative officials?

Hon. Christian Paradis (Minister of Public Works and Government Services, CPC): Mr. Speaker, before she makes any false accusations and talks about deception, I would like the member first to understand that we are talking about an independent crown corporation, namely, Jacques Cartier and Champlain Bridges Inc., which followed a fair, open and transparent process that did not involve any cabinet ministers whatsoever. Is that clear enough?

*Oral Questions***PENSIONS**

Hon. Jack Layton (Toronto—Danforth, NDP): Mr. Speaker, today, along with the member for Hamilton East—Stoney Creek, our pension critic, I presented our plan to protect pensions: increase the guaranteed income supplement, strengthen public pension plans to double benefits, create a facility to adopt orphaned pension plans, and create a system of pension insurance to guarantee a minimum income in case of bankruptcy.

Is the Prime Minister prepared to consider these ideas?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, the government must always consider the costs of these types of reforms. I do not know the costs, and I do not think this information is included in the NDP's proposal.

That said, we are talking to Canadians and to the provinces regarding pension reform. It is obviously a very important subject, and we will consider all ideas.

[English]

Hon. Jack Layton (Toronto—Danforth, NDP): Mr. Speaker, yesterday I was outside this building with pensioners, long-term disabled individuals and former Nortel employees. They are really losing hope that they are going to be able to get their full benefits and pensions. The Prime Minister seems to believe that he has no role to play here or no responsibility, but that is not the case.

Could he tell the workers of Nortel that the government will take action to ensure that the unfunded liabilities of their pension plan will be established as secured debts and not unsecured debts? That is action the government could take and tell us about it today.

• (1430)

Right Hon. Stephen Harper (Prime Minister, CPC): First of all, once again, Mr. Speaker, as the leader of the NDP knows, the pension plan in question is under provincial, not federal, regulation.

In any case, the NDP and others have raised important questions about the situation of pensions in Canada. There are rules in place. We are consulting with Canadians and the provinces on how to strengthen those rules. We will look at a wide range of options.

Hon. Jack Layton (Toronto—Danforth, NDP): There is an urgency here, Mr. Speaker, when it comes to cases like Nortel and many others. We need the government to take action now.

Last June an NDP motion received the support of all parties in the House. It gave a sense of hope to Canadians who were concerned about their retirement security. Here is what we called for, which was supported by all parties: expand and increase the CPP, OAS and GIS; establish a pension insurance program; and ensure that pension funds go to the front of the line of creditors whenever there is a bankruptcy.

His own party voted for it. Why not take action now? The consultation has gone on an awful long time.

Right Hon. Stephen Harper (Prime Minister, CPC): Once again, Mr. Speaker, these are complex and sometimes expensive matters that involve a large number of Canadians who do have opinions on these issues. The government is looking closely at them, as are the provinces which regulate 90% of the private pension plans in this country. We look forward to working with the provinces on some important reforms going forward.

INFRASTRUCTURE

Mr. Gerard Kennedy (Parkdale—High Park, Lib.): Mr. Speaker, I want to ask the Prime Minister why he is letting his ministers abuse their government authority on infrastructure spending.

The people of northern Ontario, who have been hard hit by the economic downturn, are being shortchanged so his Minister of Industry can give a double helping to his riding and that of the other Conservative in the region. Could the Prime Minister explain to hard-working unemployed people elsewhere in the north why he thinks they are only worth half as much assistance as those in his Conservative ridings?

Will the Prime Minister discipline his ministers, will he make them start treating Canadians fairly, or are they just doing what he wanted them to do in the first place?

Hon. Tony Clement (Minister of Industry, CPC): Mr. Speaker, the recreational infrastructure projects, as well as all the other infrastructure stimulus, are designed to help Canadians across this country, northern Ontario and southern Ontario, participate in the economic recovery.

More jobs and more opportunities are the things we are focused on on this side of the House. You do not have to take my word for it, Mr. Speaker. The deputy premier of the province of Ontario, his former Liberal colleague, said that he was quite satisfied that things were done equitably here in the province of Ontario.

Mr. Gerard Kennedy (Parkdale—High Park, Lib.): Mr. Speaker, I can understand why the minister wants to hide behind the other minister, but I do not understand why the Prime Minister is nailed to his seat when his Minister of Industry is getting the most money in the region: \$36 million. It is double the average for eight opposition ridings in the north.

Why is the Prime Minister punishing the unemployed and children's recreation programs in certain ridings just because they did not happen to vote for him?

The pattern is clear. The government is exploiting the recession to create a slush fund for its own gain. Will the Prime Minister now tell his ministers to stop?

Hon. Tony Clement (Minister of Industry, CPC): Mr. Speaker, the member conveniently does not reference the announcements that I made in Sault Ste. Marie on behalf of the Government of Canada to help the infrastructure of that city, and the announcements that I made in Thunder Bay for the same thing, infrastructure for that great northern Ontario city as well.

Oral Questions

However, here is what George Smitherman had to say. He explained it when he said:

—the fact that there are 450 municipalities, many of them small, meant that there were more requests in the mix for smaller communities.

This means that they had to be distributed a little bit more to rural Ontario. We have been fair and equitable. That is what the deputy premier—

The Speaker: Order. The hon. member for Mississauga South.

* * *

NATURAL RESOURCES

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, the Prime Minister's guide for ministers states:

—a public office holder should not participate in a political activity where it may reasonably be seen to be incompatible with the public office holder's duty...or would cast doubt on the integrity or impartiality of the office.

Since the September 24th political fundraiser for the Minister of Natural Resources was organized by a lobbyist who is registered to lobby her, how can the Prime Minister deny that the minister was in breach of his guidelines?

• (1435)

Hon. Jay Hill (Leader of the Government in the House of Commons, CPC): Mr. Speaker, our government always takes these types of allegations very seriously. The government prides itself on accountability and ethics, and that is why we strengthened the powers and responsibilities of those arm's length agencies.

The minister in question is committed to working with the Ethics Commissioner and obviously she is going to abide by whatever ruling comes out of that investigation. Furthermore, since the Ethics Commissioner is now looking into this matter, it would be improper for me to comment any further.

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, the Ethics Commissioner has no jurisdiction over the Prime Minister's guidelines, contrary to the government's disinformation campaign.

The minister is already under investigation by two officers of Parliament. Furthermore, the Prime Minister's guide states:

Compliance with these Guidelines is a term and condition of appointment [as a minister].

Given the clear violation of the Prime Minister's own guidelines, what sanctions will the Prime Minister impose against the Minister of Natural Resources?

Hon. Jay Hill (Leader of the Government in the House of Commons, CPC): Mr. Speaker, the hon. member himself is the one who referred this issue to the Ethics Commissioner, so I find it more than passing strange that now he wants some unilateral action before she has even looked into the matter.

As I said previously, the minister is committed to working with the Ethics Commissioner and of course will abide by whatever ruling she comes up with.

[Translation]

THE ENVIRONMENT

Mr. Bernard Bigras (Rosemont—La Petite-Patrie, BQ): Mr. Speaker, because of the new Liberal-Conservative coalition, Canada may show up at the Copenhagen climate change conference empty handed, while scientists, ecologists and business people are urging the government to take action. If we are not careful, Canada is once again going to look like the class dunce.

Will the minister finally decide to set absolute reduction targets at 25% relative to 1990, as the KYOTOpus coalition is demanding?

Hon. Jim Prentice (Minister of the Environment, CPC): Mr. Speaker, the Liberals have admitted that the NDP and the Bloc's climate change action plan is nothing more than a publicity stunt. The NDP and the Bloc do not have a plan for Canada. The Bloc and the NDP should be serious for once and support our government. Our plan is balanced, with real and achievable targets. Our targets are also North American and we are working with the United States on climate change.

Mr. Bernard Bigras (Rosemont—La Petite-Patrie, BQ): Mr. Speaker, if it is a publicity stunt on this side of the House, then the government's plan on that side is smoke and mirrors. That is the reality. What is more, the U.S. administration could adopt measures to ban dirty oil.

When will the minister stop protecting the oil companies by giving them less stringent intensity targets, and start adopting absolute greenhouse gas reduction targets for everyone? When? That is the question.

Hon. Jim Prentice (Minister of the Environment, CPC): Mr. Speaker, the Bloc should drop its partisan ways. Our plan is simple. We are going to reduce greenhouse gas emissions by 20% by 2020 by investing in clean energy such as hydroelectricity and wind energy and in green technologies such as carbon storage and an integrated North American emissions exchange system.

The hon. member from the Bloc is just a spectator and is not aware of our work and our investment.

* * *

NORTEL

Mr. Luc Desnoyers (Rivière-des-Mille-Îles, BQ): Mr. Speaker, the Minister of Industry said that he can do nothing for Nortel pensioners under federal regulations and told them to turn to the Quebec and provincial governments. The minister cannot wash his hands just like that. For example, the federal government could take trusteeship over the pension plans in federal jurisdiction to prevent these funds from being liquidated while the markets are low.

Why is the government shirking its responsibilities?

Hon. Tony Clement (Minister of Industry, CPC): Mr. Speaker, as I said yesterday, pensioners across Canada are facing challenges. That being said, my colleague, the Minister of Finance, has put in place a process to consult the provinces, territories and Canadians on comprehensive changes that would improve our federal pension plan.

Oral Questions

●(1440)

Mr. Luc Desnoyers (Rivière-des-Mille-Îles, BQ): Mr. Speaker, Nortel is being dismantled and its best assets are being sold for bargain prices to foreign interests. In the meantime, the Conservative government refuses to review our foreign investment act so that Nortel divisions would be subject to automatic review, which is strictly a federal jurisdiction.

Why is the Minister of Industry refusing to take action to protect the pensions of Nortel retirees?

Hon. Tony Clement (Minister of Industry, CPC): Nortel's situation is part of an international process that is before Canadian courts and also before the courts of the U.S. and Great Britain. There is a process taking place that we must respect. At the same time, we must respect provincial jurisdictions. I am surprised to hear the Bloc member asking the federal government to intervene in a provincial jurisdiction.

* * *

[English]

AFGHANISTAN

Hon. Anita Neville (Winnipeg South Centre, Lib.): Mr. Speaker, the Minister of National Defence has avoided answering questions about detainees all week. If he acted responsibly, as he claims to, he would have no problem answering the questions: who received Richard Colvin's reports, what was in those reports, and when did he become aware of them?

Does the minister really expect Canadians to believe that he receives thousands of reports, some of them about torture, and he does not read a single one of them?

Mr. Laurie Hawn (Parliamentary Secretary to the Minister of National Defence, CPC): Mr. Speaker, when a problem arises at the political level, we take action on it. We have taken action on allegations, only allegations, of abuse. Over two and a half years ago we corrected a flawed arrangement that the previous government had had with the Afghan authorities. We have improved on that. We have worked with the Afghan authorities ever since. Every time there has been an allegation of abuse, it has been investigated. There have been a number of investigations, all of which found no inappropriate actions by members of the Canadian Forces.

They are doing the job for us. I wish the opposition would realize that.

Hon. Anita Neville (Winnipeg South Centre, Lib.): Mr. Speaker, that was not the question.

The government misled Canadians about what it knew about the torture of Afghan detainees. When it got caught, it cost the previous minister his job. Now it is playing the game again.

Let me try once more. Who in the government received Richard Colvin's reports, what was in those reports, and when did the minister first hear about them? Who, what and when?

Mr. Laurie Hawn (Parliamentary Secretary to the Minister of National Defence, CPC): Mr. Speaker, we have never denied having concerns about allegations of abuse. We all do. That is why every time it has come to the attention of this government, we have

acted upon it. Every time it has come to the attention of the authorities in Afghanistan, they have acted upon it.

Despite the caterwauling from across the way, our folks have acted appropriately at every stage of the way. The Canadian Forces are doing a spectacular job for us, for those members, for our members and for Canadians, and they will continue to do that.

[Translation]

Hon. Bob Rae (Toronto Centre, Lib.): Mr. Speaker, we all agree that our troops are doing a great job in Afghanistan. That is not the issue. The question we are raising concerns the work of the Conservative minister.

I would like to ask a question of the minister responsible for Afghanistan, the Minister of International Trade. We know that members of Joint Task Force Afghanistan received Mr. Colvin's reports.

Was the minister aware of this at the time?

Hon. Stockwell Day (Minister of International Trade and Minister for the Asia-Pacific Gateway, CPC): Mr. Speaker, I did not see the reports.

[English]

Hon. Bob Rae (Toronto Centre, Lib.): Mr. Speaker, perhaps the minister could explain to us how several public servants who were members of the Afghan task force received the Colvin reports over a period of several months before the government ever appeared to have recognized their very existence.

Could the minister explain what exactly the cabinet task force is doing in such a way that it would not be aware of such fundamental information? That is the question.

Mr. Laurie Hawn (Parliamentary Secretary to the Minister of National Defence, CPC): Mr. Speaker, any reports that are sent to authorities are looked at by the appropriate authority to deal with that issue. There are thousands of reports that come into all departments every day. Any report that has merit to it is investigated. In the case of any allegations of abuse by Afghans against Afghans, they are investigated. We have mentored the Afghans for years. Two and a half years ago we corrected deficiencies that were left by the previous government.

We have invested time, treasure and blood in this issue and we have borne tremendous results from that.

* * *

●(1445)

STATUS OF WOMEN

Ms. Candice Hoepfner (Portage—Lisgar, CPC): Mr. Speaker, yesterday the Liberal leader released his election platform through the pink book and revealed yet again the Liberals' real tax and spend agenda.

The Liberal leader continues to make irresponsible and uncoded spending promises that Canadians cannot afford, promises that do very little to actually help Canadian women who work hard, pay their taxes and help create jobs.

Oral Questions

Could the Minister of Human Resources and Skills Development tell the House how our Conservative government's approach is so much better for Canadians than that of the Liberal leader?

Hon. Diane Finley (Minister of Human Resources and Skills Development, CPC): Mr. Speaker, it is confirmed now by the Liberal leader that he is sticking to his irresponsible EI proposal for a 45-day work year that would cost Canadians \$4 billion a year. He also wants to impose a national day care program that the Child Care Advocacy Association of Canada has costed over \$6 billion a year. That is \$10 billion a year on top of everything else we are facing right now.

Instead of increasing taxes on hard-working Canadian families we are working to make sure that they get the chance to keep more of their own money to spend on what they need.

* * *

AFGHANISTAN

Mr. Jack Harris (St. John's East, NDP): Mr. Speaker, for over a year from June 2006 diplomat Richard Colvin reported concerns about torture of prisoners while the Canadian Forces continued to transfer prisoners to Afghan authorities. Included in these reports were firsthand accounts from victims.

The government's latest defence is that they received thousands of reports on torture. Is it the government's position that the more reports it received, the less attention it paid to the issue of torture?

Even chief of defence staff General Rick Hillier refused to transfer prisoners in the fall of 2007 because of inadequate safeguards.

How can the government claim to have fixed it?

Mr. Laurie Hawn (Parliamentary Secretary to the Minister of National Defence, CPC): Mr. Speaker, as the hon. member will recall, decisions to transfer are based on decisions by authorities on the ground. In the fall of 2007 we had received some apparently credible reports. That is why we took action. We made those changes two and a half years ago to correct the flaws in the previous agreement. Transfers were in fact stopped until we had worked with the Afghan authorities.

There was one instance of Afghan authorities taking their own corrective action. We applauded that. We have been working with them ever since. The transfers resumed when it was deemed appropriate to do so.

Mr. Jack Harris (St. John's East, NDP): Mr. Speaker, I have one of Mr. Colvin's reports from June 2007 where he stated that detainees have been burned, "whipped with cables and shocked with electricity" while in Afghan custody in Kandahar. Colvin continued, "He showed us a number of scars on his legs, which he said were caused by the beating".

Canadians need to be assured that the torture has since stopped. Can the government guarantee that all provisions of the current prisoner transfer agreement are now being followed by Afghan government officials, and will it table the reports that are required by this agreement?

Mr. Laurie Hawn (Parliamentary Secretary to the Minister of National Defence, CPC): Mr. Speaker, as I have been repeating, we have been working with the Afghans on that incident particularly.

That particular incident was handled by the Afghan authorities themselves. They brought corrective disciplinary action with our guidance.

In the meantime, we spent \$21 million to help pay the salaries of police and correctional workers and fund the human rights support unit, \$7 million for the Afghanistan Independent Human Rights Commission, \$5.5 million to improve conditions of Afghan detention centres, and \$99 million toward training, mentoring and equipping the Afghan national army.

We have had 175 visits since that time. I would say there is pretty good oversight.

* * *

[Translation]

LABOUR

Ms. Nicole Demers (Laval, BQ): Mr. Speaker, Isabelle Landry, who is 20 weeks pregnant, is a truck driver. She had hoped to have her doctor sign a preventive withdrawal certificate. However, she learned that she was not eligible for preventive withdrawal under the CSST because she makes deliveries outside Quebec. Unlike her other colleagues under Quebec's jurisdiction, she is not eligible for preventive withdrawal at 90% of her income.

Does the minister plan on correcting this injustice to ensure that female workers in Quebec are subject to the same conditions?

Hon. Rona Ambrose (Minister of Labour, CPC): Mr. Speaker, we will meet with Ms. Landry today to assure her that we are aware of her concerns. However, as I have already said, if, at any time, a woman feels that her health or the health of her unborn child is in danger because of health issues, including the H1N1 virus, she has the legal right to refuse to work, and she will continue to be paid until a decision has been made.

● (1450)

Ms. Nicole Demers (Laval, BQ): Mr. Speaker, that was done, and no suggestions were made.

A number of women in Quebec who work under the Canada Labour Code are covered against all occupational injuries and diseases under the CSST. All it would take is a simple administrative agreement to allow pregnant women working under the Canada Labour Code to be eligible for preventive withdrawal.

Why deprive Isabelle Landry and hundreds of other female workers in Quebec from being eligible for preventive withdrawal at 90% of their income?

[English]

Hon. Rona Ambrose (Minister of Labour, CPC): Mr. Speaker, as I indicated, my office and I are meeting with Madam Landry today to ensure that we understand her concerns.

My priority is to ensure that she knows her rights under the Canada Labour Code, and she does. If she feels at any point that her job is unsafe or her pregnancy or unborn child are unsafe due to any health risk, including the H1N1 virus, she has the right to refuse to work and she will continue to be paid.

*Oral Questions***HEALTH**

Hon. Ken Dryden (York Centre, Lib.): Mr. Speaker, on H1N1 we are getting to crunch time. Flu season is about to hit. The world's best experts say we need to be vaccinated. Yet after months of messages of all sorts, only about one-third of Canadians say they intend to get their shot. This is an immense problem. We only have a couple of weeks to reach people, to change minds.

How is the government going to achieve what it has not achieved in many months? What is the government's communications plan?

Hon. Leona Aglukkaq (Minister of Health, CPC): Mr. Speaker, this government has been taking H1N1 very seriously from day one.

Communication is part of the whole strategy. From the very beginning and for the last six and a half months, we have been communicating with Canadians providing information on H1N1 as we knew it.

We now have television ads, posters and radio advertisements. We have weekly updates with the health committee. I have met with the Chief Public Health Officer on a weekly basis, updating Canadians. I have also met with the provincial and territorial health ministers and first nations communities.

Yesterday we approved the vaccine for Canadians for the provinces and territories.

Hon. Ken Dryden (York Centre, Lib.): Mr. Speaker, at this moment only about one-third of Canadians intend to get their shot.

All of us know at least one person, a pregnant mother, a child under three, an aboriginal young adult, someone at greatest risk. For many it will be the first time in their lives they have before them a decision that can transform their life.

This is not about attack ads or signs claiming credit. This may be the most important communications exercise in our history.

We must rise to this need. Where is the right communications plan?

Hon. Leona Aglukkaq (Minister of Health, CPC): Mr. Speaker, in addition to what I said earlier, last week I announced the preparedness for H1N1 booklet. This will be available in every post office across the country. Since then, at fightflu.com, we have had over 60,000 hits on this site alone.

The Chief Public Health Officer of this country has also stated that adjuvanted and unadjuvanted are safe vaccines for all Canadians.

* * *

INDUSTRY

Mr. Brian Masse (Windsor West, NDP): Mr. Speaker, the government introduced anti-spam legislation, Bill C-27, and now it is at risk of being weakened.

Both the Liberals and the Bloc have left consumers wondering as they cave to the corporate lobby and move motions that are against the public interest.

Now the government has an amendment on the table that would allow serious violations of individual privacy, as private companies would get access to Canadians' personal computers.

Why does the minister believe personal privacy is not an issue and that computers can be invaded by others? Why is he softening on spam? Will the minister stand up for Internet users or sell them out to the spammers and the fraudsters?

Hon. Tony Clement (Minister of Industry, CPC): Actually, Mr. Speaker, I think the amendment the hon. member is referring to is off the table.

The hon. member, the NDP caucus and the Conservative caucus have been collaborating very well on the anti-spam legislation, despite the efforts of the Liberals and the Bloc to cave in to corporate interests.

We see this legislation as consumer legislation to protect the consumer against some of the ne'er do wells involved in the Internet. I appreciate the backing of the hon. member's party as we continue to make sure this legislation comes through and is successful for Canadians.

• (1455)

Mr. Brian Masse (Windsor West, NDP): Mr. Speaker, I hope the amendment will be removed on Monday.

I hope the minister will also take my advice on the recent decision of the CRTC yesterday on Internet traffic management practices. It is a blow to the future of digital innovation in Canada. The principle of net neutrality must be a cornerstone of the innovation agenda, not a tombstone.

South of the border the FCC is taking clear steps toward ensuring net neutrality. The CRTC decision will protect the monopolists rather than the innovators.

Will the minister and his cabinet stand up for the competition, consumers and net neutrality and overturn the CRTC decision, just as they did for the land line market decision that took place three or four years ago?

Hon. Tony Clement (Minister of Industry, CPC): Mr. Speaker, I thank the hon. member for his advice, as always. Indeed, we are studying the CRTC decision very closely.

Most observers have seen it to be an appropriate balance between the interests of the consumers and also the ability of the providers to provide the services we expect on the Internet, but I am watching those providers very closely. I do not want to see a situation where consumers are put at risk in terms of their access to the Internet.

This will be ongoing, but we are on the side of the consumer, most assuredly.

* * *

STATUS OF WOMEN

Mrs. Cathy McLeod (Kamloops—Thompson—Cariboo, CPC): Mr. Speaker, yesterday the Liberal Party made more spending promises with no plans on the funding. From a 45-day work year to a national child care program, the Liberals continue to promise to spend billions.

Oral Questions

Canadians know that this must mean the Liberal leader's plan must include raising taxes. Could the Minister of State for the Status of Women please respond to these reckless promises?

Hon. Helena Guergis (Minister of State (Status of Women), CPC): Mr. Speaker, yesterday the Liberals demonstrated again just how desperate they are by making very careless, very reckless big spending promises in the billions: \$6 billion for day care, \$4 billion for a 45-day work year.

Canadian women are looking for action, not more Liberal rhetoric. They know that our government is acting on their real concerns, such as child care, the economy, and ensuring we have safer communities. This is real action. This is what women are looking for and it is exactly what they are getting from this government.

* * *

[Translation]

NORTEL

Mrs. Lise Zarac (LaSalle—Émard, Lib.): Mr. Speaker, yesterday and again today, this government dismissed the concerns of retired Nortel workers, saying that their retirement pension was a provincial matter. Yet it is federal bankruptcy laws that are jeopardizing the pensions of more than 17,000 Canadians. The Leader of the Opposition promised to do everything he can to amend that legislation to ensure that this never happens again.

How can the Conservatives turn their backs on Canadians in need?

[English]

Hon. Tony Clement (Minister of Industry, CPC): Mr. Speaker, of course there has been a lot of market turmoil around the world, not only in Canada, that has put enormous pressure on many pension plans and many pensioners in this country.

The fact of the matter is that this particular pension plan is registered and regulated by the province of Ontario. Therefore, it falls within provincial responsibility.

Having said that, my colleague, the Minister of Finance, and I are working together. We have included cross-country consultations to look at comprehensive changes to the federal pension framework. Obviously we are working with the provinces and territories to make a better pension system, whether it is private or public, not only federally but across the country.

* * *

[Translation]

MUSEUMS

Mr. Richard Nadeau (Gatineau, BQ): Mr. Speaker, employees of the Canadian War Museum and the Canadian Museum of Civilization have been on strike for several weeks now. They are denouncing the government negotiators' attitude and demanding employment security as protection against subcontracting and as better protection for contract employees.

Why are these museum employees being denied the same conditions that are offered in other federal museums?

Hon. Rona Ambrose (Minister of Labour, CPC): Mr. Speaker, as we know, this is a legal work stoppage. A federal mediator has

been working with the parties since before the strike even began. The mediator will continue working with those parties to find a solution. The mediator cannot impose a settlement on the parties. That would be up to an arbitrator acceptable to both parties.

* * *

● (1500)

HARMONIZED SALES TAX

Mrs. Carol Hughes (Algoma—Manitoulin—Kapusking, NDP): Mr. Speaker, the economic crisis is not behind us yet and while workers are looking for solutions to help their families, the Conservatives are saying, "Do not forget to pre-arrange your funeral, because after July 1, dying is going to cost you more, thanks to the Conservatives' new tax". The HST is being criticized by none other than the finance minister's wife.

Why does this government want to increase taxes for consumers and for the bereaved?

[English]

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, as I am sure the member opposite knows, whether or not a province chooses to harmonize its sales tax with the federal GST is decided by that province. Some provinces did choose to do this in the late 1990s, and some more have now decided to do so. That is a decision that is entirely up to the individual provinces.

* * *

JUSTICE

Mr. Peter Braid (Kitchener—Waterloo, CPC): Mr. Speaker, our government is aware that illicit drugs play a big part in gang violence across this country. Drug production and trafficking are the most significant sources of illicit money for organized crime groups.

Our Conservative government has introduced legislation to ensure mandatory jail time for serious drug offences that involve organized crime, violence or preying on youth. This bill has been passed by the House.

Could the Minister of Justice tell us the status of Bill C-15?

Hon. Rob Nicholson (Minister of Justice and Attorney General of Canada, CPC): Mr. Speaker, last June the government called on the leader of the Liberal Party to show some leadership by pushing his Liberal senators to pass this drug bill before they recessed for the summer. They not only refused to pass the bill, but they adjourned the debate and took a summer vacation. Now we are hearing rumblings that these same Liberal senators are doing the same thing and want to delay this bill.

I can understand why drug dealers would not support this bill. I can understand why people in the grow-op business would not support this bill. What I cannot understand is why members of the Liberal Party will not support this bill. Mr. Speaker, can you help me on that?

*Business of the House***SEARCH AND RESCUE**

Ms. Judy Foote (Random—Burin—St. George's, Lib.): Mr. Speaker, questions are being raised about the ability of search and rescue operations to save lives. Now, search and rescue volunteer groups are asking the government to help pay for liability and accident insurance for the volunteers so that they will not be forced to quit.

If the government is not prepared to do everything possible to protect Canadians by making sure that there are fully staffed and equipped search and rescue operations in the country, will the Minister of Public Safety at least say yes and provide the money to pay the insurance for volunteers?

Hon. Peter Van Loan (Minister of Public Safety, CPC): Mr. Speaker, we appreciate the outstanding work done by the volunteers. These are volunteers who do land search and rescue. Federal responsibility for marine and aerial search and rescue has been in place for quite some time.

Traditionally, land search and rescue has been a provincial and local responsibility. That being said, my office did contact the organization today and has spoken to them. We look forward to receiving the letter that was reported in the media yesterday, and I look forward to meeting with them.

* * *

[Translation]

AGRICULTURE AND AGRI-FOOD

Mr. Luc Malo (Verchères—Les Patriotes, BQ): Mr. Speaker, farmers in Saint Amable who had to give up on the 2006 potato crop because of golden nematode still have not received adequate compensation. This summer, the Conservative government said they would have to settle for the \$5 million on the table, which will not even cover the interest on their mortgage loans for the past three years.

This government was able to find \$10 billion for the automobile industry in Ontario so why can it not find adequate funding to help these potato producers cope with this disaster?

Hon. Jean-Pierre Blackburn (Minister of National Revenue and Minister of State (Agriculture), CPC): Mr. Speaker, first, the people who were affected by golden nematode received \$8 million to help them through their difficulties. There was also an agreement with the Government of Quebec that provided an additional \$5 million to help people affected by golden nematode, not to mention other measures in the AgriFlexibility fund that could help them.

* * *

• (1505)

[English]

BUSINESS OF THE HOUSE

Hon. Ralph Goodale (Wascana, Lib.): Mr. Speaker, I would like to ask the government House leader his plans for the work program in the House for the rest of this week and next week in particular.

I wonder if he is in a position today to designate the next allotted day that will come along in the normal series.

Just on one point of absolute clarity, I would note that the Senate finished yesterday with Bill C-25, which is the bill dealing with the two-for-one remand issue. The bill as it emerged from the Senate is in exactly the form passed by the House. I would note that the Senate took one-half as many sitting days to deal with the bill as did the House of Commons, so the Senate moved rather quickly on the matter.

I would also note that Bill S-4 on identity theft was also done.

I wonder if the minister could confirm that royal assent has already been given to both of these bills.

Hon. Jay Hill (Leader of the Government in the House of Commons, CPC): Mr. Speaker, I will proceed in the same order in which my colleague presented his questions.

We will continue today with our government's justice program because this is a justice week. We will be starting with our latest edition, Bill C-52, the retribution on behalf of victims of white collar crime bill.

That bill will be followed by Bill C-42,, the conditional sentencing legislation; Bill C-46, the investigative powers legislation; Bill C-47, the technical assistance for law enforcement legislation; Bill C-43, legislation to strengthen Canada's corrections system; Bill C-31, modernizing criminal procedure legislation; and Bill C-19, the anti-terrorism act.

All of these bills are still at second reading, but members can see from the long list that we do have many pieces of legislation to debate and hopefully move through the legislative process.

We will continue with these law and order bills tomorrow and next week when we return from the weekend. As is the normal practice, we will give consideration to any bills that are reported back from committee as well.

On the issue of an allotted day, Wednesday, October 28 shall be the next allotted day.

We will then resume consideration of the government's judges legislation on Thursday following that opposition day.

As my hon. colleague from across the way mentioned, speaking of our justice agenda, I should add that I was extremely pleased to see that despite the Liberals' best efforts to try to gut the bill, it was passed in the other place. For those who are not aware, there were 30 Liberal senators in the other place at the time when they were voting on those amendments. All of them voted for the amendments that would have gutted that legislation. Fortunately, the Conservatives in the other place were sufficient in number to defeat those amendments and actually pass Bill C-25, the truth in sentencing legislation. It actually received royal assent earlier today.

I would like to thank my hon. colleagues, the Conservative senators, for all the good work they did in pushing that bill forward and for all the good work they are doing in pushing forward other legislation.

The House dealt with Bill S-4, the legislation to crack down on identity theft. It was passed and received royal assent as well today.

* * *

POINTS OF ORDER

ORAL QUESTIONS

Mr. Michael Savage (Dartmouth—Cole Harbour, Lib.): Mr. Speaker, I rise on a point of order. Twice today in question period government members referred to what they call the 45-day work year, which is their derisive and misleading definition of a 360-hour national standard. They can call it what they want, but they know the cost of it is not the \$4 billion they continually refer to.

This may seem like a point of debate but this is a point of clarity and of importance to Canadians. Canadians deserve better from their government than to have these misleading comments made continually in the House where government members are supposed to represent the national interest.

I hope government members might consider that and not do that in the future.

The Speaker: As the hon. member mentioned in his comments, it does sound like a matter of argument. Hon. members sometimes feel that statements on one side or the other are not accurate or are misleading or whatever, and sometimes I even hear these words used in respect of other statements.

As I have indicated on many occasions, it is not for the Chair to decide what is accurate and what is not. I am only sticking with what is within the rules and what is not, and points of order deal with rules. I am afraid the hon. member's point does not strike me as a point of order.

An hon. member: It is the golden rule, Mr. Speaker.

The Speaker: Yes, it might be the golden rule, but I am not affected by that.

• (1510)

Hon. Leona Aglukkaq (Minister of Health, CPC): Mr. Speaker, I rise on a point of order with regard to my response to the hon. member for York Centre. I said the website was www.fightflu.com and it should be www.fightflu.ca.

[Translation]

CANADA-COLOMBIA FREE TRADE AGREEMENT IMPLEMENTATION ACT—
SPEAKER'S RULING

The Speaker: I am now prepared to rule on the point of order raised on October 9, 2009, by the hon. member for Argenteuil—Papineau—Mirabel regarding the use of Standing Order 56.1 to disallow further amendments and subamendments at the second reading stage of Bill C-23, Canada-Colombia Free Trade Agreement Implementation Act.

Speaker's Ruling

[English]

I want to thank the hon. member for Argenteuil—Papineau—Mirabel, as well as the hon. member for Vancouver East and the hon. Minister of State and Chief Government Whip for their comments.

[Translation]

The member for Argenteuil—Papineau—Mirabel argued that the motion of the Leader of the Government in the House of Commons, having been moved pursuant to Standing Order 56.1, should be ruled out of order since it does not fall within the definition of a routine motion as prescribed in that Standing Order. Instead, he argued that the Standing Order was used to limit debate, in the same fashion as moving the previous question.

[English]

In addition to agreeing with the arguments raised by the member for Argenteuil—Papineau—Mirabel, the member for Vancouver East expressed concern about the expanded use of Standing Order 56.1 and the “creeping, sort of incremental change” accompanying this, which then led her to question the appropriateness of its use in this case. She added that there are other mechanisms available to the government to manage the amount of time allocated to debate on Bill C-23.

The chief government whip contended that the government was applying Standing Order 56.1 correctly and that there had been previous instances where the Standing Order was used in this fashion.

[Translation]

For the benefit of members, the motion adopted on October 9, 2009, reads as follows:

That, notwithstanding any standing order or usual practices of the House, the second reading stage of Bill C-23, An Act to implement the Free Trade Agreement between Canada and the Republic of Colombia, the Agreement on the Environment between Canada and the Republic of Colombia and the Agreement on Labour Cooperation between Canada and the Republic of Colombia, shall not be subject to any further amendments or sub-amendments.

[English]

As mentioned by the member for Vancouver East, similar concerns over the expanded use of Standing Order 56.1 were raised in 2001 when it was used for the disposition of a bill at various stages. When I ruled on that point of order on September 18, 2001 in the *Debates* at pages 5256 to 5258, I expressed reservations about the trend toward using that Standing Order for purposes other than for motions of a routine nature. My predecessor had already urged the Standing Committee on Procedure and House Affairs to examine the use of Standing Order 56.1, and I reiterated this need for the committee to do so at the earliest opportunity.

In the absence of such feedback, on May 13, 2005 in the *Debates* at pages 5973 to 5974, I allowed a motion that provided for the completion of the second reading stage of two bills to be moved pursuant to Standing Order 56.1. Again, I highlighted the fact that the Standing Committee on Procedure and House Affairs still had not undertaken a study of Standing Order 56.1, and as such, I was not in a position to rule definitively on the appropriateness of that Standing Order's use and I stated the following on that occasion.

Government Orders

[Translation]

I believe having had nothing back [from the committee] I can only allow this one to proceed at this time, particularly so when the time allocated here is much more generous than would be the case under closure or under time allocation... Accordingly the motion appears to be in order.

Similarly, on October 3, 2006, I allowed a motion moved pursuant to Standing Order 56.1 which in part disallowed further amendments or subamendments to the second reading stage of Bill C-24, the Softwood Lumber Products Export Charge Act, 2006. Another motion with such provisions was allowed to proceed on December 12, 2007, in reference to Bill C-28, An Act to implement certain provisions of the budget tabled in Parliament on March 19, 2007 and to implement certain provisions of the economic statement tabled in Parliament on October 30, 2007.

•(1515)

[English]

As was the case in those two most recent examples, even though the current motion disallows further amendments and subamendments, it still allows members who have not yet done so to speak to the amendment and the main motion. Furthermore, as I then stated in my ruling in the *Debates* on October 3, 2006 at page 3571:

The motion does not set a deadline for completion of the proceedings, as would be the case under time allocation or closure...There is a significant difference.

This does not, however, negate the concerns expressed by members over time about the need for a clearer and agreed upon understanding of this Standing Order. The following quote from my 2006 ruling still applies in this case:

My predecessor and I have both encouraged the Standing Committee on Procedure and House Affairs to examine the appropriate use of the Standing Order. To date I am not aware of any report by that committee on this question.

[Translation]

Should the House feel the need to change the parameters pertaining to the use of Standing Order 56.1, I would suggest once more that members bring their concerns to the Standing Committee on Procedure and House Affairs. Since the committee has not yet offered clear direction on the definition of Standing Order 56.1, and since motions disallowing amendments and subamendments have been ruled admissible in the past, I rule that the motion moved by the Government House Leader on October 9, 2009 is in order.

I thank hon. members for their attention.

GOVERNMENT ORDERS

[English]

RETRIBUTION ON BEHALF OF VICTIMS OF WHITE COLLAR CRIME ACT

The House resumed consideration of the motion that Bill C-52, An Act to amend the Criminal Code (sentencing for fraud), be read the second time and referred to a committee.

The Speaker: In the debate that was taking place earlier on this matter the hon. Parliamentary Secretary to the Minister of Transport, Infrastructure and Communities had the floor. There are 13 minutes remaining in the time allotted for his remarks. I therefore call upon the hon. parliamentary secretary.

Mr. Brian Jean (Parliamentary Secretary to the Minister of Transport, Infrastructure and Communities, CPC): Mr. Speaker, I appreciate the opportunity to finish off what I had started because this is such an excellent bill. I think it deserves the due attention that it is going to receive.

Where I had left off was in relation to the six measures that this particular bill contains, and I had outlined at least three of them. The first was in relation to minimum mandatory sentences; the second being the additional aggravating factors that would be added to section 380.(1) of the Criminal Code; and the third being that the judge or justice state on the record those aggravating or other factors that determined his or her sentencing in relation to the alleged accused as a result of being convicted.

The fourth is a new sentencing tool. I really think this is a good factor in relation to this particular bill because it would give the courts a brand new sentencing tool for fraud offenders, aimed at preventing the commission of further frauds and victimizations. Indeed, often these particular individuals who commit these types of crimes will continue to do so because this is the only mode in which they earn a living.

The court, in this case, would be able to order as part of the sentence that the offender actually be prohibited from having work for remuneration or in a volunteer capacity, often these types of cases involve some sort of volunteer non-profit organization, and that involves having any authority whatsoever over another person's money, over another person's valuable securities, or over any real property that a person would have.

The order is discretionary and available for any period of time. What I like the best is that it can actually be ordered for life and in some circumstances, it certainly should be, especially where we see that particular person continuing to behave in that same manner and continuing to travel around the country.

I, myself, had a case in which this actually took place. That person defrauded a curling club in one location in the province and then moved some 400 or 500 miles to a new location and then defrauded a particular service organization of upwards of \$50,000, in that particular case. It could have been prevented if this type of order would have been in place. In fact, the gentleman's credentials were such that, in the first case, he received a two years less a day conditional sentence, which means it was provincial time and he, in this case, would not have to serve that time in jail. He actually served that time at his house and as a result of that, he moved, went to a different location, got a job as a manager of a restaurant, and then defrauded that person of up to \$50,000.

So, this is a really good addition to the Criminal Code and I think it will be used by justices and judges according to need.

The two final measures are actually aimed at improving the responsiveness of the justice system and the sentencing process to the needs of victims.

As members know, we in this Conservative government stand up for the rights of victims and we ensure that Canadians and Canadian families continue to enjoy the freedoms they have and, at the same time, do not have to succumb to criminals and criminal activity.

Government Orders

Data from 2006-07 showed that approximately 20% of fraud convictions resulted in a restitution order. I was somewhat shocked at that. However, in order to encourage greater use of these orders, first, sentencing courts would be required to ask the crown prosecutor in the case whether reasonable efforts were made to give victims a chance to indicate whether they want restitution. I cannot imagine many cases where a victim that has been defrauded would not want restitution. That is usually not the case. As a result of that, courts would also be required to consider restitution in all fraud cases and to provide reasons if restitution is not ordered. That would set this as a new precedent, another proof that we in this Conservative government will stand up for victims of crime.

I just want to digress for a moment and speak about a particular part of my practice that I found very refreshing from the federal government. It was approximately 11 to 12 years ago. It was in relation to child support guidelines.

As a practitioner in northern Alberta, I would see cases, especially because we had justices from all over the province of Alberta come up to Fort McMurray at that time, with the same circumstances where court orders would be double the amount for children or even half the amount for children in other cases. So, the child support guidelines giving clear indications to judges and justices across the country as far as what people made, as far as income and what they should pay in child support is very similar to this.

● (1520)

I think we will find this to be a very welcome approach, not just for crown prosecutors but also for justices so they know the starting point, the absolute minimum and what those aggravating factors should be once case law is established, and what people should receive based upon what kind of offence they committed.

Three points of caution are needed. First, no criminal law reform can change the bottom line, namely, that if the offender does not have any adequate assets there cannot be restitution. Indeed, it cannot help. Our hearts go out to that, which is why we are looking at other regulations and doing consultations across the country to stop this before it actually happens, and to put in place regulations so that fraud of this nature cannot continue to happen.

It should also be kept in mind that the crown prosecutor is responsible for making the sentencing submissions and victims will not have standing to advance their restitution requests. They need to work with the crown prosecutor and ensure they fully disclose how much this has hurt them and their family through a victim impact statement. They also need to disclose how much was taken by providing proper accounting records in order to prove the case and then the crown prosecutor can put that forward to the justice.

The last measure in the bill would specifically acknowledge that courts may consider a statement prepared by a representative of a community or definable group for consideration at sentencing for fraud cases. This is new but this is a great application to allow all those victims who have been taken advantage of by a particular criminal or criminal organization to put forward exactly what this has done.

In most cases, as I have mentioned, the victims are primarily seniors and retirees, but curling clubs, not for profit groups, hockey

clubs, figure skating clubs and even arts clubs have also been victims. It seems that criminals will stop at nothing to take money and to personally enhance their own lives. Especially bad is defrauding church groups, flying clubs and, therefore, taxpayers and the government because, ultimately, we, the people of Canada, the taxpayers, must pay that. When they defraud the Government of Canada, it is we, the taxpayers of Canada, who ultimately pay because they are actually stealing from us.

This is an excellent bill but I would like to go over some of the case law. There have been some suggestions by the Liberals and even the Bloc that this is not the case, indeed when is there a two year or less sentence for these people who steal that kind of money. As a result, some investigation was done and a review of case law does suggest that the average sentence for large frauds is around four years, although some people do receive much longer sentences and some shorter. When people receive lesser sentences, it usually is in a case where there is a joint submission by a crown prosecutor and a defence lawyer. They come together and negotiate a plea based upon a certain amount of time being spent in jail and then present that to a judge based on usually good evidence. Sometimes they negotiate it for other reasons, primarily as a result of getting an early guilty plea so victims do not have to deal with it. Now we have a two year minimum and it needs to be over that.

I would like to talk a bit about some cases that have come forward. In one particular case, the Queen v. Cioffi in 2009, where the accused was convicted of fraud, more than \$4 million were taken and the scheme lasted four years. It was quite a complicated scheme. It required some form of planning and a large number of fraudulent transactions. However, in this particular case, the accused had no criminal record and did not personally benefit. Someone else benefited. The individual who stole this money received two years less a day, which means provincial time. It is not even under federal jurisdiction. Two years less a day means that the individual is eligible for house arrest, which, quite frankly, I do not think should be allowed in these particular circumstances. Now people will not be allowed because this government has that two year plus mandatory timeframe.

● (1525)

In another case, R. v. McCarthy, a 2008 case, two loans were involved totalling in excess of \$3 million, aggravating factors included, obviously the breach of trust, a considerable number of victims and there was no criminal record in this case either. The individual in that case received a conditional sentence of two years less a day as well, followed by a year of probation. So, \$3 million and two years less a day in jail.

In the 2008 case of R. v. Wilson out of Nova Scotia, \$1.8 million were defrauded in a one month period and, unbelievably, the \$1.8 million fraud resulted in 26 months in jail.

Government Orders

In the case of *R. v. Lafleur*, it was 28 counts of fraud spanning four years and totalling over \$1.5 million. The individual received 42 months of jail time and a restitution order. In this particular case, there was a guilty plea and other mitigating factors were taken into account, such as age and the lack of a criminal record.

In the 2006 case of *R. v. Coffin*, the individual received 18 months in jail for 15 counts of fraud totalling \$1.5 million. Eighteen months does not seem like much time, especially given some of the circumstances and facts that I will be mentioning at the end of my speech today.

In the case of *R. v. Nottingham*, the individual received a conditional sentence of two years less a day to be served in the community. The individual was allowed to stay at home for the entire length of the sentence and do normal activities for the most part. Aside from some semblance of house arrest, the person still had the big screen TV and all the rest of the amenities. More than \$1.1 million in that particular case was defrauded.

The last case I will refer to is *R. v. Toman*. This was another case of two years less a day for defrauding \$2.5 million over a six month period. That might sound like lot of time to some Canadians, but I want those Canadians to recognize that two years in jail does not mean two years in jail.

Two years in jail usually means maybe 15 months in jail, at the top, or two-thirds of the time. However, more often than not, the person will do half time as a result of credit or whatever else, which means 12 months in jail. As we heard earlier from some of our colleagues across the way, some people often only spend one-sixth or one-third of their time in jail, even up to less than eight months.

It seems like a fairly good rate of return when one can steal a couple million dollars and do six months behind bars. This government is about to change that particular circumstance. We have made many changes in relation to protecting victims, but those were some of the cases that I think Canadians were not aware of.

Quite frankly, two years is not enough for those people who are prepared to steal from seniors and non-profit groups. They should do more time and this government will ensure that if people do the crime, they will do the time.

• (1530)

Mr. Jim Maloway (Elmwood—Transcona, NDP): Mr. Speaker, earlier today, one or more of the members from the Bloc made reference to Vincent Lacroix who received an eight year sentence but only served sixteen months and was back on the streets in two and a half years. Their argument was that people should not be serving only one-sixth of their sentence and that it does not make sense.

I wonder what the member of the government has to say about that in response to the Bloc member's comments and what the government plans to do about it.

Mr. Brian Jean: Mr. Speaker, I appreciate that from the member and I appreciate the NDP's new-found help in relation to the criminal justice system. We appreciate their help in this and we would appreciate them to continue to not just talk about it in the House but to vote for it as well when it comes time.

I am especially talking here about the Bloc members. When they talk about this, they talk and talk about all the justice issues that they want to stand up for but when it comes to voting and standing up for victims and Canadian families, they are not there.

I would have to take what the Bloc says with a grain of salt when it comes to justice issues. Quite frankly, I would encourage my friend from the NDP to ask his party to come forward with better ideas to help us move forward with a tough on crime agenda, which we are doing.

[*Translation*]

Mr. Roger Pomerleau (Drummond, BQ): Mr. Speaker, I was listening to the member, and I heard him conclude with a sentence that really surprised me. There are some English phrases that sound really good, that really express what people are trying to say. He said "If people do the crime, they will do the time". That is easy enough to say, but in reality, that is not what happens.

We know that criminals who get caught—and this is what happened to Vincent Lacroix, as the NDP member said—get the sentences they deserve, but once they have served one-sixth of the sentence, they are automatically released, often getting out after a few months even if they have been convicted of serious crimes.

I would like to know why the member said that the Bloc Québécois talks and talks but never does anything. Not long ago, we suggested that the government take a day to eliminate conditional release after serving one-sixth of a sentence before Mr. Lacroix was sentenced to ensure that he and those like him serve their sentences in full. But the government refused to do it. Why?

[*English*]

Mr. Brian Jean: Madam Speaker, unfortunately, it is just like the Bloc members to politicize things that they can have no control over. They really can do nothing for Quebeckers because it is only the Conservative MPs from the Quebec region who can do anything for Quebeckers, and we know that.

We do look at the proposals the Bloc members bring forward. However, I would, as would all members on the Conservative side, appreciate the Bloc members actually voting for this justice legislation when it comes time to vote. It is one thing to talk about it, one thing to work on it together in committee and come up with proposals but it is another thing to stand up for Canadians and actually apply the law as necessary. That is what it takes for the Bloc to come on board with us and we would appreciate the Bloc members doing so.

Will the Bloc members be supporting this particular bill? Will they be supporting minimum mandatory sentences? What I have seen in this place in the past is that they simply do not stand and vote with what Canadian priorities are.

I would ask the member to stand now and tell us if his party will be supporting this bill and supporting minimum mandatory sentences.

Government Orders

• (1535)

Mr. Paul Calandra (Oak Ridges—Markham, CPC): Madam Speaker, one of the things I am so excited about, not only about this legislation but about some of the other legislation that we have been bringing forward, is that we are finally putting the rights of victims ahead of criminals.

I wonder if the parliamentary secretary might comment on the fact that many of the frauds that are being committed are being committed using technologies that are readily available at home. I am wondering if he might comment on whether sentencing someone to house arrest might just lead to the offender reoffending, and whether he agrees that this is another reason that we should be imposing some minimum mandatory penalties on these heinous crimes, the crimes he mentioned that affected a curling club in his riding. He also might comment on how those curling club members must have felt to know that they had been defrauded by a gentleman of this sort.

Mr. Brian Jean: Madam Speaker, I can assure the member and all members of this House that it is devastating for non-profit groups that are doing barbecues, car washes and whatever they possibly can to raise funds for organizations to help community members and community events, to have somebody come along, take that money, put it into a slot machine, gamble it away at cards or spend it on holidays.

Oftentimes I have seen clubs that have had to close down as a result of being defrauded and even members of that club actually having to put in money to cover bills, which is atrocious. I do agree with the member that having minimum mandatory sentences is necessary to give guidance to the judges and justices across this country so that not only do we have consistency across the country but we have transparency in the judges' decisions.

It would ensure that people who do these crimes know what will happen to them, know they will spend time in jail. We not only need to deter these criminals from reoffending, as this particular bill addresses, but also others who see what they can get away with, that if they want to steal \$2 million and get six months in jail, they see that is not going to happen anymore.

Under this bill, it will not happen. I would welcome the Bloc and the NDP to come on board with this House and work with us to get this legislation passed and to get other tough on crime and criminals legislation passed as well.

It has taken us a long time to move forward from where we were prior to taking government, but we are moving forward and we are picking the best pieces of legislation to do so and getting good results for Canadians.

Mr. Jim Maloway (Elmwood—Transcona, NDP): Madam Speaker, I am pleased to speak to Bill C-52 today and I am also pleased that the government has introduced the bill. The NDP caucus will be supporting the bill at second reading to get it to committee where we can perhaps make some improvements to the bill as it is written now.

The bill provides a mandatory minimum sentence of imprisonment for a term of two years for fraud with a value that exceeds \$1 million. I questioned the government this morning about how it

determined the \$1 million because it seems to me that fraud is a serious issue no matter how big it is. In law it is certainly something that lawyers thrive on. I am sure that we will find lawyers trying to argue whether or not fraud was \$1 million or whether it was under \$1 million, and there will be huge arguments about that.

Perhaps the threshold should be a lot lower than \$1 million. I am just not sure about that issue. I asked the government that question and I did not really get a good response. I know one of the government members asked that very question as well and I do not recall whether the member received a satisfactory answer either.

The bill provides additional aggravating factors for sentencing. It creates a discretionary prohibition order for offenders convicted of fraud to prevent them from having authority over the money or real property of others. It requires consideration of restitution for victims of fraud and it clarifies that the sentencing court may consider community impact statements from a community that has been harmed by the fraud.

I want to go back to the issue of restitution for victims of fraud. This is a provision of the bill which on the surface sounds good. I certainly hope that victims see some restitution as a result of this particular provision, but I would not want people to get their hopes up very high on this particular issue. Over the years my experience has been that there are probably very little restitution possibilities when dealing with these fraudsters.

The whole argument about schemes, frauds and Ponzi schemes really boils down to issues of people who are less than honest, bilking people of hard-earned savings and monies, and then in fact spiriting the money away into tax havens. While the economy is good, these schemes tend to thrive because if the stock market is going up and as the economy is expanding, it is easy for them to cover their tracks and hide the fact that they are engaging in a fraudulent activity.

It is when the economy goes down as it has right now that we see these schemes start to collapse because they cannot pay out the returns that they have promised people.

I would suspect there are many more of these beneath the surface. If the recession were to deepen, get worse or to last a longer period of time, we would see more of these schemes exposed. At the end of the day, after all the litigation and investigation, there is really going to be nothing there for the victims.

Therefore, why make these promises that victims are going to get their money back when we know that it is not going to happen. Having said that, I still think that it is a good provision in the bill. It is something that we should put in the bill just in case there is some money left over for restitution.

However, there are many difficulties with this whole area and I think the parliamentary secretary alluded to it in the last part of his speech in which he said that bringing in a bill such as this only provides for part of the problem.

Government Orders

● (1540)

This bill deals with the problem after it becomes a problem. What we want to do as a Parliament, as a government, as a society, is to deal with these issues before they become a problem. We want to be able to catch the Bernie Madoffs before they embark on their programs of bilking people out of money.

I want to use Bernie Madoff as an example, where Harry Markopolos was able to uncover Bernie Madoff 10 years ago. Ten years ago Harry Markopolos, who was working at the time for Rampart Investment Management in Boston, was asked if he could duplicate Madoff's strategy. It makes sense that if people are competing in a market and can offer 30% returns on 90-day certificates that they will have a lot of customers, but in addition to having a lot of customers, there are going to be a lot of people who want to duplicate their system and compete with them because they are obviously making a lot of money.

When Harry was asked to do that, he immediately became suspicious because Madoff never reported losing money in any month. In a country of 300 million people and a securities commission that is supposedly a watchdog, why was no one questioning the fact that Bernie Madoff had never reported losing money in any month?

He said that he knew it was a fraud in about five minutes. He took his information to the Securities and Exchange Commission. When he went to the Securities and Exchange Commission, he was rebuffed because Bernie Madoff had been a big, known figure at the time, had been involved in the industry, and had a good reputation. In fact, I believe one of Bernie Madoff's sons-in-law was actually working for the securities commission as an investigator. So we can see it is one little happy family down there at the securities commission.

When Harry Markopolos came forward and presented the entire case 10 years ago, 1999, to the securities commission, he was told to get lost, essentially. He went back several times, and in fact at a certain point he was concerned and was checking his car for bombs and so on. I think his comment was that Madoff had something like 65 billion reasons to wish him out of the way.

Once again, that is a great example of the system not working. So what did we learn from that? We learned that we have to have proper regulatory bodies that are not populated by people from the industry, that it should not be taking people from the mutual fund industry, the securities industry, out of a company that they have worked for, for 20, 30 years, and they know all the players, and pop them in, sort of like a retirement package, the securities commission that is watching the same company that they have been working for all these years.

It is just one happy little group that parties together, socializes together and who know each other. How can we possibly expect that they are going to be doing a proper due diligence and investigating one another? We need more police-type forces here. We need investigative forces.

That was the weakness of the securities exchange in the United States. Now some changes have been made. There are some tough people in there, effective in January, and hopefully they are going to right the ship.

It seems that all of these bodies tend to drift over time and until something happens everybody is reasonably happy. Then something blows up and we realize that, well, no, these were the wrong people running the ship.

● (1545)

Let us take a look at our own securities commission in Ontario. One of the big arguments we have had in the House, and I know my Bloc colleague understands it well, is the whole idea of the national securities regulator. Being from Manitoba I know that over the last few years we have been opposed to that. I see the arguments for having a national regulator. The other G7 countries have it and it is probably a good idea, but what the government is missing in its analysis is not what it is called, whether it is a national regulator or 10 provincial regulators, it is who do we have running the regulators? Who is running the national regulation system?

If we had a national securities regulator and filled it with people who worked in the industry, then we would not have any better results than we have right now with the Ontario Securities Commission. It has a very sorry track record, a terrible record of imprisoning almost no one. It may have been lucky to catch three or four people in the last 10 years and this is even when the whole case was given to it. Even when the whole thing was put right in front of it, it still could not somehow take action.

In the United States, however, we see more activity in that area, but it comes from the judicial system in the United States. Let us take Conrad Black as an example. He did his crimes in Canada, as a matter of fact, I believe it had to do with non-competes that he was signing with CanWest when it was buying all those newspapers and there were \$40 million worth of non-compete agreements in each one of these deals that he got, and his shareholders went after him when they realized that he was taking the \$40 million when it should have belonged to Hollinger.

Conrad was a Canadian. I know he became a British citizen at some point, but he was a Canadian. He operated here his whole life. He had his companies here and yet surprise, he is doing time in a Florida jail. By all accounts I gather he is having a great time down there. It does not seem like a very tough jail he is in and he seems like he is happy enough that he might want to stay there a little longer based on the last transmissions we heard from him. But, my point is that the public must have confidence in its government to protect it. When we see people like Conrad Black and Madoff literally just walking away and when they do get caught, they do not spend much in the way of jail time, it is a problem. It breeds cynicism within the public.

That is why I was intrigued by another part of the Bloc's argument today that the sentences should be longer than one-sixth of the sentence. Mr. Vincent Lacroix, who is just one example of many, received an eight year sentence, but because people can get out of jail after serving only one-sixth of their sentence, this man was back on the streets in only two and a half years. So once again the public questioned this. If his sentence was eight years, then what is he doing knocking on my door after only two and a half years? What kind of a system is this that allows that?

Government Orders

Perhaps it is the Bloc's intention to introduce an amendment at committee to rectify this situation or to deal with it in some sense, but if we are going to give Mr. Lacroix two and a half years, then that is what the penalty should be. Do not have a judge say that he is supposed to spend eight years and then after only one-sixth of his sentence, how does he get out of that? I would like to know how the government is planning to deal with that issue because once again, I thought that was a very good argument the Bloc had.

• (1550)

I have to say at the outset that I am so impressed with the lawyers in this Parliament. I have never seen so many lawyers in one place outside of a legal convention. There are some extremely smart lawyers here, and the Bloc caucus is just one example that has several lawyers. The Liberal caucus and the NDP caucus have some, and I am sure there are a few really smart lawyers on the government side too. I have been listening to them very closely. However, their whole approach to the legal side of things has sort of been more along the lines of how it appears from a political point of view. That is the argument, I suppose, and they do not take the view of the legal family represented in the other parties in opposition. They simply go along with the government line that somehow, if they could showcase the bill as being tough on crime as opposed to smart on crime, that will pay off in getting votes back home.

All we have to do is look at the minimum sentence laws in the United States. That is the subject of another bill which we will be getting to fairly soon. In the 1980s California had Ronald Reagan's three strikes and you are out regime. His solution was to build a lot of prisons, and of course his buddies were building private prisons, so he could reward his friends as well. They built wall-to-wall prisons and put people in prison. I do not have the stats handy, but the United States stands alone in terms of the number per hundred thousand people who are incarcerated. The crime rate in the states has not gone down one bit. It is probably even higher than it has ever been. Just recently, because of budgetary problems, Governor Schwarzenegger, who would hardly be soft on crime, and who is a Republican, though hardly a George Bush Republican, has had to release thousands of people from prison because it has been found that the minimum sentence laws do not work.

I am just pointing out to the member of the government that there are all sorts of evidence and examples of crime approaches that work, and there are examples of those that do not work. I gave examples before about car theft in Winnipeg, about how putting immobilizers in cars and having teams of police investigators going after the limited number of car thieves who steal the maximum number of cars has produced results. That is something that works. That is what the government should be doing. The government is mandated by the public to be here to find solutions that work, and not just stuff that knocks an MP's rating up five points in the polls overnight. That is what Conservative members have been doing.

The other argument that the Bloc has made, which I find really important, is with regard to the issue of tax havens. We had a Liberal government for years and years before that had ample opportunity to deal with the whole issue of tax havens. We even had a Prime Minister who had a bunch of his boats registered in some foreign country. It might have been Panama.

Mr. Roger Pomerleau: It was Barbados.

Mr. Jim Maloway: It was Barbados, the member said.

The fact of the matter is that we should be trying to limit tax shelters and tax havens, because it is about time we stopped rich people from taking their money outside the country to avoid taxes. How can we have a good medical system and roads in this country if people are taking their money out of the country to avoid taxes? We have to put an end to these tax havens. What do these fraudsters do? They are not stupid. They get the money out of the country. As soon as they see things going downhill, the money is gone.

Then we get into banking regulations. The Speaker has indicated I am running out of time, and I have a lot more issues to discuss here, but we have to deal with tougher banking regulations to make certain that banks report suspicious activities, more so than they are doing right now. I know they are required to report deposits in cash of over \$10,000. We can make further requirements of the banks that will help solve this problem. We should be regulating the industry. We should require more bonding. We should require that the people who are involved in these businesses have proper regulatory authorities so that they can be watched, and so that they have to report.

Real estate brokers and agents have to report every year. They have to keep their funds in trust—

• (1555)

The Acting Speaker (Ms. Denise Savoie): Questions and comments. The hon. member for Crowfoot.

Mr. Kevin Sorenson (Crowfoot, CPC): Madam Speaker, I spoke on this earlier in the day and the member stood and questioned me, so I would like to return the gesture and favour to him.

One of the things he pointed out in his speech, which I appreciated, was his indignation toward the fact that the courts were giving certain sentences and in just a few short months, in some cases, these individuals were being returned to the streets. I am quite pleased to hear that the member would have that type of indignation towards such a fact.

There is statutory release in this country. In some cases, two-thirds of the way through sentences offenders can be sent back out on the street. His party has for a long time been on record as supporting those types of policies that would allow criminals to be given what we call early or statutory release. My question to him is whether he would support measures to get rid of statutory release. There is ample opportunity in this place to do that.

He also mentioned the Bloc Québécois in his speech and talked about Bloc members bringing certain facts forward. They questioned earlier whether anyone was getting under two years for fraud charges. I will take the member back to the sponsorship scandal in Regina v. Coffin, where the person pleaded guilty to 15 counts of fraud, totalling \$1,556,625. There were aggravating circumstances and he received 18 months.

Government Orders

As he suggested, in many of these cases the sentences the offenders receive and what they actually serve are two different things. Would he support measures to have what we call truth in sentencing, whereby if someone is sentenced to six or eight years, that is what they serve?

• (1600)

Mr. Jim Maloway: Madam Speaker, I was attempting to look up the sentence that Charles Ponzi received for his conviction back in 1920. To me it did not seem like a very strong sentence at that time either.

I am simply pointing out to the member what the Bloc speaker had to say this morning about this particular fraudster in Quebec, who received an eight-year sentence and served only 16 months. To me that indicates there is a problem.

I do not think anybody serving an eight-year sentence should necessarily be released after only 16 months. If the judge really feels that eight years is what a person should serve, then that is what he should serve. I would think that would gain more support from the public.

We, too, look at the victims in these situations and there has been a big improvement over the years in victims' rights compared to what existed even when I was first elected in 1986. I know of cases of break-ins in Manitoba in which the victim could not get any information at all from the police. Now it has totally changed and the Manitoba government, through the Filmon Conservative government and the Gary Doer NDP government over the last 10 years, has gone a long way to giving victims more rights in the process. That is where we should be moving over time.

I realize that sometimes things take a little longer than they should to develop but every member of Parliament and every Party in the House can learn to be a little more flexible when the public demands it.

[*Translation*]

Mr. Claude Gravelle (Nickel Belt, NDP): Madam Speaker, I would like to thank my colleague for his presentation today.

[*English*]

Fraud is fraud, whether it involves half a million dollars or \$1 million. I would like the hon. member for Elmwood—Transcona to give me his thoughts, if he has any, on where the \$1 million number in this bill came from.

Mr. Jim Maloway: Madam Speaker, I am not sure where they came up with the \$1 million. As the member said, fraud is fraud, whether it involves half a million dollars or \$1 million. I would think that if one were to lose \$20,000 or \$30,000 it would be a big deal, so at what point they decided that \$1 million was the limit for the bill, I am really not sure, but once again, that is an argument that we can take up at committee.

We have all agreed that we are going to support this bill. We are going to get it into committee and at that point, at that level, we will be coming up with suggested amendments. I am sure the Bloc will have some amendments. The NDP, I am absolutely certain, will have amendments to this bill, and the government may have some as well.

We are on the right track here. The bottom line with fraudsters and legislation dealing with fraudsters is that we are dealing with the problem after the horse is already out of the barn. The government and Parliament should be dealing with preventive measures, and I would hope some members on the government side would look into that and perhaps come up with some legislation of a preventive nature.

Mr. John Rafferty (Thunder Bay—Rainy River, NDP): Madam Speaker, I appreciate the opportunity to ask a question of my colleague on the other side of the House.

I am glad that he has indicated that he is happy to support this bill now and get it into committee, as am I. He talks about the \$1 million limit maybe being a problem, and also about adding some amendments to this bill to improve it, which is what we do in this House and in committee.

I wonder if the hon. member would be kind enough to perhaps outline two or three other things that he sees as potential deficiencies in the bill right now and that could be improved.

• (1605)

Mr. Jim Maloway: Madam Speaker, I really would like to look at just two or three deficiencies in the whole area, which the government should be looking at and which I was not able to deal with before.

We should be looking at bank regulation changes, so that the banks can help root these fraudsters out. We should be looking at the RCMP, and once again the Bloc has suggested having forensic accountants. Forensic accountants are very slow but they do an excellent job of finding out where the money went.

We have to look at the whole area of regulating. Lawyers are regulated and have trust funds, so if someone loses money through a lawyer, the Law Society pays. Real estate agents and brokers, and insurance agents and brokers are all registered to do business. They all have bonding. They all have liability policies so if the public loses out, they can always take them to court. They have good protection. They can find a lawyer to represent them and take the insurance agent or real estate agent to court. They have backup. Why should things be any different for people who are operating these companies?

People cannot sell securities in Manitoba or anywhere else without a licence. As a matter of fact, they routinely catch people out making unauthorized sales of securities. Why aren't these people caught? That is my question and that is why maybe we need some advertising campaigns at the federal and provincial levels to remind people not to fall for this. They keep doing it though. They keep falling for the argument that they can get a 35% return on a 90-day certificate.

I am reading stuff here from Ponzi's days in 1920, and nothing has changed. There are the same jail terms pretty much, by the sounds of it. Adjusted for inflation, it is the same amount of money that has been taken away, and people are just signing up for these things. The people themselves should be showing a lot of common sense here and asking questions.

Government Orders

I am wondering where all the competitors are. Where are the banks? Where are the other people who will say, “Come on in and show me what these people want to sell you”?

By the way, there are a lot of different scams. There are the pyramid scams. There are the Ponzi schemes. There are a lot of them and the police know all about them. They know that in any given city in Canada, it is the same 40 people who are involved—

The Acting Speaker (Ms. Denise Savoie): Resuming debate, the hon. member for Leeds—Grenville.

Mr. Gordon Brown (Leeds—Grenville, CPC): Madam Speaker, I am very pleased to speak to Bill C-52. We hope this bill will tackle white collar crime.

Recently when the Minister of Justice introduced the bill, he said that fraud can have a devastating impact on the lives of its victims, including feelings of humiliation for having been deceived into voluntarily handing over their life savings. All too often this type of despicable act happens where people take advantage and prey on those who are vulnerable. Often they should know better, but unfortunately they are taken advantage of.

Bill C-52 contains six measures, all of which are designed in some way to enhance the sentencing process for offenders who are convicted of such fraud. The first element is the mandatory prison sentence where Canadians are most concerned about large-scale frauds that wipe out people's life savings and demonstrate extreme greed and indifference to others.

To address this concern, the bill includes a mandatory prison sentence of two years for any fraud or combined frauds which have a value of over \$1 million. The mandatory prison sentence would act as a floor, for a variety of aggravating factors would also be applied to raise the actual sentence well above the two year range in many cases. We all know that more than two years is clearly justified in many of these cases.

There are currently four statutory aggravating factors for fraud in section 380.1 of the Criminal Code. This bill will add new aggravating factors to that list to set out additional characteristics of fraud which are particularly troubling. The new factors will focus on: one, the impact of the fraud on its victim; two, the complexity and magnitude of the fraud; three, failure of the offender to comply with applicable rules and regulations; and four, any attempt by the offender to conceal or destroy records relevant to the fraud.

Another measure will require the sentencing court to state on the record which aggravating and mitigating factors it has applied. This is to ensure transparency in sentencing and to ensure that the statutory rules in section 380.1, which sets out aggravating factors and factors that are prohibited from having a mitigating impact, are effectively applied.

The bill also gives the courts a new sentencing tool aimed at preventing the commission of further frauds and victimization. The court will be able to order as part of a sentence that the offender be prohibited from having work or remuneration, or volunteering in a capacity that involves having authority over another person's money, valuable securities or real property. The order is discretionary and is available for any period up to life.

The two final measures are aimed at improving the responsiveness of the justice system and the sentencing process to the needs of the victims. We really are here to stand up for the victims. We have to put these mandatory prison sentences into place. I know that some members on the opposition benches often do not support mandatory prison sentences and mandatory penalties as a deterrent but I can say that we do on this side of the House. I am glad to see that other parties are actually supporting this legislation. We do support these mandatory penalties and mandatory prison sentences to act as a deterrent.

I had a bill before the House in the 39th Parliament that proposed a mandatory prison sentence. That bill in fact got through second reading, so I was happy to see that members of the House in that Parliament did support these types of penalties and prison sentences as a deterrent.

Getting back to Bill C-52, three points of caution are needed. No criminal law reform can change the bottom line, namely, that if the offender does not have any or adequate assets, restitution may be a hollow remedy.

It should also be kept in mind that the crown is responsible for making the sentencing submissions. Victims will not have standing to advance their restitution request.

Finally, we cannot establish a collection mechanism for restitution ordered as part of the sentence as this would require extensive provincial co-operation and tracking. The cost would be prohibitive.

Another measure in the bill will specifically acknowledge the courts may consider a statement prepared by a representative of a community or definable group for consideration at sentencing for fraud cases.

● (1610)

Courts are already somewhat receptive to considering community impact statements describing the impact of a crime on a community as a whole in some cases. In fraud cases, for example, a large-scale fraud which has many identifiable victims in a small town could have an economic impact on that whole town. We have seen these types of cases in many communities throughout Canada.

We talk about the mandatory prison sentence and as I have said before, I strongly support these types of penalties to act as a deterrent. Earlier today a member from the Bloc Québécois asked if there were any cases where a person who has committed fraud over \$1 million has been given a sentence that was under the two years that is being proposed in the bill. The truth is that there are. I would like to speak about some of those cases that were before the courts.

Government Orders

There was one case where the accused authorized loans to fictitious people, was charged with fraud over \$5,000, and the fraud amounted to more than \$4 million and lasted four years. The scheme was set up by another person and the accused merely implemented it. The aggravating factors were abuse of trust and that large numbers of fraudulent transactions were made over a period of time. The mitigating factors were the accused had no criminal record, he did not personally benefit and was also a victim of fraud. In that particular case there were two years less a day and the party to the offence received a sentence of four years. That case was not reported.

There was another case where the accused was charged with three counts of fraud over \$5,000 relating to two loans totalling in excess of \$3 million and the ongoing trading of shares. In that case there was a conditional sentence of two years less a day followed by a year of probation.

These are the cases which the Bloc Québécois wanted to know about.

There is another case where the accused pleaded guilty to fraud involving a GST remittance and payroll remittance over a five year period. In that case there was a 42-month penalty.

In another case the accused pleaded guilty to fraud over \$5,000 for defrauding the Bank of Nova Scotia of \$1.8 million in a one-month period. In that case the sentence was 26 months. I could go on and on. In another case the accused pleaded guilty to 28 counts of fraud spanning four years and totalling more than \$1.5 million related to the sponsorship program. There was a restitution order.

There is another case where the accused was involved in the sponsorship scandal and pleaded guilty to 15 counts of fraud totalling \$1.5 million. There was a sentence of only 18 months. In another case the accused was charged with fraud over \$5,000 and defrauding the government in the amount of \$1.1 million. The sentence was community service and what most would consider generally light penalties. In another case the accused operated a company that defrauded banks of over \$2.5 million where the sentence was two years less a day plus a restitution order.

We see there is quite a number of cases where if a mandatory sentence were brought forward, there would have seen a much greater penalty for the accused. It is hoped that these additional mandatory prison sentences and penalties will once again act as a deterrent. I know that is what Canadians are looking for. They are hoping that many of these types of despicable acts are stopped.

Let me talk more about what the bill really can do. I keep talking about the important part of the bill being the introduction of the mandatory minimum prison sentence of two years. It will provide additional aggravating factors for sentencing for fraud and permit the court to receive community impact statements. The impact to victims and their families can be devastating.

• (1615)

We have heard about cases in the news recently. We heard the hon. member for Elmwood—Transcona talk about the Ponzi schemes. We all know about a case currently in Quebec. We also know about Bernie Madoff and the impact he had on many families in the United States.

That is why this type of legislation is so needed and demanded by Canadians. We as a government are taking action. Our Minister of Justice brought the bill forward. I have sat through the debate today and heard members from all sides talk about how important this bill is for Canadians.

One of the questions is why the proposed measures deal only with fraud and not other white collar crime offences. The offence of fraud really is extremely broad and flexible and can be charges in a wide range of conduct. While there are many different offences in the Criminal Code that can apply to any given set of facts, it is the offence of fraud that gets charged far more often than other offences. It remains the primary offence for going after those who deceive honest Canadians.

As members of the House, we are here to stand up for honest, hard-working Canadians and ensure that their interests are protected and that they are protected from those who would attempt to take their hard-earned savings and money they have put away to make sure they are looked after in their retirement.

Prosecutors often tend to avoid more of the specific offences because the basic fraud offence can cover the same ground and it may be easier to prove.

This legislation would be applicable in many of the cases that we are seeing.

I keep talking about this, but having a mandatory prison sentence hopefully will act as a deterrent. Sometimes the perpetrators of these particular crimes see such light penalties and the time that they may or may not have to spend in prison, depending on the judge, not as a deterrent. Sometimes acts may be committed that otherwise might not have been committed had there been a deterrent.

In 2004 the maximum sentence was increased from 10 years to 14 years in prison. The maximum penalty for specific securities-related fraud offences was also increased. Fourteen years is the longest maximum penalty in our law for non-violent crimes and it is the highest maximum penalty for a property offence.

It is clear that fraud is a very serious criminal offence. I would hope that in these cases the judges would use prison sentences that far exceed the two years when it is applicable, but in this particular bill, the minimum would be two years.

Recent events, including the Earl Jones case in Montreal, continue to attract significant interest across the country. This is what I have been talking about. It is that significant interest across the country with respect to our existing criminal law regarding white collar crimes.

Canadians really are concerned about large scale frauds that wipe out people's life savings or retirement savings and really demonstrate extreme greed and indifference to others. These proposed reforms are designed to ensure that sentences imposed in these cases adequately reflect the severe impact they have on the lives of the victims. As I said before, that is what we are here as parliamentarians to stand up for.

Government Orders

I did talk about some of the cases that have been handed down by the courts which really demonstrate the need for this bill. I would like to talk a bit more, specifically, about the mandatory prison sentence and how large-scale frauds would be punished under the bill.

• (1620)

As I said before, the maximum penalty for fraud is 14 years. It is the highest penalty in our criminal law, short of life imprisonment.

In this bill, we are introducing that mandatory prison sentence for fraud when there is a value over \$1 million. It is not necessary that any particular victim be defrauded of over \$1 million as long as it is accumulative, that together the frauds, where the offender has been sentenced, exceed \$1 million in total.

I guess the best way to describe it is that a fraud of this size can only be described as large scale and would have been the result of a great deal of time, energy and planning and a significant amount of deception to have defrauded one or more people of over \$1 million, all of which demonstrate a high degree of moral culpability. Such frauds demonstrate a tremendous amount of contempt and disregard for law-abiding Canadian citizens who fall victim to them.

The law should be clear that any fraud of that scope must be met with a minimum term of imprisonment. This is why we talk about this mandatory prison sentence of two years. Once again, I cannot say it enough that we need to put that type of penalty in place to act as some sort of deterrent.

We are seeing that this mandatory prison sentence of two years is lower than some of the sentences that the courts are currently handing down. Some sentences, we hear, are in the four to seven year range for these large scale frauds, which would be much more than \$1 million, but there is no minimum sentences set out explicitly in the Criminal Code.

Currently, the court can take into account some of the mitigating circumstances in individual cases and end up with a sentence that is lower than two years. Therefore, it is appropriate for this Parliament to give guidance to the courts and to Canadians by clearly stating that the mandatory sentence be laid out clearly in these cases, and the mandatory minimum would serve as a starting point for a sentence calculation. A variety of aggravating factors, which are often applicable to a fraud of this size, such as its complexity, its duration, its large number of victims and the fact that the fraud involved a breach of trust, would also be applied to raise the actual sentence. I hope the judges do in fact hand down sentences that are well above the two year range.

The frauds that are of great concern to Canadians today are for these amounts that are well above \$1 million, sometimes 100 times more than that amount and often above. Clearly, sentences for these types of frauds would be well above the starting point of two years, which is set for frauds of just the \$1 million that we have been talking about. This measure would send a clear message to all that serious consequences await anyone who is thinking of getting wealthy by scamming Canadians.

We are seeing right now that there are some aggravating factors that are currently being considered by sentencing courts. There are already several mandatory aggravating factors for fraud offences in

the Criminal Code. For instance, if the fraud involved a large number of victims or if, in committing the offence, the offender took advantage of the high regard in which he was held in the community, as well as under section 718.2 of the Criminal Code, there are generally applicable aggravating factors that could be applied.

In the context of fraud, the factor that arises most frequently is if the offender abused a position of trust or authority in committing the offence. We see that all too often.

In conclusion, I am happy to see, having sat through this debate here in the House and having heard from members from both sides of the House today, that they want to get this bill to committee and are open to bringing forward additional potential amendments to see the support in this Parliament to get this bill through so that the fraudsters and those who would take advantage of vulnerable Canadians will be punished accordingly.

• (1625)

Hon. Shawn Murphy (Charlottetown, Lib.): Madam Speaker, as the member has indicated, I think the bill should go to committee and it will generally be supported.

This is not the issue as far as white collar crime in Canada is concerned. I practised law for 25 years and my experience is that people cannot be convicted until they are caught. The real problem in Canada right now is that there is no regulation, no investigatory capacity and no prosecutorial capacity to deal with these cases. Even in the cases where someone is caught, it takes 8, 10 or 11 years before there is any conviction.

I do not know all of the regulations, but it seems to me that the town idiot could go out and advertise himself as a town planner. There is no training or education required. There is no self-regulatory body there. There is no supervision. It is an unregulated jungle out there now, and we are seeing that in the Earl Jones situation.

We are fooling the public if we think this will cure the problem. At the end of the day it might help a bit, but the crux of the issue is that we in Canada are dealing with an unregulated jungle that is not serving the public. Does the member across see Parliament doing anything to get to the real nub of the issue?

Mr. Gordon Brown: Madam Speaker, I talked about the deterrence side and passing mandatory prison sentences to act as a deterrent. I have supported those in the more than five years that I have served in Parliament.

I do not disagree with the hon. member that we need to ensure there are proper investigative processes in place. I know that once people know they have been scammed, they can call law enforcement right away, but we need to have the tools in place, which is what we are attempting to do with this bill. We are attempting to put those tools in place for the courts to act as a deterrent.

It is my hope that we would see fewer of these types of crimes committed. I urge the hon. member to vote for this bill at second reading and move it on to committee. He can bring forward additional positive amendments if he thinks those would be appropriate.

Government Orders

•(1630)

Mr. Dave MacKenzie (Parliamentary Secretary to the Minister of Public Safety, CPC): Madam Speaker, I congratulate my colleague for speaking to this bill. He spoke with passion because he believes in what is in the bill.

My interest is greatly influenced by victims. My colleague across the floor mentioned his having been a lawyer for 25 years. I worked on another side of this issue. For 30 years, we watched victims. They are always the lost people in this whole thing. My colleague said that this has a devastating impact on victims. Make no mistake, many of these victims are elderly people who have been taken advantage of. They feel almost personally violated physically in the sense that they trusted someone who was close to them as a friend and sometimes even as a relative. They have been taken advantage of and have lost all of their whole being because their money is gone. We talked about the impact on victims. They lose their homes. Some of them even contemplate suicide. It is truly devastating.

I recently had the opportunity to be in Montreal and talk to some of the family members of some victims there and that feeling is so deep.

Is there any reason, in my colleague's wildest dreams, the people of the House would not support this kind of legislation? It tells the perpetrators of those most heinous crimes that they will go to jail for a minimum limited amount of time.

Mr. Gordon Brown: Madam Speaker, I know how passionate the hon. member for Oxford is for standing up for victims. He was in law enforcement for a long time. I had the pleasure of sitting on the public safety and national security committee with him in the last Parliament and saw first-hand his passion in standing up for victims, having, I am sure, investigated many of those types of cases over the years.

As I said in my presentation, the bill does take into account victim and community impact statements and they will be taken into account when a judge makes a decision. We know that the mandatory prison sentence in the bill is to ensure that those who commit those crimes will go to jail. I really do believe that if criminals know they will do the time, they may not do the crime. However, I think the message really is that if they do the crime, they will do the time.

Mr. Paul Szabo (Mississauga South, Lib.): Madam Speaker, I am a little concerned about subclause 380.3(5), which states:

If the court decides not to make a restitution order, it shall give reasons for its decision and shall cause those reasons to be stated in the record.

If the member is serious about dealing with white collar crime and proposing a mandatory minimum of two years, which is fairly modest, it does not do anything to address the elderly who have put their trust in people and have lost money.

I am wondering if he can explain why it is that the court would have the discretion on whether there is a restitution order but no discretion on what the penalty is for the perpetrator.

•(1635)

Mr. Gordon Brown: Madam Speaker, I am glad to see that the member supports the need to go after those who perpetrate and commit these crimes.

As I said before, there is really no criminal law reform that can change the bottom line if the offender does not have adequate assets. There can be a restitution order made but that will not necessarily give those who were victimized the restitution they absolutely deserve.

Once again, I urge the hon. member to support the bill, move it to committee and bring those types of suggestions forward. I am sure the justice committee could look at them and there could be some positive moves made on that front.

Mr. Claude Gravelle (Nickel Belt, NDP): Madam Speaker, I would like to ask the hon. member if this bill would prevent fraud in any way. Is this bill just closing the barn door once the animals have left it? Is there anything in the bill that would prevent fraud from happening in the future?

Mr. Gordon Brown: Madam Speaker, the fact is that Canadians expect their parliamentarians to act and to establish tougher penalties to work toward stopping these types of crimes from being committed. If there are no adequate penalties, those who want to commit these crimes will see no impediment to stop them. Why have any penalties if that is the case?

Those of us on this side of the House have been consistent. I was elected back in 2004 and I can say that consistently, from the day I was elected to this Parliament and those in the party I represent, we have been very staunch supporters of tougher penalties for those who commit criminal acts.

Once again, I urge the hon. member and all members in the House to support this bill and get it to committee. Let us do everything we can to help victims and to ensure these types of crimes do not happen.

[*Translation*]

The Acting Speaker (Ms. Denise Savoie): Before debate resumes, 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 Gatineau, Official Languages; the hon. member for Nanaimo—Cowichan, Harmonized Sales Tax.

Resuming debate, the hon. member for Joliette.

Mr. Pierre Paquette (Joliette, BQ): Madam Speaker, I am pleased to take part in the debate on Bill C-52, Retribution on Behalf of Victims of White Collar Crime Act.

I believe this is something that has unfortunately affected too many victims in recent years. We have every right to expect the government to amend legislation to reflect this situation, which is not new. However, in the context of the deregulation of financial markets and changes in technology that now make possible operations previously impossible to hide or to carry out, it is clear that the government must modernize our laws in this regard.

Government Orders

Unfortunately, the bill the government has introduced is way off the mark. In fact, it appears more like a public relations operation to show that the government is doing something. It looks more like a public relations move in keeping with the ideological battle the Conservatives are waging to introduce into Canada a sort of justice based on the American model, which is currently being challenged by the harsh economic reality.

In California, for example, more is spent on the prison system than on universities, because the laws have been tightened over the years automatically and without thought. The problem is a serious one. California, on the brink of bankruptcy, has had to release 40,000 prisoners because it could no longer feed them.

In order to avoid the extremes a number of American states had to face, it seems to me there should be a much more vigorous and broad public debate on the type of justice we want, rather than what the Conservatives are offering us. They in fact are offering us measures piecemeal that aim to establish a justice system that has nothing to do with the values of Quebeckers and Canadians, I am convinced, with no public debate and no real examination of all the aspects.

This bill is therefore off the mark, as it will not contribute in any way to fighting white collar crime. On the contrary, it includes a whole series of neo republican Conservative themes, on minimum sentences, for example. I will come back to this.

There should be a debate on the way to modernize our laws, in matters of justice, in particular, but it applies to everything to do with the regulation of the financial sector. It is very clear that we cannot continue in the environment engendered by the 1990s. There must be new regulations for the financial sector worldwide and within individual countries. The debate must get underway. It is in this context that the Bloc Québécois has decided to vote in favour of this bill, even if it does not meet the target it claims it wants to meet, so that it may be studied in committee. At that point we can introduce measures that might bring real solutions to white collar crime.

Very clearly, this kind of debate cannot be held piecemeal, as the Conservatives are trying to do with nearly half of the bills before us amending the Criminal Code or dealing with the justice system. We have to have a genuine debate where all of the principles on which a justice system should be based are front and centre in the public discussion. Obviously, the members of this House must be participants, but Canadian and Quebec society as a whole must also take part. The bill will be considered in committee and a number of proposals will be made that seem to us to be much more promising than what we see in the bill. Once again, the bill does not reach all the targets it says it wishes to reach.

When we look at it closely, as I will have an opportunity to do in a moment, we see there is a fly in the soup, as one of my friends used to say. That means there are some hitches, some measures are proposed that are essentially a smokescreen.

I will start right off with the question of minimum sentences. The Conservatives want to implement minimum sentences everywhere.

● (1640)

We are currently debating Bill C-42, which proposes to eliminate conditional sentences in order to create two things at opposite ends of the spectrum. We will have either suspended sentences or

minimum sentences of imprisonment for two years. That is going to be completely untenable for judges. We will have situations in which accused persons who should have been given a conditional sentence, for example, find themselves with suspended sentences or with no sentence at all, in order to avoid a minimum of imprisonment for two years. There will also be people who will be sentenced to two years for whom a different approach should have been taken, in terms of rehabilitation. What we are seeing in C-52 is a debate that has run through this entire Parliament, an obsession on the part of the Conservatives.

Minimum sentences serve no purpose. That is shown by every study, and I think the example of Americans, or of the USA, as my colleague from Sherbrooke likes to say, demonstrates this clearly. That society has one of the highest incarceration rates in the world, and that incarceration rate in fact has a perverse effect, because it artificially lowers the unemployment rate. Every time the unemployment rate in Canada and Quebec is compared to the rate in the United States, we have to add 1 to 1.5 percentage points to it. There are so many people in prison, for all sorts of sometimes relatively minor offences that could be remedied by other kinds of interventions. As I said, the incarceration rate means that an entire segment of the population that could be in the labour force is artificially and temporarily eliminated from the statistics.

That does not have any dissuasive effect. The United States is not a society at peace with itself. People may feel safe, but they do not feel at peace. They close themselves off now in gated communities where they are isolated from society. This is not a well-integrated society at peace with itself. It is not even real safety, just the appearance of safety. This is what happens in a country that has increased the number of offences with minimum sentences. They have no dissuasive effect.

Fraud over \$1 billion is pretty rare. Not only is it unusual, but when it happens, the sentences are for more than two years. A provision was included in Bill C-52, but it is just for show, to say that the Conservatives will be tougher. The reality is that whenever there is fraud over \$1 million, judges take all the circumstances into account and pass sentences of more than two years. The Conservatives are flogging a dead horse here, but no one is fooled. It is just an insidious ideological campaign conducted around justice and how justice is perceived.

When we asked the Minister of Public Works to give us an example of a case of fraud over \$1 million in which the sentence was for less than two years, he was unable to provide one because these cases do not exist.

In cases of fraud of this magnitude, the sentences are about six or seven years.

Government Orders

The Conservatives created the impression they are passing tougher laws, but it is just a public relations exercise. This may also have been a bill that was quickly cobbled together by the Conservative government in view of the disgust expressed by much of the public and the victims of the various fraudsters. There were Vincent Lacroix and Earl Jones, of course, but also various other people in financial and business circles who have behaved badly over the last few years. I am thinking, for example, of the fiddling with the books at Nortel and at Enron in the United States. The government probably wanted to act in view of all the public pressure but did something that will not produce results. This bill is terribly makeshift.

● (1645)

They have also added aggravating circumstances. If you look at the court's decision in the Vincent Lacroix case, you will find that all the aggravating circumstances put in the bill by the government—for example, the psychological effects of fraud on the victims—were included in the reasons given by the judge, in the Vincent Lacroix case, to justify his sentence. If my memory serves me well, he was sentenced to 12 or 13 years.

Once again they are flogging a dead horse. They are trying to give the impression that they are making tougher laws to deal with economic crimes and white collar criminals. But in fact they are just codifying the existing decision-making process used by the courts.

Restitution orders are another example. It is quite logical to ask fraudsters to return the stolen money to victims when possible. However, these restitution orders already exist. They are expanded somewhat in the bill.

We can also question whether or not it would be feasible, in the case of Vincent Lacroix, Earl Jones and many others, to recover the money—given that nothing is being done about the means used by these fraudsters to make it disappear, either through financial schemes or tax havens. I will come back to that.

The prohibition restricting the activities of convicted offenders is interesting. But that, too, is an existing practice whose scope has been broadened.

When we take stock of what Bill C-52 has to offer, we find that there is nothing new in the bill and that the measures are often inferior to what we already have in our system.

I would like to mention the example of the minimum sentence of two years once again. If the current standard is six or seven years, are they giving judges and the courts a signal that sentences should be lower? That is exactly how this bill, if it is ever passed, could be interpreted by some judges.

So they missed the target. The Bloc is taking it to committee in order to broaden the debate on the real ways to fight economic crime. One of these ways is advocated by the legal profession and those who write about crime or legal matters and it is eliminating the granting of parole after one-sixth of the sentence has been served.

Since the start of the week, the responses by the Minister of Public Works and Government Services and the Minister of Justice have intimated that this is a highly complex matter, when in fact, it is a matter of repealing two sections of the Criminal Code.

A decade ago, parole was not granted after one-sixth of a sentence had been served. This practice appeared over the course of the years. So, we could backtrack, given that it does not allow for criminals found guilty to be sentenced or to serve much of their prison term. So the matter of serving one-sixth of a sentence can easily be reversed by repealing the two sections that gave rise to this measure.

They do not get it. There is no logic in the responses by the Minister of Public Works and Government Services and the Minister of Justice. Why is the government delaying the implementation of this measure, which has the full support of all groups and which would be very easy to implement?

Today in question period, the leader of the Bloc Québécois wondered whether the Conservative government—and this brings me back to my introduction—did not want to use a perfectly logical, effective and fully supported measure, namely eliminating parole after one-sixth of a sentence has been served, in order to include other measures which are far less popular, effective and transparent.

We are used to having these little poison pills with the Conservative government in connection with perfectly valid measures that have the support of consensus and has been proposed often by the opposition. I would point out that the Bloc has been proposing eliminating parole after one-sixth of a sentence since 2007. This is not something we invented in response to the white collar crimes of recent months. It comes from in-depth study by the Bloc and its supporters over the years. This is what we fear, and our fears are based on experience.

● (1650)

One I remember, for example, is the bill that created a whole set of tax measures, into which the government had inserted a little, tiny clause that meant that funding could be denied for films or works that were considered not to be in the public interest. If I recall correctly, that was Bill C-10. No one had noticed it in this House, in spite of the work done by the Standing Committee on Finance. The Senate noticed it, and the government, rather than take responsibility for the problem and eliminate it, did its utmost to try to keep it. This is one example, but we have seen a number of others over the several sessions since this Conservative government has been in office.

Eliminating parole after one-sixth of sentence would be an extremely easy thing to do. We could include it in this bill. We could even, in the cases of Vincent Lacroix and Earl Jones, make sure that the two of them serve a healthy portion of their sentences rather than what will be the case as a result of this government's inaction. In January 2011, Vincent Lacroix will be as free as a bird, or very nearly. I cite these two examples again because they are the best known in Quebec.

Government Orders

This bill does not include those elements. Another major element that has not been talked about and that the government does not want to talk about is the question of tax havens. I come back to what I said a moment ago. This means that people commit fraud and think they will be able to come out of it just fine, based not just on the fact that they will be released after one-sixth of their sentence, but also on the fact that as a result of all sorts of mechanisms that are allowed under the Canadian Income Tax Act, that money will be sitting in tax havens, safe from the Canadian tax authorities. The negligence of the Conservative government on this issue is blatant.

Two weeks ago, Statistics Canada revealed that, if I recall correctly, there is \$146 billion owing from Canadian taxpayers. These are mainly very wealthy individuals. As we know, an ordinary taxpayer does not have the resources to pay the accountants and lawyers they need to make use of all these mechanisms. There are also companies, the banks among them. We know that the Canadian banks, in particular, use tax havens to a huge extent. This is money that is sitting in tax havens, as a result of negligence on the part of Liberal or Conservative governments. Eventually, when these fraud artists are released, they are going to be able to get the victims' money back, safe from the Canadian justice system and Canadian tax authorities and, it has to be said, with the complicity of the Conservative government of Canada.

Here is one of the examples we gave this week. It had to do with signing an agreement to weaken the border between Panama and Canada. Everyone knows that Panama is a tax haven. It is notorious. We just signed an agreement to make it even easier to transfer money from Canada to Panama. That is completely counter to current policy directions espoused by responsible governments, such as the administrations of President Obama and President Sarkozy, who have condemned the situation and are seeking solutions. Not only are our government and our Minister of Finance not seeking solutions, they are creating new problems.

Here is another example in addition to the agreement with Panama. They are not doing anything about the tax agreement with Barbados. When the Conservatives were in opposition, they made much of the fact that Canada Steamship Lines, which belonged to the Minister of Finance, Paul Martin, who later became Prime Minister, used schemes allowed in Barbados to avoid paying taxes in Canada. Not only have they maintained the tax agreement with Barbados since coming to power, they have reversed a decision made in one of the budgets to prevent double deduction of interest in the case of foreign investment. We are moving backward instead of forward like almost all of the other G20 countries.

It is all smoke. We will study the bill in committee and come up with concrete solutions for the justice system, specifically with regard to the practice of serving only one-sixth of a sentence, and, more generally, for ways to curb the use of tax havens by fraudsters who shelter their assets from Canadian justice and tax law, and we will find ways to give the stolen money back to the victims. That is what the Bloc Québécois will do in committee.

• (1655)

[*English*]

Mr. Paul Szabo (Mississauga South, Lib.): Madam Speaker, the member is an experienced member and always adds to the debate.

Given the urgency that the government seems to be recognizing, does the member have any comment about why having this bill referred straight to committee before second reading was not considered?

The other question I would have for the member is with regard to restitution. It would seem to me that there are other tools the government may have if moneys have been spirited offshore, such as the person's passport. Is he aware of any other tools that might be available to the Government of Canada and to the courts to ensure that when the funds are not readily available within Canada's borders, there are other tools that may be used to ensure that the person does not get away with the resources of those who have been defrauded?

[*Translation*]

Mr. Pierre Paquette: Madam Speaker, I thank the hon. member for his question.

Regarding the first aspect, ideally, we would like to see the bill go directly to committee. But the way things are going now, and given that second reading has begun, we can no longer continue this way. As I already indicated, we will be voting to send it to committee, but of course our final decision will be based on any amendments that might be made to Bill C-52.

Regarding the second aspect of his question, I completely agree with him. The government has other tools at its disposal and could have used other means to send a clear message to criminals that the government will work tirelessly to recover any money misappropriated through fraud.

Take Cinar as an example. The company itself admitted to cheating the government by lying about its level of funding for the *Robinson Sucroe* series. Instead of the 25% it claimed, it had only 10%, but it was able to apply for tax credits. It admitted this in the Court of Appeal on September 25, 2009, and in spite of that fact, the Department of Justice and the Canada Revenue Agency are doing nothing. That company is getting off scot-free. The message being sent here is that, in Canada, a good crook will have no problem with the Conservative government.

• (1700)

[*English*]

Mr. Jim Maloway (Elmwood—Transcona, NDP): Madam Speaker, looking back to 1920 and Charles Ponzi in the United States, he had collected \$10 million from 10,000 investors by selling promissory notes that claimed to pay 50% profit in 45 days. That seems to be a pretty hefty amount. When the scheme was exposed, the Boston bank collapsed and investors lost most of their money. Indications are that in July 1920, he was taking in about \$1 million a week. He made an arrangement with the bank to deposit the funds.

Government Orders

The bank itself, Hanover officials soon realized that Ponzi was not paying his initial investors with interest income but with the deposits of the new investors. Nevertheless, the bank eagerly sold Ponzi a large amount of its stock. The bank officials knew he was doing something wrong, and yet they let him in as an investor in their bank.

Interestingly enough, Ponzi declared bankruptcy, but the bankruptcy court ordered all of the people who had been paid by Ponzi during the life of the scheme to return the proceeds to the bankruptcy trustee who distributed the money on a pro rata basis to all of the victims. Ponzi himself was eventually convicted of fraud in both state and federal courts and imprisoned for several years.

Even then, way back in 1920 there was some restitution made but it was done through the bankruptcy court, not through a law like this one.

[*Translation*]

Mr. Pierre Paquette: Madam Speaker, I think this is a very good example from history. In Quebec, we talk about pyramid schemes, but we need to remember that it was Mr. Ponzi who invented this system. Once again, it seems to me that the government could send much clearer signals that fraud does not pay in Canada and that victims will not be left out in the cold.

For example, if the Criminal Code provisions on confiscating proceeds of crime were amended to include fraud of \$5,000—we are not talking about fraud of \$1 million—that would send a very clear signal from the outset that offenders cannot benefit from the proceeds of their fraud or crime.

The police forces could also be reorganized, as my colleague from Marc-Aurèle-Fortin proposed. As minister of public safety, he had experience with the Carcajou squad, which is now a model for similar squads. Again today, the Government of Quebec announced that it was setting up a squad modelled on the Carcajou squad. It takes police to deal with white collar crime, but it also takes accountants and financial experts who can track down these fraudsters. I do not sense either from this bill or from any of the Conservative government's actions that it has a real desire to attack the root causes of economic fraud, white collar crime and white collar criminals.

As I said, on the contrary, a number of political decisions that have been made in recent months and years show that the Conservatives are making white collar criminals' lives easier.

Mr. Serge Cardin (Sherbrooke, BQ): Madam Speaker, I congratulate my colleague on his speech. Some points were not surprising, but were particularly concerning, especially the reference to the Minister of Public Works, who said that we were just following the wind. But the member confirmed that we have been proposing eliminating parole after one-sixth of a sentence since 2007.

The Conservatives are trying to take advantage of the mood in the country and among people who have been victimized by these types of fraud. Our colleague also mentioned that for cases of fraud or crimes involving large amounts of money, most sentences were longer than two years. The government is now saying that for \$1 million, it is two years.

In Mr. Lacroix's case, who cheated some 9,000 people out of about \$141 million, a judge sentenced him to more than 13 years. There is a message to be found there too. He was sentenced to 13 years, but how much time will he serve? Two years and a few months? If he had received a sentence of one day per person victimized, for the 9,000 people affected, that would have amounted to 24 years. Even with 24 years, one-sixth of the sentence would be four years. So there would be a two-year sentence for \$1 million, but a four-year sentence for \$141 million, by serving one-sixth of the sentence.

Furthermore, the government refuses to do anything about tax havens. The Minister of Public Works will not budge, claiming that it is difficult to organize. But eliminating parole after one-sixth of a sentence has been served, that is relatively easy.

I would like to hear what my colleague thinks about these points, which I believe are very important.

• (1705)

Mr. Pierre Paquette: Madam Speaker, I thank the hon. member for Sherbrooke for his question.

A bill was introduced before the House to abolish the two sections that allow for parole after one-sixth of a sentence has been served. It was not complicated. The Conservative government was asked to pass it at all stages in the House, but it refused to do so. It has some explaining to do to the public regarding why it refused to pass a very simple bill at all stages, a bill that would have eliminated the practice of granting parole after one-sixth of a sentence has been served.

Perhaps the Conservatives still had something else in mind—that is possible—but there was no reason to delay that. If Vincent Lacroix should happen to be released in January 2011, at one-sixth of his sentence, the Minister of Public Works—although I must say, I doubt he will still be the minister by then—will have some explaining to do. He will have to live with the fact that, because of partisan politics, he refused to work with the Bloc Québécois to find a real solution to deal with crooks. In that regard, I think the Conservatives will have some explaining to do in the days ahead, especially in committee, regarding their refusal to help eliminate the practice of parole after one-sixth of the sentence.

In closing, I would remind the House that this proposal has been in the Bloc's platform since 2007. In their 2007 budget, the Conservatives put an end to double deductions of interest. Today, we are still proposing the elimination of parole after one-sixth of a sentence, but the Conservatives are backpedalling on their 2007 proposal concerning double deductions of interest for Canadian investments abroad.

[*English*]

The Acting Speaker (Ms. Denise Savoie): Resuming debate, the hon. Parliamentary Secretary to the Minister of Multiculturalism.

Some hon. members: Oh, oh!

The Acting Speaker (Ms. Denise Savoie): Order, order. The hon. parliamentary secretary.

Government Orders

Mrs. Alice Wong (Parliamentary Secretary for Multiculturalism, CPC): Madam Speaker, I am pleased to have the opportunity to speak on the subject of Bill C-52, An Act to amend the Criminal Code (sentencing for fraud). The bill contains a number—

Some hon. members: Oh, oh!

[*Translation*]

The Acting Speaker (Ms. Denise Savoie): I would ask the hon. members who want to pursue the debate to leave the House.

[*English*]

Mrs. Alice Wong: Madam Speaker, the bill contains a number of provisions that are designed to ensure that people who devise serious fraud offences receive tougher sentences. The objective of the bill is clear and simple. It would amend the Criminal Code to improve the justice system's response to the sort of large scale fraud we have all been hearing so much about lately.

New Canadians are among those who are vulnerable to fraud. They choose to come to Canada because they trust our justice system. They believe that those who commit crimes will be sentenced and put behind bars. However, when they unfortunately become victims of fraudsters they are appalled to discover that these criminals can easily walk away without any serious consequences and start committing those same crimes again. The victims cannot get their hard-earned money back and there is no protection for them.

Bill C-52 would send a message to those who think they can outsmart Canadians and dupe them into handing over their hard-earned savings. On the contrary, the bill would make clear that fraud is a serious crime for which there must be serious consequences.

It is also designed to improve the responsiveness of the justice system for victims of fraud. These proposed measures would send a strong message to the victims of fraud that the crimes committed against them are serious and the harms they suffer would be taken into account and addressed to the greatest degree possible.

Overall, the measures in the bill would do much to increase Canadians' confidence in the justice system.

I would like to speak for a while about the restitution element of the bill. Restitution is defined as the return or restoration of some specific thing to its rightful owner. It is distinct from compensation which in the Canadian legal system is a scheme of payments managed and made by provincial or territorial governments to assist victims of crime. Restitution is the payment by the offender of an amount established by the court. The Criminal Code currently provides for restitution for criminal offences including: damages for the loss or destruction of property, bodily or psychological harm, bodily harm or threat to a spouse or child.

An order for restitution is made during the sentencing hearing of a convicted offender. It is part of the overall sentence provided to an offender as a stand-alone measure, or as part of a probation order or a conditional sentence.

Restitution orders may be particularly appropriate in the case of fraud offences. In several recent high profile cases we hear from media accounts of thousands of dollars taken by offenders. These shocking cases of duplicity have deprived many innocent Canadians

of hard-earned savings and in truly awful cases of retirement funds. It will be a decision in each trial as to whether restitution will be appropriate.

● (1710)

Our proposals provide that in the case of fraud the sentencing judge must consider an order of restitution as part of the overall sentence for the offender. The court shall inquire of the Crown if reasonable steps have been taken to provide victims with the opportunity to indicate whether they are seeking restitution. This step will ensure that sentencing cannot happen without victims having had the opportunity to speak to the Crown and establish their losses.

The courts have found that it is not possible to make an order when the amount is not readily ascertainable or when it is difficult to apportion the amount among several victims. To further assist victims our proposals include an optional form to assist victims in setting out their losses. The form identifies the victims, their losses and clarifies that the victims need to provide receipts, bills or estimates in order to assist the court in making the restitution order. In all cases these losses must be readily ascertainable.

Put together, these proposals will increase the likelihood of orders of restitution being made. It is our hope that these proposals will increase the responsiveness of the legal system to victims of fraud.

I would note that the Federal Ombudsman for Victims of Crime recommended improvements to the restitution scheme in one of his first recommendations to the Minister of Justice. These proposals, while not as exhaustive as the ombudsman urged are steps along the road of improving the experience of victims in the justice system.

This morning a member opposite asked what the government is doing to prevent offenders from committing further crimes. Canadians are deeply troubled by the possibility that convicted offenders will be able to resume their activities and defraud yet other Canadians.

To address concerns about the potential for repeated behaviour, the bill includes a new sentencing measure which allows the sentencing court to order that a person convicted of fraud should be prohibited from having employment or engaging in volunteer activities that involve having authority over other people's money, real estate or other valuable securities. The court could prohibit the offender from engaging in such conduct for any length of time it considers appropriate, including any period during which the offender is serving a prison sentence. Breach of the prohibition order would be a separate offence.

By preventing the offender from having the opportunity to commit another fraud, the bill would help to minimize the further victimization of Canadians.

There are several prohibition orders already in the Criminal Code, such as the one which can be imposed on someone convicted of sexual offences against children, prohibiting them, among other things, from working in schools or other places where they would be in a position of trust or authority over young people.

Government Orders

I am confident the measures in this bill will help send a strong message to the fraudsters out there that their time is up. I am also pleased that the bill can act as a springboard for discussion and raising awareness about fraud more generally.

I hope all hon. members will support the bill and help to ensure it is passed into law as quickly as possible.

• (1715)

Mr. John Cannis (Scarborough Centre, Lib.): Madam Speaker, the hon. member so eloquently talked about what we have to do to protect our citizens or people in general who get defrauded. She talked about restitution and all that in the bill. Yesterday we were debating another crime bill and how we get the judiciary to enforce it. We talked about mandatory sentencing.

I want to ask the member simply this. We have heard the story over again. We could sit here as legislators and draw up the best legislation and so on. What is in this piece of legislation that will enforce the law, for example, that will guide the judiciary to put penalties to bring these people to justice and to get justice for the victims? What provisions are in this piece of legislation which will do that to help these people?

Mrs. Alice Wong: Madam Speaker, I have said quite clearly that the bill does provide the judicial system and the judge, the court, with the ability to do so, because when they do the sentencing, they have to look at that possibility and also provide the victim with the possibility to apply for restitution.

Then we also facilitate those victims. Very often we only protect the criminals. We always forget the victims. In this bill we protect the victims because their money was taken. They were cheated out of their money and had to suffer, without any means of getting their money back. This bill handles that exactly.

[*Translation*]

Mr. Roger Pomerleau (Drummond, BQ): Madam Speaker, we have spoken at length today—and some colleagues did so before me—about criminality in the United States as an example for what we should do here. We know that in the United States, much harsher sentences are given to many more people. Their prisons are full and yet their crime rate is at its highest.

I have always thought to myself that often in the United States much harsher sentences are given for fraud and money matters than for attacks against individuals. For example, Al Capone was locked up, not for the murders he committed, but for the taxes he failed to pay. All that because Eliot Ness's team that was investigating him, there were some very good accountants. It is a good example of what we want or need here and that is for police services to be specialized today with accountants to properly pursue people who commit fraud.

I think my colleague should acknowledge, in light of the U.S. system, that there is no real correlation between being tough on crime and reducing the crime rate. That is what I would like her to address.

• (1720)

[*English*]

Mrs. Alice Wong: Madam Speaker, we have a very unique situation here where for too long we have been protecting criminals.

When we talk about prisons, in other words, we could just look at the costs without realizing that we have to look at the victims. There are the social costs to the victims. They have lost their hard-earned money, especially those who have lost their pension income. Their lives depend on that.

We can never really belittle the seriousness of those crimes and compare them to those who attack people physically. I think there are other means of handling those other issues which are in other areas. The Conservative Party is the only party which works hard to bring forth tough measures to fight all crimes. Unfortunately, we do not get all the support from the opposition.

I am hoping that this time, from now on, members opposite will really honour Canadians by acknowledging that this is a special situation where we are doing things in our own Canadian way.

Mr. Paul Dewar (Ottawa Centre, NDP): Madam Speaker, I want to respond to a couple of things the parliamentary secretary said. It is one thing to go after criminals and those who have taken advantage of people, and of course people want to see that happen, but the problem we are having is the approach the government is taking.

White collar crime is not new to the NDP. We have been after this since the arc. We have to take a look at propositions because the government does not look at the regulatory options

If we are to go after the perpetrators after the crime is done, the money is gone. They have stuffed it away somewhere. We have seen this time and time again. We have to go after regulations. We have to make sure we follow the money when it comes to getting serious about it.

The hon. member is talking about pensions. There were 4,000 on the lawn of Parliament Hill yesterday and the government said, "Sorry, too bad, so sad". What is the government doing about those people? What will it do seriously about that because there is a deficit in fairness for them.

We could go on talking and saying we will crack down on white collar crime, which is great, but what will you do to get to the root of it, to get to the people who have basically taken the money that people have worked for their whole lives and stuffed it somewhere else? You will not get that money after these guys have been caught. You have to get it before. What is your government doing about that?

The Acting Speaker (Ms. Denise Savoie): I am sure that the hon. member is not talking about my government, but I will ask the hon. parliamentary secretary to respond.

Mrs. Alice Wong: Madam Speaker, I find it very disturbing for the member opposite to compare the private pension to fraud. Is he suggesting that it is the company's desire to cheat its employees right from the beginning? I find that very disturbing.

However, let us get back to the bill. The bill provides the court with the authority to provide restitution, to restore the money that these people have lost. This can be done. They can be given the means to chase their money. The judges could freeze some of the properties or money of the people that have allegedly been charged.

There are similar situations when people are prohibited from leaving the country because of crime. I am sure that these elements could be possible if the House decides that other measures are needed. I am sure that those could be done. It does not stop us from passing the bill. Without these tools, the judges simply cannot do this.

• (1725)

The Acting Speaker (Ms. Denise Savoie): There is one minute left. I will ask the member for Eglinton—Lawrence to ask a very brief question.

Hon. Joseph Volpe (Eglinton—Lawrence, Lib.): Madam Speaker, I guess everybody would be in agreement that, when a crime is committed and proven, those who perpetrate the crime should suffer the appropriate indignities and commit to the appropriate restitution in order to mitigate some, if not all, of the damage that they have committed.

However, the most important issue in terms of fighting crime, because I think that is what the House intends by this kind of legislation, is to put in place the mechanisms in order to prevent such things from happening. In other words, what are the deterrents that are put in place? What are the investigative authorities? How many police are in place? How many Crown attorneys and other judges are put in place so that there can be an appropriate investigation and a quick determination of justice?

Where is that in this bill?

The Acting Speaker (Ms. Denise Savoie): I would like to give the parliamentary secretary 30 seconds to respond to that.

Mrs. Alice Wong: Madam Speaker, I think that the best response right now is to pass the bill first and then look at the mechanism. It is wrong to put the cart before the horse. The horse has to come first. This is exactly what we are asking. Pass the bill and then let us work on it together.

Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons, CPC): Madam Speaker, it is a pleasure in the brief time remaining to speak in favour of Bill C-52, which is a much needed piece of legislation.

Over the course of the last few months, unfortunately, we have seen some very serious white collar crimes occurring in North America and elsewhere which have literally ruined the lives of thousands, if not hundreds of thousands, of North American residents.

We have all read the stories about Bernie Madoff and Earl Jones and how those two individuals set up Ponzi schemes that have literally bilked unsuspecting citizens of their entire life savings in some cases. This piece of legislation seeks to address those inequities. We seek, by this piece of legislation, to set in place a legislative process that would ultimately cause the Bernie Madoffs and the Earl Joneses of this world to think twice before they even begin to enter into the Ponzi schemes that we have seen.

As much as anything, this piece of legislation would send a very strong message to those people who are considering trying to set up a Ponzi scheme, a money for nothing, cheques for free type of thing, where they prey on innocent people.

Private Members' Business

Many times those innocent victims are senior citizens, people who have invested their life savings in a scheme because they trusted the individual who brought the so-called investment opportunity to them in the first place.

Think of the shock, think of the depression that some of these people would be feeling after they found out that their entire life savings, which they counted on to live on in their golden years, was completely gone. Many of these people have considered drastic steps, such as suicide. Some have attempted suicide. What have we done to try and correct it up to this point in time? We have done precious little.

Many times we have seen examples where fraudsters have gotten away with literally a slap on the wrist. They have served their sentences, whatever they may be in length, in conditional arrest, in the sanctity and the safety of their homes. This is no way to send a strong message to those would-be criminals out there that this has to stop.

We have to protect Canadians, and by protecting them I mean ensuring that if there are Ponzi schemes out there, if there are people out there who would even attempt this type of scheme to bilk money out of innocent victims again, they will be dealt with severely.

That is what this bill is about and that—

• (1730)

The Acting Speaker (Mr. Barry Devolin): I must interrupt the member at this time. When the House returns to this matter, he will have 17 minutes remaining.

[*Translation*]

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

[*English*]

CRIMINAL CODE

Mrs. Kelly Block (Saskatoon—Rosetown—Biggar, CPC) moved that Bill S-205, An Act to amend the Criminal Code (suicide bombings), be read the second time and referred to a committee.

She said: Mr. Speaker, I am pleased to speak in support of Bill S-205, which was passed by the Senate on June 10, 2009. This bill is identical to former Bill S-210, which received third reading in the Senate in June 2008, but died on the order paper when Parliament was dissolved for the general election last September. Please allow me to explain the contents of this bill for the benefit of all hon. members.

The bill proposes to amend the Criminal Code to clarify that suicide bombings fall within the definition of “terrorist activity” contained in the code. The term “terrorist activity” is currently defined in paragraphs 83.01(1)(a) and (b) of the Criminal Code. Bill S-205 proposes to amend section 83.01 of the Criminal Code by adding the following after subsection (1.1):

Private Members' Business

(1.2) For greater certainty, a suicide bombing is an act that comes within paragraphs (a) or (b) of the definition "terrorist activity" in subsection (1) if it satisfies the criteria of that paragraph.

This amendment is a definitional clause intended to make clear that suicide bombing is included in the definition of "terrorist activity" only when committed in the context of a terrorist act. The bill is crafted to ensure the utmost precision about what forms of suicide bombing are included in the definition of "terrorist activity" and to prevent other types of suicide bombing with no connection to terrorist activity from being caught in the definition.

Please let me explain how a suicide bomb could potentially be used in non-terrorist activity. A quick search through the archives reveals a case from 1973, whereby a would-be bank robber used a suicide bomb. This happened in Kenora, Ontario. I quote:

A dramatic and daring bank robbery took place in Kenora on May 10, 1973. An unknown man entered the Canadian Imperial Bank of Commerce heavily armed and wearing a "dead man's switch", a device utilizing a clothespin, wires, battery and dynamite, where the user holds the clothespin in the mouth, exerting force on the clothespin. Should the user release the clothespin, two wires attached to both sides of the pin complete an electrical circuit, sending current from the battery, detonating the explosives. After robbing the bank, the robber exited the CIBC, and was preparing to enter a city vehicle driven by undercover police officer Don Milliard. A sniper positioned across the street from the bank shot the Robber, initiating the sequence of events required to detonate the explosive. Recently, Kenora Police submitted DNA samples from the Robber's remains to identify him, but the suspect was never positively identified.

This most unfortunate event is an example whereby the robber was not a terrorist by definition, but was indeed using a suicide bomb as a device to rob a bank.

After discussion on this particular point, I understand that the Senate adopted the bill with the amendment to ensure greater clarity.

The amendment ensures that it is not overly broad or vague but still fulfills its intended purpose. The proposed amendment is designed to provide for maximum precision regarding what forms of suicide bombing are included in the definition of "terrorist activity" and makes certain that suicide bombings unrelated to terrorist activity are not caught by the definition.

No other country is known to refer specifically to suicide bombing in its definition of "terrorism" and "terrorist activity", so Canada would be the first to signal its abhorrence of these cowardly acts by adopting such a reference in its legislative definition of "terrorist activity".

Suicide attacks are intended to kill and maim innocent people and inflict extensive property damage. Attackers are often prepared to die in the process. We all know about the attacks of September 11, 2001 that killed nearly 3,000 people in the World Trade Center in New York City. We also remember the July 7, 2007 London bombings, and the 2008 attacks in Mumbai, India.

● (1735)

Anyone who reads a newspaper, listens to the radio or watches television knows that suicide bombings occur on an alarmingly regular basis.

Many prominent Canadians support Bill S-205, which is identical to former Bill S-210, which was supported by Canadians Against Suicide Bombing, or CANASB, a Toronto-based group.

Prominent Canadians who have supported this initiative and signed an open letter to the Senate include former prime ministers Kim Campbell and Joe Clark, as well others, such as Roy McMurtry, former chief justice and attorney general of Ontario, former NDP leader Ed Broadbent and Major General Louis MacKenzie.

Some states and international organizations argue that suicide bombing can be justified and that struggles, by whatever means, for approved causes are exempt.

Some further argue that suicide bombing is implicitly covered in the Criminal Code or that dead suicide bombers cannot be prosecuted. However, distinguished Canadian criminal lawyers, including the chair of the Canadian Council of Criminal Defence Lawyers, told the Senate Committee on Legal and Constitutional Affairs that explicitly covering suicide bombing in the Code can help prosecute and punish the organizers, teachers and sponsors.

The House of Commons has a unique opportunity to be an example to the world. I ask that all MPs support covering suicide bombing explicitly by passing Bill S-205, a made-in-Canada initiative, to ensure that anyone who organizes, teaches or sponsors suicide bombing is criminally liable in Canada. Bill S-205 promotes a worthy aim and is deserving of the support of all hon. members of this House.

Accordingly, I wish to congratulate our hon. friend for bringing the bill before Parliament.

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I want to thank the member for bringing this bill, on behalf of a Senate colleague, to the House for our attention.

At the end of her speech, the member, who I know well and who is a good member of Parliament, referred to elements of what would constitute being a suicide bomber. It would seem to me that is very relevant. So, I want to ask her if she is aware of whether or not there is in fact a definition, presently, in the legislation of what constitutes being a suicide bomber. If there is not, the matters that she just raised about someone who organizes or participates in or is somehow involved would probably be problematic, I guess. I assume there is a clarification with regard to that definition. Maybe she could help the House.

Mrs. Kelly Block: Mr. Speaker, I believe that the bill proposes to amend the Criminal Code to clarify that suicide bombings fall within the definition of "terrorist activity" contained in the Code. The term "terrorist activity" is currently defined in paragraphs 83.01(1)(a) and (b) of the Criminal Code.

The amendment would ensure that the definition not be overly broad or vague and that it would still fulfill its intended purpose. The proposed amendment is designed to provide for maximum precision regarding what forms of suicide bombing are included in the definition of "terrorist activity".

● (1740)

Mr. Kevin Sorenson (Crowfoot, CPC): Mr. Speaker, I sat and listened to the member's speech and I looked around. I know we are never to make mention of certain people in the gallery, but we have representation from the Senate here; we have representation from her constituency office. I think everyone I see when I look around here, even on the opposition sides, is supportive of the idea of this.

Private Members' Business

In her speech, she spoke about many different people who have come onside and said legislation like this is needed. She talked about former prime ministers, leaders of other political parties, and I do not know if perhaps even representation from the judiciary was mentioned. However, I wonder if the hon. member would mind telling us specifically why she believes that legislation like this is important, and also whether she believes that passing a bill such as this one it would provide leadership, and would show that Canada is in a position of leadership and is really a beacon for other countries to do the same.

Mrs. Kelly Block: Mr. Speaker, suicide attacks are intended to kill and maim innocent people and inflict extensive property damage. Attackers are often prepared to die in the process, and when we consider the alarming rate at which suicide bombings are taking place in our world today, I believe it is important for us to support this bill.

No other country is known to refer specifically to suicide bombing in its definition of terrorism and terrorist activity, so Canada would be the first to signal its abhorrence of these cowardly acts. I do believe that we would be demonstrating tremendous leadership by passing this bill and amending the act to include suicide bombing as a criminal act.

Mr. Andrew Kania (Brampton West, Lib.): Mr. Speaker, for the benefit of persons who might be listening at home, I would like to simply start with the bill.

The summary of the bill says the following:

This enactment amends the Criminal Code to clarify that suicide bombings fall within the definition "terrorist activity".

This is a very short bill. It is essentially one paragraph.

It says:

Section 83.01 of the Criminal Code is amended by adding the following...:

(1.2) For greater certainty, a suicide bombing is an act that comes within paragraph (a) and (b) of the definition "terrorist activity"...

If people suspect that suicide bombings would already be illegal under the Criminal Code, they would be right. The question is really why this is occurring.

I want to be clear that I do support this. I am not challenging that this is happening. I think it should be happening, but I think we have to ask why it is happening.

I think it is happening because we want to bring attention to the fact that suicide bombings are so horrible. One particular statistic shocks me. Between the years 2000 and 2004, there were 472 known suicide bombings in 22 different countries resulting in more than 7,000 people killed and tens of thousands wounded.

To highlight this, and I think my friend is correct, I do believe we are the first country in the world to do this. I think doing this is a positive step. I support it fully, and it should go to committee.

I also want to ask why this is occurring. I do not think it is enough to simply say we should outlaw this or change the definition. We need to really address the root causes of this in the first place. There are many victims. I have read about this. I think there are larger questions as to why it is occurring and what to do about it.

Let us look into that. People are not born to be suicide bombers. They are not born to do this. They come to this point through education, poverty or whatever the reasons may be, but this is not a natural state. Why does this happen? Part of it is pure education. People are taught to hate by some people. We need to do something about that.

The fact that we are actually amending our legislation to change the definition is something that should be noted and should allow us to be a leader in trying to educate people around the world about what a tragedy this is for many people.

I have read stories about children who are essentially bought to be suicide bombers for money. They have poor families. They do this and their families get paid, and they then get respect.

We, of course, are not supporting that in any way, but that is a tragedy as well. We need to do something on a larger scale to solve these problems. Education is part of that, and I think Canada should take an initiative.

Something that we have forgotten, in my view, is Canada's traditional role as peacekeepers and those who assist with development. I would like to see Canada go back more to the Lester Pearson days of doing that sort of proactive work in various countries to prevent things like this. We will never stop it entirely, but we could improve the situation, to make the world a better place and, by definition, a safer place.

How do we do that? I have already mentioned education, but there is also the alleviation of poverty. In particular I would like to quote from my own experience. I have two law degrees, one from Toronto and a Master of Laws from Leicester University in England, the latter in European Union law.

The first thing they taught us was why the European Union was formed. It was not for economic purposes, although it started as the European Coal and Steel Community. It was to avoid further conflict. They became unified and they started the long process, because they had gone through two horrible world wars and lost millions of lives.

We, in my view, should be developing a department of peace or a subcommittee or a sub-ministry, whatever it may be. Canadians should take a lead to help with development. I decided not to be partisan in this speech but I will say one thing. One of the reasons I am so disappointed that the government cut the funding to Africa is that we should be doing more development, not less. That is one example of how things need to be changed.

• (1745)

We need to have our representatives going abroad throughout the world trying to help in difficult situations, creating peace and also developing the world's economy so that states beside each other can have something to lose. Right now, the European states could never think about going to war against each other, which was the purpose of the economic union.

Private Members' Business

We want that between neighbouring countries, which, for this particular terrorist activity, would, hopefully, alleviate some of the things that occur. Within poorer countries, where suicide bombers originate, we want to try to raise the level of their standards of living. We want them to have something to lose. I do not believe that the ordinary state of persons is to commit evil. It is to live productive lives, but we need to help them do that.

In short, I support this initiative because it is worthy. We need to do whatever we can to show how much we stand against this sort of activity. I compliment the people responsible for bringing this forward. In addition, Canada has an obligation to do more than we have done, and certainly more than we have done in the last four years. We need to help with development. We need to become re-engaged in the peace process and the development process to help make this a better world and to reduce the sort of criminal activity that does take place.

• (1750)

[Translation]

Mr. Thierry St-Cyr (Jeanne-Le Ber, BQ): Mr. Speaker, we have before us Bill S-205, whose purpose is to include suicide bombing in the definition of a terrorist act. We support this bill because we are very concerned about the safety and protection of all citizens and suicide attacks on civilians are considered barbaric acts that are contrary to the values of Quebec society and the general respect for life. A number of suicide bombings have been carried out just recently in various parts of the world, and we think legislation should be passed.

This is obviously a very serious matter of great concern. When people see bills like this one legislating on suicide bombings, they may be tempted to smile a little and wonder what can possibly be done. Is the government going to impose minimum sentences on suicide bombers, or even the death penalty? Of course not. We are not talking here about people who succeed in these attacks. We are talking instead about all the activities that surround them. As soon as something is considered a terrorist activity, a serious of legal tools become available that can be used, for example, to get at the funding of the activity, the act of conspiring to commit these attacks, or encouraging someone to commit these attacks or failing to discourage them. A whole array of things can be done all around the possible perpetrators of suicide bombings, even though nothing can be done about the bombers themselves once they have carried out their attack.

This is a bill that we will support. If I am not mistaken, there is unanimous support for it in the House. I do not think there will be any objections. It is a clear, simple bill. There is a main clause dealing with the definition. I want to take advantage of this opportunity to point out how easily we can achieve results in the House without prolonging the debate when legislation is introduced that is simple and has consensus support, with no poison pills. I do not think that there will be many parties today that will try to prolong the debate indefinitely.

The government should learn from the debate this evening and proceed, for example, with measures like the one the Bloc Québécois is proposing to abolish conditional release for white collar criminals after they have served one-sixth of their sentence.

All the parties say they agree. We have introduced a bill. It is ready. It has been drafted. We have asked for unanimous consent of all the parties to pass it at all stages. This bill could already be in the Senate. But no, the Conservative government does not want that. For partisan reasons, it wants to delay this sort of proposal by the Bloc Québécois. It wants to present other proposals like the ones we debated earlier today.

We are anxious to see what will happen with this proposal to abolish parole for white collar criminals who have served one-sixth of their sentence. The Conservatives will likely put it in a bill with a poison pill. They will likely combine it with another measure they know we do not support, in order to make political hay.

I believe that the government should stop doing this sort of thing. It should learn from the bill before us and introduce simple bills that everyone can agree on, so that we can proceed quickly, without a poison pill. Once we have done that, we can tackle the issues on which there is less consensus.

That is what I have to say about this bill. I hope the government will see that good bills on which the parties agree can be passed quickly in this House.

• (1755)

[English]

Ms. Judy Wasylycia-Leis (Winnipeg North, NDP): Mr. Speaker, I am pleased to speak to this bill. I think I speak for all of my colleagues in the New Democratic Party, although this is private members' hour, that I sense a consensus in this chamber and a great deal of support for the initiative that is before us.

It would only be appropriate to acknowledge the hard work of Senator Grafstein, who has been promoting and who initiated this bill many years ago. It has taken quite a number of years to get to this point due to various elections, prorogations, starts and stops, and here we are in 2009 with a bill that would make a difference in terms of sending a clear message to the world that this country stands firmly against terrorism and does so by way of suggesting that suicide bombing represents a terrorist act.

Some would argue that is redundant, that in fact there is legislation that already covers that. Some would suggest that we do not really need this bill because it is covered. As Senator Grafstein himself has said, this bill would send a clear message of abhorrence and condemnation to those who would praise, plan or incite suicide bombing against innocent citizens.

Sometimes that is as important as anything else we do in this place. Whether this is redundant or not is beside the point. It matters because it would send a very strong, clear message that we in this House, representing Canadians from all walks of life, stand together against any expression of terrorism, specifically with respect to suicide bombers.

Private Members' Business

We know, by all accounts, that we are dealing with a very serious threat on a regular basis. I will quote from Senator Grafstein's speech that he made in February of this year, in which he said:

Suicide bombing has become an all too frequent practice in many countries throughout the world. Thousands of civilians are killed and maimed to advance a cause based on falsely implanted expectations of glory and martyrdom. We say no cause can justify suicide bombing.

He went on to say:

Bill S-206 aims beyond those who strap explosives to their bodies and look where they can cause maximum pain, suffering, death and dismemberment. It will help focus on those who promote terrorism by teaching, organizing and financing the killers in the name of ill-conceived ideology, distorted belief or abhorrent political conviction. The amendment will assist law enforcement agencies to pursue the individuals promoting this heinous tactic.

That says it all. We do not need long debates on this matter. It is just so obvious that we all need to be behind this effort. What we need to do today is give a clear voice, as soon as this debate is over, that we agree with this bill and have it become law as soon as possible. We can then use the moment to actually talk about some of the other initiatives that need to happen in this regard.

On that basis, I would like to also acknowledge the work of other groups and individuals who have been trying to find ways to stem terrorism in our society today. I would mention the work of the Canadian Coalition Against Terror and the work of Danny Eisen, Sheryl Saperia and Maureen Basnicki who, as all of us know, have been active on this Hill advancing other ideas with respect to terrorism and trying very hard to develop ways to combat terror financing and, by extension, terrorism itself. There is another initiative on that front coming from the Senate that we also should look at very seriously and ensure its hasty passage.

With respect to the bill at hand, Senator Grafstein has worked for many years in collaboration with many individuals who have been part of this group called Canadians Against Suicide Bombing. As we know, there have been five previous prime ministers who have supported this initiative and we know that other major leaders of high public profile in this country also support this bill. I think particularly of my former leader, Ed Broadbent, who has been very much in favour of this approach and very much onside with this initiative.

● (1800)

Let us take this moment to congratulate Senator Grafstein for pursuing this over many years. Let us ensure that we do what is only right and what reflects Canadians' values. Let us ensure the bill's hasty passage.

Mr. Kevin Sorenson (Crowfoot, CPC): Mr. Speaker, I also consider it to be a real pleasure to stand in this place and debate Bill S-205. It started in the Senate. It has already been mentioned, but I thank Senator Grafstein for drafting this bill.

I also specifically want to thank our member for Saskatoon—Rosetown—Biggar. Very seldom do we have the opportunity to work together. That member of Parliament sponsored this bill to come forward in this House. As we have seen today, she has been able to work with all members of the House to bring us together and have a consensus on this one bill. As a new member of Parliament, she has shown us that she works hard. Bringing forward a bill like this one is significant and I wanted to commend her for doing that.

I am pleased to support this bill. It proposes to specifically include suicide bombing in the definition of “terrorist activity” in the Criminal Code. This bill would add a for greater certainty clause, after section 83.01 of the Criminal Code, which would specify that suicide bombing comes within paragraphs (a) and (b) of the definition of “terrorist activity” when committed in the context of a terrorist activity.

As has already been talked about, this bill has had a long history in the Senate. It has been introduced four times from 2005 to 2008, but all previous versions of the bill died on the order paper. That is one of the things about a minority government. It seems that we are having so many elections. So much good legislation ends up dying on the order paper. One version, Bill S-210, was passed by the Senate on June 16, 2008.

I recognize that the current definition of “terrorist activity” contained in the Criminal Code already implicitly encompasses suicide bombing when committed in the context of terrorism. If we look at the definition of “terrorist activity” in the code, it incorporates criminal conduct as envisioned by the International Convention for the Suppression of Terrorist Bombings, which is one of the United Nations' counterterrorism conventions. The second part of the definition includes terrorist activity which intentionally causes death or serious bodily harm or endangers a person's life. However, it is also true that the words “suicide bombing” are not expressly mentioned in the present definition of “terrorist activity”. There is considerable support for the specific criminalization of suicide bombing as part of the terrorist activity defined in the code.

Canadians Against Suicide Bombing, a Toronto-based group led by a former judge, has been particularly supportive of the objectives behind Bill S-205. The group established an online petition in support of the bill. Many prominent Canadians from all walks of life have signed an open letter of support for this bill.

I have had the pleasure of serving in Parliament for nine years. As the elected representative of the constituency of Crowfoot in Alberta, I have served in a number of different capacities in my parliamentary duties. Right now, I have the pleasure of chairing the House of Commons Standing Committee on Foreign Affairs and International Development.

One of the opportunities that I have as the chair of the foreign affairs committee is to sit down with ambassadors from many different countries. In the last couple of days, I had the pleasure of sitting with the high commissioner from Pakistan. I think that everyone in the House understands what Pakistan is facing today. Pakistan is facing a barrage from the Taliban and terrorist groups there. We commend Pakistan on the way it is standing up to that direct line of fire, in some cases as its military goes in to try to rid the country of terrorist activity.

● (1805)

The topic he brought to my attention was the fear in which many people in that country live, not out on the battlefield, not in the valleys or up in the hills as they go after the Taliban or al Qaeda or other terrorist groups, but the fear in the malls and shopping centres because of terrorist activity in the towns and cities, in Islamabad and in other places, the fear of suicide bombers.

Private Members' Business

We see this more and more around the world. We see it in Iraq. We see the huge fear in Israel where people go through a metal detector before going into a mall. Their bags and backpacks are checked before they go into a shopping mall. Why? Because they have a fear of terrorist bombing. We see it in places like Pakistan and obviously in Afghanistan, where we have lost many, many troops to roadside bombs, but also to suicide bombers.

Among other things, we have studied the impact of suicide bombing in our mission in Afghanistan. Brave Canadian men and women are being targeted by suicide bombers. They see the vehicle coming toward them. They look at the eyes of the person and they watch as the person reaches into his pocket to detonate the explosives that blow up the vehicle and ignite many other explosions. We are losing far too many people from that.

I have also had the pleasure of serving as the opposition critic for public safety and emergency preparedness when we brought forward Bill C-36, the anti-terrorism bill. Again, so much of our committee time is taken up talking about the suicide bombers in many of these countries.

A number of years ago I served as the vice-chair of the subcommittee on national security. That was another committee that spent so much time concerned with bringing forward and helping to draft legislation, influence legislation that would address issues like suicide bombing. I do not want to read my resumé; that is not what I am trying to do here. But I am trying to point out that this place has been dealing with criminal and national security issues in many different committees. We are dealing with issues like the suicide bombing and it is taking up a lot of energy and a lot of time here in the House.

The main thing I learned, which is applicable in our debate today, is that when a person, a community, a nation or even the international community is threatened by violence, we have to do something about it. For that again I commend our senator and I commend our minister, I mean our member for Saskatoon—Rosetown—Biggar—I called her a minister; she is a member, but I think someday she will be a minister—for bringing this forward.

That is what Bill S-205 is accomplishing. The bill is doing something about suicide bombing. It is specific and that is what I like about it. That is why I support it. That is why I am very pleased to look around this place and see every party pledging their support for the bill.

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I was hoping that this debate would collapse tonight because this is significant. One of our colleagues from the other place, Senator Grafstein, I understand will be retiring in December and this is his swan song. This is his last opportunity to make yet another contribution to the Parliament of Canada which includes the Senate.

We are in an interesting Parliament. It is quite uncertain what is going to happen next week, a week or two from now, or even tomorrow. Since we have the support of all members on the bill, we have an opportunity under our rules to allow this debate simply to collapse. No more people would stand up, the mover of the bill would speak for the last five minutes and then we would have a vote and we would pass Bill S-205 tonight as a tribute to our colleague, Senator Grafstein.

It does not look as though that is going to happen. I do not know why, but I am a little concerned that given the uncertainty of this place the bill could in fact never come back before this Parliament. There are a number of ways that could happen. Certainly one would be the call of an election. Another possibility would be that even though the bill would go down to the bottom of the order paper which—

• (1810)

Mr. Mike Lake: Mr. Speaker, on a point of order, I do not believe that the hon. member has said anything about the bill at this point. I think the time reserved for these speeches is a time reserved to speak to the bill. I know that we have members on this side of the House who wish to speak to the bill.

The Acting Speaker (Mr. Barry Devolin): I am not sure that is a point of order. The hon. member for Mississauga South.

Mr. Paul Szabo: I hear the member, Mr. Speaker. I did hear all the other speakers talk about Senator Grafstein as well.

There is this issue, and it has to do with the hon. senator, that bills can be traded up and down on the order paper. This one might go down to position number 20. That means 20 sitting days from now it would come up for its second hour and then there would be a vote on the following Wednesday.

I am a bit concerned that there is a risk that the bill may never come back and that would be a shame. I think everybody would understand why.

We always want to fete our colleagues in both chambers who have done such great service to Parliament. I am a bit saddened that we cannot seem to have agreement to let this debate collapse so that we can allow the senator to enjoy yet another victory on behalf of Canadians and Canadian legislation.

Bill S-205 is a simple bill but a meaningful bill. Sometimes a word or two makes all the difference in the world in terms of its application.

The bill would amend the Criminal Code of Canada. This particular bill is seeking an amendment to Section 83.01 of the Criminal Code by adding the following subsection 1.1. "For greater certainty" is the title of this paragraph. Subsection 1.2 says:

For greater certainty, a suicide bombing is an act that comes within paragraph (a) or (b) of the definition "terrorist activity" in subsection (1) if it satisfies the criteria of that paragraph.

That substantively is the bill. It is not very much. It also says that it comes into force at a date fixed by order of governor in council. That is another reason why it is important to deal with this now because it will not come into force when royal assent is granted. It will only come into force when cabinet gives an order in council making it law. Even then, once it gets that, it depends on whether it is proclaimed.

There are many other steps in the legislative process that have to happen, and if we have to wait another 20 or 30 sitting days it may not happen before the senator has to leave the red chamber and retire, and not get the credit that is due him.

Private Members' Business

I am going to appeal to other members in the chamber. We have enough time to still make this happen. I think it is the honourable thing to do. I do not know of any reason why anyone would want to delay this legislation since there is unanimous support for it. There is no misunderstanding of its intent.

I simply want to appeal to members in all sincerity to heed the good wishes, the goodwill, that all hon. colleagues who have already spoken have expressed to Senator Grafstein. We could make this happen. There are substantive reasons why it should happen tonight. People who would like to have it happen should maybe speak to others to determine whether or not there is good reason for it not to happen.

I am going to conclude my remarks. I do not intend to speak out the clock just for the sake of speaking. I support the bill. All hon. members support the bill. All parties support the bill. All opposition parties, the Bloc, the NDP and the Liberals have agreed not to put up any further speakers so that we have this opportunity. I offer it to the Conservatives now to allow this debate to collapse so that we can have our vote and give Senator Grafstein his due reward.

• (1815)

Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons, CPC): Mr. Speaker, it is a pleasure for me to stand and speak in favour of Bill S-205. I must begin my remarks, though, questioning the remarks just made by the hon. member for Mississauga South.

As is well known in this place and probably throughout Canada for those people who watch the parliamentary channel, I do not think there is a member in this place, either now or in recent history, who has not stood and spoken to more and varied pieces of legislation and bills than the member for Mississauga South. Yet, he stands here today and, in effect, admonishes everyone who wants to speak to this bill. It makes no sense to me.

If I recall correctly, a few years ago a university student, on his own, on a volunteer basis, started charting the number of words spoken in the House. I guess it was to try to equate loquaciousness or the number of words spoken with hard work or perseverance. I am not sure exactly what the intent of the study was, but he put the study together and created a chart with all 308 members, including Speakers, and it showed how many words were spoken.

I can certainly say without fear of retribution that the member for Mississauga South was quite near the top of that list. I would suggest that if we look from year to year, the member for Mississauga South would be near the top of the list of words spoken every year.

It surprises me to hear the member say this. The member for Mississauga South is a very experienced, knowledgeable member of this place, who has at least on two occasions that I am aware of, and I give due credit to my colleague, won the prestigious *Hill Times* award for hardest working MP in the House. That is something he should be very proud of.

Mr. Paul Szabo: Three times.

Mr. Tom Lukiwski: I stand corrected by the hon. member.

I believe one of the main reasons that he has won those awards is because he stands in this place at almost every opportunity when a

piece of legislation or a private member's bill comes in and speaks to it. He obviously thinks it is important to stand, from his own perspective, but yet he admonishes and criticizes others who would do the same thing.

He references the fact that his Liberal colleague, Senator Grafstein, is looking at this piece of legislation as perhaps his legacy as he works his way to retirement, which I understand is going to occur in just a few months. We wish the good senator well in his retirement and hope that he is able to find something to occupy his time as actively as his senatorial duties have over the past number of years. Nonetheless, with all due respect to the senator, there are members in the House who want the opportunity to speak, not only on this bill but other bills.

If we were to take the advice of the hon. member for Mississauga South and collapse this debate, I would suggest that may set a very poor precedent. I would not say a dangerous precedent but a very poor one, for other members, particularly rookie members who come into the chamber on nights like this prepared to speak, sometimes giving their maiden speech, sometimes giving a speech because they want to overcome a fear of nervousness or the ability to articulate, or to speak extemporaneously for a number of reasons.

Members of Parliaments come in here day after day, evening after evening wishing to speak to a particular piece of legislation. Yet, this member, an experienced member of Parliament, stands and dares criticize members not only on this side of the House but I dare say he criticizes members from all sides of the House when he says we should let this debate collapse.

I do not think that is appropriate. Even though the admonishment may have been in what he considers to be in the best interests of this bill and the senator, I do not believe it is appropriate.

I hope the member for Mississauga South reconsiders his remarks the next time he stands on his feet to speak to a bill that perhaps has been close to exhaustion in terms of the words spoken, the rhetoric and the points made. I have made my point and I hope my hon. colleague from Mississauga South gives it very careful consideration before he utters such an admonishment in the future.

Let me speak briefly about the bill itself.

Mr. Paul Szabo: Hear, hear!

• (1820)

Mr. Tom Lukiwski: I thank the hon. member for Mississauga South for his encouragement. Finally, it appears that he has changed his mind. He has encouraged me to actually speak to the bill and I thank him for that. I think that is a very positive sign. It speaks to the level of conviviality and the level of co-operation we are now starting to see occur in the House.

I should also add before I go on to my remarks about this particular bill that the member for Mississauga South seemed to question the motivation of members wanting to get up on their feet and speak to the bill. I would suggest simply this. Now that the official opposition, the Liberal Party of Canada, has backed down from its threat to force an unwanted and unnecessary election, there is more opportunity for that level of co-operation among all members, and I welcome that.

Private Members' Business

I think Canadians welcome that. I would merely say that if the member for Mississauga South was one of the members behind that decision to step back, to reverse themselves from that terrible decision of a few weeks ago, when the Leader of the Opposition said to the Prime Minister that his time was up, and that he would oppose this government and attempt to bring this government down at every opportunity. So, I congratulate that member—

The Acting Speaker (Mr. Barry Devolin): Order, please. The hon. member for Mississauga South is rising on a point of order.

Mr. Paul Szabo: Mr. Speaker, the member has been given a lot of latitude, but he is well aware of relevance to the matter before us. His time is almost up. I would certainly indicate that the only reason this is happening is that the Conservatives have decided to put up three more speakers and talk it out anyway. Therefore, they have not good faith whatsoever on this bill.

The Acting Speaker (Mr. Barry Devolin): I would encourage all members of the House to remember that there is an item before us and that all remarks ought to be relevant to that item. The hon. parliamentary secretary to the House leader.

Mr. Tom Lukiwski: Mr. Speaker, I thank my hon. colleague from Mississauga South for his intervention.

I would point out, however, that for the first several minutes of his speech, he did not speak to this bill whatsoever and there was a previous point of order to that effect.

Therefore, I respect your ruling, Mr. Speaker, and I will go directly to the substance of the bill.

One of the reasons that I support the bill is that Canada would actually become the first country that I know of to actually entrench such a bill into law. Many people would ask: What is the purpose behind the bill because it does not really mean anything? Is it more symbolic than anything concrete?

I suppose one could argue that yes, that is quite conceivable because the bill basically, just with more certainty, speaks to the fact that anyone who either attempts a suicide bombing or is even successful should be considered a terrorist and that act an act of terrorism.

One would say obviously that is an act of terrorism. Suicide bombings occur for a reason and that is because a terrorist, usually a terrorist cell, wants to create anarchy, fear and confusion in the civilized world and by the use of suicide bombings is able to create that level of uncertainty and fear. They are designed for that type of action and reaction.

Currently, if a suicide bomber has been apprehended before he or she is able to complete the act, that person quite conceivably would be charged with attempting an act of terrorism, but the bill gives more certainty to that. I think from a symbolic standpoint it is extremely important because it allows our country to be the first country in the civilized world to say that we will not stand by and allow this type of action to take place without swift and severe retribution.

The one thing that the bill also does, which I appreciate quite sincerely, is that it would allow posthumously, after a suicide bomber

has completed the act, to go after the sponsors of that act for some form of restitution or retribution. Currently, that does not exist.

Therefore, I think the bill has important elements in it. It sends a very strong message to the rest of the free world, the democratic world, that this type of action, suicide bombings that are unfortunately so prevalent in the world today, should not be tolerated at any time and at any level.

I know that I will certainly be supporting the bill. I encourage all of my colleagues to support it as well. With due respect to the good senator, I am firmly convinced that this bill will eventually pass.

• (1825)

Mr. Mike Lake (Parliamentary Secretary to the Minister of Industry, CPC): Mr. Speaker, I, too, want to add my voice to those who have commended this bill today. It sounds like this bill has all party support, which is a rare thing in this place.

I note that there are several prominent former politicians in this country who have also supported this bill. An online petition has been written to encourage senators and parliamentarians to support this bill, a petition that was originated by the group Canadians Against Suicide Bombing.

Before I name some of the folks who have actually supported this bill, because I think it is important to underline the cross party support for this bill, I will read a little bit from the petition that was online. The petition reads:

Suicide bombing has become all too common in many countries throughout the world. Thousands of civilians are killed and maimed to advance a cause based on falsely implanted expectations of glory and martyrdom. We say no cause can justify suicide bombing.

Introduced by Senator Jerry Grafstein, Bill S-210 aims beyond those who strap explosives to their bodies and aim to cause maximum pain, suffering, death and dismemberment. It will help focus on those who promote terrorism by teaching, organizing and financing the killers in the name of ill-conceived ideology, distorted belief or abhorrent political conviction. It will help pursue the individuals promoting this heinous tactic. Penal statutes must unambiguously state which actions are criminalized. Rather than assuming that suicide bombing is covered implicitly in the Criminal Code, this amendment covers it explicitly.

I think that is the important thing here. The previous speaker talked a little bit about the symbolic nature of the bill. Some may look at this bill as a rather short bill with not many words in it and they may question why it is needed, but there is a symbolic importance to this bill that is recognized by commentators, political people, among others who have commented on the need for this bill.

Some of the people who have signed that petition, which I just read, some prominent Canadians and politicians of all stripes, are: the hon. Ed Broadbent, for example, a former NDP leader; and the right hon. Kim Campbell, former prime minister and attorney general. We can see that the right hon. Joe Clark has also signed the petition.

Going down the list in terms of the politicians who have signed, we see even the current Minister of State of Foreign Affairs signed a petition for the bill that preceded this back when he was working in television and media. We see that the hon. Ralph Klein, my former premier in Alberta, is one of the signatories to this bill. The hon. Flora MacDonald, a previous cabinet minister in this country, and Preston Manning, the former Reform leader, have also signed the petition.

We can see that there are a significant number of prominent politicians. Even the current Liberal member for Toronto Centre was a signatory to this petition.

• (1830)

The Acting Speaker (Mr. Barry Devolin): The time provided for consideration of private members' business has now expired and the order is dropped to the bottom of the order of precedence on the order paper.

This member will have six minutes remaining when the House returns to this matter.

ADJOURNMENT PROCEEDINGS

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

[*Translation*]

OFFICIAL LANGUAGES

Mr. Richard Nadeau (Gatineau, BQ): Mr. Speaker, in the report released by the Commissioner of Official Languages last May regarding the 2010 Olympic and Paralympic Games in Vancouver, he states that unless drastic action is taken the Vancouver and Toronto airports will be unable to properly greet visitors in French. He also states that the administrations of Air Canada and the Canada Border Services Agency should work together with their parliamentarians to ensure that French is on an equal footing with English.

Last September, in his report "Raising our Game for Vancouver 2010: Towards a Canadian Model of Linguistic Duality in International Sport", Commissioner of Official Languages Graham Fraser, pointed out, among other things, that ten or so federal institutions had dismal results in terms of the provision of services in French for the 2010 Olympic and Paralympic Games in Vancouver. In addition, of the points of service that are designated bilingual under airport authority, only 10% are bilingual.

And yet, the Olympics are drawing near.

In its Constitution, Canada recognizes French and English as equal. Furthermore, French is one of the International Olympic Committee's official languages. The fact that we are nearing the end of October 2009, just three and a half months away from the games, and that we are still talking about serious shortcomings throughout the Canadian Olympic organization speaks volumes about the lack of respect for Quebecers, Acadians and Franco-Canadians in this country.

The goal is a simple one: Canada, the host country, must be able to serve in French anyone who requests it anywhere in Vancouver, Whistler or Richmond, the cities in which athletes will be competing during the 2010 winter games.

A lot of questions remain unanswered. Where is the French signage and the French documentation for visitors, athletes, coaches and tourists?

Why is the City of Richmond still negotiating with Olympics organizers to determine whether it will have signage in French? The mayor of Richmond wants to go back to his municipal council for

Adjournment Proceedings

the next round of negotiations on the presence of French in the city. Why has the Vancouver Organizing Committee for the 2010 Olympic and Paralympic Winter Games, VANOC, not yet forced its partners to be reasonable about the French fact?

Will Vancouver Tourism and BC Tourism kiosks be able to offer services in French? Will they make an active effort to do so?

Will the supposedly bilingual volunteers, the 3,500 recruits, be functional in French at the C level for comprehension, B for written and C for oral? What about their housing and transportation? Will we lose officially bilingual volunteers because of shortages in these two areas? Will the 7.5 million words to be translated into French actually be translated?

The Cultural Olympiad will not be showcasing many francophone artists. That is a problem. We hope that francophone artists from British Columbia, along with Quebecers, Acadians, and Franco-Canadians in general will be well represented.

A Vancouver Games that respects the French fact in a country where French is an official language would be a fitting legacy for the francophone community in British Columbia. Among other things, let us consider authentically bilingual signage.

• (1835)

[*English*]

Mr. Brian Jean (Parliamentary Secretary to the Minister of Transport, Infrastructure and Communities, CPC): Mr. Speaker, I am pleased to address the issue raised by the member for Gatineau.

Our government is committed to the protection and promotion of both official languages. Indeed, across Canada we are committed to this, including in our airports nationwide.

I should note that although airport authorities are private entities and not agents of the Crown, they must meet various official language obligations. Indeed, because they are private entities, they are responsible themselves for ensuring that they meet these obligations, which, of course, are pursuant to the Airport Transfer (Miscellaneous Matters) Act and the Official Languages Act and all of its regulations.

Canada's transport minister has had very productive meetings with the Commissioner of Official Languages on this particular matter and they both recognize that there are cases where action is needed and concerns will be raised with the airport authorities in question.

I would invite my friend to come out west. I know that in my own riding I have many Quebecers working there. Some estimates are that up to 5,000 Quebecers live and work in my riding. I have to say, first-hand, that I have not had one complaint from any French-speaking or English-speaking Canadian in relation to what is available currently at our airports.

[*Translation*]

Mr. Richard Nadeau: Mr. Speaker, the Vancouver Olympic and Paralympic Winter Games open in 113 days, and there is still no guarantee that French will be on an equal footing with English at the games.

Adjournment Proceedings

Where is the leadership of the Treasury Board in coordinating federal institutions with regard to official languages at the Vancouver games? Are the deputy heads of federal institutions making an appropriate effort to ensure that French-language services are available for the games?

In closing, I will quote Commissioner Fraser, on page 30 of his 2008-09 annual report:

To prevent such an outcome, all institutions involved, including the Vancouver Airport Authority, the Greater Toronto Airport Authority, Air Canada and the Canadian Air Transport Security Authority, must roll up their sleeves and work together, along with the Canada Border Services Agency, to showcase Canada's linguistic duality to the world.

[English]

Mr. Brian Jean: Mr. Speaker, again I would invite the member and his family to come out and enjoy the Olympics in western Canada and to come to my own riding to see the Official Languages Act at work, to hear the French and English discussions between parties, to see how much they are truly represented and to see how proud all Canadians are of both official languages.

I would like to quote the Minister of Transport when he answered this question originally. It is very germane to the issue. He said:

Mr. Speaker, we very much appreciate the excellent work done by the commissioner over the past year. He has examined the areas of concern and has advised this government. I met with the commissioner a few weeks ago and I am ready to take action. He gave me the figures concerning those two major Canadian airports. I am prepared to take action to ensure that all Canadians will receive quality service in the official language of their choice.

We are very proud to have both official languages and I personally thank the member for the question.

HARMONIZED SALES TAX

Ms. Jean Crowder (Nanaimo—Cowichan, NDP): Mr. Speaker, I want to follow up on a question I raised on September 17 about the harmonized sales tax.

A *Globe and Mail* article on September 19 had the headline, "HST's price tag revealed: consumers hit hardest". The article states, "Consumers will bear the brunt of proposed tax changes in Ontario and British Columbia while businesses reap windfall savings of \$6.9 billion". It is referring to a TD report. The article goes on to say, "The TD report adds fresh fuel to accusations...that harmonization is little more than a tax grab aimed at benefiting businesses at the expense of consumers".

New Democrats have been raising this issue in the House because the HST shifts taxes from businesses to families. An average family of four will now have to pay an additional \$1,500 per year. Of course that will depend on the family's consumption patterns.

Many times in the House we have heard the Conservatives say that this is a provincial matter, yet the seeds of this were sown a number of years ago by the finance minister in his 2006 budget. In that budget the government invited all provinces that had not yet done so to engage in discussions on the harmonization of the provincial retail sales tax with the federal GST.

There are a number of reports from various newspapers. "Feds still pressuring Province to sign on to HST". That was in the Summerside, P.E.I. *Journal Pioneer* on August 10. "Ottawa made

Victoria an offer it couldn't refuse on HST — \$1.6 billion in cash" That is from the *Vancouver Sun* of August 1, 2009.

We see this pressure from the federal government for provinces to engage in the HST. When I raised this question on September 17, it was in the context of housing. A fellow by the name of Bill Tieleman in the province of British Columbia has been leading the anti-HST campaign. He said that when buying a brand new home, houses and apartments priced under \$400,000 would get an HST rebate, but the problem with that is that 40% of all homes in British Columbia cost more than \$400,000. He said not to forget real estate commissions. Those fees will go from 5% to 12% HST. With respect to condominiums, all building maintenance as well as property management firms will charge an extra 7% HST. We can see these direct impacts on people in British Columbia.

I could spend my entire four minutes going over the list of goods and services that will be subject to the harmonized sales tax, but there are couple of others I want to specifically mention. According to a B.C. government document on transitional HST rules, if people want to beat the impending B.C. harmonized sales tax, they should pay for their funeral now, because it is one of the only things people will not be taxed an extra 7% on if the HST goes ahead on July 1, 2010. The B.C. government itself is suggesting that people prepay for their funerals so they will not have to pay HST once July 1, 2010 rolls around.

The B.C. Restaurant Association estimates that British Columbians will pay an additional \$694 million on restaurant meals alone if the HST is introduced. In these tough economic times what we do not need is restaurant owners, hairdressers and all those other service providers to lose customers when we are actually asking people to get out and support their local businesses.

This unfair tax shift to consumers is unfortunate in these times.

• (1840)

Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons, CPC): Mr. Speaker, the member mentioned it in her speech and she knows full well, as does every member of the House, that the decision of whether or not to harmonize provincial sales taxes with the GST is the sole responsibility of the province.

Not only does she know that, but there are other members in this place who know it very intimately. In fact, we have two former premiers, of the provinces of B.C. and Ontario, sitting in the House as members of the official opposition. As the member well knows, the sitting member for Vancouver South and the sitting member for Toronto Centre, former premiers of B.C. and Ontario respectively, have said in the past that the decision of whether or not to harmonize their provincial sales tax with the GST is the responsibility of provinces.

Adjournment Proceedings

That is well documented. I would point out that the premier of my home province of Saskatchewan, Mr. Brad Wall, has already stated that Saskatchewan does not intend to harmonize its provincial sales tax with the GST. In other words, it is strictly up to the province. Some provinces want to go down that road. They can see some advantages to harmonizing their sales tax provincially with the GST for business reasons and to attract business investment into the provinces.

Premier Wall has stated that he does not want to harmonize Saskatchewan's sales tax with the GST because he feels that it might place too much of an added burden on the citizens. However, the decision is strictly that of the province, and the member well knows that.

In the few moments I have left, I just want to point out that that is not the reason this member and other members of the NDP continually raise this issue. We all know that members of the NDP have never been known as tax cutters. In fact, they like to raise taxes because it is the tax-and-spend philosophy that they have always held.

The reason this member and her colleagues in the NDP are making the HST situation such an issue in the House is that there will be a federal byelection occurring very shortly in British Columbia. The member assumes, and perhaps she is correct, that this is a very hot-button issue with the residents of British Columbia.

By asking this and other questions during the regular question period on a day-to-day basis, she is trying to impress upon the residents of British Columbia that the Conservative Party and the Liberal Party are the ones who are trying to force this down the throats of consumers in British Columbia. By contrast, she is trying to portray her candidate in the federal byelection as the one who opposes the HST while the other main candidates do not.

That is the reason these questions are coming so frequently in the House. It is not because the NDP opposes harmonization. Given the opportunity, the NDP would raise taxes across the board in any environment and any jurisdiction. This member and her colleagues are raising this issue strictly for political reasons.

Quite frankly, it is a sham. I think that most Canadians can see through that sham. I am here to put it on the record.

• (1845)

Ms. Jean Crowder: Mr. Speaker, it is unfortunate that this member and his government are not prepared to take some responsibility for their role in advocating for the HST.

As I mentioned in my opening remarks, as far back as 2006, the Conservative Minister of Finance was talking about HST being good economic policy. In fact, what we have seen in this past budget are inducements to provinces to implement the HST.

The government might try to distance itself from this and claim that it is simply a provincial responsibility, but the truth of the matter is that it has been playing an active role in getting provinces to sign on to it, \$1.6 billion worth of an active role, in the province of British Columbia.

The reason New Democrats have been so consistent in raising this is that we are hearing from our constituents from one end of the province to the other that they do not want the harmonized sales tax. They do not want to pay extra money for funerals, gym fees, housing and restaurant meals.

If the government were seriously worried about our citizens, it would step back from the role that it is taking in the inducement for the HST.

Mr. Tom Lukiwski: Mr. Speaker, it is quite a source of amusement for me to sit here and hear that NDP member say that they have listened to the people and that the people have said they do not want higher taxes.

Let us look at the record. We brought in tax reductions for all Canadians in our last budget. The NDP voted against it. We reduced the GST to 6% from 7%. The NDP voted against that. We further reduced the GST to 5%. The NDP voted against that. We brought in tax-cutting measures at every step of the way for personal income taxes and business taxes. Every time we brought in a tax reduction regime or piece of legislation contained in our budget, the NDP voted against that measure.

I find it amazing that the member would have the unmitigated gall to stand in the House now and try to pretend that her party is actually in favour of lowering taxes. They have never been in favour of lowering taxes in the past, and they will not be in the future.

The Acting Speaker (Mr. Barry Devolin): The motion to adjourn the House is now deemed to have been adopted. Accordingly the House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 6:48 p.m.)

CONTENTS

Thursday, October 22, 2009

ROUTINE PROCEEDINGS

Government Response to Petitions

Mr. Lukiwski 6021

Interparliamentary Delegations

Mr. Coderre 6021

Criminal Code

Mr. Andrews 6021

Bill C-464. Introduction and first reading 6021

(Motions deemed adopted, bill read the first time and printed) 6021

Questions on the Order Paper

Mr. Lukiwski 6021

Privilege

Introduction of Bills

Mr. Paquette 6022

Mr. Lukiwski 6023

Mr. LeBlanc 6023

Mr. Lee 6024

GOVERNMENT ORDERS

Retribution on Behalf of Victims of White Collar Crime Act

Mr. O'Connor (for the Minister of Justice and Attorney General of Canada) 6025

Bill C-52. Second reading 6025

Mr. Bagnell 6027

Mr. Lemay 6027

Mr. Bevington 6028

Mr. Maloway 6028

Mr. Jean 6028

Ms. Duncan (Etobicoke North) 6028

Mr. Lemay 6029

Mr. Jean 6030

Mr. Maloway 6030

Mr. Valeriote 6030

Mr. Lemay 6031

Mr. Lee 6033

Mr. Blaney 6033

Mr. Maloway 6034

Mr. Laframboise 6034

Mr. Harris (St. John's East) 6034

Mr. Thibeault 6036

Mr. Lee 6037

Mr. Storseth 6037

Mr. Maloway 6037

Ms. Brown (Newmarket—Aurora) 6038

Mr. Cannan 6039

Ms. Brown (Newmarket—Aurora) 6040

Mr. Maloway 6040

Mr. Scarpaleggia 6041

Mr. Maloway 6043

Mr. Jean 6043

Mr. Lee 6044

Mr. Sorenson 6044

Mr. Maloway 6046

Mr. Brown (Leeds—Grenville) 6047

Ms. Hoepfner 6047

Mr. Laframboise 6047

Mr. Maloway 6050

Mr. Lessard 6051

ROYAL ASSENT

The Acting Speaker (Ms. Savoie) 6051

GOVERNMENT ORDERS

Retribution on Behalf of Victims of White Collar Crime Act

Bill C-52. Second reading 6051

Mr. Jean 6051

STATEMENTS BY MEMBERS

Denis Lévesque

Mr. Bernier 6052

East Hants Sportsplex

Mr. Brison 6053

Peter Kennedy

Ms. Gagnon 6053

Pensions

Mr. Marston 6053

Canada-United States Relations

Mr. Tweed 6053

Veterans Affairs

Ms. Coady 6054

Zimbabwe

Mr. Obhrai 6054

Onondaga Submarine

Mr. Guimond (Rimouski-Neigette—Témiscouata—Les Basques) 6054

Justice

Mr. Dykstra 6054

Small Business Week

Mr. Proulx 6054

Justice

Mr. Gourde 6055

Harmonized Sales Tax

Mr. Rafferty 6055

Liberal Party Platform

Mrs. O'Neill-Gordon 6055

Supreme Court of Canada		Mr. Desnoyers	6060
Mr. Duceppe	6055	Mr. Clement	6060
Canadian Forces		Afghanistan	
Ms. Foote	6055	Ms. Neville	6060
Liberal Party Platform		Mr. Hawn	6060
Mrs. Block	6056	Ms. Neville	6060
		Mr. Hawn	6060
		Mr. Rae	6060
		Mr. Day	6060
		Mr. Rae	6060
		Mr. Hawn	6060
		Status of Women	
		Ms. Hoepfner	6060
		Ms. Finley	6061
		Afghanistan	
		Mr. Harris (St. John's East)	6061
		Mr. Hawn	6061
		Mr. Harris (St. John's East)	6061
		Mr. Hawn	6061
		Labour	
		Ms. Demers	6061
		Ms. Ambrose	6061
		Ms. Demers	6061
		Ms. Ambrose	6061
		Health	
		Mr. Dryden	6062
		Mrs. Aglukkaq	6062
		Mr. Dryden	6062
		Mrs. Aglukkaq	6062
		Industry	
		Mr. Masse	6062
		Mr. Clement	6062
		Mr. Masse	6062
		Mr. Clement	6062
		Status of Women	
		Mrs. McLeod	6062
		Mrs. Guergis	6063
		Nortel	
		Mrs. Zarac	6063
		Mr. Clement	6063
		Museums	
		Mr. Nadeau	6063
		Ms. Ambrose	6063
		Harmonized Sales Tax	
		Mrs. Hughes	6063
		Mr. Flaherty	6063
		Justice	
		Mr. Braid	6063
		Mr. Nicholson	6063
		Search and Rescue	
		Ms. Foote	6064
		Mr. Van Loan	6064
ORAL QUESTIONS			
Infrastructure			
Mr. Goodale	6056		
Mr. Harper	6056		
Mr. Goodale	6056		
Mr. Harper	6056		
Mr. Goodale	6056		
Mr. Harper	6056		
Mr. Rodriguez	6056		
Mr. Paradis	6057		
Mr. Rodriguez	6057		
Mr. Paradis	6057		
Justice			
Mr. Duceppe	6057		
Mr. Harper	6057		
Mr. Duceppe	6057		
Mr. Harper	6057		
Infrastructure			
Mrs. Freeman	6057		
Mr. Paradis	6057		
Mrs. Freeman	6057		
Mr. Paradis	6057		
Pensions			
Mr. Layton	6058		
Mr. Harper	6058		
Mr. Layton	6058		
Mr. Harper	6058		
Mr. Layton	6058		
Mr. Harper	6058		
Infrastructure			
Mr. Kennedy	6058		
Mr. Clement	6058		
Mr. Kennedy	6058		
Mr. Clement	6058		
Natural Resources			
Mr. Szabo	6059		
Mr. Hill	6059		
Mr. Szabo	6059		
Mr. Hill	6059		
The Environment			
Mr. Bigras	6059		
Mr. Prentice	6059		
Mr. Bigras	6059		
Mr. Prentice	6059		
Nortel			
Mr. Desnoyers	6059		
Mr. Clement	6059		

Agriculture and Agri-Food	
Mr. Malo	6064
Mr. Blackburn	6064
Business of the House	
Mr. Goodale	6064
Mr. Hill	6064
Points of Order	
Oral Questions	
Mr. Savage	6065
Mrs. Aglukkaq	6065
Canada-Colombia Free Trade Agreement Implemen- tation Act—Speaker's Ruling	
The Speaker	6065

GOVERNMENT ORDERS

Retribution on Behalf of Victims of White Collar Crime Act	
Bill C-52. Second reading	6066
Mr. Jean	6066
Mr. Maloway	6068
Mr. Pomerleau	6068
Mr. Calandra	6069
Mr. Maloway	6069
Mr. Sorenson	6071
Mr. Gravelle	6072
Mr. Rafferty	6072
Mr. Brown (Leeds—Grenville)	6073
Mr. Murphy (Charlottetown)	6075
Mr. MacKenzie	6076
Mr. Szabo	6076
Mr. Gravelle	6076
Mr. Paquette	6076

Mr. Szabo	6079
Mr. Maloway	6079
Mr. Cardin	6080
Mrs. Wong	6081
Mr. Cannis	6082
Mr. Pomerleau	6082
Mr. Dewar	6082
Mr. Volpe	6083
Mr. Lukiwski	6083

PRIVATE MEMBERS' BUSINESS

Criminal Code	
Mrs. Block	6083
Bill S-205. Second reading	6083
Mr. Szabo	6084
Mr. Sorenson	6084
Mr. Kania	6085
Mr. St-Cyr	6086
Ms. Wasylycia-Leis	6086
Mr. Sorenson	6087
Mr. Szabo	6088
Mr. Lukiwski	6089
Mr. Lake	6090

ADJOURNMENT PROCEEDINGS

Official Languages	
Mr. Nadeau	6091
Mr. Jean	6091
Harmonized Sales Tax	
Ms. Crowder	6092
Mr. Lukiwski	6092

MAIL  POSTE

Canada Post Corporation / Société canadienne des postes

Postage paid

Port payé

Lettermail

Poste-lettre

**1782711
Ottawa**

If undelivered, return COVER ONLY to:
Publishing and Depository Services
Public Works and Government Services Canada
Ottawa, Ontario K1A 0S5

*En cas de non-livraison,
retourner cette COUVERTURE SEULEMENT à :*
Les Éditions et Services de dépôt
Travaux publics et Services gouvernementaux Canada
Ottawa (Ontario) K1A 0S5

Published under the authority of the Speaker of
the House of Commons

SPEAKER'S PERMISSION

Reproduction of the proceedings of the House of Commons and its Committees, in whole or in part and in any medium, is hereby permitted provided that the reproduction is accurate and is not presented as official. This permission does not extend to reproduction, distribution or use for commercial purpose of financial gain. Reproduction or use outside this permission or without authorization may be treated as copyright infringement in accordance with the *Copyright Act*. Authorization may be obtained on written application to the Office of the Speaker of the House of Commons.

Reproduction in accordance with this permission does not constitute publication under the authority of the House of Commons. The absolute privilege that applies to the proceedings of the House of Commons does not extend to these permitted reproductions. Where a reproduction includes briefs to a Committee of the House of Commons, authorization for reproduction may be required from the authors in accordance with the *Copyright Act*.

Nothing in this permission abrogates or derogates from the privileges, powers, immunities and rights of the House of Commons and its Committees. For greater certainty, this permission does not affect the prohibition against impeaching or questioning the proceedings of the House of Commons in courts or otherwise. The House of Commons retains the right and privilege to find users in contempt of Parliament if a reproduction or use is not in accordance with this permission.

Additional copies may be obtained from: Publishing and
Depository Services
Public Works and Government Services Canada
Ottawa, Ontario K1A 0S5
Telephone: 613-941-5995 or 1-800-635-7943
Fax: 613-954-5779 or 1-800-565-7757
publications@tpsgc-pwgsc.gc.ca
http://publications.gc.ca

Also available on the Parliament of Canada Web Site at the
following address: <http://www.parl.gc.ca>

Publié en conformité de l'autorité
du Président de la Chambre des communes

PERMISSION DU PRÉSIDENT

Il est permis de reproduire les délibérations de la Chambre et de ses comités, en tout ou en partie, sur n'importe quel support, pourvu que la reproduction soit exacte et qu'elle ne soit pas présentée comme version officielle. Il n'est toutefois pas permis de reproduire, de distribuer ou d'utiliser les délibérations à des fins commerciales visant la réalisation d'un profit financier. Toute reproduction ou utilisation non permise ou non formellement autorisée peut être considérée comme une violation du droit d'auteur aux termes de la *Loi sur le droit d'auteur*. Une autorisation formelle peut être obtenue sur présentation d'une demande écrite au Bureau du Président de la Chambre.

La reproduction conforme à la présente permission ne constitue pas une publication sous l'autorité de la Chambre. Le privilège absolu qui s'applique aux délibérations de la Chambre ne s'étend pas aux reproductions permises. Lorsqu'une reproduction comprend des mémoires présentés à un comité de la Chambre, il peut être nécessaire d'obtenir de leurs auteurs l'autorisation de les reproduire, conformément à la *Loi sur le droit d'auteur*.

La présente permission ne porte pas atteinte aux privilèges, pouvoirs, immunités et droits de la Chambre et de ses comités. Il est entendu que cette permission ne touche pas l'interdiction de contester ou de mettre en cause les délibérations de la Chambre devant les tribunaux ou autrement. La Chambre conserve le droit et le privilège de déclarer l'utilisateur coupable d'outrage au Parlement lorsque la reproduction ou l'utilisation n'est pas conforme à la présente permission.

On peut obtenir des copies supplémentaires en écrivant à : Les
Éditions et Services de dépôt
Travaux publics et Services gouvernementaux Canada
Ottawa (Ontario) K1A 0S5
Téléphone : 613-941-5995 ou 1-800-635-7943
Télécopieur : 613-954-5779 ou 1-800-565-7757
publications@tpsgc-pwgsc.gc.ca
http://publications.gc.ca

Aussi disponible sur le site Web du Parlement du Canada à
l'adresse suivante : <http://www.parl.gc.ca>