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OFFICIAL REPORT
(HANSARD)

Monday, November 22, 2010

—

Speaker: The Honourable Peter Milliken

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HOUSE OF COMMONS

Monday, November 22, 2010

The House met at 11 a.m.

Prayers

PRIVATE MEMBERS' BUSINESS

•(1100)

[*English*]

STRENGTHENING FISCAL TRANSPARENCY ACT

Mr. Paul Dewar (Ottawa Centre, NDP) moved that Bill C-572, An Act to amend the Parliament of Canada Act (Parliamentary Budget Officer), be read the second time and referred to a committee.

He said: Mr. Speaker, I want to thank my colleague from Windsor—Tecumseh for seconding the bill.

In the election campaign of 2005-06, the Conservative Party put forward a number of initiatives on accountability. After that election, a legislative committee was struck and Bill C-2 was presented. It was an omnibus bill. There were many different initiatives in it. Our party supported a good lion's share of the initiatives. All parliamentarians worked very hard on that bill to ensure that the ideas put forward in the election campaign, such as the New Democratic Party's ethics package to bring transparency and accountability to Parliament, and the initiatives of the Conservative Party, would be put into place. That would have strengthened oversight in terms of the governing party.

Part of that was to ensure that we had truth in advertising. Perhaps I can quote from the Conservative Party platform of 2006:

Ensure truth in budgeting with a Parliamentary Budget Authority

In the spring of 2004, the Liberal government told Canadians that the 2003-04 surplus would only be \$1.9 billion. In fact, it was \$9.1 billion. In 2004-05, the Liberals spent about \$9 billion at the end of the year to reduce their surplus to only \$1.6 billion.

There were differences between the projected surplus and what was actually announced by the then Liberal government.

The Conservatives went on in their platform to say that they would create an independent budget office that would have independent overview of the finances of the nation. We supported that. We thought that was the way to go. We thought it was a progressive thing to do for transparency and accountability in government.

That begs the question of why this bill is needed. If this office had been created and the Parliamentary Budget Officer had been nominated and functioning, why would this bill be needed?

It took a while to get the office up and running. Many of us had concerns from the beginning as to where this office would be and the independence of the office and the Parliamentary Budget Officer.

If I were to ask Canadians from coast to coast to coast if they thought the Parliamentary Budget Officer was an independent officer of Parliament, most people would say that makes sense. The nomenclature suggests that the officer would be an officer of Parliament, but sadly, that is not the case. This bill seeks to ensure that it is the case.

The intent of the bill is to ensure that the Parliamentary Budget Officer is independent. Like other officers of Parliament, the Parliamentary Budget Officer would be given a mandate that does not just state that the position is one of an officer, but actually in function the position will be an independent officer of Parliament. This complements the initial initiative of the government to have this office.

The bill would take the Parliamentary Budget Officer out of the scope and ambit of the Library of Parliament and make it a stand-alone officer similar to the Conflict of Interest and Ethics Commissioner. Currently appointment is made by the Governor in Council from a list of three suggestions from the library committee. Instead, with this bill, after consultation with leaders of every recognized party in the House of Commons and approval of the appointment by resolution of Parliament, the Parliamentary Budget Officer would be named. This is exactly the same as how we appoint the Conflict of Interest and Ethics Commissioner and other independent officers of Parliament.

The bill would include in law the qualifications for the Parliamentary Budget Officer, namely, experience and knowledge of the federal budget process and appropriate educational background, including a graduate degree in economics and/or financing and accounting.

•(1105)

Currently there is no legislated rule on tenure. We put that in the bill. The bill would set the tenure at seven years, with the possibility of reappointment and the possibility of removal by Governor in Council. It would also create possibilities in law for interim appointments. That is obvious, if there is a need for that.

Private Members' Business

The bill states that the Parliamentary Budget Officer would have to be independent of any other employment. It would give the Parliamentary Budget Officer the rank of a deputy head of a government department. Again, this is a rank similar to the Chief Librarian or to the Conflict of Interest and Ethics Commissioner.

The bill would not make any fundamental change to the mandate, but it would qualify that the Parliamentary Budget Officer products should be independent. In other words, the Parliamentary Budget Office cannot become a reproduction service. The office has to provide independent analysis.

With regard to the release of reports, currently there is nothing guiding the process of releasing the reports. New legislation would give the Parliamentary Budget Office the mandate to release its findings and products to all parliamentarians in a way that would promote fiscal transparency.

Also, there would be no changes to rules governing access to information and confidentiality. That is important for obvious reasons.

The bill would give powers similar to other officers of Parliament when it comes to hiring staff. Again, that is absolutely critical if we are going to have an independent lens on the country's finances.

As well, the bill would require the Parliamentary Budget Officer to present an estimate of the office's annual budget to the Speaker, which would then be sent to Treasury Board for inclusion. This would replace the current structure, where the Library of Parliament decides the Parliamentary Budget Officer's budget.

I have touched on the history of the PBO. It was created in 2006 as part of the Federal Accountability Act. The Conservatives had committed to creating the position in their election platform of 2006. It was in their platform, to ensure truth in budgeting, and that is why we supported it. We believed that was necessary.

Instead of creating the independent officer, however, in Parliament we ended up with an unfortunate circumstance. Again, this is not to be hypercritical of the government but to understand that after two years of the PBO in place, there needs to be some changes in terms of the structure and the function. Instead of situating it where it is now, in the Library of Parliament, the government needs to make sure there is true independence.

It is a matter of basic accountability. When the government comes to the House asking for a change in legislation or the passage of a budget bill, MPs should be fully aware of the fiscal implications of the decisions before them. That was exactly the inspiration for this office and this officer, and that is what we need to make sure happens.

In 2008 some argued that the budget office was an extension of the library and reported to the Chief Librarian. In structure it does that. However, most people would rather see it as an independent office of Parliament that publicly posts its findings and is not subject to a gatekeeper, in this case the Library of Parliament, of which I am a frequent flyer, for the record; I support the admirable work it does.

What have the Parliamentary Budget Office and the Parliamentary Budget Officer delivered to this House? Many things.

Members will recall that twice the House of Commons was asked by the government to extend Canada's military operations in Afghanistan without being provided the estimated costs. I think that was the first project for the PBO. It was only after the PBO responded to my request and told us the estimates for the mission in Afghanistan that we were actually able to get an idea of how much it was going to cost.

I go back to the Conservatives' concern when they were in opposition regarding the mission in Afghanistan. They asked four very cogent questions that I think we all should have been asking at that time: What is the mandate of this mission? What are we going to be doing? What is the breadth and length of the mission? What is the cost?

Simply put, I was asking the PBO to give us an estimate of the cost of the war at that time.

● (1110)

Also, the PBO has helped us to understand the estimates. The blue book is extremely important. It tells us where the government intends to spend money. Needless to say, for new members it is a bit overwhelming when they first get the estimates. It is the kitchen table budget that we should all be looking at. It tells us exactly where, by ministry, the money is going to be spent.

The Parliamentary Budget Officer is mandated to help us with this process. However, he or she needs to be given the independence to do that appropriately so that there is no arbitrary nature in terms of how he or she does the work, such as holding back reports, perhaps, or not being given the appropriate requisite funding to do the job.

Passing the estimates is the most important thing we do in this place in terms of the functioning of government. However, and you probably noted this when you were first elected, Mr. Speaker, the speed at which the estimates pass through this place is phenomenal.

● (1115)

Mr. Joe Comartin: Shameful.

Mr. Paul Dewar: Mr. Speaker, it is shameful, as my colleague from Windsor—Tecumseh said.

We need to better understand what we are passing. I will not go through the litany of budgets that have been passed in this place by the current and previous governments when people were not able to unpack what was in the budget because we did not have the requisite support.

When I talk to fellow legislators from, for instance, the United States, they have all of that information at the tips of their fingers. The Congressional Budget Office is independent and not under the auspices of any other institution. It is funded appropriately. It gives all legislators in the United States access to the budget plans and costs of programs so they can understand what they are voting on.

Private Members' Business

Frankly, that has not happened here. We could do a pop quiz and ask any member of Parliament whether he or she knew in detail the ramifications of the budget that was passed and how much was going to be costed for this or that program.

Frankly, that cannot be done with a staff of two on Parliament Hill. We need access to this. The capacity of the Library of Parliament is such that it is not able to do that, nor does it have the mandate.

It begs the question, what should we do? The answer is in this legislation. We need to support the Parliamentary Budget Officer's having full independence. It is not just me who believes this. In fact, a Conservative senator, Hugh Segal, was very strong on this and said there needs to be full independence. I have talked to other members of the Conservative, Liberal, and Bloc caucuses, and they all believe the same thing.

It is not just the folks who work in this place. I will read a comment by Scott Clark, a former deputy minister of finance, who stated:

A strengthened and more independent Parliamentary Budget Office would promote greater understanding of complex budget issues; it would force the government to defend its economic and budget forecasts; it would promote a straightforward and more understandable and open budget process; it would promote accountability by commenting on the government's projections and analysis; finally, by being non-partisan, it would provide research to all political parties. This would be especially important with minority governments, which seem to be likely in the foreseeable future.

To sum up, accountability needs to be more than a catchphrase. It needs to be the proper structure and function. It needs to be something that is not just said but is also seen. In the case of the Parliamentary Budget Officer, the officer needs independence. Parliamentarians need to be provided the opportunity for access. It needs to be reformed.

Mr. Chris Warkentin (Peace River, CPC): Mr. Speaker, I appreciate the member's initiative today. I will be speaking to it later.

One of the measures brought forward in the Federal Accountability Act and supported by the member and his party was an initiative to bring transparency to over 70 federal institutions, including the CBC. The CBC is subsidized by taxpayers in this country to the amount of \$1.1 billion.

This past weekend the member for Timmins—James Bay stated on the record that he was disenfranchised with the fact that the Information Commissioner was undertaking a legal initiative to try to break free information from the CBC specifically as it relates to how executives are being compensated and what they are spending federal tax dollars on.

I am wondering if the member supports full transparency for federal institutions or if he supports his colleague.

Mr. Paul Dewar: Mr. Speaker, I believe there is a cartoon in the newspaper called *Non Sequitur* and we just saw an indication of it.

We are talking about the Parliamentary Budget Officer having true independence to ensure that when we are passing the estimates and the budget and holding the government to account, we have support that is independent.

I am hoping the member's question about having oversight and transparency will lead him back to this legislation, which is to have independence for the Parliamentary Budget Officer.

I would ask my friend to support this initiative so that we can get truth in advertising so that his concerns about transparency and accountability will actually be heard. I hope for his support on this bill.

• (1120)

Ms. Siobhan Coady (St. John's South—Mount Pearl, Lib.): Mr. Speaker, I congratulate my hon. colleague on a great piece of legislation. I am very supportive of the legislation, especially of it going to committee so we can have more of a discussion on the role and responsibilities and the need to have an independent Parliamentary Budget Officer.

I wonder if my colleague would care to comment on the Truth in Sentencing Act, good legislation that shows the need and requirement for a Parliamentary Budget Officer. We were told that the Truth in Sentencing Act would only cost several hundred million dollars. I think the original estimate was for \$90 million. The Parliamentary Budget Officer has pointed that it would actually be billions and billions of dollars for that legislation. Would my hon. colleague care to comment on that?

Mr. Paul Dewar: Mr. Speaker, as I mentioned in my opening comments, there were concerns about the forecasting of budgets, but it is also for initiatives. With the initiative she is talking about, it is extremely important that we understand how much this will cost.

When the Conservative Party was in opposition, it had concerns about the numbers it was getting from government. It needs to work both ways. When in government, it needs to be able to say that when it was in opposition it wanted to see more daylight and fair play. That is exactly what we have here.

When we are talking about something as substantive as the overhaul of our criminal justice system, we need to know how much it will cost so that we understand the opportunity costs, obviously, and we understand what the real costs are.

If the parliamentary budget officer does not have independence and is not able to conduct his or her affairs without any kind of hindrance, then we will not get the straight goods and we will not be able to make informed decisions. At the end of the day this is about providing oxygen to accountability.

Mr. Andrew Saxton (Parliamentary Secretary to the President of the Treasury Board, CPC): Mr. Speaker, I rise today in response to the proposals put forth in Bill C-572, An Act to amend the Parliament of Canada Act (Parliamentary Budget Officer).

As we know, this bill would take the office of the Parliamentary Budget Officer out of the Library of Parliament and establish the office of the Parliamentary Budget Officer as a separate office of Parliament with its own spending authorization.

The government supports referring this bill to committee where its implications for the structure and activities of the Parliamentary Budget Officer and the Library of Parliament can be given full consideration by parliamentarians.

Private Members' Business

At the same time, I would like to point out that the office of the Parliamentary Budget Officer already operates independently of government and answers to Parliament as an office of the Library of Parliament. It is Parliament, not the government, that sets the funding level for the parliamentary budget office.

I would also remind the members of this House that it was this government that established the office of the Parliamentary Budget Officer in the first place. It was a key element in the Federal Accountability Act, which demonstrated our commitment to accountable government. In fact, strengthening accountability and increasing transparency in our public institutions has been one of the hallmarks of this government.

On coming into office, our first order of business was to introduce and implement the Federal Accountability Act. This act provided Canadians with the assurance that the powers entrusted in the government were being exercised in the public interest. That was four years ago.

[*Translation*]

I would also remind the members of this House that it was this government that established the office of the Parliamentary Budget Officer in the first place. It was a key element in the Federal Accountability Act, which demonstrated our commitment to accountable government. In fact, strengthening accountability and increasing transparency in our public institutions has been one of the hallmarks of this government. We promised during our campaign to improve government accountability. And when we took power, that is exactly what we did.

• (1125)

[*English*]

The Federal Accountability Act and the supporting action plan contain dozens of measures and hundreds of amendments to some 45 federal statutes that touch virtually every part of government and beyond.

For example, the act made it a requirement that deputy ministers appear before parliamentary committees as accounting officers. We did this for the simple reason that organizations paid for by public money should be open to public scrutiny.

Through amendments to the Lobbying Act, the Access to Information Act and other measures, the Federal Accountability Act has made the Prime Minister, cabinet ministers, parliamentarians and public service employees more accountable than ever before in our history.

However, we did not stop there. We recognized that parliamentarians and parliamentary committees needed access to independent, objective analysis and advice on economic and fiscal issues to better hold the government to account for its decisions.

That is why we established, in part 2 of the Federal Accountability Act, amendments to the Parliament of Canada Act, the position of the Parliamentary Budget Officer within the Library of Parliament. The mandate of this office is: to provide independent analysis to the Senate and to the House of Commons about the state of the nation's finances, the estimates of the government and trends in the national economy; to undertake research into the nation's finances and

economy and the estimates of the government when requested to do so by certain parliamentary committees; and, when requested to do so by a member or committee, to estimate the financial cost of any proposal that relates to a matter over which parliament has jurisdiction.

Essentially, the job of the Parliamentary Budget Officer is to give parliamentarians the information and independent analysis they can use to conduct a more rigorous and informed discussion of fundamental financial and economic issues.

This is exactly what has happened since the office was formed in 2008.

In the two years since it was established, the Parliamentary Budget Office has prepared five economic and fiscal updates and more than 20 research reports. It has also provided assessments of cost estimates of policy initiatives proposed in legislation. The Parliamentary Budget Officer himself has appeared before both House and Senate committees on eight occasions, more than most deputy ministers, let alone ministers.

This officer of the Library of Parliament is clearly fulfilling an important role independent of government.

[*Translation*]

The mandate of the office of the Parliamentary Budget Officer is to estimate, at the request of a member of Parliament or a committee, the financial cost of any proposal that relates to a matter over which Parliament has jurisdiction.

Essentially the job of the Parliamentary Budget Officer is to give parliamentarians the information and independent analysis they can use to conduct a more rigorous and informed discussion of fundamental financial and economic issues.

This is exactly what has happened since the office was formed in 2008. In the two years since it was established the Parliamentary Budget Office has prepared five economic and fiscal updates and more than 20 research reports. It has also provided assessments of cost estimates of policy initiatives proposed in legislation and the Parliamentary Budget Officer himself has appeared before both House and Senate committees on eight occasions, more than most deputy ministers, let alone ministers.

The results speak for themselves. The work of the Office of the Parliamentary Budget Officer is proof of the government's strong commitment to making our public institutions more accountable and more transparent.

[*English*]

We might disagree about some of the conclusions of the reports emanating from this office, but I doubt we would disagree about this officer's commitment. The reports coming out of this office have taken us to task on several occasions, providing different conclusions than those of the government.

Private Members' Business

We in the government do not always agree with the conclusions of this office, but what we can agree on is that the Parliamentary Budget Officer is sparking debate. Differences of opinion and in research results are natural and are the grease that makes the wheels of democracy go round. They stimulate discussion and lead to fuller more informed consideration of the issues.

The Parliamentary Budget Officer has given parliamentarians additional tools to inform our debates on how public money is being spent. It is a sign of the maturity and robustness of Canadian democracy that this organization created by our government is serving the people of Canada as it was meant to do, even if its conclusions sometimes differ from our own.

• (1130)

[*Translation*]

Thus, I think that we can all agree on one thing: over the past two years, the Parliamentary Budget Officer has improved how decisions are made by Parliament and has enriched Canada's political dialogue.

The Parliamentary Budget Officer has given parliamentarians additional tools to inform our debates on how public money is being spent. It is a sign of the maturity and robustness of Canadian democracy that this organization created by our government is serving the people of Canada as it was meant to do even if its conclusions sometimes differ from our own. This office has proven the strength of our parliamentary system. Canadians are well served by the Office of the Parliamentary Budget Officer.

[*English*]

We understand the importance of accountable government to Canadians and we understand the importance of this office doing its job well. That is why we established the parliamentary budget office that is fully independent of government in its operations and funding.

As parliamentarians, we need to ensure that the laws we pass are responsible and in the best interests of good public policy. There are some obvious problems with this legislation. The changes proposed in this bill would likely result in some duplication of efforts with the Library of Parliament. The new office that would be created, if this bill were to pass, would almost certainly require new appropriations.

Parliament has made it clear that the Parliamentary Budget Officer's current role and mandate are appropriate. In fact, in 2009 the Standing Joint Committee on the Library of Parliament issued a report that made a number of recommendations in this regard.

Suffice it to say that I expect members will have many questions on this legislation. We think that this legislation needs a closer look, which is why we support having the bill referred to committee for study.

Ms. Siobhan Coady (St. John's South—Mount Pearl, Lib.): Mr. Speaker, it is my pleasure to rise in the House this morning and speak to Bill C-572, the strengthening fiscal transparency act. As my hon. colleague who introduced the bill said, it would give oxygen to accountability. The Liberal Party is committed to making the Parliamentary Budget Officer truly independent so that he or she can properly do the job.

As the Conservatives used to say, Canadians need an independent Parliamentary Budget Officer to “ensure truth in budgeting”. Since he was appointed in March 2008, the PBO has been prolific in telling Canadians the truth about Canada's books. He has explained to us how the Conservative government is the biggest borrowing and biggest spending government in Canadian history. He has demonstrated how the Conservatives have combined reckless tax cuts and massive spending increases to give Canada a structural deficit even before the economic downturn began.

Last month the PBO showed us how the Conservatives are putting Canada even deeper into debt and how there is an 85% chance the Conservatives will break their promise to balance the budget by 2015-16. Time after time the Parliamentary Budget Officer has been proven right while the Minister of Finance has been forced to revise his numbers to more closely match those of the PBO.

The Parliamentary Budget Officer has also told Canadians the truth about how much more we will have to spend on prisons because of the Conservative crime agenda. The Conservatives initially told Canadians that their truth in sentencing act would cost only \$90 million over two years. Then under pressure, they revised this figure to \$2 billion over five years. Now thanks to the Parliamentary Budget Officer, we know this legislation will actually cost the federal government closer to \$5 billion over five years, plus an estimated \$5 billion to \$8 billion at the provincial level, for a total cost to Canadians of \$10 billion to \$13 billion over five years. That is a far cry from the initial promise of just \$90 million.

That is not the only example of the PBO telling the truth about reckless Conservative spending. He has also told the truth about how slow the federal progress has been on stimulus projects, as well as how the Conservatives have underestimated the actual cost of Canada's mission in Afghanistan.

Unfortunately, the Conservatives find these truths to be somewhat inconvenient. The Conservative government has a record of attacking public servants who dare to speak truth to power. We have seen this in how they have treated Colonel Pat Stogran, the former Veterans Ombudsman; Munir Sheikh, the former head of Statistics Canada; Linda Keen, the former chair of the Canadian Nuclear Safety Commission; Rémy Beaugard, the former chair of Rights & Democracy; and Canadian diplomat Richard Colvin, to name just a few. Sadly, we can also add Kevin Page, the current Parliamentary Budget Officer, to this list.

In September, former deputy finance minister Scott Clark and former director of fiscal policy Peter DeVries wrote about how the Conservatives have mistreated the PBO. They said:

...no one should be surprised, given the...[Conservative] government's dislike of independent research and opposing opinion. When it confronts disagreement with its preconceived views, and facts that don't support these views, its modus operandi is simply to get rid of the source of this disagreement and to ignore the facts.

Private Members' Business

The Conservatives have shown contempt for the PBO by trying to deny Mr. Page the resources he needs to do his job. The Parliament of Canada Act states that the PBO is entitled to “free and timely access to any financial or economic data in the possession of the department that are required for the performance of his or her mandate”.

But the PBO has complained that the government will not even share basic financial information, such as baseline departmental spending levels or how the government plans to achieve its operating budget freeze. This despite the Conservatives' election platform, which promised to “require government departments and agencies to provide accurate, timely information to the Parliamentary Budget Authority to ensure it has the information it needs...”. It is just another broken Conservative promise.

However, the Conservatives are not simply trying to starve Mr. Page of information. Last year they also tried to frustrate Mr. Page's work by cutting \$1 million from his budget.

● (1135)

National Post columnist Kelly McParland pointed out the blatant hypocrisy of this Conservative move when he wrote:

This from a government that spends tens of millions blowing its own horn over the stimulus program, even forcing municipalities to pay for signs promoting the plan, or lose the funding.

Mr. McParland continued, “Get real, Tories. Give the man his money and quit acting so childish”.

Unfortunately, Mr. Page is still fighting for his budget. Earlier this month Mr. Page told the finance committee:

...I've spent a whole year fighting to get my budget back. It took me two years to get my HR plan approved. Our budget is frozen at 2.8%.

To this the Conservatives replied:

Yes, frozen, but that doesn't mean it can't go in the other direction. That's not a threat; that's the reality.

Despite these threats from this Conservative government, Mr. Page is continuing his fight for more independence, and to make it clear he is not doing so out of self-interest, Mr. Page has announced that he will not seek another term after his current mandate expires.

It is my hope that Canada will have a new government before then, a new Liberal government, because a Liberal government will not only give the PBO real independence so he can do his job; we will also implement the Liberal open government initiative and end this Conservative era of secrecy and control. We will start by directing all federal departments and agencies to adopt a default principle of open government when it comes to sharing information.

As part of a Liberal open government initiative, we will also restore the long form census. We will publish as many government data sets as possible, online, free of charge and in an open searchable format, starting with the Statistics Canada data. We will also publish all access to information requests, responses and response times, and we will publish information on government grants, contributions and contracts through an online searchable database. We will do that because, as Liberals, we believe Canadians are entitled to this information. We believe that Canadian taxpayers have a right to know how their tax dollars are being spent, and we recognize that it is impossible for Canadians to know where their tax dollars are

going or if government is getting value for money without access to usable and searchable government information.

Speaking of tax dollars, I would like to address one final aspect of Bill C-572. There has been some discussion on whether or not the bill would require royal recommendation. I do not believe it should. Bill C-572 adjusts the structure of the PBO by removing him from under the authority of the Parliamentary Librarian and giving him the rank of deputy head of a department. However, the office of the PBO already exists, although it is within the Library of Parliament, and the PBO already has a budget with which to pay salaries and enter into contracts.

Given these facts, I do not believe that Bill C-572 requires that the federal government spend any additional funds whatsoever.

To conclude, I support the aim of this legislation, which is to give the Parliamentary Budget Officer greater independence so that he might properly carry out his mandate, and so with the expectation that Bill C-572 will not require royal recommendation, I am pleased to support this legislation at second reading so it may be studied at committee.

● (1140)

[*Translation*]

Mr. Daniel Paillé (Hochelaga, BQ): Mr. Speaker, it is our turn to speak about this bill. It is rather unusual to hear members of the government tell us that there is a Parliamentary Budget Officer but that they should be allowed to keep doing what they can with it, in other words, make it very difficult for the officer to do his job, or perhaps even more subtly, hold up his funding and procrastinate when it comes time to give him information.

In its 2005-06 platform, the Bloc Québécois submitted the idea that parliamentarians should have a competent authority figure who can respond to certain questions. Question period is aptly named because it is nothing but questions. I have experienced it for a year now. We do not receive effective answers to our questions here in the House. We need this type of budget officer.

When the bill that created this position was examined, the Bloc Québécois proposed some amendments to the effect that the Parliamentary Budget Officer should fall under, or at least be somehow connected to, the Office of the Auditor General. At the time, the Conservative Party, the Liberal Party and the NDP all voted against it. Over time, however, they have understood.

What is the goal? The purpose of this bill, which we strongly support, is to make the Parliamentary Budget Officer completely independent and allow the PBO to operate with full transparency. Who is asking for this? The current PBO himself.

Private Members' Business

I was not here on January 17, 2009, but that day the Parliamentary Budget Officer said that he saw his role as that of an independent economic and financial advisor to Parliament. He also said the PBO must also have sufficient functional independence and some degree of protection from any potential retribution. It was the Parliamentary Budget Officer himself who said this on January 17, 2009. He was not saying these things just for fun, but rather because he did not feel he had any protection or independence.

He also said that, according to an independent legal opinion, it is important that his actions regarding contracting for specialized services not be undermined or interfered with. As we know, he must ask for permission from the Library of Parliament. We must ensure that there are no restrictions on his ability to report to parliamentarians and Canadians, and no significant delays in the publication of his reports or in staffing the PBO office. It is all well and good to say we have a parliamentary budget officer, but his budget is going to be cut. It is also important that there be no unilateral reduction in the PBO budget. The Parliamentary Budget Officer therefore concluded that the government's actions were impeding his ability to help us obtain the necessary information.

He had been told that his operating budget would be frozen.

• (1145)

On November 3, 2010, when he released his Economic and Fiscal Assessment 2010, the Parliamentary Budget Officer said he had requested certain information in order to do his own analysis of the government's planned budget freeze. In a blatant lack of transparency, the government indicated that the information would not be released to him or made public.

On March 11, 2010, in his analysis of the budget 2010 economic outlook, the Parliamentary Budget Officer said he wanted details. He therefore requested figures in June 2009 and March 2010. He told us that he had not yet received that information. Those are two examples of delays.

The Parliamentary Budget Officer should not have to walk a tightrope, either. He has no idea what his budget will be come April 2010. The cost of a PBO is the equivalent of 10 minutes of the G8 or G20. The government wasted \$1 billion on the G8 and G20 party. By comparison, the Parliamentary Budget Officer's annual budget amounts to 10 minutes of the G8 and G20. Compared to the \$1 billion the government spent on the G8 and G20, the Parliamentary Budget Officer's budget is the equivalent of my allotted time here in the House. That gives us an idea of how important the government feels the PBO is.

Who does the government want as the Parliamentary Budget Officer? It wants people who are competent. I regularly meet with people from the PBO's office. There is the Parliamentary Budget Officer, Mr. Page, who has 27 years' experience in the federal public service. He has worked at Finance Canada, the Treasury Board Secretariat and the Privy Council Office. I have also met with senior officials including Mostafa Askari, the director general of economic and fiscal analysis. He has worked at Health Canada, Finance Canada, the IMF and the Conference Board of Canada. Another person I meet with is Mr. Khan, the director general of expenditure and revenue analysis. He has worked at the Privy Council Office, the Treasury Board Secretariat and Deloitte in New York.

If the government wants highly competent, totally independent people like these, it must not hang a sword of Damocles over their heads by saying they could lose their jobs or half their budget on April 1. The government wants results commensurate with people's expertise, and that costs money.

What does the bill indicate? The point is to remove the Parliamentary Budget Officer from the Library of Parliament's budget and give him status similar to that of the Auditor General, the Chief Electoral Officer or the Official Languages Commissioner. We are not going so far as to call for a status like that of the Governor of the Bank of Canada, but the PBO has to have independent status.

Currently, it is up to his highness. The Parliamentary Budget Officer and his team hold office during pleasure for a term of five years, according to the whim of the ruling party. Based on the questions the official opposition, the Bloc Québécois and the NDP are asking the Minister of Finance and the minister's attitude toward Mr. Page, the latter is walking a tightrope.

Under the bill, which we are supporting, the Parliamentary Budget Officer would be appointed to hold office during good behaviour for a term of seven years, unless removed by Parliament. The PBO must also be given a proactive mandate to be able to conduct his own analyses.

On April 11, 2006, and April 26, 2008, and in October 2008 and in December, the Bloc has spoken in support of the Parliamentary Budget Officer.

• (1150)

For example, on October 9, 2008, the leader of the Bloc relied on the Parliamentary Budget Officer's assessment of the cost of the mission in Afghanistan. Today, in 2010, we want to know what the anticipated extension of this war will cost. We need a Parliamentary Budget Officer who is completely independent and reports to the House.

[*English*]

Mr. David Christopherson (Hamilton Centre, NDP): Mr. Speaker, I appreciate the opportunity to be engaged in this debate.

First, I would like to compliment my colleague from Ottawa Centre for his introduction of Bill C-572. He has been on this file of the Parliamentary Budget Office for years now and has been dogged in his determination that Parliament will get what has been promised to it and what it needs in terms of an independent Parliamentary Budget Office.

In fact, it was the member for Ottawa Centre who made the request for information from the PBO to let Canadians know that the number the government was using for the cost of the Afghan war was not accurate. In the absence of a PBO being able to independently say what the number is, we are trapped in the political quagmire of having to use government numbers because there is really nothing else. Quite frankly, with the credibility of the backing of old bureaucracy, if one member stands to say that the government's number is wrong, that it is inflated, it gets written off as opposition talk. The hon. member for Ottawa Centre took it upon himself to utilize the PBO in a way that typifies what the Parliamentary Budget Office should be, can be and must be for our country.

Private Members' Business

It was interesting to listen to the opening comments from the government and the Liberals. I happen to have followed up on the work of the member for Ottawa Centre on this file.

I was subbed onto the Library subcommittee that was dealing with this. I will parenthetically say, that is how ridiculous this is. We are talking about someone who has the power to command the information that tells Canadians that the Afghan war cost \$18 billion, but the source of the administration and where that important office lives is relegated to a subcommittee of the Library Committee.

I was on that committee and it was interesting that only the Bloc and the NDP went into those discussions. I recall we were in crisis when the government would not honour its funding promise to the PBO. The PBO then started to seize up and we started to get into this gridlock. That is why the committee was struck and that is why I was there.

I cannot talk about what he said, she said, because they were in camera meetings. I can say that the opening position of the Bloc and the NDP was that the Parliamentary Budget Officer needed to be an independent officer of Parliament in exactly the same way as the Auditor General and others.

The Liberals were not there. The Conservatives, as far as I am concerned, still are not. They talk a good game, but when the rubber hits the road, they are not there.

Over the course of the discussions, and I have said this before, I will give my Liberal colleagues their due. They saw the light, they got religion and realized that leaving it where it was, although it is sometimes inconvenient to some members and some entities, it was the right thing to do. I have already said what I think about the government.

Why did we need to have these hearings, meetings and deliberations of the subcommittee? Because the government did not honour its promise. It broke another promise, and that is becoming a broken record in and of itself to say all the time. The government talks of a great democracy, especially in an election, but when it comes to putting democracy into law and protecting democracy, it is missing in action.

The reason this committee had to meet, as I said earlier, was because the Parliamentary Budget Office was beginning to seize up through lack of funding. That was exactly what the government wanted. At the end of the day, the government's calculation politically was that it was easier and better to take the hit for not fully funding its promise. This does not exactly generate a headline in and of itself. However, the government weighed that political cost against the damage of having a fully-funded, functioning Parliamentary Budget Officer who was churning out real numbers and that scared it. The government was prepared to put us into this kind of turmoil, which still exists to this day.

•(1155)

At the committee meeting, the only way we came to an agreement was by a good old compromise. Those of us who wanted it to be a truly independent office were not going to vote to freeze and lock in forever and a day, which is where the PBO is right now. However, because, by law, it is where it is, the deal was that the government would provide all the funding it promised, which had not been

flowing, and in return those of us who did not support a continuation of the PBO buried in the Library committee, would accept that the law would not change for the next couple years. Therefore, we built in a review.

Some would ask us why we did that. Had we not made that compromise, the end result of that committee would have been the government again would have something else to point to as an excuse for not funding. Conservatives could have said that they could not get agreement from the committee. Therefore, until it knew exactly where it was to go, it would flow X number of dollars. The next thing would be everyone's eyes would glaze over and nobody would pay any attention. We were not going to let that happen.

Right now the funding is to the maximum of the promise made. To the best of my knowledge, that money is flowing and there are no administrative impediments in the way, but the clock is ticking. Within our agreement, a complete review of the mandate and of the independence of the powers is back up for review. We will see which one crosses the line first in terms of putting the government's feet to the fire. Will it be that review and will we have to wait for it, as it really is an insurance policy? The best political strategy is one that can be seen, implemented and acted upon.

The fact was we had hoped that eventually the Liberals would come onside and agree it should be an independent office and if the Conservatives would not do it, at least ultimately down the road we would know there would be a majority of parliamentarians within caucuses elected in the House that could have the power to move on it. We are getting there, but it is a shame we have had to get there kicking, dragging and screaming rather than seeing something positive for which the government can take a bit of credit.

Will we act on this bill, start to give some meaning to the government promises and implement it? It will be interesting to see what happens first. It depends on when the election is. It depends how things unfold, et cetera. What I do know, with as much certainty one can have, is that the course has been set. It might take us a few zigzags along the way to get there, working our way around certain parliamentary blockades, and that is the government, but we will get there.

Canadians will get our equivalent of what the American Congress already has, which is that independent, credible ability to provide opposition members, but more important Canadians, with real numbers, especially when we are going through these times. This is about real numbers. It is about ensuring that when we are talking about the future of Canada, at the very least, the government, the opposition and Canadian people are all using the same numbers and they are good, real numbers that can be backed up and are completely apart from any partisanship. That is a major improvement in our democracy.

I thank the member for Ottawa Centre again for bringing this forward. This is an important growth piece of our continuing majority as a democracy. I hope to be here when the day comes that the position is made an independent officer of Parliament.

•(1200)

[Translation]

The Acting Speaker (Mr. Barry Devolin): The time provided for the consideration of private members' business has now expired, and the order is dropped to the bottom of the order of precedence on the order paper.

GOVERNMENT ORDERS

[English]

TAX CONVENTIONS IMPLEMENTATION ACT, 2010

The House proceeded to the consideration of Bill S-3, An Act to implement conventions and protocols concluded between Canada and Colombia, Greece and Turkey for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income, as reported (without amendment) from the committee.

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

Hon. Gail Shea (for the Minister of Finance) moved that the bill be concurred in.

The Acting Speaker (Mr. Barry Devolin): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

(Motion agreed to)

The Acting Speaker (Mr. Barry Devolin): When shall the bill be read a third time? By leave, now?

Some hon. members: Agreed.

Hon. Gail Shea (for the Minister of Finance) moved that the bill be read the third time and passed.

Mr. Ted Menzies (Parliamentary Secretary to the Minister of Finance, CPC): Mr. Speaker, I appreciate the great support I am getting from across the way. As a matter of fact, I will refer to the hon. member's support.

I thank the House for the opportunity to start the third and final reading on Bill S-3, and before continuing, let me quickly thank all fellow members of the House of Commons finance committee for their swift consideration of this legislation and their unanimous support of its passage.

This important legislation will implement Canada's tax treaties with Colombia, Greece and Turkey. Tax treaties like these are important for Canadians, as they protect taxpayers both by helping to prevent unfair double taxation as well as in the matter of tax evasion. Canada has nearly 90 tax treaties already in place with other countries, and Bill S-3 is simply part of our Conservative government's ongoing effort to update and modernize the already extensive network of tax treaties.

Before continuing, let me again emphasize that although Bill S-3 is important legislation, it follows closely in form to previous similar tax treaties adopted by this Parliament. For instance, in the 39th

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Parliament, tax treaties with Finland, Mexico and Korea were adopted. Additionally, in both the 38th and 37th Parliaments, under the previous Liberal government, numerous tax treaties with countries such as Gabon, Armenia, Mongolia, Moldova and Norway were also adopted.

Furthermore, let me again underline that Bill S-3, like the legislation related to tax treaties from previous Parliaments, is based on the commonly accepted international standard for such treaties, and that is the OECD model tax convention. This OECD framework has long been established throughout the world as the standard for tax treaties. Indeed, as the OECD itself points out:

Most bilateral tax treaties follow both the principles and the detailed provisions of the OECD Model. There are close to 350 treaties between OECD Member countries and over 1500 world-wide which are based on the Model, and it has had considerable influence on the bilateral treaties between non-member countries.

Likewise, Peter Barnes, the noted former U.S. Treasury Department tax counsel, has remarked, in a recent edition of the *OECD Observer* magazine:

the OECD model has achieved a consensus position as the benchmark against which essentially all tax treaty negotiations take place. [...] But make no mistake: the OECD is a vitally important organisation and the OECD Model Tax Convention is a tremendously important tool for smoothing the way of international business and global trade.

Canada maintains one of the world's largest networks of bilateral tax treaties, serving as a key feature in both our ability to compete and to ensure everyone pays their fair share of taxes. Without a doubt, parliamentarians and Canadians are strongly opposed to tax evasion. We all know that tax evasion by some only punishes honest, hard-working Canadians and job-creating businesses. This is simply not fair. To detect and deter tax evasion, we need to work with and share information with our international partners. That is why Canada participates in international tax information exchange agreements and encourages countries to do so, as demonstrated in Bill S-3 here today.

Indeed, our Conservative government has been very aggressive and proactive in that regard. For example, in 2007, we unveiled a policy that introduced incentives to have non-treaty countries enter into OECD-model tax information exchange agreements with Canada. It also requires that all new tax treaties and revisions to existing tax treaties include the OECD standard for tax information exchange.

I am happy to report that negotiations on tax information exchange agreements are all well under way with over a dozen jurisdictions. Indeed, Canada signed its landmark first tax information exchange agreement with the Netherlands Antilles last August.

Canada also contributes actively to the efforts of the OECD's Global Forum on Transparency and Exchange of Information, as well as in the G20, in order to push for further implementation of the previously mentioned OECD standard.

•(1205)

What is more, according to the director of the Centre for Tax Policy and Administration of the OECD, Jeffrey Owens, during his tenure as chair of the G7 and G20, Canada's Minister of Finance has, "shown leadership in getting G20 members to crack down on tax havens with new sanctions."

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Clearly Canada is serious about combatting tax evasion and is committed to advancing this effort internationally.

While tax treaties help guard against tax evasion, they also provide individuals and businesses in Canada and the other signatory countries with predictable and equitable tax results in their cross-border dealings.

I would now like to talk in a little greater detail about how these tax treaties will improve a number of areas, namely: reducing withholding taxes, avoiding double taxation, preventing tax evasion, and removing barriers to trade and investment.

First, let me briefly look at the withholding taxes. Withholding taxes are a common feature in international taxation. They are taxes imposed by a country on income arising in that country and paid to residents of another country. Indeed, Canada with respect to non-tax treaty countries usually taxes this income at a rate of 25%. Given that one of the principle functions of a tax treaty is to fairly allocate taxation powers between the respective treaty partners, tax treaties include provisions to properly determine the level of withholding tax that can be applied by the jurisdiction in which certain payments arise.

The withholding tax rates vary from one tax treaty to the next as they reflect the result of negotiations with Canada's tax treaty partners, as is the case in Bill S-3. Indeed, Bill S-3 provides for a maximum withholding tax on portfolio dividends paid to non-residents of 15% in the case of Colombia and Greece, and 20% in the case of Turkey. For dividends paid by subsidiaries to their parent companies, the maximum withholding rate is reduced to 5% in the case of Colombia and Greece, and 15% in the case of Turkey.

Withholding rate reductions also apply to royalty, interest and pension payments. The treaties in Bill S-3 cap the maximum withholding tax rate on interest at 10% in the case of Colombia and Greece, and at 15% in the case of Turkey.

Each treaty in Bill S-3 also caps the maximum withholding tax rate on royalty payments at 10% and on periodic pension payments at 15%.

Tax treaties like this one help ensure fairness for taxpayers, both domestic and international, and help ensure that they are not essentially overtaxed due to withholding taxes.

As the Liberal member for Scarborough—Guildwood, a former colleague on the finance committee and a former parliamentary secretary to a finance minister, has pointed out:

withholding taxes do not provide for the deductibility of expenses incurred in generating income and are imposed on the gross amount of the payment. The taxpayer will therefore be subject to an effective rate that is significantly higher than the tax rate that applies to net income in either the source or the residence country. To remedy this, Canada's network of tax treaties limits the rate of withholding tax that can be withheld by the source country on various types of income so as to more accurately reflect the level of taxes that would be payable on a net income basis.

The second area that I would like to address is somewhat similar, that being double taxation. Double taxation in an international sense arises when two or more states tax the same income for the same period of time. Obviously, nobody should have to pay their income tax twice.

Tax treaties like in Bill S-3 help avoid double taxation and ensure that taxpayers pay tax on the same income only once. Again, in the words of the member for Scarborough—Guildwood, "Without a tax treaty in place to set out the tax rules, the same income can be taxed in both countries without consequential relief. This situation can have a negative impact on the expansion of trade, and the movement of capital and labour between countries".

Tax treaties utilize numerous methods to address the potential for double taxation. This happens in one of three ways. First, the income may be taxable exclusively in the country in which it arises, that is the source country. Second, it may be taxable only in the country in which the taxpayer is resident, that is the resident country.

● (1210)

Third, it may be taxable by both the source country and the residence country, with double taxation relief provided in some form.

The treaties in Bill S-3 grant exclusive taxing rights to a number of items, meaning the other treaty partner cannot tax those items, thus avoiding double taxation.

For example, if a Canadian resident employed by a Canadian company is sent on a short-term assignment such as two to three months to any one of the three treaty countries contained in Bill S-3, Canada has the exclusive right to tax that person's employment income. Also, from an administrative point of view, this greatly reduces the paperwork and red-tape burden associated with multiple jurisdiction tax filing. However, in the case of most items, taxing rights are shared.

The third area I would like to elaborate on is tax evasion. Tax evasion and avoidance are also unfair and economically damaging. One of the most important benefits of increased co-operation between Canada and the other countries is preventing tax evasion.

Indeed, tax treaties are an important tool in protecting Canada's tax base in that they allow consultations and information to be exchanged between Canada and the countries with which we have tax treaties. What this means is that these treaties help ensure fairness and equity in our tax system by helping to ensure that taxes owed are indeed paid.

Equally important, as I mentioned earlier, international tax treaties help ensure that taxpayers do not pay more tax than they should. Treaties such as those found in Bill S-3 permit the exchange of tax information between revenue authorities, and in so doing, help them identify cases of tax avoidance and evasion and act on them.

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Indeed, our Conservative government firmly believes all Canadians should pay their fair share of taxes and has aggressively targeted tax loopholes. We again confirmed that fact in budget 2010 when we rolled back nearly 10 tax loopholes in order to protect Canada's tax system. This included, for instance, better targeting tax incentives for stock options, as well as ensuring that businesses cannot inappropriately capitalize on differences between the tax systems of Canada and the other countries to artificially increase foreign tax credits in order to pay less tax.

Noted public policy commentator and co-founder of the Dominion Institute, Rudyard Griffiths, writing in the March 10 *National Post* in response to budget 2010's aggressive initiatives to close tax loopholes, said:

the Conservative's snipping of a raft of erroneous tax loopholes met with near universal applause, and rightly so.

...it defies logic, in an era of fiscal restraint, to allow corporate mucky-mucks to use generous stock options to take gobs of cash out of their companies tax free.

The final area that I would like to discuss is how tax treaties help remove barriers to trade and investment. Investors, traders and others involved in the global marketplace want to know the tax implications associated with their activities both in Canada and abroad. Equally important, Canadians with business interests or investments abroad want to be sure that they also will receive fair and consistent tax treatment.

Tax treaties boost international trade in goods and services by providing individuals and businesses in Canada and the other signatory countries with predictable and equitable tax results in their cross-border dealings. This in turn helps Canada's economic performance at home by encouraging our exporters. Indeed, over 40% of Canada's annual GDP can be attributed to exports alone. Moreover, it helps attract new investments into Canada as well.

In short, the tax treaties contained in Bill S-3 will serve as a key step in solidifying Canada's economic links with Turkey, Colombia and Greece by eliminating tax barriers to bilateral trade and investment.

In the words of the Hellenic Canadian Association president, Theodoros Aslanidis, "The agreement is very positive".

● (1215)

To summarize, the tax treaties covered in Bill S-3 comply with the international OECD standards. They would promote certainty, combat tax evasion, and promote a better business climate for taxpayers and businesses in Canada and in these treaty countries.

Additionally, these treaties would help to secure Canada's position in the increasingly competitive world of international trade and investment.

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I think the member has outlined in the bill very well the importance of dealing with double taxation, and of course, probably the more interesting one is the anti-avoidance and tax evasion issues.

We have tax treaties with over 90 different countries. This bill has been described as stating that here are three more countries that we are putting on.

However, I think Canadians would like to know, if we are entering into these trade agreements and there will be supplementary tax treaties to deal with this, whether there have been any results as a consequence of entering into these bilateral treaties on tax, especially having to do with evasion.

I wonder if the member, being the Parliamentary Secretary to the Minister of Finance, would advise the House as to whether he has any examples of where any progress has been made in terms of dealing with tax havens, avoidance provisions, or in fact, tax evasion. Also, how much money has the Government of Canada recovered from these actions?

● (1220)

Mr. Ted Menzies: Mr. Speaker, I thank my colleague, who also sits on the finance committee. Those are pretty specific questions. I will certainly attempt to get back to that hon. member with answers to those specific questions.

However, having had the opportunity in Berlin, about a year and a half ago, to sit in on an anti-tax haven discussion, I was frankly surprised by the countries that were pushing back against movements such as the tax treaties that we are dealing with here today. For what reason, I guess we will leave that up to everyone's imagination.

With regard to the initiative that Canada has taken to push this forward, I have long list and it would take time and many answers to list off. We have been successful. That is why we are repeating this in one more. We plan to continue to do so, because as much as we welcome investment in this country, we want to ensure that our companies that are investing in other countries are protected as well.

Hon. Scott Brison (Kings—Hants, Lib.): Mr. Speaker, I am speaking today, of course, on Bill S-3, An Act to implement conventions and protocols concluded between Canada and Colombia, Greece and Turkey for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income.

The Liberal Party of Canada recognizes that Canada is a country whose prosperity is based on trade. We have a small, open economy, and as such, we depend disproportionately on external trade for our wealth and prosperity and our standard of living.

The fact is that when the Canadian economy is healthy it is because we are producing and exporting more than we are consuming or importing. The sale of Canadian goods and services to foreign markets is the source of Canadian jobs and prosperity, and securing access for Canadian exports to foreign markets is essential to the Canadian economy and to creating the jobs of today and the jobs of tomorrow.

With this in mind, we understand and support the principle of free trade and the principle behind Canada's tax treaties with our trading partners, and as such, we support the goals of Bill S-3. But we are very concerned about the state of Canada's economy and we are very concerned about Canada falling behind in terms of our share of the global economy. We are concerned about the Conservatives' mismanagement of Canada's finances and their mismanagement of our important and vital trade relations.

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The Conservative record on international trade has been troubling. The Conservatives have given us, for the first time in 30 years, a trade deficit, in fact a \$4.5 billion trade deficit. That is the largest trade deficit in Canadian history and it is the first annual trade deficit that Canada has had since 1975.

What is troubling about this is that, for a small, open economy such as Canada's, when we are actually buying more from the world than we are selling to the world it is an ominous sign in terms of our ability to strengthen and continue to build our standard of living and quality of life. That is an ominous sign in terms of our ability to protect the jobs of today or create the jobs of tomorrow.

In the first nine months of 2010, Canada has accumulated a trade deficit of \$7.6 billion. This puts us on pace now for an even more massive trade deficit this year than the record trade deficit that we had last year.

The Conservatives have to take responsibility for these massive trade deficits. It was their misguided trade policy that has failed to defend Canadian interests in the world. Under the Conservatives we have been far too dependent on the U.S. market. We have seen how vulnerable we are to U.S. protectionism, whether it is Buy American provisions or other protectionist measures in the U.S. Congress.

The Conservatives have not only failed to defend Canadian jobs against U.S. protectionism, but they have failed to effectively defend Canadian jobs in the world by building the kinds of important trade relations that would enable Canadian companies to diversify their trade relations.

The Conservatives spent their first three years in office chiding China and ignoring India. The Conservatives turned their back on a remarkable and profoundly important 40-year relationship with China, a relationship starting 40 years ago when Prime Minister Pierre Trudeau had the vision and foresight to lead the first western developed country to establish diplomatic relations with post-revolution China, building a profound social, cultural and foreign trade relationship with China. The Conservatives turned their backs on that relationship for ideological reasons in their first three years of office and set the relationship back decades.

• (1225)

We have seen the Conservatives' clumsy foreign and trade policy with the treatment of important trading partners like China, Mexico, the Czech Republic, at a time when it held the presidency of the EU. More recently, I do not have to remind Canadians or this Parliament as to how embarrassing it has been to watch the Conservatives' bungling of our vital relationship with the United Arab Emirates, and the internal cabinet squabbles that have come to light between ministers on this issue. The fact that we have squandered a vital trade investment and defence alliance with the UAE demonstrates a Prime Minister, a cabinet and a government that are not really ready for prime time when it comes to the world stage, that really are unsafe at any speed, as Ralph Nader would say. This is part of the cost Canadians have paid for having a Prime Minister who really has never been outside North America without a government jet and a motorcade.

It is important that we have prime ministers and governments with foreign experience and an understanding of the world. Canadians

benefit from prime ministers and governments that have that kind of understanding of Canada's place in the world.

The Prime Minister does not do multilateralism well. In fact, that is because he does not really believe in multilateralism. The Prime Minister was critical of the G20 when Paul Martin, as the Liberal finance minister, was leading the charge and in fact building the G20. The G20 has emerged as the principal and most important voice of financial reform today, during and after the financial crisis.

Canadians should take some pride in the fact that it was a Canadian finance minister, Paul Martin, a Liberal finance minister, who looked ahead and saw the need to expand the G8, to build a G20 that would welcome in some of the emerging economies and be ready for whatever turbulence emerged on the global stage, but also to deepen relations and governance among our countries as we deal with what are no longer issues that are faced by individual countries but increasingly by the entire world.

Again, when we talk about emerging economies, we have talked in the last few years about the BRIC countries. We could say today perhaps it is more the BIC countries because it is Brazil, India and China; Russia has had some challenges. There is the next wave of emerging economies, the CIVETS countries, Colombia, Indonesia, Vietnam, Egypt, Turkey and South Africa. It has never been more important for Canada to diversify and deepen its trade relations with some of these economies. Canada has a natural advantage to do that, and that is our multiculturalism.

Over the weekend, I met with a group of Chinese Canadian business people in Winnipeg. I also met with a group of Indo-Canadian business people in Winnipeg. Winnipeg, like a lot of Canadian cities and towns, has emerged as a very multicultural community. What is really quite remarkable is that we look at multiculturalism as a successful Canadian social policy, and it is. Increasingly, it is not just a successful social policy, but it is a source of immense economic advantage because our multicultural communities are among the most entrepreneurial communities we have in Canada. They also represent natural bridges to some of the fastest growing economies in the world, which leads me to what a Liberal approach would be on trade and foreign policy.

• (1230)

We would build a global network strategy that leverages on the rich connections that Canadians have around the world, connections that derive from our multicultural communities, and our universities which are educating citizens from around the world today. We recognize the importance of partnering with Canadian businesses, universities, civil society and private citizens to better identify and capitalize on trading opportunities and foreign trade relations and influence around the world.

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We would return to the very successful team Canada missions. We would focus them on sectoral areas where we have a comparative advantage, such as education, clean technology and clean energy technology. We would focus on creating the jobs of tomorrow by building bridges and deepening our ties with the markets of tomorrow in areas where Canada really has something to offer: clean conventional energy, water treatment, education.

Canada has some of the best universities anywhere. I come from Nova Scotia, a cradle of higher education in Canada. I am immensely proud of Nova Scotian universities and the role that Nova Scotian universities play in educating people from across Canada and around the world. I think we can do more to attract students from around the world to study in Canada. That would be a really good and important thing to do for the future of Canada.

If we look at the CVs of cabinet ministers from India, China and Brazil, over half of them have some educational experience either in the U.K. or the U.S. That educational experience gives the United States and the United Kingdom a lifetime of relations and influence on those countries through those individuals. Educational experiences are critically important in terms of trade and foreign relations.

A Liberal government would introduce a Canada global scholarship program which would enable young Canadians to study abroad at universities around the world, to learn the cultures and the languages to become citizens of the world. It would enable young citizens of the world, particularly from the emerging economies, to study here in Canada, to exchange students between our countries, to attract students to Canada and to encourage Canadian students to study abroad.

We would be building a global network advantage where Canada and the next generation of Canadian graduates could be the most networked and connected citizens anywhere in the world. Canada would be seen as the best place in the world to get an education, to start a career, perhaps to return to one's country of origin, but to represent a natural bridge to a country with which the person has a great fondness and respect.

Education is an industry that can benefit from more foreign trade. When we attract students from other countries to study at Canadian universities, that is a form of trade. It is a form of trade that not only helps create jobs and prosperity today, but for decades to come will strengthen and augment our influence in the world through trade relations, foreign relations and the creation of jobs.

We would take a very different approach as a Liberal government to deepening and diversifying our trade relations. We would ensure that Canada was not trying to escape the world, but was once again shaping the world. Whether it is on the environment, defence or security policy, the Canadian voice would be heard again and it would be an effective voice.

I want to speak about the fiscal mismanagement of the Conservative government. A Liberal government would clean up the fiscal mess created by the borrow and spend Conservative government. I would remind the House that the Conservatives inherited a \$13 billion surplus from the Liberals, which was the best fiscal situation of any incoming government in the history of Canada.

●(1235)

The Conservatives increased government spending by an astonishing 18% in their first three years in office. That is three times the rate of inflation. They combined these massive spending increases with reckless tax policy to actually give Canada a structural deficit even before the downturn began. Now the Conservative legacy is a \$56 billion deficit, the biggest deficit in Canadian history.

While Canadians are watching the Conservatives plunge Canada deeper into debt, they are asking themselves what they are getting in return. Let us compare the stimulus package of this Conservative government to the stimulus packages of other governments.

Other governments invested in long-term competitiveness, modernizing their energy systems, energy production and energy transmission, helping households and companies cut their energy consumption so that when the recession was over, ultimately companies would become more profitable and at the end of the month households would have a little more money in their back pockets.

The Conservative government was more interested in buying votes than in building competitiveness. It was more interested in counting signs than counting jobs. The stimulus package was a hodgepodge of spending measures aimed at short-term politics, not on long-term prosperity.

We often hear the Conservatives talk about Canada's debt and deficit numbers compared to those in other countries of the world in a favourable way, as if Canada is a lot better off than many other countries. However, when we combine federal and provincial debt numbers in Canada, we get a startlingly different picture.

If we combine federal and provincial numbers for something called gross debt, our gross debt to GDP ratio is actually at 82.5%. To put this in perspective, the U.S. is around 83%, so we are almost as bad off as the U.S. in terms of gross government debt in Canada. That figure is worse than those in Germany and the U.K. The fact is that provincial and federal debts impose a burden on all Canadian taxpayers. There is only one taxpayer.

In the coming years, as we now enter the negotiation around the health and social transfer culminating in 2014 with the new agreement, these issues are going to come home to roost. We are going to see increased pressures on Canadian provinces to deal with an aging demographic. Fewer Canadians will be working. More Canadians will be relying on retirement income and depending on an increasingly challenged health care system.

How have the Conservatives been preparing for this? Has there been any discussion on how to prepare for that demographic shift? How have they been saving for a rainy day in the future? Let us look at what the Conservatives have been doing.

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They have proposed spending \$16 billion on untendered fighter jets, and \$10 billion to \$13 billion on U.S.-style mega prisons during a time when crime rates are on their way down. They spent \$1.3 billion for a 72-hour photo op for the G20 and G8 summits. Spending on the G8 and G20 summits included \$1 million for fake lakes, \$300,000 for a gazebo and bathrooms that were 20 kilometres away from the summit site, \$400,000 for bug spray, \$300,000 for luxury furniture, \$14,000 for glow sticks and, of course, millions on high-end hotels.

The last finance minister to cut government spending in Canada, not just to hold government spending but actually to cut government spending, was the hon. member for Wascana. It was a Liberal government, and under the leadership of finance minister Paul Martin, that implemented the biggest tax cuts in Canadian history after having paid down the biggest deficit to date in Canadian history.

• (1240)

We will once again cut corporate taxes in the future but only after we pay off the Conservative's deficit and get Canada back in the black responsibly, not on borrowed money. We will also invest in the priorities of Canadians, in Canadian families, in learning, in jobs, in pensions and in family care. We will not invest in these wasteful priorities of the Conservatives.

Mr. Paul Calandra (Oak Ridges—Markham, CPC): Mr. Speaker, it speaks to the Liberal tradition. The member spent the first five minutes personally insulting the Prime Minister. He spent the middle of his speech talking about nothing. He spent the end of his speech criticizing the very successful G20 that was hosted in my region, the GTA, Toronto.

The member knows full well that when he was a Conservative he fought against the previous government's unilateral cuts to health and education of \$25 billion. The Liberals did not ask for permission, they just did it.

The member also knows that the Liberals fought against free trade with the United States. They fought against North America free trade. He knows that this government has brought in free trade with Colombia and we are negotiating with India after years of failure by the Liberal government. We have seen an extraordinary new relationship with China. We are entering negotiations with the European Union.

The reality is that this government has gotten things done very quickly to the benefit of the people of this country. We put \$40 billion toward paying down the debt before the economic crisis started. We cut taxes for Canadians. We have done everything the people of Canada needed us to do to ensure this country comes through the global downturn prosperous. Ultimately—

The Acting Speaker (Mr. Barry Devolin): Order, please. I would like to remind all hon. members that the matter before the House today is Bill S-3. The member for Oak Ridges—Markham has asked a question. I will give the floor to the member for Kings—Hants to reply.

Hon. Scott Brison: Mr. Speaker, the hon. member said that I insulted the Prime Minister. I was just stating a fact. I was simply laying out the record of the Prime Minister on the world stage. If he

finds it insulting, it is probably because it is a disappointing record on the world stage.

The Liberal Party has been the party of free trade a lot longer than the Conservative Party.

The member also said that I was a Conservative. I was never a Conservative. I was Progressive Conservative and that was a very different party from the one that he is a member of.

In terms of the initiative with China, I have been to China three times in the last year and I was there with my leader in July. In our meetings with some of the most senior officials in the Chinese government, members of the Politburo standing committee, they spoke of the Liberal Party of Canada and its legacy in terms of helping shape relations with post-revolution China. They spoke positively of Pierre Trudeau, Jean Chrétien and Paul Martin. I will not share with the House exactly what they said about the Conservative Prime Minister but it was not in the same light.

• (1245)

Mr. Paul Calandra: Mr. Speaker, I do know that the Liberal Party would get along with the Politburo politics because it clearly has identified that it wants to raise taxes for all Canadians.

However, I did not get an answer to my original question. Will the Liberal Party actually be supporting this bill and, in turn, support the free trade agreements that we are negotiating with the European Union and a whole host of other countries to the benefit of the Canadian people?

Hon. Scott Brison: Mr. Speaker, I am certain the hon. member listens intently to every word I say and I would assume that he heard in my speech that we will be supporting Bill S-3.

In terms of the EU, I would draw the hon. member's attention to the remarkable leadership that the Premier of Quebec, Jean Charest, has played on the Canada-EU free trade agreement. In fact, it is an unprecedented role for a provincial premier to be leading the charge on the international stage in terms of a free trade agreement. Pierre-Marc Johnson, a former premier of Quebec, is playing an active role as one of the lead negotiators on the Canada-EU free trade agreement.

The principles behind deepening our trade relations with the EU, protecting our interests, but at the same time taking down barriers between our economies, is very attractive to us. We commend the Quebec government for its leadership role in helping to make that happen.

In terms of Canada-Colombia, under that current minister the Canada-Colombia free trade agreement was dead. It took some Liberal leadership on this side of the House to actually ensure that Canadians and Colombians could work together to not only have a free trade agreement, but to have the first human rights treaty based on a free trade agreement between any two countries anywhere in the world.

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[*Translation*]

Mr. Daniel Paillé (Hochelaga, BQ): Mr. Speaker, there are days like this when we must promote the interests of the Bloc and Quebecers. We have before us a bill with a title that is a bit long and a bit grand-sounding, namely, An Act to implement conventions and protocols concluded between Canada and Colombia, Greece and Turkey for the avoidance of double taxation—the first objective—and the prevention of fiscal evasion with respect to taxes on income—the second objective. Are these objectives being met?

Everyone, particularly those who have done business abroad based out of Quebec or Canada, knows that taxation is a very complex area that only becomes more complicated with each budget speech. Sometimes people ask us why taxation is so complicated. It is because, every year, we have finance ministers who go into all of Canada's legislatures or national assemblies to announce what they plan to do. Since 1867, I do not think that Canada has ever seen a single finance minister stand up to give a budget speech and simply say that the taxation, treaties, taxes and fees are fine as they are and that no changes are needed, and then sit back down. This is the ideal, but it has never actually happened. Instead, each year, more and more layers are added to the giant fiscal onion making it harder and harder to digest.

This type of bill emulates treaties that prevent a source of income from being taxed twice for the same purpose. I am using this term because personal income, in Quebec for example, is taxed once by the Government of Quebec and then a second time by the Government of Canada or vice versa. Thus, it is not unusual for income to be taxed twice in Quebec, Ontario, Nova Scotia and elsewhere. That is an everyday occurrence.

Under this legislation, at the international level, income would be taxed by the country where it is earned or by the country where the taxpayer is a resident. There are thousands of treaties. The OECD has a model tax convention that has been used thousands of times over. Canada has about one hundred such treaties.

Which tax jurisdiction will apply? In the case of remuneration, a person's income will be taxed based on their residency, no matter where they earned the income. Thus, the parliamentary secretary from Calgary will be taxed by Alberta. Or, if I am from Hochelaga, my income will be taxed by Quebec under the treaty because I am a resident of that province. The residency rules are considered next. For example, to be considered a Quebec citizen with income taxable by Quebec, one must have lived there for at least six months plus one day.

Under international agreements, capital gains will also be taxed by the country where the asset that gave rise to the gain was sold.

• (1250)

The earnings of a company should be taxed based on its residency, or if the company is established—with a subsidiary—in a foreign country, local taxation laws apply. And that is where a number of problems arise.

For dividends, interest and royalties, each country basically gets its share. In the agreements we have before us with Colombia, Greece and Turkey, this varies between 5% and 15% for dividends. It is 10% for interest and 10% for royalties. That tax is payable to the

foreign country and is deductible from taxes paid in Canada. So we essentially have an agreement. Why? To encourage free trade. Quebec has always been in favour of free trade. Everyone in Quebec and Canada knows that Quebec was the driving force behind the Canada-U.S. and Canada-U.S.-Mexico agreements. It goes without saying that Quebecers support it.

But the tax systems must be comparable. We must ensure that the Canadian and Quebec tax systems are comparable to that of the country with which we are signing a tax agreement.

We have three countries here. For example, Quebec exports to Greece, Colombia and Turkey represented \$550 million in 2009. So we cannot say that these three countries will change anything for Canada or Quebec with respect to international trade. With all due respect, that is rather minimal. For example, among these three countries, we do the most trade with Greece, and that represents only 0.64%, or one-third of 1%, of our imports.

In principle, we agree with it. We need to know the difference in the application, since we want to avoid double taxation, but we do not want this arrangement to encourage tax evasion or tax avoidance in the countries in question.

We apply section 26, as suggested by the OECD. Section 26 is often mentioned in these agreements. In Canada, we used it once with the Canada-Netherlands agreement on the Dutch Antilles in 2009. We applied the OECD principles to the letter. That is one country out of 87. As for the rest, it seems as though either the Canadian political system or the negotiators are in a hurry to go slow.

For example, there are 14 countries. And I remember that these negotiations were mentioned at second reading. They have been negotiating since that time. What are they negotiating? What are they discussing? Are they exchanging documents? Are they just chatting and visiting? We do not know. There is Anguilla, Aruba, the Bahamas, Bahrain, Bermuda, Gibraltar, Guernsey, and all kinds of islands, such as the Cayman Islands, the Isle of Man, Turks and Caicos, the British Virgin Islands, Jersey, Saint Kitts and Saint Lucia.

They are negotiating. But what has been happening in the meantime? We are beginning to wonder if Parliament can have a say in it and not just be asked to pass a bill and its schedules.

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•(1255)

We think that we should have some say. What has been happening while they have been in talks with the 14 countries I just mentioned, which are not exactly large industrialized, trading or manufacturing countries? In 2008, Canadian direct investment in Barbados, Bermuda and the Cayman Islands totalled \$86 billion. Canada is in talks with these three countries, but does not have agreements with them. They represent 14% of Canada's direct investments. That is a lot.

In 2000, direct investments totalled \$33 billion, compared to \$86 billion in 2008. After eight years, investments were 2.6 times higher. Using a cumulative interest rate, this equals an annual increase of 12.7%. How could we, from 2000 to 2008—remember 2009 and 2010 are not included—have gone from \$33 billion to \$86 billion of direct foreign investment in countries that are considered to be tax havens? All that time, there have been so-called talks.

We want the negotiations to produce results. We want them to sign agreements following negotiations with these countries. We want them to come to the House to report on all of these agreements.

The former revenue minister, who is responsible for these agreements, said at one time that tax agreements between countries should be as unrestricted as possible. I would love them to be as unrestricted as possible, but there have to be some restrictions. That is why we think parliamentarians need to get the information directly. It is good to have information, but that information needs to be accurate and complete.

The OECD has defined tax havens. What does the OECD say about tax havens? They are countries with little or no taxation. I was saying earlier that we agree that Canada and Quebec should enter into international agreements with countries that have similar tax rates. When tax rates on dividends, corporation income and individuals are similar to those of a tax haven with very low tax rates, we need to ask some questions.

Furthermore, since the bill very clearly says that the goal is to prevent tax evasion, we need clear, transparent information.

Just a couple of hours ago, I spoke to another bill, the bill concerning information the PBO was requesting from the government. As we said, the danger is that the government would ostracize the PBO and prevent him from getting accurate information.

Once again, for the second time in less than two hours and regarding another bill, we are saying that the information we get from countries with which we want to negotiate must be accurate and clear, not like pea soup. Clear information is needed.

We also need to avoid all legal and administrative barriers. We are coming up against more and more administrative barriers when trying to get this information. Requesting information is all well and good, but we need to obtain the information.

•(1300)

Again, I am referring to the Parliamentary Budget Officer's statement in fall 2010 that he still had not received the information requested from the government in June 2009. That is an

administrative barrier. Is the government becoming a tax haven for information? It is not far off the OECD definition of one.

According to the OECD, to determine whether a country is a tax haven, you have to ask yourself whether the country advertises or invites other countries or businesses to invest in it because of its rather lax tax system. Quebec might invite countries to invest in it for its technologies, aerospace sector and people who understand hydroelectric energy. In this country we truly have the information, technology and resources. However, when a country invites us to invest in it because it has a rather lax tax system, that is the definition of a tax haven. It is a very good definition because it is easy to understand.

On April 1, 2010, the OECD came up with a grey list of 17 countries that are making efforts to move from the black list to the white list by signing a few treaties. However, we have to be careful.

I am all for signing tax treaties with countries such as Belize, the Cook Islands, Dominica, Grenada, Liberia, the Marshall Islands, Montserrat, Nauru, Niue, Panama, Saint Lucia, Vanuatu, Brunei, Costa Rica, Guatemala, the Philippines and Uruguay, but let us be careful.

A tax treaty has to include five conditions: exchange of relevant information, no restrictions, the possibility of accessing information, respect for rights and complete respect of confidentiality. Our electors and taxpayers are sometimes sick of the agreements reached with that type of country. They get the impression that rich people or people who work for companies that have the means to go elsewhere take advantage of the situation to benefit from the tax rate that simply cannot be compared to the tax rate here. They are fed up and they wonder why they are paying so much tax when others who are much wealthier pay far less in tax.

In closing, all these treaties should respect the commitments already made by the Conservative Party. The House should take part in the process and the government should also respect the jurisdiction of the provinces and Quebec.

•(1305)

[English]

Mr. Joe Comartin (Windsor—Tecumseh, NDP): Mr. Speaker, I rise to speak to Bill S-3 from several vantage points.

Bill S-3 is a fairly conventional taxation bill with regard to establishing international relations with the countries as described in this bill. In this case, the countries are Colombia, Greece and Turkey.

My party always has concerns over a bill that does not emanate originally from this House, as opposed to the other House. That is particularly true given the gross abuse of democracy we saw flowing from that other House last week, as it killed a bill that had substantial democratic support from this House, the elected House. We always have a concern when we see this, but I have to say that when we look at the purpose of this bill, as opposed to the one the other place voted down last week, it is so typical of that House that the bill would be coming through it, because this bill is really about establishing favourable tax arrangements to avoid double taxation. It is the type of elitism we see in that House that permeates the background of this bill.

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We are saying to the government that its approach of using the other place the way it has, both to defeat bills that this House has passed and to initiate bills into this House, is a practice that really should stop. From a democracy standpoint, that House has no credibility. To use that House in the process of passing legislation and laws in this country is a fundamentally flawed approach to democracy.

The second concern we have with this bill will come as no surprise to this House or people who have followed our relationship with Colombia and the gross abuse of human rights that has occurred in that country and our opposition to the free trade agreement that has passed this House, which is giving it favourable arrangements with our country that it has no entitlement to, from the perspective of human rights as practised, or abused, in that country.

There is no possible way we can see extending a positive relationship between ourselves and Colombia until such time as it ceases those kinds of practices. The number of deaths, both in the aboriginal community and within organized labour and among workers generally in that country in the last few years, is so offensive to the values of this country, of Canada, that we should not be having any arrangements of this kind with it.

With regard to the other two countries, it is quite clear that the bill is doing what it has conventionally done, which is to try to avoid double taxation. We sort of have this image that the concept behind this bill and these conventions that we are entering into with these other countries is to avoid double taxation. This image is probably not the most common one that should be applied here, as members will see with some of the points I am going to make with regard to what is in the convention.

My colleague from Outremont used the example of the couple who are spending part of their working year in Canada and part in one of the other countries and making sure that they are not double taxed in both countries. This agreement obviously addresses itself to that.

It goes way beyond that, and I want to just go quickly through the areas it does address. It deals with the issue of residency. The type of revenue one is generating will define whether the taxation is going to occur here in Canada or in the other country. It deals with that fairly extensively at the beginning of the convention that we are now entering into if this bill goes forward, which it appears it will, given that it has support from the official opposition.

It then goes on to list the various types of incomes that one can have. It is important to note these because the approach as to how we will tax those incomes will vary by the nature of the income. I am not going to go into that detail because it just becomes too complex, but we deal separately with income from immovable property, from business profits and from the shipping and air transport sector of the economy. It then goes into a general category of associated enterprises.

● (1310)

It then goes on to other types of income with regard to dividends, interest from investments, royalties. It deals specifically with the capital gains area, which is always a problem between states as to how that will be taxed. It deals with general income from

employment and for directors fees. It deals specifically with artists and sportspersons, which has become more of a problem in both those areas. It deals specifically as to how their incomes will be taxed. It finishes off with pension and annuities both in terms of how it will tax those and how they will be received, and there are some agreements in that regard.

It then goes on, under a separate category, to deal more specifically with the taxation of capital gains and capital losses, setting out criteria the countries we agree to follow.

It deals with one final area that is important to note because of some of the scandals we have had. I think members in the House agree we have taxation so the government generates revenue so it can provide for the needs of our society. Whether that is creating a military and supplying the resources it needs, to providing government pensions for those who are in retirement or disabled, assisting the provinces with health care, we can go down the list as to why we tax.

There is of some concern with this convention. Although it begins to address the abuse that we see regularly of corporations in particular, but wealthy people more generally, moving their assets offshore, both in terms of assets that continue to generate revenue but otherwise capital assets offshore to avoid taxation in the country, it does not address it very well. We have seen that any number of times.

We have seen it with some of the scandals that have flowed out of Switzerland, Liechtenstein and a couple of banks in Belgium that have facilitated this abuse. What it is really about is fair taxation, that everyone, individuals and corporations, pay their fair share so the needs of society are met. If one segment of society is intentionally and regularly avoiding its responsibilities by moving assets offshore, we should be doing whatever we can do to bring that in line and seeing that those assets are taxed appropriately and fairly to society as a whole.

We cannot do that without co-operation from the international community. It is just impossible to do it as a sovereign country by oneself. We need to have co-operation with the state to where the assets flow.

We have seen the kind of abuse particularly with Switzerland. Because of its banking system, it has been able to shield abusers over the last 100 or better years who have abused their responsibilities to pay a fair share of their taxes. We are beginning to break through that in many ways.

We saw horrendous abuse in that regard with protection that it gave to organized crime and to the Nazis and fascists both during and after the second world war. We are breaking this down in that country, but it is occurring elsewhere. The bill would not address that to any significant degree. The only point it goes to in that regard is it requires both countries at either end of this relationship to share information if that data is compellable in the country of origin.

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● (1315)

Beyond that, the bill would do nothing to increase our ability to, in effect, enforce our tax laws in our country or to ensure that the tax laws in the country with which we have entered into this convention are enforced, oftentimes with assets that may have flowed from our country, whether it is income or capital assets.

It is obviously a flaw in these conventions. I come back to Colombia. Given the high level of corruption in that country, it is going to be a particular problem and it is not going to help us at all. Quite frankly, I seriously doubt the ability of the government of Colombia to enforce those parts of the agreement and to see that taxation is done fairly. If assets are being secreted in that country from Canada, I doubt it will share information with us so we can deal with it in an appropriate way. That is clearly a flaw in the agreement. I do not think we are in any position, as a party, to support that part of it.

With regard to Greece and Turkey, we would generally be supportive. Our relationship with both those countries is well established and well founded. They are countries that overall have a strong reputation of co-operation with Canada. It is appropriate that we enter into these types of arrangements them, whether it is with regard to how we deal with retirement pensions. We see pension moneys flowing between the two countries in some substantial amounts, so it is appropriate we deal with that. It is appropriate they are there to assist us if there is abuse of the taxation process in their countries, of assets flowing into Canada or out of Canada into Greece or Turkey. We have no problem supporting that, but we have very serious problems with regard to Colombia.

This is one of those bills, because of where it has come from, that we cannot support. Because of the arrangements with Colombia, we cannot support it. Support from our party would flow with regard to Greece and Turkey. It is a step in the right direction when we enter into conventions with those countries. They are countries we can deal with in a honest and trusting manner.

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, everyone knows when the member speaks, we should listen. There are some very subtle points that come up in every piece of legislation. We often have young people come to this place to listen. They just heard a few things about the bill, notwithstanding the generic attraction or benefits of having a bilateral treaty for taxation to deal with the matters it addresses.

The question is whether a particular country will be a receptive country from which we could expect a good solid information sharing agreement, which is part of the process. Also is there any progress with regard, for instance, on the evasion issues to report? We enter these agreements. The parliamentary secretary had no answer whatsoever as to how these agreements with over 90 countries have helped us. What are the consequences? What are the benefits? What are the dimensions? These are important aspects and I find it concerning, and maybe the member does too, that government members have not risen to speak so they do not have to take questions, which are some of the more important questions on the legislation.

● (1320)

Mr. Joe Comartin: Mr. Speaker, the member is very right. We have entered into that many agreements or conventions now with over 90 countries. We just saw the spectacle a couple of weeks ago with regard to Switzerland and the whole *Crédit Suisse* difficulties we had.

The Prime Minister went to Switzerland, with lots of photo ops, announcements and touting of resolution of problems in co-operation with Switzerland. Over the weekend, we found out that it was all smoke and mirrors. We found out that the Swiss government, *Crédit Suisse* specifically, was not agreeing to share information and in fact was challenging it through the courts.

I am sure if we went through the list of 90-plus countries, in spite of the fact that we have these types of agreements, we would find a number of them where it is smoke and mirrors. I believe in the vast majority of cases Canada is doing it honestly, that we are enforcing the convention in our home country, but there are any number of other countries not doing that. The government does not know. It has not done any type of ongoing monitoring of whether the country with which we have entered into the convention is being as honest and trustworthy as Canada.

Mr. Paul Szabo: Mr. Speaker, the member referred to the situation in the Senate with regard to the climate change protocol. It is a very unfortunate situation, but it says one thing, which is the Conservative government has no interest whatsoever in climate change, that it is still back at Kyoto and it being a socialist plot. There is no question that the decision of the Senate came straight from the Prime Minister's office.

With regard to Bill S-3, it is designated with the letter "S" because it was initiated in the Senate. However, if we look at the debate in the Senate, we will have a hard time reading it because it does not exist. The bill just appeared and was referred to the House.

It is an insult to Parliament for a chamber simply to take responsibility for a bill and then to pass it off. If we come up with anything, I wonder how the Conservatives will deal with it after it is passed in the House. It has already passed in the other place.

I am curious about whether the member wants to muse about why the bill came through the Senate and that the Senate had absolutely nothing to say about the importance of it.

Mr. Joe Comartin: Mr. Speaker, I knew the bill had been paid very little attention before it came out of the Senate, where it was rubber stamped.

As I made my comments earlier about the elitism that resides in the vast majority of the members of the Senate, it is not surprising they see it as a tax avoidance bill. They see it as the avoidance of double taxation and rubber stamped it. Why do we need sober second thought for something like that? That would be the attitude of the vast majority of senators.

Again, it was a very elitist concept behind our Constitution when we set the Senate up in the first place. We could not trust that rabble in the House of Commons, so we had to have this other group of sober second thought people. I am not sure where they are supposed to come from, other than from the elitist of society, whether it was in 1867 or 2010.

It is very offensive. I find senators personally offensive when I hear them say that they have some kind of democratic role to play in our society. I was elected. I am accountable to the people of Windsor—Tecumseh. Senators are not accountable to anybody, not even to the Prime Minister when we look at it, even though he appointed them.

It really epitomizes the fact, since my friend shared the information with us, that they did not even have any debate on it, and it will go back to the Senate for royal assent if it gets through the House. It is not a valid legislative democratic process. It is offensive to the democratic process in our country or in any of the western democracies.

• (1325)

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I am pleased to speak to Bill S-3.

I took the time to read the debate from May 13 on this bill, at which time it was sent to the Standing Committee on Finance. I currently serve on the finance committee but did not when the bill was sent to the committee back then.

I had an opportunity to read the debate from May to see some of the substantive points and I was not surprised to see that the Parliamentary Secretary to the Minister of Finance, who spoke to lead off this debate at third reading, made the same points that he raised at second reading. That is not surprising and it indicates to me that really nothing has changed since the last time we dealt with this legislation. In fact, I believe this particular bill was up even in the last session of Parliament.

For those who are following the debate, Bill S-3 was introduced in the Senate. It is a bill that would implement conventions and protocols concluded between Canada and Colombia, Greece and Turkey for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income. It is fairly long.

The summary ostensibly repeats the title of the act, but there is some more information in the summary. It says:

The treaties implemented reflect [our] efforts to expand Canada's tax treaty network. Those treaties are generally patterned on the Model Double Taxation Convention prepared by the Organisation for Economic Co-operation and Development.

The summary repeats the two objectives: the avoidance of double taxation and the prevention of fiscal evasion.

The summary indicates that since a tax treaty contains tax rules different from the provisions in the Income Tax Act, it becomes effective only after being given precedence over domestic legislation by an act of Parliament such as this one. For each of those tax treaties to become effective, it must be ratified after the enactment of this bill.

Interestingly enough, the bill has a short title. There has been a lot of discussion about short titles in this place. People have given whole speeches about how short titles tend to represent that a bill does something that it in fact does not but it is pretty good politics to have the language out there.

As the short title, this bill may be cited as the Tax Conventions Implementation Act, 2010. It makes some sense, because we have

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these tax conventions with over 90 countries already and every one of them is identical in terms of their clauses.

The bill contains six clauses and the only thing different would be the name of the country. They are each included under parts to the bill. Part 1 is the Canada-Colombia convention, part 2 is Canada-Greece, and part 3 is the Canada-Turkey convention.

The bill is not long at all, and in fact, the first of the six clauses under each part is just to have another short title. For Colombia, for example, it states:

This Act may be cited as the Canada–Colombia Tax Convention Act, 2010.

Clause 2 says this act is a convention, etc.

Clause 3 says that the convention is approved and has the force of law in Canada during the period that the convention, by its terms, is in force.

Clause 4 basically says that, in terms of the provisions of this act or the convention and the provisions of any other law, the provisions of this act and the convention prevail to the extent of the inconsistency. It basically means that if there is an inconsistency between any legislation and this bill, the bill is in force to the extent that there is the inconsistency, and that is handled depending on the nature of it.

Clause 5 allows the Minister of National Revenue to make any regulations that he or she feels are necessary to carry out the convention and for giving effect to any of its provisions.

• (1330)

This gives me a chance to give my standard statement that when parliamentarians look at legislation, often they will find, in some of the clauses, “subject to” the regulations. I should indicate that as parliamentarians debate this at second reading, in committee, at report stage and at third reading, they still have not seen what the regulations are.

The regulations are supposed to be the details. For instance, it would say that, under the Income Tax Act, tools are deductible at a rate of 20% a year. In the regulations it would say that tools include hammers, saws, screwdrivers, et cetera. So the regulations are the details, and the provision in the bill for “tools” gives the generic.

During the debates, as I have said, we do not know what the details are. It is important to know details because we have a committee, a joint Commons-Senate committee called the Standing Joint Committee on Scrutiny of Regulations, which I chaired for a couple of years and served on for five or six years, whose whole purpose is to review the regulations that are ultimately made and then make sure that they are enabled in the legislation that was passed.

Sometimes, and quite frankly it happens far too often, governments try to put in the regulations things that are not contemplated in the bill itself and would in fact change it. It is called “back-door legislation”. It is where the purpose, scope or intent of the bill is changed without having it disclosed to parliamentarians.

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I often say that when a bill is important enough, the House should ask the minister sponsoring the bill to present draft regulations to the committee responsible for reviewing the legislation, so that they can review it, not necessarily to change the regulations but simply to ensure that the regulations are properly enabled in the legislation and that the committee has an opportunity to make some comments with regard to whether there are any provisos that should be included in the regulations to make it better fit a specific case as opposed to simply the generic case.

If we have regulations that will apply to all three of these countries, there are some cases, as the previous speaker indicated, where a specific country, depending on its reputation or our circumstances with them, may require a more rigorous or more stringent approach to the regulations guiding legislation for that particular country. I wanted to raise that.

The final clause is that:

The Minister...shall cause a notice of the day on which the Convention enters into force

It just basically says that even if we pass this bill, even if it gets royal assent, et cetera, it is not actually going to become law until there is an order in council and a promulgation of the bill. Nobody knows when this is going to become law, if it will ever become law, but that is where that is.

Those same six clauses are in the bill three times, once for each of the three countries. As the parliamentary secretary noted in leading off this debate, there are four particular points that we should take into account.

First, with regard to reducing withholding taxes, I think there has been enough description about the fact that when people do business and earn income outside Canada, there is a withholding. For people who are not Canadians but are working in Canada, there may be withholding when it is paid to them outside.

Tax will follow people. If there is no treaty, one thing we could find is that people may be charged income taxes on the money by their country of residence and also by the country in which they did the work. This applies to people who have residency in one country and are doing work in another country. Both countries would claim that they needed to collect taxes or that there would be a liability for taxes. So the second point is the double taxation.

● (1335)

The reason we want to address the withholding tax is because we are not going to know whether there is double taxation until somebody files a tax return. But if the withholding tax rates are too high, all of a sudden an awful lot of taxes will be collected by two different government from people's earnings and they will not be able to reconcile them until some period later when they have figured out what income is attributed to which jurisdiction, what the tax rates are and how much they actually owe, and to claim refunds from one or the other or both jurisdictions.

So it is pretty important to deal with double taxation, and certainly one reason is that it is a barrier to trade.

If we do not have a tax treaty with another country with which Canada does business, or Canadians do a lot business there or that

country does business in Canada, if they were going to be subject to taxation in both jurisdictions, obviously the value of the work done would have to be grossed up to take into account the fact that we cannot do work for nothing, if it is all going to be taxed back by the total taxes in two jurisdictions.

This issue of double taxation is very important. It would be a barrier to trade or to doing business or doing work between two countries, simply because there may be taxes collected in both jurisdictions that would leave a net income much lower than they could get by doing business in another country. There are some countries, obviously, that would be desirable for us to be able to do business in, and some maybe not, and we have heard a bit about that this morning.

The last point has to do with tax evasion and tax avoidance.

Interestingly enough, this morning the parliamentary secretary spent quite a bit of time talking about the fact that we need to deal with this whole issue of tax evasion and tax avoidance. There is a statement, if I could remember it, being a chartered accountant, that went something like this: tax evasion is illegal; tax avoidance is necessary.

The difference is that tax evasion is contrary to the laws and obviously illegal; but tax avoidance means that if the taxing authorities and the regulations of various countries let things slip through even if we have bilaterals, people may decide that they can do the same business, but if they do it through a particular country, with the amount of income they could earn or the reduction of taxes as a consequence of streaming business through a subsidiary in another country or something like that, they might be better off to do that. Of course, the consequence may be that the tax revenue to Canada would be reduced simply by the shaping of the characteristics of a business organization or corporate structure.

So dealing with the issue of tax avoidance is also an objective, even though tax avoidance is not in fact illegal.

That said, one of the speakers mentioned the recent stories about tax havens. That is a matter of tax avoidance, some would say, but actually it is tax evasion. I think the examples of Switzerland, Belgium, Liechtenstein, et cetera, have shown that there are circumstances out there where in fact countries with which we now have bilateral tax agreements happen to be tax havens and happen to be places where Canadians have been able to take advantage of the situation.

That list would get a lot worse if all of a sudden we started to do business with, I believe, Panama, Uruguay, Costa Rica, or Liberia, the whole list of countries that some people have thought we could be better off having business with and tax treaties.

● (1340)

However, it raises the question about whether one needs to look at the character or the country, its reputation and its track record. We want to do trade but trade at what cost? What does it mean if we have trade with 90 different countries and it is supposed to help deal with double taxation and tax avoidance? What good is that legislation if it has no results and no benefits have been achieved?

Government Orders

This concerns me because this morning, when the parliamentary secretary spoke to the House and there were questions and comments following his speech, I asked him a question. I said that we had tax conventions with 90 countries and I wanted to know what benefits we had achieved. I also asked him what loopholes we were able to close. I wanted to know what we had learned from this. If something is learned from one jurisdiction, it may be applicable to others.

In conjunction with these conventions we enter into, the member said that we also enter into information-sharing agreements. We have this exchange of information but what has that achieved? We need to ask whether we are just passing legislation for the sake of legislation or whether the legislation has some benefits to it, other than being pretty sure that if we lower the withholding tax more people will find it more attractive to do business with those countries. Bilateral trade is always a good thing. It is a good thing for this country because we are in an economic depression of sorts. Canada has much to offer and we want to do trade but if we get it in the front door but are losing it out the back door, what is the purpose?

I asked the parliamentary secretary to give us some examples. When he spoke to this on May 13 and again today, both of his speeches were much the same but there was not one iota of evidence that there was any benefit whatsoever to Canada. There was not one case where a tax evasion scheme was identified. There was not one case where all of a sudden there were avoidance mechanisms that we could deal with.

Legislation needs to have a purpose that is seamless in terms of all the impacts, all the pluses and minuses. No legislation will be perfect but we cannot come here and argue that we need this because it will improve trade. I hope that, as almost side deals with information agreements, we will somehow be able to share information and all of a sudden have some benefits coming out of that. It has never been reported to this place.

I challenge the government today to look at what has happened over the history of these tax conventions with 90 countries and tell us whether there has been anything substantive come out of them, whether we have learned anything that we can apply to other countries and whether there are filters we can put on in terms of the agreements that we will enter into with other countries like Greece, Turkey, Panama and whatever other countries.

I will support the bill because this is a boiler plate approach to doing things. My question is whether it is satisfactory simply to keep doing what we have always been doing if there are no discernable benefits to those deals.

• (1345)

Ms. Yasmin Ratansi (Don Valley East, Lib.): Mr. Speaker, it is a pleasure to speak today to Bill S-3, an act to implement tax treaties between Canada and Colombia, Greece and Turkey. The objectives of this bill are twofold: first, the avoidance of double taxation; and second, the prevention of tax evasion.

The Organisation for Economic Co-operation and Development, the OECD, has long been an advocate of these treaties to ensure equitable treatment of taxpayers who work and invest in countries outside their own.

Canadian businesses have a long tradition of trading internationally. As well, we have many Canadian workers who work for longer periods abroad, for example, engineers in the oil industry, et cetera. The implementation of these treaties will ensure that those doing business and accepting employment in those countries covered will not face the prospect of having their income taxed unfairly by both their country of residence and the country in which they are working. This double taxation is be very unfair to the people.

The stated goals for entering into a treaty are often included in the reduction of double taxation, eliminating tax evasion and encouraging cross-border trade efficiency. It is generally accepted that tax treaties improve certainty for taxpayers and tax authorities in their international dealings.

As we continue to sign tax treaties such as these with other countries, Canadians will see a benefit through increased tax revenues generated from some individuals who probably try to hide their foreign income and investments.

Taxpayers may have relocated themselves and their assets in the past to avoid paying taxes, so some of the treaties that we are signing thus require each treaty country to assist the other in the collection of taxes and in other enforcement of their tax rules. These treaties include a requirement that the countries exchange information needed to foster enforcement. The requirements in these treaties would ensure that the information on individual and corporate taxpayers would only be shared by the competent legal entities in either country.

While I support the government in continuing to sign treaties such as these, which have been an ongoing process for the past few decades, I cannot and do not support some of the policies of the government in regard to taxes. For example, the Conservatives' plan to cut \$6 billion in corporate taxes to the wealthiest corporations will do nothing to help small businesses.

The Liberal Party wants to do things differently. Our policies will help small businesses, create jobs, enhance competitiveness and build cutting edge industries.

As I have been canvassing small and medium sized enterprises, they are asking these questions. What is wrong with the Conservative government? Why does it not have its priorities in place? Why does it not understand that the corporate tax cuts given to large corporations will not create jobs? It is the small and medium sized enterprises that are the engines of growth and it is the small and medium sized enterprises that need the investment.

It is all about choice, choice for Canadians; the Liberals' choice or track record of fiscal responsibility, a plan to make strategic investment in lasting economic legacies versus the borrow and spend Conservatives who spent Canada into deficit even before the recession began, the Conservatives who are wasting billions more on prisons, untended stealth fighters and tax breaks for large corporations.

The Liberal plan is to invest in people. It is important to invest in people. It is important to use taxpayer dollars wisely. The Liberals have had a track record. They eliminated the deficit and the debt that the Mulroney Conservatives created.

Government Orders

● (1350)

The Conservatives made a mess of the economy. There was record unemployment, mortgages were at 21% and people were losing their jobs. I remember because I was working in receivership. I had the unfortunate task of taking over people's businesses or homes. People were in a bad state. They were losing their shirts, so to speak. The IMF called Canada the basket case of the developed world.

When the Liberals took over, they reined in expenses, brought fiscal prudence and, after the hard efforts of the Liberal government with the help of the Canadian people, Canada was back in business. It was the envy of the G8, thanks to the efforts of Prime Ministers Jean Chrétien and Paul Martin. The Liberal government invested in people, gave Canadians the biggest tax break to the tune of \$100 billion and invested in cities and health care. Canada has been the beneficiary of Liberal fiscal competence.

Now that we have a Conservative government, what does it do? It takes the \$13 billion surplus and savings, which was meant to help Canada face economic hardship, and it blew it away even before the recession came.

What do the Conservatives have to show for that fiscal incompetence? They have a \$56 billion deficit and climbing, cuts to programs, cuts to funding for organizations that serve people, and cuts to organizations that do not meet its ideology. It is going down the same slippery slope as the Mulroney government.

The current finance minister has been called the "architect of deficit" for good reason. It is because of his previous stint in Ontario. That is the same finance minister who wanted to imitate the subprime mortgage initiatives, and we know what would have happened.

On the current economic front, the Conservatives have been a poor fiscal managers and it is not surprising as it has never balanced a budget. The last time that happened was when the *Titanic* sank, and that is telling.

The Liberals believe that Canadians must live within their means, so too must the government. The questions Canadians are asking are: How can the government, which has a record deficit of \$56 billion and counting, borrow money, \$6 billion for example, to give cuts to large corporations, many whose head offices are not here? How can they justify this? Why are they not instead investing in Canadian SMBs which are the engines of growth?

Canadians are also asking why the government is borrowing an additional \$10 billion to create super jails for unreported crimes when the money should be invested in literacy, mental health, educational institutions, social housing, et cetera, which are the determinants of crime. Why is the government so foolish in its choices?

Would a family be foolish enough to borrow money for unnecessary toys when given a choice between food on the table or frivolous expenses? No family would have the luxury to do such foolish things. Therefore, Canadians want their government to ensure it is not spending their hard-earned tax dollars foolishly.

While speaking of tax treaties with other nations, it must be noted that those treaties do not address the problems of unscrupulous

individuals who hide earned income in offshore bank accounts to avoid paying Canadians taxes. The government has been very slow off the mark in pursuing the potential billions of dollars hidden in Swiss and other bank accounts.

To have an efficient tax system, it is desirable to have an efficient government that collects and spends tax revenues in a logical, fair and transparent manner. As I mentioned, unfortunately the government fails on all three of these requirements. For example, spending \$16 billion on an untendered contract for stealth fighter jets at a time when many Canadians are unemployed and in danger of losing their homes is not logical.

● (1355)

Spending millions of dollars in the industry minister's riding on such things as sidewalk replacement miles away from the meeting site and pretending it to be related to the G8 is not fair. Spending \$6 billion on unneeded tax breaks to big business while threatening to increase EI premiums is showing how transparent the government's disregard for the average Canadian worker really is.

Canada's federal government now faces a \$56 billion deficit, and its expenditures are simply not under control as examples of waste continue to add up.

Even before the recession, the government has spent more than any other in the history of Canada, increasing government spending at three times the rate of inflation in its first three years.

Now the government is pushing the accelerator pedal with plans that will cost \$10 billion more for new prisons when crime rates are falling and \$16 billion more on a sole-source stealth fighter contract when Canada's military requirements have yet to be defined. This is after it has already spent \$1.3 billion on a 72-hour G8 and G20 summit when South Korea is expected to do the same for less than \$25 million.

People are worried about their jobs and their ability to pay down a level of household debt that has soared. Middle class families in Canada are being squeezed like never before, more severely in fact than anywhere else in the western world.

The average Canadian family is about \$96,000 in debt. We owe almost \$1.50 for every single \$1 of disposable income and our cost of living keeps rising. Credit card balances are high, mortgages have been borrowed against and lines of credit are full.

Canadian families face serious economic challenges as they confront rising household debt, which is mounting. Educational costs are mounting. The challenge of saving for retirement and the cost of caring for sick or aging family members is mounting.

Statements by Members

As I was canvassing, seniors came up to me and asked, “How can the government justify spending \$1.2 billion on the G8-G20 for a 72-hour photo op and not invest in seniors? Seniors who have worked hard, who have invested in their country, who have put in whatever they have, now risk losing their house and their income because the government refuses to reform pensions”.

The Deputy Speaker: The hon. member will have seven minutes left to finish her speech after question period.

Seventy years later, on our watch, a similar genocide by attrition took place in Darfur. During National Holodomor Awareness Week, let us pledge that “never again” will finally mean never again.

* * *

[*Translation*]

STATEMENTS BY MEMBERS

[*English*]

BOB COTTINGHAM

Mr. James Bezan (Selkirk—Interlake, CPC): Mr. Speaker, Bob Cottingham is an example of the exemplary service of our Canadian veterans. Now 91, Bob left his family farm near Petersfield, Manitoba, to serve as a bomber pilot in England during the second world war. Captain Cottingham flew the difficult four-engine Stirling bomber, which had to be piloted alone without a navigator's assistance. Bob gained a reputation as an expert pilot.

Cutting his teeth during the Battle of Britain, he flew 41 bombing missions, 17 more than the average World War II bomber pilot's tour of duty. After the Battle of Britain, Bob continued to fly countless missions over France and Germany, putting his life on the line every time he entered the cockpit, dropping supplies and carrying paratroopers into action.

I had the chance to see Bob again during Veterans' Week. True to his fighting spirit and longevity, Bob has continued to stay involved in his community, still serving on the Teulon agricultural society and the Teulon chamber of commerce, active in the legion and running a very successful seed business and family farm.

Canada needs more Captain Cottingshams. Through his brave service to country and continued commitment to the community, Bob is a true Canadian hero.

* * *

● (1400)

NATIONAL HOLODOMOR AWARENESS WEEK

Mr. Borys Wrzesnewskyj (Etobicoke Centre, Lib.): Mr. Speaker, during this National Holodomor Awareness Week, throughout Canada we pause to reflect on the 1932-33 famine genocide executed by Soviet dictator Joseph Stalin against the Ukrainian people.

In Kyiv, the Holodomor memorial is a statue of a small starving girl holding three sheaves of wheat. Stalin decreed food illegal for Ukrainian peasants. Having as little as three sheaves of wheat was a crime and the penalty was death.

Wherever Ukrainian peasants lived, armed Communist red brigades enforced this decree. Peasant farmers suffered the slow pain of death by starvation and the excruciating pain of watching their children and spouses slowly starve to death with them. In the very breadbasket of Europe, one by one, millions lay their starving bodies onto Ukraine's fertile black soil to die.

PAT BURNS

Ms. France Bonsant (Compton—Stanstead, BQ): Mr. Speaker, on Friday evening we were very sad to learn of the passing of Pat Burns, who was battling cancer for the third time.

His journey from police officer to hockey coach was marked by success. He led the Hull Olympiques to their first-ever President's Cup in 1986. After some time in the American Hockey League, he led the Montreal Canadiens to the Stanley Cup final in his first season as head coach, in 1988-89. He also coached the Toronto Maple Leafs, the Boston Bruins and the New Jersey Devils, with whom he won the Stanley Cup. He is the only coach to have won the Jack Adams Award for best coach of the year three times, with three different teams.

My Bloc Québécois colleagues and I salute this courageous and fiery man, who will have an arena named after him in my riding.

We offer our sincerest condolences to his wife, Line, and to his children, Maureen and Jason.

* * *

[*English*]

MUNICIPAL ELECTIONS

Mr. Tony Martin (Sault Ste. Marie, NDP): Mr. Speaker, two weeks from today, Sault Ste. Marie will have its first elected woman mayor. I congratulate Debbie Amaroso for her victory and her campaign, “Your City. Your Say”.

It is good to hear Mayor-elect Amaroso's priorities: infrastructure, balanced growth, community development, jobs and health care. I look forward to acting on her commitment for a new protocol with elected officials at other levels of government. A renewed round table and collaboration will go a long way in helping our region grow.

Statements by Members

I also congratulate the Soo's new city council, including five newly elected councillors: Paul Christian, Brian Watkins, Rick Niro, Marchy Bruni and Joe Krmpotich. As well, I congratulate the re-elected and newly elected mayors, reeves and councillors in the Algoma District in my riding.

I look forward to working with all of them to help Sault Ste. Marie and Algoma prosper.

* * *

98TH GREY CUP GAME

Hon. Laurie Hawn (Edmonton Centre, CPC): Mr. Speaker, it is with great pride that I rise in the House today to highlight Edmonton's hosting of the 98th Grey Cup game. As a westerner, it gives me great pleasure to see the city I am privileged to represent host the biggest one-day sports competition in the country.

I could not agree more with the words of CFL Commissioner Mark Cohon when he referred to Edmonton as the "natural home for our national championship" and that "nothing brings Canadians together like the Grey Cup, and no one has a better track record as Grey Cup hosts than Edmontonians".

This Sunday, the eyes of football fans in Edmonton and across Canada will be fixed on the game unfolding on the field at Commonwealth Stadium. My family and I will be there, and I look forward to the fierce competition on the field and the friendly competition in the stands.

The year 2010 also marks a special year for Edmonton football as it represents 100 years of Eskimo football in northern Alberta. I know that once again this year, our organizers will put on one of the most successful Grey Cups ever. I only hope that the Riders have learned to count to 12 since last year.

As an Edmontonian, it does pain me a bit to say this, but go, Riders, go.

The Deputy Speaker: Order. I almost found that unparliamentary.

The hon. member for Don Valley East.

* * *

NORTH YORK GENERAL HOSPITAL

Ms. Yasmin Ratansi (Don Valley East, Lib.): Mr. Speaker, I rise today to recognize amazing philanthropists, Mr. and Mrs. Nanji. The Nanji family came as refugees from Uganda and are grateful to the late Prime Minister Pierre Elliott Trudeau. Through his foresight and vision many families like theirs escaped destruction and began anew in Canada.

They continue to contribute generously to the North York General Hospital in my riding of Don Valley East by building the Orthopaedic and Plastics Centre and now by donating a huge sum to create the Gulshan and Pyarali G. Nanji ultrasound, CT and radiography centre. The Nanjis are among the most generous donors in the history of the hospital.

On behalf of the hospital, patients and families, I would like to sincerely thank Gulshan and Pyarali Nanji and their family for their generosity.

This is an exceptional legacy for which we are all grateful. They represent the best of the Canadian spirit and I thank them.

* * *

•(1405)

2010 CANADIAN BOWL

Mrs. Kelly Block (Saskatoon—Rosetown—Biggar, CPC): Mr. Speaker, it is with great pleasure and pride that I rise today to congratulate the Saskatoon Hilltops, the 2010 Canadian Bowl champions.

In a fierce battle, the Hilltops defeated the Vancouver Island Raiders 34 to 23 in the national final.

Should anybody wonder why my colleague from Nanaimo—Alberni will be looking so dashing today, it is because he will be wearing a Saskatoon Hilltops jersey as part of a friendly wager between MPs.

He asked me to say that Vancouver Island residents are proud of their home team, that competitive sport never comes with a guarantee and that they will be back at it next year. He would like to congratulate the Saskatoon Hilltops for being great hosts and delivering an excellent game.

Indeed, the Vancouver Island Raiders deserve recognition for their strong showing, but in the end it was the Saskatoon Hilltops that proved to the nation that the Roughriders, soon to be the Grey Cup champions, are not the only team from Saskatchewan to watch.

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[*Translation*]

LE TREMPLIN HIGH SCHOOL AND POSA/SOURCE DES MONTS

Mr. Yves Lessard (Chambly—Borduas, BQ): Mr. Speaker, I am pleased to speak today to acknowledge the presence of 25 young people and their chaperones from Le Tremplin high school and the POSA/Source des Monts youth organization in my riding.

Both of these institutions in Chambly help adolescents and young adults who are having problems in their lives. They provide support to these youth to help them overcome various obstacles. Le Tremplin high school provides educational services to young people who are subject to the Quebec Youth Protection Act and the Youth Criminal Justice Act. The mission of POSA/Source des Monts is to combat social exclusion and poverty among people under 35.

My Bloc Québécois colleagues and I would like to pay tribute to the staff of these two institutions for the work they are doing and commend these youths for the remarkable courage they have shown in facing and overcoming adversity.

*Statements by Members***PAT BURNS**

Mrs. Sylvie Boucher (Beauport—Limoilou, CPC): Mr. Speaker, Quebecers and Canadians were saddened to learn that coach Pat Burns had died after a brave battle with cancer. Known for his toughness and courage in hockey, Pat Burns showed the same qualities as he faced the hardest fight of his life. We were all moved to see him in Stanstead last March, when the Prime Minister announced that an arena would be named in his honour.

Certainly, winning the Stanley Cup was one of the highlights of his career, but he was also a three-time winner of the Jack Adams Award as coach of the year. He more than deserves to be inducted into the Hockey Hall of Fame.

On behalf of all my colleagues, I want to extend my sincere sympathies to the family and friends of this legend, who was a giant of our national sport. He will never be forgotten.

* * *

CLUB AVENIR FOUNDATION

Mr. Bernard Patry (Pierrefonds—Dollard, Lib.): Mr. Speaker, the Fondation Club Avenir was established in 2002 as a philanthropic organization that encourages excellence in Canada's Algerian and Maghrebian community. This foundation recognizes innovation and success, hence creating a motivating force for the community.

Since its inception, more than 35 awards and distinctions have been handed out. On November 6, I had the privilege of attending the foundation's seventh gala where eight people were honoured.

The recipient of each award or distinction obtains recognition, prestige and a monetary prize: recognition by a committee of highly respected individuals who evaluate the nominees and choose the winners; the prestige of receiving a plaque and being promoted on the Internet and in the media; and a monetary prize awarded by the Club Avenir excellence fund.

In closing, I would like to congratulate the 2010 winners and thank the organizers who, by volunteering and encouraging others, make a difference in the lives of the recipients and their community.

* * *

• (1410)

[English]

THE ECONOMY

Mr. Ray Boughen (Palliser, CPC): Mr. Speaker, almost 430,000 more Canadians are working today than in July 2009.

Canada is leading the industrial world in exiting the recession. However, our Conservative government realizes that the economy is not about numbers. It is about people, families and how they feel about their financial security.

It is time to plan the next phase of the economic action plan. We will secure our economic recovery by ensuring our economic policies reflect the values and principles we share with Canadian families: living within our means, producing savings by reducing waste and duplication, and keeping taxes low to create jobs and sustain growth.

Unlike the coalition, we will not make wasteful new government spending commitments this year that would trigger higher taxes, kill jobs and reverse Canada's fragile economic growth.

While I am on my feet, I would like to offer congratulations from the Saskatchewan caucus to the Saskatchewan Roughriders. Go, Riders, go.

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CHILDHOOD CANCER

Ms. Irene Mathysen (London—Fanshawe, NDP): Mr. Speaker, today it is my privilege to tell the House about an incredible young woman of determination and great courage.

Stephanie Simmons is a 16-year-old grade 11 student at Clarke Road Secondary School in London, Ontario. She is also a childhood cancer survivor who has battled cancer since 2004, and understands the physical and emotional impact of the disease on individuals and their families and friends.

It is Stephanie's goal to convince Canada Post to create a commemorative stamp to promote awareness of childhood cancer in honour of the many children who have faced the disease. Today, more than 10,000 Canadian children live with cancer. Each year, 1,500 cases are diagnosed.

Stephanie's own words are the most powerful argument:

...Sometimes I wonder if there are ten thousand kids just like me...how is it that we don't hear more about kid's cancer?

...I would love to honour and thank all the survivors that have come before us, their strength and determination to beat their disease inspires all of us current warriors to dig in and keep fighting....

But mostly I want to honour all the brave warriors that have lost their battle. I want these heroes and their families to know that they have not been forgotten....

* * *

[Translation]

CANADA'S ECONOMIC ACTION PLAN

Mr. Jacques Gourde (Lotbinière—Chutes-de-la-Chaudière, CPC): Mr. Speaker, Canada's economic action plan is working, as shown by the thousands of jobs that have been created since July 2009, the restoration of economic growth and the fact that Canada is the first country in the industrialized world to recover from the recession. The economy is not just about numbers. It is about people and families.

We need to plan the next step of the economic action plan. We will ensure economic recovery by ensuring that our economic policies are in line with the values and principles we share with Canadian families: living within our means, saving by reducing waste, and keeping taxes low in order to create jobs and maintain growth.

We will not undertake any new, useless government spending that would increase taxes and make jobs vanish, thus stunting Canada's fragile economic growth.

*Oral Questions***USE OF WOOD IN FEDERAL BUILDINGS**

Mr. Robert Bouchard (Chicoutimi—Le Fjord, BQ): Mr. Speaker, the Quebec Order of Architects publicly supports Bill C-429 to promote the use of wood in the construction and renovation of federal buildings. André Bourassa, the order's president, stated, "We have the ability to integrate.... It is time to begin this shift in Quebec...."

He also disagreed with the Conservative members for Jonquière—Alma and Roberval—Lac-Saint-Jean, who are spreading false information by saying that we are not ready for Bill C-429.

The Conservative government's inconsistency when it comes to the forestry industry never ceases to amaze us. While it refuses to support Bill C-429, it initiated the North American wood first initiative, which encourages greater use of wood in non-residential construction. Yet that policy does nothing to encourage the use of wood in its own federal buildings. The Conservative government is sending mixed messages. Bill C-429 is a step in the right direction, but the Conservatives are demonstrating, once again, the lack of consideration—

The Deputy Speaker: The hon. member for Wascana.

* * *

[English]

SASKATCHEWAN ROUGHRIDERS

Hon. Ralph Goodale (Wascana, Lib.): Mr. Speaker, over the past few weeks we have heard a lot about Saskatchewan's strategic resources, especially potash, but nothing is more strategic in Saskatchewan than our precious Roughriders.

Facing temperatures of 30° below zero, the tough Calgary Stampede, and the bad memories of last year at McMahon Stadium, the Riders came from behind yesterday in the CFL western final to seize the division championship once again. Now it is on to the 2010 Grey Cup game next weekend against the Montreal Alouettes. This will be the 98th Grey Cup.

Significantly, the Saskatchewan Roughriders pre-date the national championship. The roots of the Riders run all the way back to 1910, so this is the team's 100th anniversary. A century of Rider pride will warm up Edmonton this week.

Congratulations to president Jim Hopson, general manager Brendan Taman, head coach Ken Miller, quarterback Darian Durant, and every Roughrider and Roughrider wannabe in every corner of Canada.

Green is the colour.

* * *

•(1415)

TAXATION

Mr. Paul Calandra (Oak Ridges—Markham, CPC): Mr. Speaker, Tony Genco, the Liberal candidate in Vaughan, recently told the Vaughan Chamber of Commerce in regard to taxes, "We can't afford to increase them".

Unfortunately for Mr. Genco, his Ottawa boss is promising to raise taxes. The Liberal leader has promised to hike taxes on

businesses, hurting our job creators when we need them the very most.

Groups such as the Canadian Chamber of Commerce have warned that the Liberal plan to raise taxes is a disastrous idea that will put the brakes on job growth, and it is the wrong thing to do if we want to create jobs and growth in the economy.

The Liberal leader has openly proclaimed that he will have to raise taxes and has said, "I am not going to take a GST hike off the table".

Tony Genco has proudly referred to the Liberal leader as his mentor. We understand why Mr. Genco would want to hide from his mentor's job-killing tax hike agenda, but that is no excuse for his attempts to mislead the good people of Vaughan.

ORAL QUESTIONS

[English]

NATIONAL DEFENCE

Hon. Ralph Goodale (Wascana, Lib.): Mr. Speaker, in the finance minister's prebudget crusade against "risky spending schemes", he needs to look in his own backyard at the scheme to write a blank cheque for stealth fighter jets.

The Auditor General says this project is very high risk. The Pentagon and U.S. Senator John McCain said that costs are out of control. Reports today suggest billions more in cost overruns and more delay.

Will the finance minister say no to this Conservative risky spending scheme that will add billions to his deficit?

Hon. John Baird (Leader of the Government in the House of Commons and Minister of the Environment, CPC): Mr. Speaker, let me say this. The Government of Canada, when the hon. member opposite was a member of the cabinet, spent some \$170 million in the development of this very same aircraft. It would seem rather strange that we would spend literally \$170 million and then change our minds and go with a different plane.

This is the only option on the table, the only fifth generation stealth fighter. It is the same plane which 10 of our closest allies are purchasing. The American government has put a significant amount of money into the development of this plane. We believe that our men and women in uniform need this plane to do the job after 2020, when the logical lifespan of the CF-18s expires.

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GOVERNMENT PRIORITIES

Hon. Ralph Goodale (Wascana, Lib.): Mr. Speaker, there are at least two other competitive bidders.

Oral Questions

This is the government that increased federal spending by three times the rate of inflation before there was any recession, that put Canada back into deficit before there was any recession, that blew a billion bucks on one extravagant, wasteful weekend with the G20, and another billion on advertising consultants and a bloated PMO, plus that \$16 billion for those stealth fighters and \$10 billion for bigger jails.

Where is the plan to fix all these risky, reckless, Conservative schemes?

Hon. John Baird (Leader of the Government in the House of Commons and Minister of the Environment, CPC): Mr. Speaker, it was the Minister of Finance who stood in this place some two years ago and brought forward Canada's economic action plan, a plan that was so good, even the Liberal Party of Canada stood up and supported it.

The good news is that the plan is working. We have seen the creation of some 420,000 net new jobs. That is incredibly positive for the Canadian economy, but we must not celebrate. We must recommit ourselves to keeping taxes low and avoid the temptation that the Liberals seem to have of raising taxes.

That is our focus. That is our priority and the job is not yet done. We will continue to fight for more jobs for Canada.

* * *

TAXATION

Hon. Ralph Goodale (Wascana, Lib.): Mr. Speaker, the government says that helping families care for sick loved ones is reckless, fixing long-term disability pensions for desperate Nortel workers is risky, helping students get to university is risky, but somehow it is not risky or reckless to borrow another \$6 billion to give an extra tax break to big corporations.

Those corporations already had their taxes cut by 35%. They already have the second lowest rate in the G7 and a 10-point tax advantage over the U.S.

Why is helping families reckless, but \$6 billion for the richest corporations is not?

● (1420)

Hon. John Baird (Leader of the Government in the House of Commons and Minister of the Environment, CPC): Mr. Speaker, I will tell you what is important. It is important that we create a tax dynamic in Canada that makes us a magnet, a magnet for jobs, a magnet for investment, and a magnet for opportunity. That is exactly what we are doing.

What we know is that high taxes kill jobs. We saw that in Ontario during the last recession and we will not make those same mistakes in Canada.

* * *

[*Translation*]

INFRASTRUCTURE

Mr. Marcel Proulx (Hull—Aylmer, Lib.): Mr. Speaker, more than 1,000 infrastructure projects are in jeopardy because of the arbitrary March 31 deadline imposed by the Conservatives.

They have no problem making announcements and posting signs to the tune of \$40 million, but when it comes time to pay the bill, the Prime Minister hides.

It is as though the Prime Minister invited the municipalities out to a restaurant and now he wants to slip away before the bill arrives and leave it to his guests to pay.

Is that what the Minister of Finance calls fair and reasonable?

[*English*]

Hon. Chuck Strahl (Minister of Transport, Infrastructure and Communities, CPC): Mr. Speaker, we have already announced that we are going to be very fair and reasonable on this. In fact, I have met now with virtually all of the transport and infrastructure ministers across the country. We are getting all the data in on the status of various projects from coast to coast. That data is very useful as we do an analysis of what projects may be at risk and how we can help.

When I met with the Federation of Canadian Municipalities executive last week I was able to show how, by working closely together, we were able to get not only the best projects for Canada but we were able to create some 420,000 to 430,000 new jobs. That obviously is good co-operation.

[*Translation*]

Mr. Marcel Proulx (Hull—Aylmer, Lib.): Mr. Speaker, everyone knows that the government is being vague on purpose. We need clear answers.

What will their criteria be? We want to know which municipalities will have to increase their property taxes to finish the construction abandoned by the Conservatives. Will the Conservatives agree to pay their share of the projects that they promised to the municipalities and citizens? If not, we are going to end up with 1,000 broken promises and 1,000 unpaid bills. What are their criteria for projects that exceed the March 31 deadline?

[*English*]

Hon. Chuck Strahl (Minister of Transport, Infrastructure and Communities, CPC): Mr. Speaker, it has gone exceptionally well. The Auditor General audited this program. She said it is a model on how to roll out a big economic action plan.

Let me quote:

As we go into an era of deficit fighting, we cannot return to the 1990s—what we call the lost decade....We feel the economic action plan has been very successful, (but) we feel it's time to move on.

Who said that? Brock Carlton, the CEO of the Federation of Canadian Municipalities, said that. The municipalities know the 1990s, the Liberal era, the lost decade, the decade of darkness. What we are doing now is co-operative federalism with the municipalities.

Oral Questions

[Translation]

AFGHANISTAN

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, in the middle of the NATO summit, the Prime Minister had the nerve to promise not to extend the mission in Afghanistan beyond 2014. Yet on January 6, 2010, the Prime Minister publicly stated that there would be no military presence in Afghanistan beyond 2011, aside from what was needed to protect the Canadian embassy.

Does the Prime Minister realize that when he broke his promise not to extend the military mission in Afghanistan, he lost all credibility as to what would come next, and that people no longer believe him?

Hon. Denis Lebel (Minister of State (Economic Development Agency of Canada for the Regions of Quebec), CPC): Mr. Speaker, we clearly stated, with our allies, that Canada's combat mission would end in late 2011. That has been very clear from the start. During the transition, we will continue to provide aid, focus on development and help that country, as we have said.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, in May 2006, the Prime Minister said there would be a vote on any troop deployment abroad, whether or not it was in a combat role. That is what the Prime Minister said here in the House.

Will the Prime Minister at least keep that promise and hold a debate and a vote in the House on extending the mission in Afghanistan beyond 2011, regardless of the form the mission will take, because Canada will still have military personnel there? Will he go back on the promise he made?

Hon. Denis Lebel (Minister of State (Economic Development Agency of Canada for the Regions of Quebec), CPC): Mr. Speaker, as members are aware, after a decade of darkness, our government has supported the armed forces as never before, and we will keep on doing so. As the Prime Minister has said, this training role, which is a non-combat role, will ensure that the progress the Canadian Forces have made to date continues. The sacrifices made by our brave men and women in uniform have helped build a safer, more stable, more prosperous Afghanistan that is no longer a haven for terrorists.

* * *

• (1425)

THE ENVIRONMENT

Mr. Bernard Bigras (Rosemont—La Petite-Patrie, BQ): Mr. Speaker, according to documents obtained by Climate Action Network Canada, three departments have put in place an extensive international lobbying effort to defend oil sands operations. This “oil sands advocacy strategy” primarily targets the efforts of California and the European Union to improve the quality of fuels and automobiles.

Why is the government lobbying against the environmental policies of countries that want to do more? Why adopt such a strategy?

[English]

Mr. David Anderson (Parliamentary Secretary to the Minister of Natural Resources and for the Canadian Wheat Board, CPC): Mr. Speaker, one thing that annoys the Bloc more than anything is

that this government is able to work with everyone. We are able to work with the provinces. We are able to work with industry.

The Bloc just cannot seem to understand that we are working for the future. We are developing future policy in terms of environmental issues and in terms of dealing with natural resources. At every turn, the Bloc opposes each of those steps.

[Translation]

Mr. Bernard Bigras (Rosemont—La Petite-Patrie, BQ): Mr. Speaker, what annoys the Bloc is that this government is working with the oil companies. That is the reality.

The government lobbyists have developed a number of communication tools to torpedo international efforts and help Canadian oil companies. In one of its lobbying campaigns, the former Minister of Natural Resources even made veiled threats that legal action would be taken against California if it did not drop its greenhouse gas reduction measures.

How can the government justify devoting more energy to fighting international greenhouse gas reduction efforts than to reducing its own emissions?

Hon. John Baird (Leader of the Government in the House of Commons and Minister of the Environment, CPC): Mr. Speaker, we know very well that Quebec profits from the oil sands industry. The Caisse de dépôt et placement du Québec invested more than \$380 million in the oil sands. It invested more than \$600 million in Canadian Natural Resources Limited. Furthermore, even the leader of the Bloc has personally benefited from this industry through the Caisses populaires Desjardins's Helios program. Those on the other side of the House should call themselves the new PQ, the “Pétrolières québécoises”.

* * *

AFGHANISTAN

Hon. Jack Layton (Toronto—Danforth, NDP): Mr. Speaker, the Conservatives' decision to extend the mission in Afghanistan without a vote in Parliament is beyond understanding. They have extended it twice now.

NATO is now making it clear that 2014 is not a fixed date.

We do not yet have clear figures on the costs.

What is the Prime Minister waiting for to present a clear plan? When will the House of Commons vote on extending this mission?

[English]

Hon. John Baird (Leader of the Government in the House of Commons and Minister of the Environment, CPC): Mr. Speaker, the government has always been incredibly clear that our combat mission would end in Afghanistan in 2011. That will be the case. At that time we will begin the transition into a training mission to support the people of Afghanistan, to provide aid and to focus on development in Afghanistan.

This is an important priority. We are going to work closely with our NATO allies in this UN-sanctioned effort.

*Oral Questions***G8 AND G20 SUMMITS**

Hon. Jack Layton (Toronto—Danforth, NDP): Mr. Speaker, the government will not give Canadians the straight goods on what is going on with this extension. In fact the costs have risen three times between last Tuesday and last Friday.

Now NATO is making it very clear that 2014 is not necessarily a fixed date for the withdrawal.

When we consider all the broken promises around this issue, it is clear that our troops will be staying beyond 2011 and they could be staying a heck of a lot longer, because the government has no exit strategy post-2014.

Why will the government not come clean? Why will it not allow a vote after a full debate in the House?

Hon. John Baird (Leader of the Government in the House of Commons and Minister of the Environment, CPC): Mr. Speaker, our government has been very clear that if we are going to put troops into combat, into a war situation, for the sake of legitimacy we are going to bring it before Parliament. That has been our practice as a government.

What we are talking about here is a technical and a training mission. Our recent deployment of military personnel to Haiti following the recent earthquake is a perfect example of troop deployment in a non-combat role.

What we want to do is increase the capacity of the Afghan national army to be able to deal with the security of Afghanistan on its own. That is a great practice for Canada where we can actually train and provide the tools that Afghanistan needs in order to do its own job.

• (1430)

Hon. Jack Layton (Toronto—Danforth, NDP): Mr. Speaker, Afghanistan is a war situation. That is why there should be a vote.

There certainly are no logical reasons to explain why the government will not allow a vote on this key issue. Its arguments do not make sense.

We have now learned that the Conservatives actually offered the Liberals a vote on this matter having to do with the extension. Can the government confirm this?

We are also told that this offer was rejected by the Liberal member for Toronto Centre.

Is this why Parliament cannot vote? Is it all part of some kind of secret deal?

Hon. John Baird (Leader of the Government in the House of Commons and Minister of the Environment, CPC): Mr. Speaker, I say to the leader of the NDP that I am all for blaming the member for Toronto Centre for just about everything, but this is not one of them.

What we want to do is continue to transition out of the combat mission into a training mission to be able to increase the capacity of the Afghan national army to defend the Afghan people on its own.

We are going to continue with a huge focus on capacity building and providing aid and development to the people of Afghanistan, working with our NATO allies.

Ms. Siobhan Coady (St. John's South—Mount Pearl, Lib.): Mr. Speaker, at the G8 and G20 summits, in only 72 hours the Conservatives wasted money, including \$20,000 for flowers and centrepieces; over \$60,000 for lapel pins and zipper pulls, which is more than the average Canadian household earns in a year; and \$57,000 for pens. That does not include the details of the millions spent by Commissioner Fantino of the OPP.

Is this what the finance minister means when he says the government is going to be “responsible” and show “restraint”?

Mr. Dave MacKenzie (Parliamentary Secretary to the Minister of Public Safety, CPC): Mr. Speaker, the agreement was signed in March 2010 by Ontario minister Rick Bartolucci, whom I am sure the member opposite recognizes as a Liberal colleague.

I think many Canadians would agree with me that it is rather hypocritical of the federal Liberals to stand in this place and spout party rhetoric while their friends at Downsview Park refuse to release the expense reports of the Liberal candidate in Vaughan for when he was the CEO of Downsview Park.

The real question is why is Tony Genco hiding from Canadians, and why are his friends at Downsview Park refusing to release the information?

* * *

GOVERNMENT ADVERTISING

Ms. Siobhan Coady (St. John's South—Mount Pearl, Lib.): Mr. Speaker, that was reckless spending and a reckless response.

The out-of-control Conservative government borrowed and spent a record \$130 million on advertising, the highest spent in Canadian history. The government spent more last year than all the beer companies combined spent. Add to this the reckless spending by the Prime Minister's own office, which has more than tripled its spending on high-priced consultants. Do we want to talk about restraint? Canadians can barely restrain their outrage over the government's waste.

When is the government going to get its spending under control?

Hon. Stockwell Day (President of the Treasury Board and Minister for the Asia-Pacific Gateway, CPC): Mr. Speaker, because of transparent accounting it is very clear that \$130 million was spent on advertising.

If the Liberals were to do some very simple math, back in 2002-03 they spent \$110 million on the same file. Included in our file was \$33 million spent to advise Canadians about the H1N1 epidemic. If that is taken out, it shows that we actually spent less than the Liberals did in 2002-03.

What are the Liberals angry about? Are they angry that we warned Canadians about the epidemic or that we spent less than they did?

*Oral Questions***THE ECONOMY**

Hon. Scott Brison (Kings—Hants, Lib.): Mr. Speaker, after inheriting a \$13 billion surplus from the Liberals, the Conservatives jacked up spending by 18% in their first two years in office. They put Canada into deficit even before the downturn.

After the Conservatives have wasted billions on fake lakes, consultants and advertising, U.S.-style mega-prisons, and untended fighter jets, how can they turn around and tell Canadian families, “Sorry, the cupboard is bare; we have nothing left to invest in your needs and your priorities”?

Mr. Ted Menzies (Parliamentary Secretary to the Minister of Finance, CPC): Mr. Speaker, the priorities of Canadians were laid out in budget 2009 with an economic action plan that was a two-year plan for getting Canadians back to work. That is what Canadians asked for. That is what Canadians wanted. That is what we delivered, despite who voted against it on the other side.

We have a proven record of 430,000 net new jobs as a result of Canada's economic action plan. That is the answer the hon. member deserves.

* * *

PUBLIC SAFETY

Hon. Scott Brison (Kings—Hants, Lib.): Mr. Speaker, they have a proven record of waste over there. The justice minister falsely promised that his prison bill would cost only \$90 million. However, the Parliamentary Budget Officer has put the true cost at \$10 billion to \$13 billion.

How can the finance minister lecture Canadians that this is “not the time for risky new spending schemes” when he refuses to tell his own justice minister to stop his risky new spending schemes? Why is the finance minister's message of restraint just intended for ordinary Canadian families and not for his own wasteful Conservative government?

• (1435)

Mr. Dave MacKenzie (Parliamentary Secretary to the Minister of Public Safety, CPC): Mr. Speaker, the Liberals opposite obviously have no sense about justice issues. That is why the member opposite talked about that.

We have no apologies for being strong on justice. Canadians expect prisoners to go to jail and serve their time. That is why the justice minister has brought forward a lot of legislation that Canadians have been looking for over a long period of time.

I would invite my colleagues opposite to get along with us and pass that legislation.

* * *

[Translation]

ABORIGINAL AFFAIRS

Mr. Marc Lemay (Abitibi—Témiscamingue, BQ): Mr. Speaker, after three years of hesitation, the federal government finally decided to sign the UN Declaration on the Rights of Indigenous Peoples, which recognizes aboriginal peoples' rights related to culture, identity, language and education. It is time to take concrete action.

The aboriginal community is a young and there is a desperate need for education.

Will the government lift the cap on investments in education in order to provide funding commensurate with need?

[English]

Hon. John Duncan (Minister of Indian Affairs and Northern Development, Federal Interlocutor for Métis and Non-Status Indians and Minister of the Canadian Northern Economic Development Agency, CPC): Mr. Speaker, we indeed endorsed the UN Declaration on the Rights of Indigenous Peoples. We indeed are moving forward on an agenda that includes education as a priority. I would invite the member to stay tuned, because we will be announcing some measures on the education front.

[Translation]

Mr. Yvon Lévesque (Abitibi—Baie-James—Nunavik—Eeyou, BQ): Mr. Speaker, by signing the UN Declaration on the Rights of Indigenous Peoples, the Government of Canada recognizes that housing is a fundamental right. Many social problems result from overcrowded housing conditions. In Nunavik alone, there is a need for 1,000 housing units.

Will the signature of the Declaration on the Rights of Indigenous Peoples result in concrete action, namely, the construction of housing?

[English]

Hon. John Duncan (Minister of Indian Affairs and Northern Development, Federal Interlocutor for Métis and Non-Status Indians and Minister of the Canadian Northern Economic Development Agency, CPC): Mr. Speaker, the United Nations Declaration on the Rights of Indigenous Peoples is not a blank cheque to open up for every issue.

However, this government has also invested very seriously in housing for first nations and aboriginal peoples. We have spent almost \$1 billion on reserves since coming to government in 2006. We have created an annual average of 2,300 new units and 3,300 renovations. We have also supported social housing and aboriginal capacity development.

* * *

[Translation]

HYDROELECTRICITY

Ms. Paule Brunelle (Trois-Rivières, BQ): Mr. Speaker, Newfoundland and Labrador and Nova Scotia have asked the federal government for \$375 million to fund an underwater cable in order to bypass Quebec and deliver electricity to the American market. By agreeing to fund such a project, the government would use part of Quebecers' taxes to create unfair competition for Quebec.

Does the government intend to be clear and refuse to directly or indirectly fund an undersea cable to bypass Quebec?

*Oral Questions**[English]*

Mr. Ted Menzies (Parliamentary Secretary to the Minister of Finance, CPC): Mr. Speaker, we have put in place a public-private partnership called PPP Canada Inc. That is an independent crown corporation that operates in an objective arm's-length manner. In fact, it has received a request to review this project for partnership funding. PPP Canada will review that, and any decisions will be based on merit.

[Translation]

Ms. Paule Brunelle (Trois-Rivières, BQ): Mr. Speaker, helping fund the construction of an underwater cable would be the first step towards creating a trans-Canada electricity distribution network without Quebec's consent.

Can the Minister of Natural Resources assure us that they will not directly or indirectly fund a trans-Canada electricity distribution network without Quebec's consent?

[English]

Mr. Ted Menzies (Parliamentary Secretary to the Minister of Finance, CPC): Mr. Speaker, one thing this government does is ensure it is fair to all provinces. All provinces have the opportunity to apply for funding under the P3 Canada fund. We would encourage any projects out there that might fit the criteria to do that. They will be reviewed on the basis of merit. We will see where it goes from there.

* * *

● (1440)

NATIONAL DEFENCE

Hon. Bob Rae (Toronto Centre, Lib.): Mr. Speaker, I want to ask a question of the government House leader, given his answers on Friday with respect to the closure of Camp Mirage.

There has been a lot of discussion about extravagant and wasteful schemes. I would like to ask the minister, very directly, this. If spending \$500 million on the unnecessary closure of a base, which costs will be even greater because of the extension of our troops being in Afghanistan post-2011, could he explain if that is not an extravagant waste of money, just what is?

Hon. Peter Kent (Minister of State of Foreign Affairs (Americas), CPC): Mr. Speaker, I will answer that question for my hon. colleague. As we have said any number of times in the House in recent weeks, the Government of Canada chooses arrangements that are in the best interests of Canada and the best value for Canadians. What the UAE was offering was simply not in the best interests of Canada and would have cost Canadian jobs.

[Translation]

Hon. Bob Rae (Toronto Centre, Lib.): Mr. Speaker, in his response on Friday, the minister spoke of 10,000 jobs, or even more. We are seeing the real cost of what happened at Camp Mirage. It will cost the government more than \$500 million. That is the number we know.

If the Government of Canada does not feel this is a colossal waste of money, what is its definition of a colossal waste of money?

[English]

Hon. Peter Kent (Minister of State of Foreign Affairs (Americas), CPC): Mr. Speaker, I will answer my hon. colleague again. The rhetorical question that has been asked and not answered by the other side is this. Why does the Liberal Party take the side of the United Arab Emirates in this dispute? There would have been costs if that deal had been accepted.

The Government of Canada would not accept—

Some hon. members: Oh, oh!

The Deputy Speaker: Order, please. The member has asked a question and he is entitled to hear the response.

The hon. minister of state.

Hon. Peter Kent: Mr. Speaker, the deal offered by the United Arab Emirates is simply not in the best interests of Canada.

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THE ENVIRONMENT

Ms. Joyce Murray (Vancouver Quadra, Lib.): Mr. Speaker, today leaked documents confirm the government's sad climate change con job. Its objective is to undermine action on climate change at home and abroad. Its strategy is for three government departments to partner with the oil sands industry. Its action is to lobby for accepting excessive oil sands emissions, while doing nothing to reduce them.

Could the minister explain why the government is taking its lead from the oil industry and has no plan to actually reduce emissions?

Hon. John Baird (Leader of the Government in the House of Commons and Minister of the Environment, CPC): Mr. Speaker, we are following the Copenhagen accord and are working very closely with Barack Obama's administration. However, let me commend the member opposite the following quote:

The stupidest thing you can do (is) to run against an industry that is providing employment for hundreds of thousands of Canadians, and not just in Alberta, but right across the country...

The member should at least listen to the leader of the Liberal Party of Canada.

Ms. Joyce Murray (Vancouver Quadra, Lib.): Mr. Speaker, the vast majority of Canadians want a real plan to reduce greenhouse gas emissions, not a con job. Canada can and should be a leader on this issue. We should be about renewable energy, about eliminating subsidies that reward pollution, about pushing for energy efficiency, about being leaders in green technology.

The government's plan does just the opposite, and no one believes Conservatives take climate change seriously. As the world heads to the Cancun climate conference, will the government be a laughing stock, once again?

Oral Questions

Mr. David Anderson (Parliamentary Secretary to the Minister of Natural Resources and for the Canadian Wheat Board, CPC): Mr. Speaker, our government recognizes the environmental challenges of developing the oil sands. We are working with all levels of government and with the industry to ensure those are dealt with.

However, what I cannot understand is there are over 120,000 direct and indirect jobs associated with the oil sands across the country and I do not know why the member would be opposing that important part of our economy.

* * *

TAXATION

Mr. Patrick Brown (Barrie, CPC): Mr. Speaker, recently at the Vaughan Chamber of Commerce, Tony Genco, the Liberal candidate, said in regard to taxes, "We can't afford to increase them". Now the Liberal candidate is trying to hide from his Liberal leader's job-killing tax hike agenda. The Liberal leader said, "We will have to raise taxes" and "I'm not going to take a GST hike off the table".

Could the government tell us what would happen under the Liberal plan to raise taxes?

●(1445)

Mr. Ted Menzies (Parliamentary Secretary to the Minister of Finance, CPC): Mr. Speaker, the Liberal leader has indeed promised to hike taxes, hurting our job creators when we need them most. The Canadian Chamber of Commerce has warned that the Liberal plan to raise taxes is a "disastrous idea". It would "put the brakes on job growth" and it is the wrong thing to do if we want to create jobs and growth in the economy.

Our government on the other hand has taken a different approach, cutting taxes, saving the average family \$3,000.

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NATIONAL DEFENCE

Mr. Jack Harris (St. John's East, NDP): Mr. Speaker, today Canadians learned that the government has secretly acquired a new fleet of helicopters for the military mission in Afghanistan. We still do not know how much they cost or what they are for.

Did the government need to make this secret arrangement because the Chinook helicopters are five years late? Should we just add the cost of these helicopters onto the Chinooks, which are already 70% over budget? What is going on? Why do the Conservatives want to keep Canadians in the dark when it comes to Afghanistan?

Hon. Laurie Hawn (Parliamentary Secretary to the Minister of National Defence, CPC): Mr. Speaker, helicopters save lives. The request came directly from the Canadian commanders in Kandahar as an urgent operational requirement for an increased troop movement capability to augment Griffon and Chinooks ops.

The contract process, which followed all Government of Canada contract rules and guidelines and all Treasury Board guidelines, was very competitive, although it was not posted on MERX for security

reasons. Several companies submitted bids and a decision was taken on the best value bid.

This contract will end when the combat mission ends in 2011. The government remains committed to giving our men and women in uniform the tools to do their jobs in a timely manner.

Mr. Jack Harris (St. John's East, NDP): Mr. Speaker, with regard to Afghanistan, it seems the government wants to keep as much information as possible away from Parliament. We will not get Chinook helicopters until 2013. There is the Leopard tank mess and now these secretly leased Russian helicopters. We have seen a string of four military procurement decisions by the government.

If the government wants to assure us that all proper procedures were followed, why not make the process transparent and accountable to Parliament and to Canadians?

Hon. Laurie Hawn (Parliamentary Secretary to the Minister of National Defence, CPC): Mr. Speaker, again, our primary job in Afghanistan is to get the job done and save Canadian lives. This contract is temporary. Several companies bid on it. It followed all Treasury Board guidelines and all Government of Canada contracting guidelines. The contract will end in 2011, when the combat mission ends. It has nothing to do with future Chinook contracts at all. The member should just be happy the government is looking after our men and women in uniform.

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[*Translation*]

SUPPLY MANAGEMENT

Mr. André Bellavance (Richmond—Arthabaska, BQ): Mr. Speaker, the Conservative government wants to join the trans-Pacific partnership. As it did for the agreement with the European Union, Canada is saying that everything is negotiable, including supply management.

Considering the fact that New Zealand, one of supply management's greatest opponents, is part of that group, can the Minister of Agriculture and Agri-Food guarantee us that tariff quotas and over-quota tariffs will remain unchanged, as stipulated by the Bloc Québécois motion unanimously passed in 2005?

[*English*]

Hon. Peter Van Loan (Minister of International Trade, CPC): Mr. Speaker, the government's position in the context of our trade negotiations is clear. We defend our system of supply management. We believe it is a legitimate system that provides great benefits to Canadian consumers and Canadian agricultural producers. That is the position we take in our negotiations with the European Union.

[*Translation*]

Mr. André Bellavance (Richmond—Arthabaska, BQ): Mr. Speaker, the Minister of International Trade said himself that everything was negotiable, including supply management. Canada is scrambling to become part of the trans-Pacific partnership, which includes some well-known opponents of supply management.

Oral Questions

Will the Minister of Agriculture and Agri-Food remind his colleagues that they voted in favour of the Bloc Québécois motion and confirm to us that his government will not agree to any compromises that would jeopardize the livelihood of Quebec's dairy, poultry and egg producers?

[English]

Hon. Peter Van Loan (Minister of International Trade, CPC): Mr. Speaker, our government has negotiated trade agreements with eight countries since we formed government in just the first four years. In all these cases we were able to successfully defend our system of supply management. We are doing the same thing in our talks with the European Union right now.

The government has made no decision yet whether to participate in the trans-Pacific partnership negotiations. If we do, we will once again defend our system of supply management as we always do, and successfully I might add, while at the same time get market access for other agricultural producers and, in short, deliver benefits in terms of jobs and prosperity for all Canadians through freer trade. This party is firmly committed to do that.

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NATIONAL DEFENCE

Hon. Bryon Wilfert (Richmond Hill, Lib.): Mr. Speaker, the government continues to force-feed Canadians an untendered contract for a fighter jet that even the manufacturer admits is costing more and more every day. The Auditor General has called this a “risky purchase” that could cost Canadian taxpayers twice as much as the government says.

“This is not a time for risky new spending schemes that will increase the deficit”, claimed the Minister of Finance. Really? It is time for the minister to walk the talk. Does the government not realize how risky it is to commit \$16 billion, and counting, on untendered jets that keep getting more and more expensive?

• (1450)

Hon. Laurie Hawn (Parliamentary Secretary to the Minister of National Defence, CPC): Mr. Speaker, that is simply nonsense. We looked at this project with experts for many years, as has happened in 10, and counting, other allied countries. We have all come to the same conclusion.

This is the best aircraft, at the best price, for the best industrial opportunities for Canadian industry. This is a program that is going to take us through the next 40 years of Canadian industry, the next level of technology and beyond. It is a win-win for the Canadian Forces, the Canadian taxpayer and Canadian industry.

Hon. Bryon Wilfert (Richmond Hill, Lib.): Mr. Speaker, it is not nonsense to Canadians who have to put food on the table and a roof over their head.

The government continues to spend billions of dollars on wasteful purchases for fake lakes, untendered stealth fighter jets and Republican-style prisons that Canadians are convinced we do not really need.

How is putting \$16 billion, and counting, at risk for the purchase of untendered stealth fighter jets? Using the minister's own words, “practical, pragmatic and moderate”, is he serious?

Hon. Laurie Hawn (Parliamentary Secretary to the Minister of National Defence, CPC): Mr. Speaker, what we are very serious about is giving the Canadian men and women who carry out the very difficult missions on behalf of the people of Canada and others the very best equipment to do the job tomorrow and for the next 20, 30 and 40 years. We do not know what is coming in the next 20, 30 or 40 years and neither does the member opposite. We are doing this at the lowest cost. It is the lowest cost airplane of the ones we looked at. It also has the best industrial opportunities for other people of Canada.

A good social program is a job and that is what we are giving to Canadians.

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FOOD SAFETY

Mr. Malcolm Allen (Welland, NDP): Mr. Speaker, it has been two years since the listeriosis outbreak that killed 23 Canadians and almost a year and a half since the Weatherill report was released. However, the Canadian Food Inspection Agency still has no idea how many inspectors are needed to safeguard Canada's food supply. We have heard conflicting numbers from the government, the minister and top executives of CFIA.

When will the government live up to its promise to implement all of the report's recommendations? Will it finally do the external audit it promised over a year ago?

Hon. Gerry Ritz (Minister of Agriculture and Agri-Food and Minister for the Canadian Wheat Board, CPC): Mr. Speaker, a year ago we embraced all 57 recommendations from Sheila Weatherill. She did a fantastic job putting that package together. We are moving forward with all those recommendations. Some come at different speeds than others. Some involve working with industry and some with our provincial counterparts.

As to the case of the inspectors, we have added 538 net new inspectors since we have taken office. We have increased the budget by 13% for CFIA. However, that party voted against every one of those initiatives.

Mr. Malcolm Allen (Welland, NDP): Mr. Speaker, Conservative talking points are wearing thin. Canadians are demanding clear answers, not this kind of misleading rhetoric.

The minister and CFIA admitted the report by PricewaterhouseCoopers was a review, not a resources audit. The Weatherill report clearly said a third party resource audit was necessary.

Will the minister respect the recommendations of his government's Weatherill report and enact recommendation 7, yes or no?

Oral Questions

Hon. Gerry Ritz (Minister of Agriculture and Agri-Food and Minister for the Canadian Wheat Board, CPC): Mr. Speaker, the best way to move forward is, of course, to embrace the audits, reviews and so on that are coming forward.

A number of internal audits and a number of internal reviews have been done. A number of external sources have also had a look at CFIA and are putting the best road map forward. We are embracing all of those. We will table those just as soon as they are done and the assessments are made on them.

We want to build a stronger food safety system, which, of course, is recognized as number one in the world.

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ABORIGINAL AFFAIRS

Mrs. Kelly Block (Saskatoon—Rosetown—Biggar, CPC): Mr. Speaker, aboriginal reserve chiefs are being paid jaw-dropping salaries. The Canadian Taxpayers Federation reports that approximately 222 reserve chiefs and councillors were paid more than their respective premiers in fiscal 2008-09.

Can the Minister of Indian Affairs and Northern Development say if he will support my private member's bill, Bill C-575, An Act respecting the accountability and enhanced financial transparency of elected officials of first nations communities, and is he willing to go further to disclose all sources of income for band chiefs?

Hon. John Duncan (Minister of Indian Affairs and Northern Development, Federal Interlocutor for Métis and Non-Status Indians and Minister of the Canadian Northern Economic Development Agency, CPC): Mr. Speaker, I would like to thank the member for Saskatoon—Rosetown—Biggar for sponsoring her bill. We are committed to improving the transparency and accountability of funds flowing to first nations. First nation community members and all Canadians have a right to know how tax dollars are spent and how much money chiefs and councillors earn.

We are seeking to expand Bill C-575 to cover all sources of income. I hope that this bill receives support from members from all parties in the House.

* * *

• (1455)

*[Translation]***HAITI**

Mr. Justin Trudeau (Papineau, Lib.): Mr. Speaker, nearly one year ago, Haiti was devastated by earthquake. Canadians responded with extraordinary generosity, and the government promised to double their contributions. Eight months later, our friends in Haiti have received barely a third of the money. The need is great, because the country is now in the grip of a cholera pandemic that has already killed more than 1,000 people and sent tens of thousands to hospital.

What is the government waiting for to respond to this crisis, and is it preparing to send the DART to Haiti?

[English]

Hon. Bev Oda (Minister of International Cooperation, CPC): Mr. Speaker, in fact, Canada has been responding to the cholera

outbreak. On Friday, I announced an additional \$4 million, which means \$5 million in total, to fight and help with the cholera outbreak.

This represents 30% of the total international response worldwide to help those people in Haiti with clean water, treatment, rehydration medicine, as well as prevention programs. Canada is doing its part.

* * *

*[Translation]***CITY OF LÉVIS**

Ms. Christiane Gagnon (Québec, BQ): Mr. Speaker, I have checked with the people in charge of the 2011 festivities and, contrary to what the Minister of Canadian Heritage claims, Lévis will get only \$1 million from the cultural capitals program. Yet Vancouver, which is in the same category according to the program criteria, will get \$1.75 million.

Can the minister tell us whether Lévis will at least be treated like Vancouver and also receive \$1.75 million from the cultural capitals program?

[English]

Mr. Dean Del Mastro (Parliamentary Secretary to the Minister of Canadian Heritage, CPC): Mr. Speaker, I addressed this question on Friday. Obviously, we are very proud that Lévis was one of three cities that was selected as a cultural capital for 2011. It is a great story.

In fact, I lauded the efforts of the member for Lévis—Bellechasse and how hard he worked on this. However, I forgot the lobby efforts of the member for Lotbinière—Chutes-de-la-Chaudière. He worked incredibly hard on this.

It was one of three cities selected and we are so proud that a cultural capital has been established in 2011 in the city of Lévis.

* * *

AIRPORT SECURITY

Mr. Dennis Bevington (Western Arctic, NDP): Mr. Speaker, new mandatory pat-downs in U.S. airport security are raising concerns here in Canada that similar invasive measures may be soon on their way. These enhanced pat-downs have been ordered as a way to force people to use intrusive and unwelcome full body scanners. We have already seen the Conservatives cave in handing private information to U.S. law enforcement.

Will the government follow the over-the-top American actions or can the minister assure Canadians that he will protect their personal dignity and not allow this full frontal assault?

Routine Proceedings

Hon. Rob Merrifield (Minister of State (Transport), CPC): Mr. Speaker, our government is absolutely committed to the safety and security of our airports. It is very important that people understand that they are respected as they go through the lines. CATSA has assured me that it is committed to continuously improving the effectiveness and efficiency of how it treats passengers.

I am currently doing a review of CATSA to determine further ways to improve the efficiency and effectiveness of security for all air travellers in Canada.

* * *

THE ECONOMY

Mrs. Tilly O'Neill-Gordon (Miramichi, CPC): Mr. Speaker, almost 430,000 more Canadians are working today than in July 2009. Canada is leading the industrialized world in exiting the recession. Clearly, Canada's economic action plan is working, but the global economy remains fragile. We must stay the course and focus on the economy.

As we approach next year's budget, our government is consulting with Canadians. Could the parliamentary secretary please inform the House on what is happening today?

Mr. Ted Menzies (Parliamentary Secretary to the Minister of Finance, CPC): Mr. Speaker, the finance minister continues to speak with Canadian families, families like the Bucci family in Oakville, about Canada's economy. They are a typical hard-working Canadian family that makes this country great.

Helping protect the financial security of hard-working Canadians and their families is our priority. That means living within our means and keeping our taxes low. That is why the next budget will not include reckless new government spending.

* * *

• (1500)

*[Translation]***HAITI**

Mr. Justin Trudeau (Papineau, Lib.): Mr. Speaker, \$5 million for Haiti is great, but the government is sitting on \$350 million in its coffers that has already been allocated to that country. That money is needed right away. It is time for the government to release all the funding it promised. Canadians and Haitians were expecting the government to help our friends in their time of need. This government has to stop stalling and react accordingly.

Will this government keep its word? What is it waiting for to release the funds and help Haiti?

[English]

Hon. Bev Oda (Minister of International Cooperation, CPC): Mr. Speaker, as the House knows, we are part of an international effort on the recovery and reconstruction of Haiti. Canada is already moving ahead on rebuilding the police academy, a hospital in Ganthier, as well as providing support so the Haitian government can undertake its responsibilities.

Canada will always support the Haitian people.

POVERTY

Ms. Olivia Chow (Trinity—Spadina, NDP): Mr. Speaker, in Canada, one in six kids lives in poverty. Children of working parents have to wait years for affordable and high-quality child care. Kids are much heavier today than two decades ago. Yet the government has no child care program, no children's food policy and no plan to make child poverty history.

Canada just celebrated National Child Day. Twenty-one years ago this coming Wednesday, Parliament promised to make child poverty history.

When will the government stop ignoring the needs of Canadian children?

Mr. Ed Komarnicki (Parliamentary Secretary to the Minister of Human Resources and Skills Development and to the Minister of Labour, CPC): Mr. Speaker, all Canadian parents know what is best for their children. The one size fits all model does not work for everyone in Canada's diverse families.

We have invested more funds than the previous Liberal government. In 2009-10, we invested \$5.9 billion in early learning and child care. We introduced the universal child care benefit, which provides \$100 a month for every child under six years of age. This has lifted 22,000 families with about 57,000 children out of the low income level.

We have done a number of initiatives in this regard.

ROUTINE PROCEEDINGS*[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 responses to 24 petitions.

* * *

COMMITTEES OF THE HOUSE

JUSTICE AND HUMAN RIGHTS

Mr. Ed Fast (Abbotsford, CPC): Mr. Speaker, I have the honour to present, in both official languages, the eighth report of the Standing Committee on Justice and Human Rights.

In accordance with the order of reference of Friday, September 24, and pursuant to Standing Orders 110 and 111, your committee has considered the order in council appointment of Susan O'Sullivan as Federal Ombudsman for Victims of Crime. Your committee has examined the qualifications and competence of the appointee and finds her competent to perform the duties of the position, and fully endorses her appointment.

The committee agreed on Thursday, November 18 to report to the House the committee's endorsement of the appointment.

Routine Proceedings

[Translation]

LIBRARY OF PARLIAMENT

Mr. Royal Galipeau (Ottawa—Orléans, CPC): Mr. Speaker, I have the honour to table, in both official languages, the second report of the Standing Joint Committee on the Library of Parliament concerning the supplementary estimates (B) 2010-11, vote 10b under Parliament.

* * *

[English]

PETITIONS

AFGHANISTAN

Mr. Jim Maloway (Elmwood—Transcona, NDP): Mr. Speaker, I have a petition signed by dozens of Canadians to end Canada's involvement in Afghanistan.

In May 2008, Parliament passed a resolution to withdraw Canadian Forces by July 2011. The Prime Minister, with agreement from the Liberal Party, broke his often-repeated promise to honour the parliamentary motion.

Committing 1,000 soldiers to a training mission still presents danger to our troops and an unnecessary expense when our country is faced with a \$56 billion deficit. The military mission has cost Canadians more than \$18 billion so far, money that could have been used to improve health care and seniors' pensions right here in Canada.

The polls show that a clear majority do not want Canada's military presence to continue after the scheduled removal date of July 2011. Therefore, the petitioners call upon the Prime Minister to honour the will of Parliament and bring the troops home now.

• (1505)

VETERANS AFFAIRS

Ms. Irene Mathysen (London—Fanshawe, NDP): Mr. Speaker, I have two petitions today.

The first is addressed to the Government of Canada by petitioners of all ages and walks of life who genuinely support and value the contributions of our veterans. They regard a veteran as a veteran, regardless of where or in which deployment he or she may have served.

These petitioners call upon the Government of Canada to extend the mandate of veterans' hospitals to include veterans who have served in conflicts and peacekeeping operations since 1953, end the clawback of veterans' pensions, eliminate the reduction of veterans' pensions at age 65, change the widows' benefit to a non-taxable benefit, create a veterans' advisory panel to provide input on the selection of future veterans' ombudspersons, and ensure that Veterans Affairs Canada remains as a stand-alone department.

ABORIGINAL AFFAIRS

Ms. Irene Mathysen (London—Fanshawe, NDP): Mr. Speaker, the second petition is from supporters of the Native Women's Association of Canada, who understand that as part of the Sisters in Spirit campaign, NWAC has identified nearly 600 missing and murdered aboriginal women whose cases go back to 1970. The

equivalent in the whole Canadian population would be 18,000 missing or murdered women.

The research done by NWAC has convinced Canadians that violence against aboriginal women must be stopped and that we need to find strategies, resources and tools to stop women from disappearing. They call upon the Parliament of Canada to ensure that NWAC receives the funding it was promised to continue its important work protecting women through its Sisters in Spirit initiative, and to invest in initiatives recommended by NWAC to help prevent more women from disappearing.

EMPLOYMENT INSURANCE

Mr. Scott Simms (Bonavista—Gander—Grand Falls—Windsor, Lib.): Mr. Speaker, I rise to present another petition concerning employment insurance. Over the past little while, we have been talking about this quite a bit, especially when it comes to the pilot projects. I hate to burden the government with more paper, as I can see that it is going through what we have presented it with thus far.

Nonetheless, I do want to talk about employment insurance in the sense that we do need some reforms here, certainly when it comes to the sector regarding seasonal employment, which is primarily in the fishing industry and the tourism industry in Newfoundland and Labrador which has grown exponentially. As a result, if some of the pilot projects, for example the 14 weeks issue, were to be made permanent, it would allow these industries to flourish because it would eliminate the disincentive to work and the employers would be just as happy as the employees.

I thank the employees who signed this petition who are primarily from around Little Catalina, Newman's Cove, King's Cove and Trinity Bay. These are the areas deeply affected by hurricane Igor.

Mr. Scott Andrews (Avalon, Lib.): Mr. Speaker, continuing on with my colleague's comments on EI, I am pleased to present a petition containing 172 names.

The petitioners are calling upon the government not to end the best 14 weeks pilot project that it announced the death of in eight months' time. It is crucial for the farmers, the fishers, the tourism industry and the forestry industry in rural Newfoundland and Labrador that they be able to look at their best 14 weeks. They also want the government to continue on with EI pilot project number 12 where they can earn 40% while they are on a claim. These incentives were put in place to encourage people to work and to be honest when reporting their claims. These petitioners are from the fish plant in the Baie Verte area.

STATUS OF WOMEN

Mr. Bruce Hyer (Thunder Bay—Superior North, NDP): Mr. Speaker, I am pleased to present a petition from women and men from Thunder Bay—Superior North who are concerned about equal pay for equal work.

Routine Proceedings

The petitioners wish to point out that after decades of advocacy on the part of many and after being written into the Charter of Rights and Freedoms, women in Canada are still not receiving the equal treatment they deserve. Canadian women receive 21¢ less than what men receive on every dollar of income, which is almost a quarter less.

Sixty per cent of all women over 50 are in the workforce, almost half of our workers in Canada are women, and three-quarters of Canadians living in poverty are women and children, many of them single parents and most of those single parent families run by women.

* * *

● (1510)

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. 419, 427 and 430.

[Text]

Question No. 419—**Ms. Judy Foote:**

With regard to the government program Broadband Canada: Connecting Rural Canadians: (a) how many applications have been submitted to the program since it began in 2009; (b) what is the total dollar value of all applications submitted to the program since it began; (c) what is the total dollar value of all applications approved for funding through the program since it began; and (d) for every project that has received funding in Newfoundland and Labrador, what is the (i) name of the project, (ii) number of people gaining broadband internet access through the program, (iii) amount of funding granted, (iv) date of the announcement?

Hon. Tony Clement (Minister of Industry, CPC): Mr. Speaker, in response to (a), the broadband Canada program received 570 submissions from proponents during the call for applications, from September 1 to October 23, 2009.

In response to (b), more than \$1 billion in funding was requested from broadband Canada.

In response to (c), to date, \$109,339,149 in broadband Canada program funding has been conditionally approved.

In response to (d)(i), OmniGlobe Broadband Inc., Red Bay, Labrador.

In response to (d)(ii), there are 207 households that will gain access to broadband Internet as a result of this program.

In response to (d)(iii), OmniGlobe Broadband Inc. has been conditionally approved for \$225,741 in program funding.

In response to (d)(iv), May 9, 2010.

Question No. 427—**Hon. Ken Dryden:**

With regard to the CF-18 replacement criteria: (a) what organizational, political, industrial or bureaucratic bodies had input in determining the CF-18 replacement specifications; (b) what were the names and positions of the individuals involved in the decision-making process; (c) who at the Department of National Defence ultimately approved the final draft of the CF-18 operational requirements document; and (d) did any analysts or officials register dissenting opinions in this process and, if so, what were they?

Hon. Peter MacKay (Minister of National Defence, CPC):

Mr. Speaker, in response to (a), after a thorough analysis of the current and perceived future roles and missions that the next generation fighter capability, NGFC, will be responsible for, as defined in the Canada first defence strategy, and the environment, both physical and threat, in which the NGFC will be required to operate, the Directorate of Air Requirements, DAR, 5, fighters and trainers, drafted the NGFC statement of operational requirements, NGFC SOR.

As the title implies, the NGFC SOR is an operational level document. As such, no political, industrial or bureaucratic bodies had any input into determining the CF-18 replacement specifications.

The NGFC SOR, as an internal military document, was drafted using the chief of force development, CFD, process. Part of the CFD process requires that the document be reviewed by all military agencies that are potential stakeholders in the project. The following list identifies the organizations/positions to which the NGFC SOR was sent for review and concurrence: vice chief of defence staff, VCDS, Chief of Programme, Director Defence Programme Co-ordination; Chief of the Land Staff, Director of Land Requirements; Assistant Deputy Minister, Information Management, Director General Information Management Project Delivery; Assistant Deputy Minister, Infrastructure and Environment, Director General Realty Policy and Plans; Assistant Deputy Minister, Materiel, Director General Aerospace Equipment Program Management; VCDS, Chief of Defence Intelligence, J2 Plans and Development; Canadian Special Operations Forces Command; Canadian Expeditionary Force Command; Canada Command; Chief of the Air Staff, CAS, DAR 2 - Transport and Search and Rescue; CAS DAR 3, Maritime Air and Electronic Warfare and Avionics; CAS DAR 8, Unmanned Air Vehicles; CAS DAR 9, Tactical Aviation; CAS DAR Prog, Programme Coordination; CAS Director Air Contracted Force Generation; CAS Director Air Programmes; CAS Director Air Strategic Plans; CAS Director Air Public Affairs; CAS Director Flight Safety; CAS Director Air Force Readiness; and CAS Director Air Personnel Strategy.

In response to (b), DAR 5 was responsible for the definition of the requirements of next generation fighter capability, NGFC. Once the NGFC SOR was reviewed by the organizations and positions listed above and approved by the Chief of the Air Staff, it was submitted to the Next Generation Fighter Capability Office for analysis. The NGFC office is a separate organization from the Director of Air Requirements and reports directly to the Chief of the Air Staff. The NGFC office was created in August 2007 to investigate the capabilities of potential replacements for the CF-18. Based on the analysis done by the NGFC office, it was determined that the only aircraft able to meet the mandatory specifications detailed in the NGFC SOR is the F-35 Lightning II joint strike fighter.

In response to (c), the next generation fighter capability statement of operational requirement was endorsed by the Chief of Force Development and the Vice Chief of the Defence Staff and was approved by the Chief of the Air Staff.

Routine Proceedings

There were no dissenting opinions in the process that led to the determination of the requirements for the next generation fighter capability and the subsequent analysis that led to the selection of the F-35 Lightning II as the replacement for the CF-18.

Question No. 430—Hon. Bryon Wilfert:

With regard to efforts ensuring that federal lobbying practices are conducted in an open and accountable manner: (a) how many former staff members of Conservative Members of Parliament (MPs) are now registered federal lobbyists; (b) how many former Conservative MPs are registered as federal lobbyists; (c) on how many occasions has a former Conservative MP or a former staff member of a Conservative MP lobbied a member of the Conservative government; (d) on how many occasions has a former Conservative MP or a former staff member of a Conservative MP lobbied the Minister of Finance, the Minister of Public Works and Government Services, or the Prime Minister directly; and (e) are any former Conservative MPs or former staff members of Conservative MPs currently under investigation by the Office of the Commissioner of Lobbying of Canada?

Hon. Stockwell Day (President of the Treasury Board, CPC): Mr. Speaker, lobbyists are required to provide the Commissioner of Lobbying with information as specified in the Lobbying Act. All returns and other documents submitted to the commissioner under the Lobbying Act are maintained by the commissioner in a registry that is open to public inspection. Therefore, this request should be submitted directly to the Office of the Commissioner of Lobbying.

* * *

[English]

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons, CPC): Mr. Speaker, if Questions Nos. 416, 417, 421, 422, 423, 424, 426, 428 and 438 could be made orders for returns, these returns would be tabled immediately.

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

[Text]

Question No. 416—Mr. Malcolm Allen:

With respect to Canada's Economic Action Plan (EAP): (a) how much money has been committed since the launch of the EAP (i) by province, (ii) by riding, (iii) by department, (iv) by each program activity; (b) how much money has been spent on projects up to and including September 30, 2010 (i) by province, (ii) by territory, (iii) by department, (iv) by program activity; (c) broken down by province and department, what is the project completion rate; (d) what criteria will be used to determine if municipalities are eligible for project extensions beyond March 31, 2011; (e) what is the estimated economic benefit created by each department and each program as a result of the implementation of the EAP; (f) how many full-time and part-time jobs have been created to date, broken down by province, since the implementation of the EAP; (g) how many full-time and part-time jobs were lost to date, broken down by province, since the implementation of the EAP; (h) how much money has been spent to date on Employment Insurance benefits, broken down by province and by month, since the implementation of the EAP; (i) how many green economic stimulus projects have been supported, broken down by province and department, since the launch of the EAP; and (j) what percentage of EAP projects have been completed to date in rural and urban areas of Canada?

(Return tabled)

Question No. 417—Mr. Malcolm Allen:

With regard to expenses for all government departments, since fiscal year 2006-2007 up to and including the current fiscal year: (a) what is the total amount spent on hospitality expenses; (b) how much has been spent on (i) leasing expenses, (ii)

catering services, (iii) restaurants, (iv) coffee and beverages, (v) bottled water, (vi) petty cash; (c) how much has been spent on overseas travel, (i) in what countries, (ii) on what dates did these trips occur, (iii) what was the purpose of each trip, (iv) what was the purpose of each expense; (d) how much has been paid to third parties to provide hospitality services; (e) what companies received sole-source contracts to provide hospitality services; and (f) how much has been spent on (i) limousine services, (ii) private air service, (iii) executive class commercial air service, (iv) economy class commercial air service, (v) car rentals?

(Return tabled)

Question No. 421—Ms. Judy Foote:

What is the total amount of government capital and operation funding, since fiscal year 2008-2009 up to and including the current fiscal year, allocated within the constituency of Random—Burin—St. George's, identifying each department, agency, funding transfer to provincial and municipal governments and arm's length agency, detailing in each case the initiative and amount, including the date the funding was allocated?

(Return tabled)

Question No. 422—Hon. Navdeep Bains:

With regard to contracts by departments and agencies for writing and editing services: (a) how much has each department and agency spent for both services since 2006; (b) what were the corresponding events, releases, speeches, or materials for each contract; (c) who were the contracts paid to; and (d) were any of these tendered?

(Return tabled)

Question No. 423—Hon. Navdeep Bains:

With regard to the Prime Minister's office, Minister's offices, Minister of State's offices, and budgets for exempt staff of Parliamentary Secretaries from January 1, 2008 to October 5, 2010: (a) how much was spent on contracts for (i) temporary employment, (ii) consultants, (iii) advice; (b) what are the names of the individuals and companies that correspond to these amounts; and (c) for each person and company in (b), what were their billing periods and what type of work did they provide?

(Return tabled)

Question No. 424—Hon. Navdeep Bains:

With regard to the government's decision to change the level of Employment Insurance premiums: (a) how many items of correspondence has the government received on this issue; (b) what impact, both in percentages and in numbers, does the government project this decision will have on employment; (c) what does the government's comparative analysis of the impact of the decision indicate; and (d) does the government anticipate a different impact on small businesses as opposed to medium and large businesses?

(Return tabled)

Question No. 426—Hon. Ken Dryden:

With regard to the CF-18 replacement criteria: (a) what specific operational requirements did the Department of National Defence (DND) set out in its CF-18 replacement criteria; (b) what was the rationale behind each of these requirements; and (c) in what operational theatres does DND anticipate the CF-18 replacement will be used?

(Return tabled)

Question No. 428—Mr. Pablo Rodriguez:

With regard to the procedure followed by the Department of Canadian Heritage for awarding grants and contributions in the arts and culture sector over the past two fiscal years: (a) what steps were taken to reduce the time required to process applications and pay out the approved funding; (b) how many additional multi-year agreements were signed in each of these fiscal years; and (c) what is the amount of each of these multi-year agreements?

(Return tabled)

Question No. 438—**Mr. Andrew Kania:**

With regard to projects funded by the Recreational Infrastructure Canada program in the riding of Brampton West, what is the total number of jobs created or sustained for each project, according to reports submitted to the government, pursuant to Schedule "H" of the Recreational Infrastructure Funding Agreement?

(Return tabled)

[*English*]

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

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

TAX CONVENTIONS IMPLEMENTATION ACT, 2010

The House resumed consideration of the motion that Bill S-3, An Act to implement conventions and protocols concluded between Canada and Colombia, Greece and Turkey for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income, be read the third time and passed.

The Deputy Speaker: When we started statements by members, the hon. member for Don Valley East had seven minutes remaining in her speech.

Ms. Yasmin Ratansi (Don Valley East, Lib.): Mr. Speaker, Canadians need their government to be fiscally prudent and so far Canadians are worried. They have not seen anything from the government that would give them comfort. When they look at the choices the government has made, they see that, instead of investing in them, their families and their future, the government has done just the opposite.

For example, Canadians are worried about the serious challenge in their future of an aging population. Why is the government not taking the Liberal lead and investing in senior care and in home care so that seniors can live in dignity and provide relief for families as well?

Canadians also want to know what strategy the government has to get out of the deficit. They do not want to go down the slippery slope of the past Conservative governments where the balance of trade was to the disadvantage of Canada, where investment was unattainable due to the huge deficit and where the IMF called Canada the basket case of the G8.

Canada was not the place to invest. Canada was not the place where anybody wanted to do anything. Therefore, Canadians want to know what the plan is. Where is the economic plan? Does the finance minister really have a plan?

Canadians are not very comfortable. History shows to the contrary. The same finance minister is the one who created huge deficits in Ontario and who left Ontario in such bad shape. He shut down hospitals, put 16,000 nurses out of work and left a mess.

Government Orders

Canadians want to know where the jobs are. The Conservatives keep repeating over and over again in the House that jobs are being created but Canadians want to know where those jobs are because they do not have them. They also want to know where they can get the jobs, as the government seems to spout so many numbers.

In fact, Canadians with education and experience cannot find jobs. Canadians want the government to tell them the truth about how, within the changing global environment, the Canadian economy will be competitive. How will Canadians remain competitive? How will their businesses remain competitive when the government does just the opposite? The government does not believe in science and has cut funding to research and development.

Canadians also want to know why the government is not giving the small and medium sized enterprises incentives. They are the ones that create jobs. They are the engines of jobs. Corporations already have the lowest tax rate. Twenty-five per cent is the current corporate tax rate, which is better than any of the G8 countries, thanks to the previous Liberal government's fiscal management. Canadians want to know why the government wants to increase their taxes but give tax breaks to large corporations that do not create jobs and do not need the tax breaks.

Canadians want to work and want a fair system of taxation. They understand the balance between fiscal prudence and social justice, a balance that Liberal governments of the past have been able to provide them. Canadians are fair-minded people. They want fairness across the board. Tax fairness across borders is a laudable goal. Tax fairness here in Canada is something the government does not have a single clue about.

I support this bill on tax treaties because I understand how important tax treaties are. I also understand how it will bring fairness but it is important that the record show that I disagree with so much more of what the government is doing to the Canadian people and to this great country.

• (1515)

Mr. Jim Maloway (Elmwood—Transcona, NDP): Mr. Speaker, I am pleased to speak to Bill S-3 this afternoon. A number of very important parts in this bill do require more debate before it passes on in the House.

The bill originates in the Senate and a considerable number of bills have come to us from the Senate this year. This is an act to implement conventions and protocols concluded between Canada and Colombia, Greece and Turkey for the avoidance of double taxation and prevention of fiscal evasion with respect to taxes on income. The bill relates to Canada's continuing efforts to update and modernize its income tax treaties with other countries. At present, Canada has tax treaties in place with 87 countries, a figure that has been mentioned before. The bill would implement three new treaties that Canada has signed with Colombia, Greece and Turkey.

At this point, I want to get into the double-taxation agreement situation as it relates to Panama and the free trade agreement with Panama that was being discussed in this House and approved and implemented by the government.

Government Orders

As members know, the OECD has a grey list of tax havens but France has a black list of tax havens. Countries on those lists, in many cases, try to do what they can to get off the list. They do that by negotiating these agreements.

In February of this year, the Government of France got tough with Panama and took proactive measures. It put a tax on French corporations and individuals dealing in Panama. Only a few months after it took that ambitious and courageous stance against its own companies, Panama said that it was willing to sign a tax-sharing agreement with France. I do not have the full list with me today but I have spoken on this before.

The rule is that the country must sign, I believe, a dozen of these treaties before it can get itself off the black list. I believe the same rule applies for the OECD grey list. In just six short months after it was put on the French black list and the French government took action against its companies by bringing in huge withholding taxes on companies doing business there, Panama managed to scurry around and get, I believe, eight treaties in place. I believe Italy was one of the countries and there were other countries.

Interestingly enough, on the very day that we were debating the Panama free trade deal here in the House of Commons, the Prime Minister was meeting with the President of Switzerland and was broaching with her the issue of the taxation agreements. However, this was at a time when his own government was debating the Panama free trade deal and yet Canada was not one of the eight countries that Panama had a deal with. It just seems that there is a credibility gap here with the government.

On the one hand, it is negotiating a trade deal with Panama but one would think that it is known by the government that Panama is a tax haven of note, that it is a country that has a problem with the Colombian drug cartels and Mexican drug cartels that launder money through Panama. According to an American source in the American Congress, there are 350,000 companies or perhaps more doing business in Panama.

●(1520)

All this information is well documented. It is a tax haven. It is on the blacklist. It is on the OECD grey list. It is noted by the United States Congress that it is 350,000 companies that are using Panama as a tax shelter and a drug laundering place.

President Obama's group in Congress is using this information as a reason for not proceeding with the free trade agreement with Panama at the current moment.

Canada should be aware that Panama is trying to get itself off the list by signing agreements, and it has not got an agreement with Canada, one of the countries that it is trying to get a free trade agreement with. It is unbelievable that this would happen.

Another reason the Americans are reluctant to pass the free trade deal with Panama is that one of the companies, I believe it is AIG, and the member for Sudbury may know the amount of money involved, but the fact of the matter is that AIG, which got a multibillion dollar bailout compliments of the American people and the American government just two years ago, is now in the process of suing the very government that gave it all these billions of dollars to bail it out. It is suing the American government, trying to recover

monies, back taxes, that the Americans say it owes and trying to reclaim this money by virtue of its investments in the tax haven of Panama. These are unbelievable stories that we encounter.

The Americans have good reason for holding back in approving the Panama free trade deal for all the reasons I have outlined, because of these tax treaties that we are talking about.

Clearly governments have to get proactive and force these tax havens, which are a moving target, we must be aware. A country that is a tax haven today may get off the tax haven list, and yet another country will take its place. It will be and is a constant battle that the governments have to deal with.

However, I think we have seen more activity and more proactive intervention than ever before as far as tax havens are concerned since the 9/11 experience.

The Swiss banking system has been rock solid for many years, and it does not give out information on its customers. That is one of the reasons it has so many customers. It has drug dealers, arms dealers and all sorts of shady people who deal with the Swiss banks, and some not so shady too but who put their money in Swiss banks for the purposes of hiding the money.

Their concern is not interest. As a matter of fact, if we ever wonder why the Swiss banks are able to lend their money out at such a low interest rate, it is because they are not paying much in terms of deposits. As a matter of fact, I believe there are some depositors in Swiss banks who actually pay the bank to store the money. Not only do they not get interest on their deposits but they actually pay the bank. They are paying for that shield of secrecy.

For example, in 1987 when GICs in Canada were yielding 18% to 20% for 30-day treasury bills, it was possible to get money in Switzerland for perhaps 6%.

●(1525)

One might ask: How could that be? If the banking system is shrouded in secrecy and clients are being protected by the banks and by the state, then a lot of shady things can happen over there and they can lend that money out and make huge profits at much lower rates. The system stayed intact for many years.

Canadians have been putting money in these tax shelters as well. The 9/11 experience changed things. The Americans finally got tough with the Swiss and some of the other countries because they know that a number of terrorist organizations are funnelling money through these avenues.

That is why the facade is starting to crumble. It is starting to crumble more because of the fear of terrorism and the Americans' putting pressure on the Swiss system. They are now starting to force more of these tax treaties to be signed and more information to be made available.

Government Orders

In the last couple of years there have been at least two high-profile cases, one in Liechtenstein and one in Switzerland. Bank employees were not happy with their employers so they took computer disks. In the case of the Liechtenstein bank, the employee sold the computer list to the German government, which was happy to get it. The German government chased down the people on the list and has collected a substantial amount of money in back taxes and penalties from these tax evaders. I am not aware of any jail terms but they were hit with penalties and back taxes. They collected a huge amount of money from these people.

The experience of the Canadian government is totally different. The German government gave the Canadian government a list of 100 people, most of whom were from B.C. How have these 100 Canadians been treated? First of all, Canada Revenue Agency approached them offering an amnesty. All they had to do was walk to the nearest Canada Revenue Agency office, admit making a mistake by investing in a tax shelter in Liechtenstein, provide the office with the information and volunteer to pay the back taxes and a penalty, and everything would be square. There would be no jail time, no other consequences, and this after the Canadian government was given the information upfront by the German government. Even then, it took the Canadian government forever to get some results.

The member for Souris—Moose Mountain might know how much money the Canadian government has collected. We suggested that nothing had been collected in the way of penalties or back taxes, but a government member did recently stand up in the House and say that some money has been collected from the people in that particular case.

There was a more recent case involving a computer person in a Swiss bank who escaped to France with the records and turned them over to the French government. That has now given us a bigger pool. About 1,600 Canadians invested money in that tax shelter. I believe the number of Americans, with ten times the population of Canada, which is 30 million, is much less than the number of Canadians.

Our tax people have all this information. Guess what? Even with this information, they are still negotiating with these people. They are still offering amnesty to these people. It is little wonder that Canada is viewed as a soft touch and not very aggressive in trying to collect and chase down people who invest in tax shelters. That undermines the public's confidence in the system when they see these things happen.

● (1530)

They see that all sorts of rich people are able to take their money and invest in these tax shelters, and guess what? They get an amnesty, if they get caught. If they are caught, all they do is walk into the nearest Canada Revenue Agency office, make their declaration and they are off the hook. That is almost an invitation to keep doing it.

For the average taxpayers, the working people who get a T4 at the end of the year, when they see that, they lose faith in the system, and well they should. We should be much tougher.

I have asked the government to give us a list of arrears in other areas of taxation. How do we know that the government is not going

soft on the collection of arrears in GST, income tax and any other taxes that the federal government is collecting?

For example, in Manitoba a number of years ago we did get a list of arrears. Not only that, but we got some brown-bag information put under our doors that provided a list of some well-known people in the province of Manitoba, the province of the member for Souris and Killarney. Some well-known people were getting money from his former department. It was not when he was the minister, but it was the industry department. They were getting grants from the industry department; meanwhile they were in arrears with their provincial sales tax. The government was rewarding them for this. Thanks to a new computer system that was introduced when the member was in power in Manitoba a number of years ago, we were able to connect the dots and stop that from happening.

I wonder what the situation is with this government. Is it soft on collecting corporate tax, GST and income tax from people in this country? We certainly know that the government has had a very questionable experience on tax shelters.

It surfaces every so often that Canadians get caught in tax shelter situations. In future, perhaps the government should make a very strict announcement to put a time limit on the amnesty. Perhaps the government could announce a program that would give people 90 days to come clean. After that, if people are caught investing in a tax shelter, they should not simply get off the hook by taking advantage of the amnesty, paying the back taxes and some penalties, but they should face prosecution and jail terms. I think it would be interesting to see how many people would actually come forward.

The current amnesty is not working, and it will never work as long as people know that they never have to come forward until they are caught and, when they are caught, they just make the declaration. That policy is in fact encouraging tax evasion and not trying to stop it.

However, this government had poor examples to follow. It was following the Liberals. The Liberals are anything but tough on tax shelters. The former Liberal Prime Minister himself, I believe, was in fact flagging his trans-Canada steamship lines in Barbados. It is hardly an example for people to pay their taxes and be honest with the government.

It is time for the government to break with tradition and the sorry record of the previous Liberal governments in doing nothing on this issue of tax evasion. It is time for the government to get tough with the people who involve themselves in the tax shelters.

We should be pushing with the Americans and other countries. We should be getting together and co-operating with the French government to make it tougher on these tax havens so that we can take them out of business as quickly as possible.

● (1535)

The Acting Speaker (Mr. Barry Devolin): Questions and comments. Resuming debate.

Government Orders

Is the House ready for the question?

Some hon. members: Question.

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

Some hon. members: Agreed.

An hon. member: On division.

The Acting Speaker (Mr. Barry Devolin): I declare the motion carried.

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

* * *

GENDER EQUITY IN INDIAN REGISTRATION ACT

Hon. Josée Verner (for the Minister of Indian Affairs and Northern Development, Federal Interlocutor for Métis and Non-Status Indians and Minister of the Canadian Northern Economic Development Agency) moved that Bill C-3, An Act to promote gender equity in Indian registration by responding to the Court of Appeal for British Columbia decision in *McIvor v. Canada* (Registrar of Indian and Northern Affairs), be read the third time and passed.

Mrs. Shelly Glover (Parliamentary Secretary to the Minister of Indian Affairs and Northern Development, CPC): Mr. Speaker, I want to take a moment to express my support for Bill C-3, which we call the gender equity in Indian registration act. The legislation now before us represents an effective response to a ruling of the Court of Appeal for British Columbia. The court ruled that certain registration sections of the Indian Act are discriminatory under the Canadian Charter of Rights and Freedoms.

[*Translation*]

Rather than declare these provisions of the Indian Act to be immediately null and void, the court temporarily suspended the effect of its decision to allow Parliament to amend them. Should Parliament fail to amend these sections of the Indian Act before the suspension expires, which is now set to happen in January 2011, the court's ruling would take full effect. This would mean that individuals residing in British Columbia or affiliated with B.C. bands could not be registered. As parliamentarians, we can play a central role in preventing this from occurring.

[*English*]

As I said, rather than declare these provisions of the Indian Act to be immediately null and void, the court temporarily suspended the effect of its decision to allow for Parliament to amend them. Should Parliament fail to amend these sections of the Indian Act before the suspension expires, which is now set to happen in January 2011, the court's ruling would take full effect. This would mean that individuals residing in British Columbia or affiliated with B.C. bands could not be registered. As parliamentarians, we can play a central role in preventing this from occurring.

To fully appreciate the advantages of Bill C-3, one must have at least a basic grasp of previous revisions of the Indian Act. I would

like to take just a few minutes to remind my hon. colleagues of this historical context.

As my hon. colleagues recognize, the Indian Act provides the main framework for the relationship between registered Indians and Canada. Now more than 130 years old, the Indian Act has been amended many times. The heart of the ruling by the Court of Appeal for British Columbia touches on a series of amendments dating from the mid-1980s. The inspiration for these amendments was the Canadian Charter of Rights and Freedoms, along with a commitment by the Government of Canada to eliminate discriminatory aspects of federal legislation.

To accomplish this goal, the government of the day launched a comprehensive effort to amend the Indian Act. The discriminatory nature of the Indian Act was never in doubt. At the time, the legislation stipulated that a woman with Indian status would automatically lose her status if she married a man without status. A man with status, however, would retain status regardless of whom he married.

After considerable research, analysis, engagement, discussion and debate, Parliament endorsed a series of amendments in 1985, popularly known as Bill C-31. In its ruling, the Court of Appeal for British Columbia focused on the 1985 amendments and their effects on issues of status, entitlement and registration.

• (1540)

[*Translation*]

At issue are subsections 6(1) and 6(2) of the Indian Act. Subsection 6(1) includes a provision whereby Indian women who lost their status through marriage before 1985 can regain it, while the children of these women became entitled to first-time registration under subsection 6(2).

The new subsections significantly improved the Indian Act, and Bill C-31 soon became law.

[*English*]

At issue are subsections 6(1) and 6(2) of the Indian Act. The former includes a provision for Indian women who lost status through marriage before 1985 to regain it, while the children of these women became entitled to first-time registration in accordance with subsection 6(2).

The new subsections significantly improved the Indian Act and Bill C-31 soon became law. Although the amended Indian Act eliminated gender discrimination for the future, it did not solve the lingering effects of certain past gender discrimination. The descendants of an Indian brother and sister who had each married non-Indian spouses were still treated differently. Even though an Indian woman who had married a non-Indian could regain her status after 1985, her children would be eligible for registration under subsection 6(2), not under subsection 6(1), while their cousins, the children of an Indian man who had married a non-Indian woman before 1985, would be eligible for registration under subsection 6(1).

This also affects subsequent generations, because someone with subsection 6(2) status must parent with another person with Indian status in order to have a child who will be eligible for registration.

If a child has a parent with subsection 6(2) status and the other parent does not have status, the child will not be eligible for registration. So the grandchildren of women who regain status through subsection 6(1) would not be eligible for registration unless both their parents were registered Indians.

In contrast to this, the grandchildren of the Indian man and his non-Indian wife would be eligible for Indian registration even if they did not have two status Indian parents.

The Court of Appeal for British Columbia acknowledged that the 1985 legislation was a bona fide attempt to eliminate discrimination on the basis of sex. At the same time it concluded that there was unequal treatment that needed to be rectified by Parliament through amendments to the Indian Act.

Rather than immediately striking down the offending sections of the Indian Act, the court called on the Government of Canada to implement a solution within a specified period, which has been extended to January 2011.

● (1545)

[*Translation*]

As soon as the Court rendered a decision in the *McIvor* case, the Government of Canada took action to identify and implement an effective solution, which became Bill C-3. The legislation now before us is the product of comprehensive study and engagement with first nations and other aboriginal groups.

[*English*]

Led by Indian and Northern Affairs Canada, the process began with the publication of a discussion paper outlining the issue and describing potential amendments to the Indian Act. The next step of the process involved a series of 12 engagement sessions staged across Canada. Three national aboriginal organizations, being the Congress of Aboriginal Peoples, the Native Women's Association of Canada and the National Association of Friendship Centres, also co-sponsored one session each. A total of approximately 900 people participated in the sessions and INAC officials received more than 150 written submissions.

Based on the views expressed, federal legislation was drafted and introduced as Bill C-3 in March of this year. The House referred Bill C-3 to the Standing Committee on Aboriginal Affairs and Northern Development for further study. The committee amended the bill, including a very broad amendment that significantly altered the bill and a corresponding amendment to the short title. Both of these amendments were subsequently struck from the bill as a result of a ruling that they were outside the scope of the bill.

The committee also removed one of the clauses of the bill and added a provision requiring the Minister of Indian Affairs and Northern Development to review and report on the impacts of Bill C-3 within two years following passage of the bill.

I was pleased to see that clause 9 was restored at report stage. Clause 9 is an important provision that protects not only the Crown, but also first nations from claims for compensation based on previous decisions regarding registration that were made in good faith.

Government Orders

Another government amendment at report stage made technical changes to clarify language in the provision requiring a report to Parliament.

With these changes, Bill C-3 fully deserves the support of the House.

We must do our utmost to ensure that the laws of Canada are charter compliant. This was reinforced by the Court of Appeal for British Columbia when granting an extension to provide more time for this important legislation to be passed by Parliament. The court stated:

We would also observe that while efforts of Members of Parliament to improve provisions of the Indian Act not touched by our decision are laudable, those efforts should not be allowed to unduly delay the passage of legislation that deals with the specific issues that this Court has identified as violating the Charter.

As individuals elected to represent Canadians and to uphold the law, it is our duty to act in the interest of justice. Concerns for equality and justice lie at the core of Bill C-3. In a tangible sense, a vote for the proposed legislation is also an expression of support for the notion that all Canadians are equal before the law.

The *McIvor* decision, along with the engagement sessions held last year, has touched off a healthy debate in this country about the Indian Act and a host of topics related to Indian identity. While this debate illustrates that our democracy is alive and well, this is a broader discussion about registration, membership and citizenship. That is why an exploratory process will be launched to explore outstanding issues not addressed in Bill C-3 once the bill is passed.

The legislation now before us aims to address a specific problem identified by the Court of Appeal for British Columbia. Rather than discuss how well Bill C-3 would resolve this problem, however, many commentators have chosen to propose ways to overhaul the Indian registration regime or to replace the Indian Act in its entirety. The free exchange of ideas is always welcome, of course, but I encourage members of the House to focus on the specific merits of Bill C-3 as they respond directly to the court's decision.

[*Translation*]

The Government of Canada recognizes that opportunities exist to develop solutions to ongoing problems related to status, registration and citizenship. However, progress on these complex issues cannot be achieved in isolation or overnight without first passing Bill C-3.

[*English*]

As my hon. colleague no doubt recall, when Bill C-3 was introduced in this House, the Minister of Indian Affairs and Northern Development announced that an exploratory process would be launched to explore broader issues related to the Indian Act.

The process will feature close collaboration with national aboriginal organizations and various first nations groups. In fact, the government has already invited proposals from the Assembly of First Nations, the Native Women's Association of Canada, the National Association of Friendship Centres, the Congress of Aboriginal Peoples and the Métis National Council on the exploratory process.

Government Orders

Given the number of groups involved and the complex nature of topics, such as band membership, Indian registration and concepts of citizenship, a thorough discussion and analysis of these issues will take time. Given the importance of these topics, the process must not be rushed.

In the meantime, the court's January deadline draws steadily closer. The exploration of the broader issues of registration, membership and citizenship is important, however, this must not come at the expense of passing legislation that will eliminate the specific cause of gender discrimination as identified by the court of appeal for British Columbia.

Bill C-3 focuses solely on this purpose. From the outset, the goal has been to respond effectively to the court's ruling prior to the deadline. While this objective remains of primary importance, the proposed legislation would also have a number of other positive impacts.

• (1550)

[*Translation*]

As the members of this House are aware, discrimination is one of the barriers that prevents many first nations peoples from participating fully in Canada's prosperity. And Canada will never achieve its full potential until all Canadians, aboriginal and non-aboriginal alike, can contribute to this country's social, cultural and economic fabric. The only way to eliminate the barrier of discrimination is to systematically address underlying causes, for example, by amending the sections of the Indian Act specifically identified by the Court of Appeal for British Columbia.

[*English*]

As the members of the House recognize, discrimination is one of the barriers that prevents many first nations peoples from participating fully in Canada's prosperity. Canada will never realize its full potential until all Canadians, aboriginal and non-aboriginal alike, can contribute to the social, cultural and economic fabric of our country. The only way to eliminate the barrier of discrimination is to systematically address underlying causes, such as by amending the sections of the Indian Act specifically identified by the Court of Appeal for British Columbia.

Support for Bill C-3 would also strengthen the relationship between Canada and first nations peoples. In recent years the Government of Canada has worked alongside national aboriginal organizations and first nations groups to address a long list of issues, such as drinking water, education and child and family services, among others.

This collaborative, open and honest approach has fostered mutual respect and trust. It has also fostered significant progress on each one of these issues.

Bill C-3 offers an opportunity to further this momentum. Support for Bill C-3 sends a simple, explicit message: Canada will not tolerate unjust discrimination against first nations peoples.

More than 20 years ago our country enacted a landmark piece of legislation that speaks volumes about Canadian values. The Canadian of Rights and Freedoms has since become a cornerstone

of our democracy, a practical instrument that protects even the most vulnerable of our citizens.

[*Translation*]

As the court has reminded us, Bill C-3 deals with the specific issues that violate the Charter, according to the court. That is why I encourage all of my hon. colleagues to join me in supporting Bill C-3.

[*English*]

As the court has reminded us, Bill C-3 deals with the specific issues that it has identified as violating the charter. On that basis, I encourage all of my hon. colleagues to join me in supporting Bill C-3.

Mr. Mike Allen (Tobique—Mactaquac, CPC): Mr. Speaker, the parliamentary secretary's very good speech has outlined two things that the bill represents. First, it is targeted. Second, its essence is to achieve to fairness.

One of the things we have been hearing about in the press lately, and there was some discussion of it in the New Brunswick press last week, is the registration, the process and what could result in further registrants to each first nations community.

Could the parliamentary secretary expand on that a little? First, what does she believe the impact could be on the first nations communities in terms of added registrants? Second, what process will the government use to deal with the added registrants and the potential cost impacts?

• (1555)

Mrs. Shelly Glover: Mr. Speaker, I know my colleague works very hard in his community. We have had a number of discussions about issues relative to aboriginal peoples. I look forward to working with him more to solve some of the problems that we see in each of our communities.

The question he has asked is how this will affect the number of registered Indians in our country. INAC chose to engage the services of Stewart Clatworthy, who is considered one of Canada's leading experts in aboriginal demography. He undertook a study to look at what numbers might be produced as a result of the changes brought about by McIvor. It is estimated that at this point, there may be up to 45,000 people who will become registered Indians, following any passage of Bill C-3 to address the McIvor issue.

How will we address costs relative to an additional 45,000 registered Indians? The minister and the government have compiled an internal financial impact working group to study this issue, to ensure that we are prepared for any cost consequences, so we get this right in the end. It has been working already at resolving the cost that may be anticipated by the addition of 45,000 new status Indians. We will wait for the group's work to be completed and come up with a number when that is done.

Mr. Todd Russell (Labrador, Lib.): Mr. Speaker, it is a pleasure to rise in the House today to speak to Bill C-3.

Government Orders

I first want to congratulate Sharon McIvor who fought for 25 years. It is unimaginable to us that she would fight for 25 years for justice and equality, but that has been her struggle. Her case was launched in the late 1980s. Before her, we had women like Mary Two Axe Early, Ms. Sandra Lovelace and Ms. Corbiere-Lavell, all who fought these battles for equality and justice for aboriginal women.

It is unseemly that it takes a generation sometimes to address an issue of inequality, something that could be so glaring that we all can recognize it. However, our system did not allow that to happen.

I said this in my opening speech when we talked about Bill C-3. I really do not care what government was in place at the time. There is something wrong with the system when it takes 25 years to achieve some type of equality or equity for individuals, and in this case many individuals.

Sharon McIvor court case was won at the B.C. Supreme Court. It was at that time a very broad decision that affected many areas of the Indian Act in terms of giving rise to residual discrimination, sex discrimination, gender discrimination.

The Government of Canada appealed that decision to the B.C. Court of Appeal. The B.C. Court of Appeal ruled much more narrowly on the facts and only affected certain sections of the Indian Act.

When the decision came out, the government tried in some way, shape or form to engage first nations people through something called an engagement process. It did not call it a consultation process because a consultation process gave rise to various legal parameters or certain expectations. It called them exploratory processes on something as fundamental as discrimination, as equality. The government did not engage in a consultation process, but rather in an exploratory process.

When the bill came out, it was a disappointment for many aboriginal women in our country and for many aboriginal groups that testified at committee. They said that the government had an opportunity to end sex discrimination under the Indian Act once and for all, but it did not do it. Instead Bill C-3 is very narrowly scoped and only speaks to what the court ordered the government to do.

The court ordered the government to deal with two particular clauses and that is all the government responded to, not saying that the government did not have it in its power or did not have the authority to scope the bill in such a way to end sex discrimination once and for all.

Some of those who testified at committee said that in fact it gave rise to other issues of inequality, where a woman for example would have to discuss the paternity of her child, whereas the same would not take place for a male.

Even though the bill narrowly speaks to the B.C. Court of Appeal decision, there are concerns with Bill C-3. Are they that substantive? Perhaps we should let Sharon McIvor speak, the lady who fought this for 25 years. She does not like Bill C-3. She does not feel the bill responds to the questions that she put to the court as a complainant. She now has taken her fight, where? To the United Nations. She is launching a complaint against Canada, saying that Canada has not

responded adequately to the issues that were raised in the court case and Canada has not responded adequately with Bill C-3 in terms of ending gender discrimination once and for all.

When it comes to the person who fought for 25 years, we must be sensitive to her opinion and give some credence to the fact that she is not happy with the government's approach to Bill C-3.

Some will ask if the title of the bill accurately reflects the intent of the bill, which is to provide equity. Many would argue that it tries to achieve that objective, but it would be wrong for the House to think the legislation would resolve all of the issues of inequity based on sex. Now we are at a crossroads.

● (1600)

We get up here at third reading debate and we hash it out, me for 15 or 20 minutes, the parliamentary secretary for 15 or 20 minutes, and somebody else in the other party for 10 or 15 minutes as if we are going to accomplish anything. We are faced with the decision now of whether we should support this bill as it is.

It is not the best bill in the world. We know that. We know that it was not arrived at properly by the government. We know that there are many dissenting voices out there. There are those, too, who believe the piecemeal approach is not the proper way to go forward.

Jennifer Lynch, the chief commissioner of the Canadian Human Rights Commission, said:

The Committee has already heard that the Indian Act has had discriminatory effects, including residual gender-based discrimination.

A case-by-case, section-by-section approach to resolving discriminatory provisions of the Indian Act will be costly, confrontational and time-consuming.

Moreover, the Act places the burden on complainants who do not necessarily have access to legal resources.

The approach by the government is not what one would prefer. It is narrow, not broad, and it does not end all gender discrimination under the Indian Act.

The government says that it does speak to and has spurred debate around other fundamental issues that the bill does not specifically raise. I tend to agree that in some regard the bill does not raise these issues, but they are there in the public purview. They are a matter of debate. Those issues of jurisdiction, of citizenship, and of who determines membership must be talked about. They must be acted upon.

As one of what some people call the "enlightened" countries in the world, we have one of the staunchest pieces of colonial architecture still in place, and it is called the Indian Act. A law in this place, in this House, determines if one is an Indian or not. Issues of culture, descendancy, self-identification, and self-governance do not determine it. We in this House actually determine who is a status Indian, the identity of a person. It could not be more outdated. We know that fundamental change has to come.

The government asks how we will deal with this fundamental change. Again, it is not going to be a consultation. It is going to be an "exploratory process", as I heard the parliamentary secretary say. We should be thoughtful. We should not rush it.

Government Orders

God forbid we would rush it when this discrimination has existed for generations and it takes a single individual a generation to resolve even some aspects of it. I know we cannot rush it, but we have to give it some prominence. We have to be able to say that the government is sincere in terms of its approach.

Consider what “exploratory” says to a citizen out there, to a first nations person who is just looking at what some of the issues might be. I am sure our relationship with first nations and aboriginal people in this country has given rise to enough issues that we do not have to basically explore them anymore. We have to sit at the table and do something about them.

That is what the apology was supposed to be about in 2008. It was supposed to be about a renewed relationship, a post-apology approach to aboriginal issues in this country that we should try to resolve.

We do not see much of a difference in the government's approach. It is the same old business as usual. Deal with what the courts told us to deal with and only that. Other substantive issues that require change that will affect the well-being of first nations people for generations to come we will talk out in something called an exploratory process.

To me, the government has the ability to go beyond that, to truly engage, to truly consult. I respectfully would ask the government to engage aboriginal people in a substantive way. To me, this exploratory process seems to be just something we put out there so that we could get the support of first nations, or to at least get Bill C-3 through the House.

• (1605)

The minister in public says that we will not touch this exploratory process until Bill C-3 passes in the House.

We could be doing a lot of work prior to this bill actually receiving assent in the House, then in the Senate, and being signed off by the Governor General.

We also need to raise issues around implementation. That was touched on by the hon. member opposite. We asked if the department was ready. We asked if the register of Indians was ready. The government really did not answer those questions satisfactorily.

We asked other questions. Do we have an expedited process for these people who have been waiting so long for registration? Do we have an expedited process to make sure they are not bogged down in bureaucracy for years and years, having faced this gender and sex discrimination for these decades and generations? The government cannot tell us if in fact it has an expedited process, or a way to approach this, that will be acceptable to people.

I am sure many in the House who have first nations in their ridings get letters all the time from people complaining about the process. I received an email from one person who has been dealing with the register of Indians for 20 years about getting status. It is unacceptable.

While the government is touting equality in the House under Bill C-3, it must also put that into practice when it comes to implementation. The onus is going to be on individuals to apply,

to provide some very detailed and personal information. It is only incumbent upon the government to make sure there is a process that people feel is fair and they have some confidence in.

We also want to talk about what the impacts are. Mr. Clatworthy, a noted demographer, said that approximately 45,000 may be eligible for registration. That is not to say that they are all going to register on one day or indeed get it in one day, one week, one year, or even two years.

The government said some months ago that it did not have figures. It could not tell us how much it was going to cost. It could not say how much of an impact it was going to have on a band, or a council, or a first nations government. It could not say how much it was going to cost. It could not say how many people would actually pick up for non-insured health benefits or post-secondary education as two programs they would be eligible for without a shadow of a doubt.

The government has not thought out the implementation of it, and I do not believe it has thought out the impacts of it. That, to me, speaks to an issue of sincerity. It does not do just do what it is forced to do. It goes beyond that and makes sure that once something comes into law, it has the means and resources to effectively deal with it.

Otherwise, what will it be like for a first nations woman or her children who can now get status when she finds out that she will be bogged down in bureaucratic red tape at the registration office, or for the new member of a band that does not have the resources to deal with those programs and benefits that the new member should receive as a registered Indian? That will not speak very highly of the government, which touts one thing in the House but does something different outside of it.

At the end of the day, there is a process in the House that I am not necessarily totally comfortable with, but we are part of it. We cannot change the bill. We have to live with what we have. It is not great, but we have to live with what we have.

We will be forced to vote on this particular bill. We may be grimacing or not quite happy doing so, but we may have to support it. That is what we are caught in so many times in the House.

• (1610)

With all sincerity, I believe the government sometimes designs things in this manner. To me, it does not speak well of a government when it designs things in a manner that puts parliamentarians in a very difficult position.

Government Orders

We tried to make amendments to the bill. We did everything in our power to amend the bill, first as a committee when it was referred to committee, and then as parliamentarians. We tried to make it more palatable to all of us here in the House, to make it more palatable to people like Sharon McIvor and other women and other families out there who want to end sex discrimination once and for all. The government shut us down and would not allow us to do it.

The procedure in the House is that we have to have consent many times in order for amendments to be made to a specific piece of legislation. When we brought those amendments forward, the government fought against them and said it did not want to broaden the scope of the bill. It only wanted to deal with what it was told to deal with by the B.C. Court of Appeal. That approach speaks volumes about a government that talks about equity but does something different.

In closing, I want to again thank the women and their families who have given so much of themselves and their lives to fight for equality in this country. Hopefully in the future we as a Parliament can be more open and more respectful to them and their needs in their fight for justice and equality.

Ms. Jean Crowder (Nanaimo—Cowichan, NDP): Mr. Speaker, I want to thank the member for so clearly outlining the challenges and struggles that many parliamentarians felt in dealing with Bill C-3, which we commonly call the McIvor bill.

The member raised the issue around the resources for implementation. A cost drivers report from 2006 talks about some of the challenges around processing information.

The report says the following:

Cost Drivers for Effective Service Standards

The Entitlement Unit currently has a backlog of 7,300 Applicants, which is approximately a 2 year waiting time...It will be necessary to have 14 Officers working on Entitlement applications for the next five years to completely eliminate the backlog and bring the turnaround time to approximately three months, which is comparable to other services.

There are more numbers like this in this cost drivers report. It talks about the fact that the processing time for applications is simply unacceptable. In some cases, people are waiting up to 10 years if they disagree with the decision as to their entitlement status.

I wonder if the member could comment more fully on how critical it is to see up front the kinds of resources that will be put in place to ensure timely processing for people who are applying for newly reinstated Indian status.

●(1615)

Mr. Todd Russell: Mr. Speaker, I want to thank my colleague from Nanaimo—Cowichan for bringing that fact to light in the House. It is a reality that exists. If the government has not taken proactive measures to deal with the dire situation that exists at the registration office, it will only get worse as we move forward.

It is one thing to say that we have justice in principle if the bill goes through, but we also have to have justice in practice. What is the use for a person who potentially could become re-registered under the bill if the person has to wait two, three, four, or however many years in order to put that into practice?

I would again take this opportunity to call upon the government to be transparent and accountable and to ask what plans it has in place, what concrete steps it has taken, to address what could be a rise, and maybe quite a dramatic rise in the short term, in terms of new registration.

It is a question that is welcomed, but I will say that the answer has to come from the government. Right now we see no evidence that the government has put any concrete measures in place to deal with potential new registrants.

Ms. Jean Crowder (Nanaimo—Cowichan, NDP): Mr. Speaker, I am rising today to speak to Bill C-3, the short title of which is gender equity in Indian registration act.

As others in the House have pointed out, it would have been wonderful if this had been a gender equity in Indian registration act, but instead it is a narrowly focused piece of legislation coming as a result of a court decision in my own province of British Columbia.

I will give the House a bit of history on this.

Sharon McIvor filed a complaint about gender discrimination. The initial court decision was appealed and in the appeal court the scope of the original decision was significantly narrowed. As a result of missing some deadlines, the government had to apply to the Court of Appeal for an extension. The court imposed a new timeline and said:

Parliament, of course, is the master of its own procedure, and we do not in any way wish to interfere with its processes. The Court recognizes that there are many issues that must be dealt with in Parliament. We would remind the Attorney General, however, that a final determination by the courts that provisions of the Indian Act violate constitutional rights is a serious matter that must be dealt with expeditiously. We would also observe that while efforts of Members of Parliament to improve provisions of the Indian Act not touched by our decision are laudable, those efforts should not be allowed to unduly delay the passage of legislation that deals with the specific issues that this Court has identified as violating the Charter.

That succinctly summarizes our dilemma here. What we have before us is legislation that does not deal with all of the gender inequities in the current Indian Act.

We heard from many witnesses at committee who talked about the ongoing discrimination that exists today. A number of suggestions were made to the government about how it might handle this and how it might broaden the scope of the legislation but it refused. It just focused narrowly on the court decision.

What we are left with are mostly women, on a case by case basis, having to take their gender discrimination issues to court for a ruling, which is a lengthy and expensive process, only to have the government subsequently amend another piece of the Indian Act.

All of us in the House are aware of the ongoing gender discrimination. However, in this particular situation, we are being forced to decide whether we disadvantage 45,000 people who could regain status under this narrow piece of legislation, or we tell them they need to wait for possibly a few more decades. Faced with this tough decision, a number of us will hold our noses and support the legislation knowing that it does not deal with all of the discrimination that still exists.

I want to read on a couple of letters that I received that indicate some of the dilemmas we are faced with.

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The Quebec Native Women's Association wrote a letter on July 14, 2010, saying that it "would like to reiterate its support for the adoption of Bill C-3 considering that according to estimates by INAC there will be approximately 45,000 individuals that will gain Indian status with the passing of this bill. QNW believes that Bill C-3 should be adopted as soon as possible in order to limit the consequences of discrimination experienced for too long by those who are affected by this bill. However, it is important to note that QNW remains dissatisfied with the bill in its current form and asks the federal government for guarantees that once the bill is adopted, the concerns and recommendations expressed by aboriginal organizations and their communities on Bill C-3 will be properly addressed. QNW recommends the creation of a special committee with a mandate to find solutions and tackle the outstanding issues relating to registration, membership, citizenship and other discriminatory practices in the Indian Act that go beyond the specific measures of the McIvor decision".

That aptly outlines what the next step should be.

It is great to have an exploratory process, or whatever the government of the day is calling it, but we need to have a full and open partnership and consultation that deals with these issues of citizenship.

• (1620)

In another letter I received on June 14 from the NDP Aboriginal Commission, it says that it also shares a profound objection to the federal government's refusal to end the fundamental discrimination of the Indian Act by continuing to assert a presumed authority over first nations' citizenship, membership and identify.

It goes on to say that NDPAC believes that it would be an additional injustice to deny those who have been the victims of gender discrimination under the Indian Act their right to status. An estimated 45,000 people would suffer direct harm if Bill C-3 does not pass.

It goes on to say that, in addition, children being born today are denied registration by Indian and Northern Affairs Canada and denied their rights as first nations citizens as a result of the existing legislative gap. It says that this result plays into the hands of those who continue to pursue the policy of assimilation by allowing the government to refuse to recognize the constitutional rights of first nations people.

It also says that this situation continues the enormous injustice of earlier amendments to the Indian Act known as Bill C-31, 1985, which is expected to lead to the complete eradication of status Indians within only a few generations. The last words in the letter refer to the second generation cut-off. We know that is a piece of the Indian Act that has never been dealt with.

I want to briefly talk about how we got to this point.

Other members have spoken about the very long history of discrimination that has been in this country. It actually goes back to 1868 with the first post-Confederation statute establishing entitlement to the Indian status was enacted. This was in the Court of Appeal decision. The one piece that it was specifically referring to that was discriminatory against women reads:

All women lawfully married to any of the persons included in the several classes hereinbefore designated; the children issue of such marriages, and their descendants.

The early legislation then treated Indian men and women differently in that an Indian man could confer status on his non-Indian wife through marriage, while an Indian woman could not confer status on her non-Indian husband.

In 1869, the first legislation that deprived Indian women of their status upon marriage to non-Indians was passed. Sadly, this has been going on for so long and for so many generations.

It goes on to talk about the fact that this new legislation did not reflect the aboriginal traditions of all first nations. To some extent, it may be the product of the Victorian wars of Europe transplanted into Canada.

It continues on to say:

The legislation largely parallels contemporary views of the legal status of women in both English common law and French civil law. On the status of a woman dependant on the status of her husband upon marriage, she ceased in many respects, for legal purposes, to be a separate person in her own right.

As I said, we saw that perpetuated for generations.

In 1951 there were some slight changes. However, from 1951 onward, where an Indian man married a non-Indian woman, any child they had was an Indian. If, however, the Indian man's mother was also non-Indian prior to marriage, the child would cease to have Indian status upon attaining the age of 21 under the double-mother rule. The government introduced another aspect to discriminate against women.

Finally, in 1985, after complaints to the United Nations, there was a change in the legislation that did change some of the discriminatory aspects of the Indian Act but left many others in place, which ultimately resulted in the Sharon McIvor decision. Of course, Sharon and her family have suffered for decades because they were denied what they were constitutionally entitled to.

This has been a long-standing issue and we cannot claim in this House that we were not aware of the impact it was having on first nations' women and their male and female children. Back on December 22, 1982, there was an order of reference for a special committee on the Indian self-government task force. In that task force there were some areas outlined for further study. This is a reminder that this is not new information for this House.

In the areas for further study, the subcommittee was asked to: give attention to the elimination of the entire concept of enfranchisement; that the Indian Act be reviewed so as to reinforce group rights and to bring the act in line with international covenants; that the traditional practices, such as marriage, adoption, et cetera, should not be restricted or discriminated against by the Indian Act; and that the means for band control of membership criteria, process decisions and appeals in accordance with international covenants be instituted.

●(1625)

It is quite disillusioning that it takes so long for this House, under various governments of various political stripes, to deal with the ongoing discrimination that is inherent in the Indian Act.

One of the things that has been touched on here is the resources. I will turn to a couple of documents about why this is such a concern. In a briefing note from April 25, 2006, dealing with registration as an Indian under the Indian Act, Bill C-31, it talks about the increase in the first nations status population as a result of Bill C-31. It says that an increase of 402,940 status Indians occurred between 1984 and 2006, which is over 100% increase of status population as a result of Bill C-31.

The reason I mention that number is that we already have some past experience in this House about when legislation has been passed and inadequately resourced, and the kinds of projected increases as a result of Bill C-31 and the impact it has had on housing, health care, education, the water systems and the infrastructure. They simply have not been accommodated based on the increases in population as a result of that act.

October 1, 2009, when the assistant deputy minister appeared before the House, in her presentation she acknowledged the demographic and program implications. She said:

I'd like to talk for a moment about the implications of the McIvor decision. Demographic research is still ongoing to determine how many people may be newly entitled to registration...and while preliminary indications were between 20,000 and 40,000, we now believe it will be more in the neighbourhood of 40,000....

Of course there will be budgetary implications...with these potential new registrants, primarily involving health benefits and post-secondary education assistance.

What she did not touch on was housing, water, infrastructure and all the other aspects of maintaining programs and services on reserve, and whether people would even be able to return to the reserve if they wished to.

On July 2008, the First Nations Registration (Status) and Membership Research Report was prepared by the joint AFN-INAC working group. Once again, the government was fully aware of the implications on resources. This report outlined some of the serious problems that arose from the 1985 decision and why we continue to talk about the importance of resources.

The fact that there is a study going on is not good enough. We already know there will be an increase. According to this joint AFN-INAC working group, the increase in the registered Indian population as a result of the 1985 Indian Act amendments had major impacts on federal programming and expenditures, as well as for band governments now required to provide additional programming, facilities and services to newly reinstated individuals.

It goes on to say that band governments, first nations and aboriginal organizations stress that the increase in funding was not adequate to meet the needs created by the 1985 amendments as additional demands had been placed on already underfunded programs. As a result of the inadequate financial resources to accommodate reinstated individuals, many bands had difficulties in accepting new members and in providing them access to on-reserve services and programs.

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These pressures, coupled with the socio-cultural implications of classes of Indians created by the 1985 reforms contributed to community conflict which continues to challenge community cohesion even in the present day.

We already know from past experience that we need to take a very serious look at implementation, and that what we heard around implementation so far has left us with very grave concerns.

In the time remaining, I want to touch briefly on citizenship because this goes to the heart of what we are talking about today. What we have done is narrowly dealt with a court decision while leaving all the other questions around citizenship outstanding.

The National Centre for First Nations Governance had a quote on what developing citizenship laws look like. It says:

Developing citizenship laws are an act of self determination. When a First Nation creates its own rules for identifying who is a citizen, it is taking a large step away from the control of the Indian Act and towards something of its own design. The development of citizenship laws is a significant step for First Nations in the implementation of self-governance and the creation of culturally relevant institutions that support Nation rebuilding.

●(1630)

It goes on to talk about criteria and objectives and those kinds of things. I think it is an important statement around citizenship, and it has been at the heart of why so many people have disagreed with the government approach on Bill C-3.

In the "First Nations Registration (Status) and Membership Research Report" of July 2008, there was a whole section on citizenship. I want to touch on the principles for change that were outlined in this joint report. It says that focus group participants were in agreement with the following principles: blood quantum cannot be the basis for defining membership; first nations need to define their terminology, identity, citizenship, membership, Indian status; the principles of international law, the UN Declaration on the Rights of Indigenous Peoples, can provide a guide for discussion of first nations citizenship; reforms must be consistent and supportive of first nations' right to self-determination; processes should be inclusive, gender sensitive and linked to culture and traditions; the federal government's role should be limited to providing support to first nations and rectifying the damage caused by its legislation not redefining Indians.

Those were the principles that were in this joint task force working group. We have not seen those principles rolled out when we are talking about defining status. Those are key principles that should underlie any respectful consultation and discussion about who is a citizen.

It goes on to say that the elders consider it important that barriers for change be addressed by revitalizing traditional laws to guide change. The report outlines as well a couple of other key points. One was independent conflict resolution mechanisms. The participants recommended that AFN take steps to initiate research and policy work with senior levels of government leading to the establishment of mechanisms for mediation or arbitration on issues related to Indian status, citizenship and membership.

Government Orders

The report goes on to say that members of Parliament, political parties, standing committees and so on need to be educated on these issues from a first nations perspective.

There is much more in this report, which I simply do not have time to touch on.

At the heart of this matter, although we will be supporting Bill C-3, is that it simply does not address the much larger issues that are facing first nations communities. In order to truly deal with the colonialist aspect of the Indian Act, first nations need to be front and centre in the consultation process, in the decision-making process and in the implementation around who is a citizen.

We need a very clear recognition about the resource implications. In my question to my colleague at the Standing Committee on Aboriginal Affairs, I talked about the backlogs that currently exist in the entitlement unit. We can see from those numbers, from the 2006 cost drivers project, that we are looking at a minimum of five years to clear the backlog that was in place at that time. How are those units going to deal with up to 45,000 new applicants? We cannot ask people to wait another 10, 15 or 20 years to determine if they are eligible for status.

It would be extremely important that we have a very clear statement from the government about the actual resources that are going to be in place once this legislation is in effect.

• (1635)

Mrs. Shelly Glover (Parliamentary Secretary to the Minister of Indian Affairs and Northern Development, CPC): Mr. Speaker, my colleague spoke eloquently about a number of issues facing our aboriginal people in Canada.

I want to ask a question, but before I ask it, I would like to provide the member with some information relevant to a number of things that she said regarding a backlog.

With regard to the backlog, I want to assure the member that a great deal of preparatory work has already been done. There is a dedicated registration unit that is already in place making preparations for anyone who intends to apply for registration.

I would encourage the member to share that information with the people she serves.

First and foremost, the economic action plan dealt with a number of issues that would help with water, housing and the things the member mentioned that need addressing.

Unfortunately the member and her party voted against all those funding measures for aboriginal people. I need her help in all of this.

I am going to ask the member if she would endeavour to inform her aboriginal people that they need to prepare for registration if they qualify. They need to get their long form birth certificates in order, in preparation for the changes that are about to come.

Can I count on her help to do that?

Ms. Jean Crowder: Mr. Speaker, of course I will encourage and support people who want to register. However, we actually need the tools in place to do that. I look forward to seeing the tools translated into Halkomelem, for example, so that people whose mother tongue

is Halkomelem rather than English or French would be able to have access to information. It is good news that the registration unit is going to have people standing by. I look forward to seeing things like speed of service guidelines and quality guidelines that would say that these applications would be processed in a timely manner.

The experience of some people in the riding when claiming status has been that they apply for status and send in what they have been told is required. The registration unit gets the information and says it needs another piece of information. People supply that piece of information. Then the registration unit says it needs yet another piece of information. There is a person in my riding who has been waiting 10 years. Every time that person submits what the person thinks has been asked for, the registration units asks for something else.

We need a process that is timely and effective, not just a paper-pushing process. These people have already been waiting far too long to have their status.

I hope the resources are going to be in place to support people who are applying for registration.

[*Translation*]

Mr. Marc Lemay (Abitibi—Témiscamingue, BQ): Mr. Speaker, I listened to the parliamentary secretary and to the hon. member. I believe that there is no room for playing politics nor for paying compliments in this matter. I believe that there is a considerable amount of work to be done. I will come back to that a little later when I speak to Bill C-3.

I know the name of my NDP colleague but I cannot pronounce the name of her riding. I think it is Vancouver and Cowichan, but I do not want to massacre it. I want to get to the question.

A minimum of 45,000 to 50,000 additional registrations are expected. I know the number is huge. The McIvor case came from British Columbia. I am wondering whether even British Columbia is prepared to deal with the tidal wave that will hit once this bill passes in the next few hours. I am concerned and I would like to know what my colleague thinks about that.

• (1640)

[*English*]

Ms. Jean Crowder: Mr. Speaker, that is a major concern. We do not have confidence that people are ready for that tidal wave. I know in British Columbia, in my own riding of Nanaimo—Cowichan, people are very anxious to see this bill pass. We do know that, for example, in Sharon McIvor's case, her son has been denied status for many years.

People want to know how quickly their applications will be processed. The cost driver's report that I referred to also has a protest unit. This was again projecting into the future. It says the protest unit currently has a backlog of 450 applicants, which translates to a 10-year waiting period under current staffing levels.

To hear that people are on standby and ready to go does not give me a great degree of comfort.

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I look forward to when the minister comes before our committee for supplementary estimates to be able to ask him: How many people are in place; are the speed of service guidelines in place; are the quality guidelines in place; can we go back to ridings and say with some assurance that their applications will be processed in *x* amount of time?

That is what people want to know, because it directly impacts on their lives right now, today. That is the information that needs to be readily available for all people, from coast to coast to coast.

Mr. Jim Maloway (Elmwood—Transcona, NDP): Mr. Speaker, the parliamentary secretary earlier talked about the 45,000 new people who will become registrants. She indicated the government has a group that is trying to resolve the cost issues here, but she did not go on to say how many types of various services it would be costing.

The other issue, of course, the member brings up is the whole issue of timing. It seems to me that, given the track record of the current government, having dragged its feet already on this whole issue, I can see it doing exactly what the member says: study this issue and work on this government task force group forever in an effort to delay the whole issue.

Does the member have any further comments to make about the components that the parliamentary secretary is referring to?

Ms. Jean Crowder: Mr. Speaker, the member for Elmwood—Transcona is absolutely right. What we have had in place in this country since 1995 is a 2% funding cap, and that cap has already left first nations communities seriously behind because they have had a population growth in some cases of up to 11%. So do the math; 2% funding cap, 11% growth in population, and we see that there is a crunch happening on reserves.

Now we are talking about adding up to 45,000 more people, potentially. We know there are going to be increases, so I would argue that rather than having a study to see what the numbers might look like, we could at least put in place some plans around incremental funding that could be ramped up as the numbers become more apparent. We know there are going to be a number of people, based on our 1985 experience about the number of people under Bill C-31 that regained status. We already know that is going to happen. We know there is already a funding crunch on reserves. So we should be putting in that incremental plan to deal with it, not waiting for the results of another study.

• (1645)

[*Translation*]

Mr. Marc Lemay: Mr. Speaker, I assume that there is not a great deal of time left.

What interests me is my colleague's riding of Nanaimo—Cowichan, which is very important and includes many aboriginal communities.

We should not forget that Ms. McIvor has been waiting since 1985. The Supreme Court handed down a ruling in a 20-year-old battle. I am wondering if we currently have the funds.

Let us talk about British Columbia, my colleague's province. Is the first nations organization of B.C. equipped to deal with this? Has it been informed that the bill will pass in the next few hours?

[*English*]

Ms. Jean Crowder: Mr. Speaker, again, the people from British Columbia are paying very close attention to the discussion in the House. That is despite the flaws in the bill. I am hearing from men and women in British Columbia that they are concerned about the fact that the bill does not address gender inequality for first nations in this country. It simply does not do that. It addresses a very narrow case.

What I am hearing from people in British Columbia is that they want the bill passed because they know some people in British Columbia will regain status and they want a wholesome, full process put in place to deal with the others. People are anxiously waiting for this debate to conclude. They want the bill to go to the Senate. They want the bill passed and they want these other matters dealt with.

I appreciate the question from the member for Abitibi—Témiscamingue and I look forward to having the bill passed and having the resources in place to make sure people who regain status do so in a timely fashion.

[*Translation*]

The Acting Speaker (Mr. Barry Devolin): It is my duty pursuant to Standing Order 38 to inform the House that the question to be raised tonight at the time of adjournment is as follows: the hon. member for Nanaimo—Cowichan, Aboriginal Affairs.

Resuming debate. The hon. member for Abitibi—Témiscamingue

Mr. Marc Lemay (Abitibi—Témiscamingue, BQ): Mr. Speaker, I am pleased to speak to this very important bill to put an end to 25 years of injustice in the case of Ms. McIvor. The Bloc Québécois will vote in favour of this bill, and I gather the NDP will as well, as will all members of the House, I imagine, given the urgency of the matter. We urgently need to rectify an illegality that has been committed against aboriginal women in Canada and Quebec for more than 30 years.

I am reluctantly voting in favour of the bill because there is a problem. We have met with Quebec Native Women and Ms. Audette who organized and participated in the Amun March. We have met with the Assembly of First Nations of Quebec and Labrador and its Chief, Mr. Picard. We have met with a number of aboriginal individuals, including Ellen Gabriel, who was the president of Quebec Native Women. I would like to take this opportunity to congratulate Michelle Audette, the newly elected president of Quebec Native Women. All these aboriginal women and men are quite preoccupied by the implementation of Bill C-3.

The purpose of this bill is to correct an injustice. I do not want to get into all the details, but some things need to be said. This bill is the result of a court challenge by an aboriginal woman, as usual. It is the women who were discriminated against, who still are today and who, unfortunately, will continue to be even after Bill C-3 is passed. I will come back to that in a few minutes.

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Aboriginal women have decided to stand up and ensure that an injustice is corrected once and for all. The government waited and waited for a Supreme Court ruling requiring it to rectify the situation. The Supreme Court of Canada refused to hear the case on appeal and it is therefore the ruling of the British Columbia Court of Appeal that applies. That ruling requires the Canadian government to rectify a situation that is unfair to aboriginal women in Canada.

Mr. Speaker, you chaired the Standing Committee on Aboriginal Affairs and Northern Development—for too short a time, unfortunately. In reading the Indian Act, you realized that this legislation was fundamentally and completely discriminatory towards women. We must admit that when this act was implemented, the purpose was to assimilate aboriginals, period. I encourage anyone who doubts that to read a very well-written book that explains the three reports that led to the creation of the Indian Act. The book is called *L'Impasse amérindienne*, published by Septentrion in Quebec. Mr. Vaugeois, a renowned historian, studied the three reports, since 1878, that led to the creation of the Indian Act at the start of the 1900s. I do not want to go into too much history, but this is important. Before the implementation of the Indian Act, which aimed to warehouse—yes, I said “warehouse”—aboriginals on reserves, these aboriginals moved throughout the territory.

•(1650)

The reserves were created out of nothing. The aboriginal communities did not ask for them. Today, people think that the aboriginal communities asked for the creation of reserves. That is entirely untrue. The federal government fabricated the reserves entirely. We need to look at what is said in the act, but I do not want to take up too much time. Ever since the Indian Act came into force, it has had the ultimate goal of assimilating aboriginals into the majority. It could not be clearer. That is exactly what they wanted to do. That is exactly what aboriginal women fought against. They did not want anything to do with this process, because when the reserves were established, they shifted from a matriarchal situation, in which women were the elders, to assimilation. Women were hugely respected within aboriginal communities. As soon as the Indian Act came into force and the Indian reserve system was developed—I cannot stand the word “reserve”, but that that seems to be the word to use—we started to see the objective of assimilating aboriginals take shape.

How was that accomplished? It is not complicated. If we put 100 people on one square mile of land, they may get along, but if we put 1,000 there, it soon becomes impossible. That is exactly what is happening. That is precisely the problem we will have to face over the coming years when Bill C-3 is passed.

Why? Because as soon as the bill is passed the numbers we have show that in Quebec alone between 15,000 and 20,000 new people will move onto reserves. We are being told that there are between 45,000 and 50,000 across Canada, but I highly doubt that. Why am I so doubtful? Because, back in 1985—I do not want to go too far back—when the government passed Bill C-31, the Minister of Indian affairs responded to a question in the House of Commons by saying specifically that there were about 56,800 additional aboriginals. That was in 1985, not 100 years ago.

On December 31, 2000—10 years ago, and we have the numbers from 2000—more than 114,000 aboriginals were granted Indian status. Imagine what will happen with Bill C-3. That is the problem the Bloc sees. I hope that when the Minister of Indian Affairs appears before the committee, he will have more to say than that they have invested in water and housing. What I want to know, and what my colleagues want to know, is how much has been set aside for implementation of Bill C-3, which, as we know, will lead to at least 50,000 more aboriginals moving into reserves.

Let me share a specific example of what this means. In my riding, there is Timiskaming First Nation in Notre-Dame-du-Nord and Long Point First Nation in Winneway. Long Point First Nation is a settlement. They do not even have reserve status yet, but they predict that 100 additional aboriginals will come to Long Point First Nation and swell the ranks of an already exploding community.

•(1655)

Worse still, information that I have received in the past month suggests that over 1,000 aboriginals will join the Timiskaming First Nation in Notre-Dame-du-Nord, and this will have a considerable impact. Today, November 22, 2010, the Timiskaming first nation is already unable to meet its needs because it is facing serious challenges regarding education. Classrooms are full and it has to send students to Ontario. More importantly, however, it is not properly equipped. The government has not prepared it for the arrival of these new registrants.

Some say the impact will not be all that significant. The department wanted to reassure people, and I cannot say I blame the department. When it comes to this issue, we must avoid playing petty politics and claiming to be the best, the most caring, the most intelligent. We are on the verge of a crisis. Several aboriginal communities will face a major crisis because of the addition of these new registrants. I am not saying there will be a flood of tens of thousands or hundreds of thousands of new status Indians. Even if it is only 10, 20 or 30 more families, that is more than many aboriginal communities can handle, because they are not properly equipped for it.

The government is being asked to implement Bill C-3. There is no doubt the Bloc Québécois will closely follow the implementation of this bill, because it is very important for the aboriginal communities that will have to deal with the arrival of these new status Indians over the coming months and years. I know of some people who have been waiting for years to return to their communities. They should not be considered newcomers; rather, they are people who have been waiting since 1985. Ms. McIvor, the B.C. woman who fought to assert her rights all the way to the Supreme Court, has been waiting since 1985. She is now a grandmother, almost a great-grandmother. She wants her grandchildren to be recognized as status Indians.

We are trying to tell the government that it absolutely must take action to deal with the arrival of these new status aboriginals, if that is indeed the right term, because personally, I think they have always been aboriginal people, even though many lived off-reserve in big cities. Now they want to return to their communities. It is extremely important that the government be prepared to deal with this problem.

We must not, in an attempt to delay applications, establish a system as complicated as the one used to implement Bill C-31 in 1985. We must simplify this process as much as possible. I agree wholeheartedly that Indian status should not be given to those who do not have a right to it. A minimum of control must be applied. I repeat, “a minimum of control”.

● (1700)

We must ensure that the aboriginal people who are given status are those who have the right to it. If we think that Bill C-3 will put an end to all discrimination, we are sadly mistaken. We have just barely scratched the surface of this issue. This bill will likely mean that a minimum of 50,000 new aboriginal people will be registered, but there will be just as many remaining who are still unable to register, and other cases have already been brought before the courts. According to the most recent statistics, 19 cases related to discrimination that go further than McIvor are still pending. These cases will likely be won because they are based on the same legal argument, namely, discrimination against women.

We are of the opinion that the government should have accepted our amendments. The Chair ruled that our amendments were out of order and that there would be no more discussion. We submitted our arguments and they were rejected. We respect democracy. We submitted Bill C-3, as it was presented to the House at third reading, to Quebec Native Women and the Assembly of First Nations of Quebec and Labrador.

Last July, at the annual meeting of the Assembly of First Nations held in Winnipeg, there was a presentation on this bill and we were asked to vote in favour of it. Therefore, we will vote for C-3 to at least close one door so that some of the discrimination against women is eliminated.

We are dreaming in colour if we believe that Bill C-3 will put an end, once and for all, to the problems of the acceptance of aboriginal peoples in communities. That is not the case. Michèle Audet, the new president of Quebec Native Women, gave us a number of examples, and we have received letters. I will not go into the details, but there are other cases pending and there will be other debates before the courts.

If I could recommend one thing, it would be to ask the government to let aboriginal men and women who wish to register do so. It is the infamous section 6 of the Indian Act that is clearly discriminatory. I believe that section 6 maintains a form of discrimination against a segment of the population—aboriginal women and their children—that is unacceptable in 2010. For those listening, it is not complicated: an aboriginal woman who marries a white man has fewer rights than an aboriginal man who marries a white woman. That is exactly what will be perpetuated even if we adopt bill C-3.

In closing, members must try to not play politics with this bill, as was done in committee. We all agree that it must be passed quickly. The bill will pass, of course, but the main problem will be implementing it.

I call upon the government to be extremely prudent and presume that those who apply for Indian status after this bill is passed—which I maintain will not put an end to discrimination—will be acting in

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good faith. Nevertheless, we hope that this bill is a step in the right direction.

● (1705)

[*English*]

Hon. Anita Neville (Winnipeg South Centre, Lib.): Mr. Speaker, I thank my colleague for his remarks and he raises a very important issue when he talks about this bill. I am not going to get into the substance of the bill at this point, but I do want to ask him about the issues of implementation that he raised, which are so important.

I would like to know what he views as an appropriate process for implementation, both in terms of identifying the individuals who would gain status, but also the issues that communities on reserve will find themselves needing, such as education, health care and water resources, all of which we know are lacking in many communities.

What should the process be that will lead to the full implementation of this bill?

[*Translation*]

Mr. Marc Lemay: Mr. Speaker, I would like to thank the member for Winnipeg South Centre. I think that the first and most important step is acting in good faith. I believe that everyone must act in good faith. It is important to understand that real people are affected by this bill and that they have been waiting for over 25 years to have the right to be acknowledged as aboriginal people.

In my opinion, we must not erect an impenetrable and unacceptable administrative barrier that would penalize applicants and unduly delay their applications rather than help them. Some files are already ready. Thousands of files at Indian and Northern Affairs Canada are just waiting for this bill to be passed. Let us not go back to square one.

In response to my fellow member's question, I believe that it is extremely important that additional amounts be allocated in the next budget, which the government is currently planning. My greatest wish would be to put an end to the infamous 2%. Right now, the various budgets at Indian Affairs cannot be increased by more than 2%. We have to get rid of this cap, which is penalizing aboriginal people and depriving them of hundreds of millions of dollars.

Accountability does not pose a problem; aboriginal communities are ready to accept it. However, we have to be ready for the tens of thousands of new aboriginal people who will gain status. Aboriginal communities are currently not prepared to receive them.

● (1710)

[*English*]

Mr. Derek Lee (Scarborough—Rouge River, Lib.): Mr. Speaker, I thank my colleague for his speech. His riding is definitely much more connected to our first nations than is my Toronto urban riding, but I could not help but think, during his speech and other remarks, that some people tend to view this legislation as being strategic in some way, when I view it as being more like a band-aid to fix what has been identified as a legal inequality in the legislation that governs our first nations.

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I and a lot of other legislators would have been a lot happier if our first nations could have had the ability to resolve these types of issues themselves, but regrettably, this century-old, anachronistic Indian Act that is now governing much of this jurisdictional envelope is so old that we can hardly work with it, nor can our first nations, who very much want to.

Given the hon. member's experience, and there are a lot of other members in the House who have this experience with first nations in their riding, does he see any possibility of this House and first nations generating a capacity that would enable them, facilitate them and empower them in the near future, and into the future, to resolve these kinds of definitional, inclusion-exclusion issues for their local first nation or across the country? Does he see that anywhere in the pipeline as a possibility in the future?

[Translation]

Mr. Marc Lemay: Mr. Speaker, in short, the answer is no. No, because there is a section in the Indian Act, section 6, that has unfortunately been there far too long. As long as section 6 is in place, there will always be some people who are not equal, and discrimination will persist.

Obviously, the easy solution would be to abolish section 6 right now. Then, anyone could declare that they are an aboriginal. We cannot go from one extreme to another, and I absolutely agree about that. However, we could work on getting there. Unfortunately, the governments have done nothing. I do not want to get too political here, but I have to mention, with all due respect to my Liberal colleague, that the aboriginals had to go to court. It seems as though it is always necessary to go to court to have a right recognized, or to prove that a situation is discriminatory even when it is very clear that it is. It is, and unfortunately it will continue to be, even after Bill C-3 is passed.

I agree that we should pass Bill C-3 and I agree with my colleague, but this government should find a way to abolish section 6 of the Indian Act as quickly as possible. To do so, it will have to find the means and, with all due respect, have the political will to put aboriginals on equal footing with the government for the implementation of the bill.

• (1715)

[English]

Hon. Anita Neville (Winnipeg South Centre, Lib.): Mr. Speaker, I am pleased to have the opportunity to comment on the bill. I am supporting Bill C-3, but I am supporting it with considerable reluctance and certainly not with much enthusiasm.

There should be no doubt that Bill C-3 moves the agenda forward on addressing gender discrimination in the status provisions of the Indian Act, but it is only one very small partial step toward full equality for aboriginal women and their descendants.

The government has brought forward these amendments as a response to and because of the efforts of Sharon McIvor of British Columbia. In my previous remarks on Bill C-3, I paid homage to the other brave aboriginal women who have fought the battle for full equality and have pushed the courts to recognize discrimination under the law and subsequently pushed Parliament to remedy the injustice. I would like to do so again today.

These women are Mary Two Axe Early, Jeannette Corbiere Lavell, Yvonne Bédard, Sandra Lovelace and, as I mentioned earlier, Sharon McIvor. Yet in acknowledging these individuals, I feel great sadness for them that the battle for full equality is falling to yet another generation of aboriginal women. We can be sure it will be the battle for aboriginal women. Discrimination is discrimination and at some point we must take it upon ourselves as parliamentarians the responsibility to fully eradicate all gender discrimination in the Indian Act.

When Bill C-31 was passed in 1985, Parliament and the government of the day knew that the residual discrimination would remain. I want to read into the record some of the comments made. It is important that we know this because 25 years later we are poised to pass a bill that also leaves residual discrimination.

In April we heard in committee from Martin Reihel of the Department of Justice. He said Bill C-31:

—is a very focused answer to the McIvor decision, given the limited time we had to develop legislation in response to the British Columbia Court of Appeal decision of April 9, 2009. There are other issues that have been raised in litigation that are not dealt with by this bill at this time. Depending on subsequent court decisions, obviously, the government might have to consider how to respond to these other decisions.

I also want to read from Sharon McIvor, an increasing hero of mine, when she said to the committee in April:

—But when the act was changed in 1985, parliamentarians knew there was residual discrimination. [Former Minister] Crombie's records show that they understood that some of us would still suffer from the residual discrimination...yet they forced someone like me to take it through the courts and have the courts decide that it was discriminatory....I am here today to ask you, to plead with you, to include all of those women and their descendants who are discriminated against, not just the narrow view that the B.C. Court of Appeal addressed. As parliamentarians you know that the court does not draft legislation. They just put it back into your lap so you can do what is right.

A final quote from April that I will cite is from Gwen Brodsky, who is counsel to Ms. McIvor. She said:

—the 1985 act was—failed remedial legislation. Bill C-3 is a set-up for yet another instance of failed remedial legislation, for disappointment to aboriginal women and their descendants, who have been waiting for a long, long time for Parliament to do the right thing. That must be dealt with immediately.

Earlier this year the Liberal Party tried to end the cycle and address all the remaining residual discrimination in the Indian Act's provisions concerning entitlement to status. When Bill C-3 came before the aboriginal affairs committee, we introduced amendments that would have granted descendants of status Indian women born prior to April 17, 1985, full status under the Indian Act, exactly what had also been given to the descendants of status Indian men.

• (1720)

These amendments, although passed by committee through the unanimous support of the opposition parties, were ruled inadmissible by the Speaker after Bill C-3 was returned to the House.

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We need a comprehensive legislative remedy. The amendments were ruled out of order as being beyond the scope of Bill C-3, which reads “provides a new entitlement to Indian registration in response to the decision in *McIvor v. Canada*”.

Again, I want to emphasize what others have said about the need for a comprehensive remedy.

Chief Jody Wilson-Raybould said in April at committee:

With respect to discrimination in any form, I do not agree with it whatsoever. I believe that it would be the position of any reasonable person, as you say, to eradicate discrimination wherever and whenever possible in today's age.

Jeannette Corbiere Lavell, president of the Native Women's Association of Canada, said again this year that if all discrimination was eliminated:

—then I would think that as aboriginal women, as an aboriginal women's organization, maybe part of our work would be done. We could move on to other things. But that would be really good to see if it took place in the very near while.

One last quote, although I have many comments, is by Betty Ann Lavellée, national chief of the Congress of Aboriginal Peoples. In April of this year she said:

—I want to see any and all forms of discrimination end once and for all, so that our children are not having this same discussion 25 or 35 years from now.

It is unfortunate that the government chose to write Bill C-3 in a way that responds solely to the narrow reading of the B.C. Court of Appeal in the *McIvor* case without providing the option to Parliament to address further residual discrimination through the legislation.

This regrettable choice has forced all stakeholders and opposition parties to make an extremely difficult choice regarding Bill C-3. How can we say no to equality for some when saying no means equality for none? What we can do, and we have tried, is to improve the bill, but as I will try and explain, the government has made this impossible.

I would like to remind the House that the B.C. Court of Appeal was only able to rule on the gender discrimination in the Indian Act experienced by Sharon *McIvor* and her son. That was the case before the court, not the full gamut of gender discrimination under the act.

While the court acknowledged that other types of discrimination most likely existed, its decision in the *McIvor* case could not apply a remedy to those issues as well. Therefore, the court ruled narrowly in favour of *McIvor* and left it to those of us in Parliament to craft a more fulsome response. Let me repeat, it was the government that then decided what this response would look like.

The government could have chosen to provide a legislative remedy to the *McIvor* situation, while also leaving the door open for Parliament to expand the legislation through amendments in order to get rid of the residual discrimination. If it had conducted a fulsome consultation with aboriginal leadership, aboriginal women, women's groups and communities, it would have heard a resounding desire to end the discrimination once and for all. That is certainly what we heard at committee. Instead, Bill C-3 was introduced without any real consultation and in a matter that meant all amendments would be out of order.

This is how Bill C-3 came to be, a bill that takes one more step in the long and arduous battle for full equality for aboriginal women, a

bill that would extend status to approximately 45,000 aboriginal women and their descendants, but a bill that will leave the fight for full equality once again yet to another generation. Very soon we will be voting on Bill C-3, but at some point, as parliamentarians must decide when we are going to right this wrong.

• (1725)

We are now faced with Sharon *McIvor* taking her case off to the UN. Sharon announced that she would file a complaint against Canada at the United Nations. She has contended that Canada continues to discriminate against aboriginal women and their descendants in the determination of eligibility for registration as an Indian.

As she said, in taking this case forward:

I contested this discrimination under the charter. It took 20 years in Canadian courts, and I achieved only partial success. Now I will seek full justice for Aboriginal women under international human rights law. Canada needs to be held to account for its intransigence in refusing to completely eliminate sex discrimination from the Indian Act and for decades of delay.

She went on to say:

Because neither Canadian courts nor Parliament have yet granted an adequate and effective remedy for the sex discrimination which has been a hallmark of the Indian Act for more than a hundred years, I will take my case to the United Nations Human Rights Committee.

I would contend that it is unfortunate and, perhaps some might describe, shameful that this case has yet to go to the UN human rights committee. It will undoubtedly result in a further rebuke to Canada in the international arena, something our country and the government does not need.

As I said at the beginning, I am supporting the bill. I am doing it with reluctance, not with much enthusiasm. I look forward to seeing it move through Parliament.

Mr. Derek Lee (Scarborough—Rouge River, Lib.): Mr. Speaker, I am very curious. In the member's opinion, what is standing in the way of a comprehensive solution to this alleged and apparently real discrimination? Is it a lack of courage? Are there some obstacles contained in the reality of first nations life across the country? Is there some other legal impediment? Why could the government not have proposed and consulted on a more comprehensive solution that would have addressed Ms. *McIvor*'s concerns and the concerns of so many others?

Hon. Anita Neville: Mr. Speaker, my colleague identified some of the factors. Perhaps it is courage, perhaps it is the circumstances within which aboriginal communities find themselves. There are many larger issues that have to be dealt with, such as issues of what constitutes citizenship. What is really required, when dealing with a bill of this sort, is a full and meaningful consultation with aboriginal peoples, aboriginal women's groups and coming up with a comprehensive plan, both in terms of the legislation and, as my colleague said previously, an implementation plan.

I do not know whether there was a real will to undertake something of this sort, but there is a need for a comprehensive consultation process to make this happen.

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Mr. Rodger Cuzner (Cape Breton—Canso, Lib.): Mr. Speaker, first, my colleague, the hon. member for Winnipeg South Centre, since coming to the House 10 years ago, has been a champion and an advocate on a great number of issues, certainly none more so than the rights of first nations women. It is an issue she continues to drive within caucus and in the chamber as well.

I was not in the House for the first part of the member's speech. Out of the ruling, I understood fully that this had been tied up for a great number of years. What has the response been on Bill C-3? Has Ms. McIvor had an opportunity to testify before the committee? What was her impression of the legislation being presented by the government?

● (1730)

Hon. Anita Neville: Mr. Speaker, yes, indeed, Sharon McIvor has had an opportunity to testify before the committee. I would say that by virtue of the fact she is taking her appeal on to the United Nations, it shows her commitment to the issue. It has been a considerable cost to her not only financially but personally.

She is profoundly disappointed in the fact that the amendment put forward in committee has been overruled by the House and that there has been no further action by the government in bringing forward broader legislation. She has had a 20-year battle to get to this stage and I do not think she would wish it on another generation to have to carry on the battle, which has been at considerable cost to herself and others around her. It has been arduous, it has been hard work and it has been emotionally wrenching. She wants more for her children and her children's children.

I would say that, on balance, she has been profoundly disappointed by what Parliament has chosen to do.

Mr. Derek Lee (Scarborough—Rouge River, Lib.): Mr. Speaker, I am pleased to participate in the debate on this particular legislation.

While there is not any major overt controversy on the floor of the House at this time, there clearly appears to be a huge residue of discomfort out there in the real world among our first nations with this legislation and its failure to go a further distance in resolving some of these unresolved issues of equality, in particular gender equality among our first nations.

The legislation deals with the issue, at least on the margins, of who is and who is not a member of a registered Indian band. That has a whole lot to do with the lives of a whole lot of people.

The legal fact of whether or not one is or is not part of a band can affect a person's life hugely in many of our first nations localities. It is not just simply whether one is a member as in whether or not one is a member of the Rotary Club, it has to do with whether one is actually a member of a band, a living organism of people, a group who have a cultural, historic and an existing and dynamic presence in many of the parts of our country today.

This, of course, does not include most of our large cities but as we right these definitions about who is and who is not registered or registerable we are actually dealing with a huge bundle of rights and obligations of these persons as a class.

That, as I said, can have a whole lot to do with what that person is, how that person carries on his or her life, and in this particular set of circumstances that this legislation is intending to cover the court has accepted the allegation that the current definition is discriminatory. In fact, I have not heard anyone say that this is not the case. In fact, I am hearing members say that there is existing and additional discrimination that will continue even if this legislation is passed.

I can only ask the question, why we could not have tried to take a little more time and developed some legislative amendments that would be more comprehensive, more targeted, and hopefully fully address the issue of this legal or illegal inequality.

I know there are probably first nations women out there who would say, "You really ought to do that", and it seems to me if we were really showing leadership the government through the Department of Justice could have proposed that the government go back to the courts, go back to the litigants in this case and propose a time sequence for consultation, even if it did involve a year—it has already been way over a year—or two or three and get the parties to agree that this was an opportunity for such consultation with some deadlines and attempt to bring on legislation that would fully resolve this bundle of equality issues.

That did not happen and most of my colleagues in my party, if not all who are very active on behalf of constituencies that have first nations communities, are disappointed with that.

Is there a resolution in this bill? No. I understand there were amendments proposed at committee. They were found to be out of order. I know that all of us in the House would be very pleased if there were a scenario that had the first nations somehow coming together with a resolution for us.

I and many of our colleagues in the House have accepted that it is preferable for us in the House not to make law for our first nations, involving first nations matters.

● (1735)

It is much preferable that our first nations manage their own affairs; albeit, under the aegis of our Canadian Constitution and legal framework. I think by now most of our first nations accept that. However, I as a legislator, many times, have had to note the fact that some of our first nation citizens resent this House, our federal institutions, purporting and actually legislating and making policy decisions with respect to first nations when those people who are governed by those laws and policies would prefer very much to make those decisions themselves.

I think over time the policies of the federal government are leaning in that direction of empowering our first nations to do more and more of their own governance. They do much of it now. However, the remaining bits and pieces in the Indian Act still make it a responsibility of this House, of the federal government, of the federal jurisdiction. I guess the buck stops here in Parliament or in Ottawa. If there has to be legislation, if there has to be a policy decision made and there is not a consensus among our first nation communities on how it should be done, then those decisions have to be made.

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I recall approximately 15 years ago, at one of our committees, the Standing Joint Committee for the Scrutiny of Regulations, where a particular regulation under the Indian health regulations was found to be unconstitutional. The particular regulation authorized, empowered, federal officials working in the health envelope, where there was a contagious disease found on a first nation's land, to enter into any building, any place, and remove the people and actually destroy the building.

Thinking from the present, it is almost unbelievable that we would have a regulation that would empower somebody to do that, keeping in mind that one of these buildings, one of these places, could have been a dwelling house.

In some ways I suppose we could plead that history has allowed this to happen. Over 200 years ago many of our first nations did not have permanent settlements. They moved from place to place. While that was a very good way of interrelating with the land and was quite sustainable, they tell me, most of our first nations now are permanently settled. This particular regulation allowed federal officials, for health purposes, to go in and just take the people out. They did not need a judicial warrant. They did not need anybody to sign anything. They would just go in and take the people out and get rid of the building. That regulation was actually on the books.

This particular committee, in doing its work on behalf of Parliament, noted this and asked the government to remove the regulation. My recollection is that the committee had to move to a disallowance. It was the committee itself that brought the matter to the House. I believe there was an order from the House to revoke the regulation, and that happened.

Subsequent to that, I am presuming that the government would have re-enacted other regulations to try to deal with those types of situations, but nothing so egregious as to allow federal officials to go in and physically remove people and destroy a building.

● (1740)

That was 15 or 20 years ago. It was also near the beginning of a time in our history where we began consulting much more meaningfully with our first nations.

That has a nice ring to it, but our first nations are not one big happy family in one place. They are spread out across the entire country, from one ocean to the other, to the other. So it is not easy for government to accomplish a comprehensive consultation.

Our first nations are usually willing to engage in those consultations, but the whole concept of consultation has been neglected somewhat in the last number of decades and there is a big distance that we have to go.

As we move to the present, we have the B.C. Court of Appeal decision that determined that the provisions of the Indian Act were unconstitutional because of gender discrimination. When those things happen, it gets sent down the street, and in this case to Ottawa to fix and we had a certain amount of time to do it. This legislation is the result. As I said before, I regret that it is not more comprehensive.

As one legislator out of the 300 or so in this place, and I am probably joining with others, I am prepared to support this bill somewhat reluctantly.

One, it is not comprehensive. It does not deal with the full range of the alleged discrimination. It is alleged and I think accepted, but it does not deal with it.

Two, because of the shortness of time, which I do not think we tried to alter, we did not engage in any meaningful consultation. As a result, we do not have a product that we are proud of that does comply with the court decision. The Department of Justice tells us this.

Therefore, I am prepared to vote in favour of it on that basis. I just hope that in the months and years to come we will find a way, not managed by this House but by the government, to consult meaningfully with our first nations to preempt problems such as this and empower our first nations to deal with these types of issues in the way they should.

● (1745)

Mr. Rodger Cuzner (Cape Breton—Canso, Lib.): Mr. Speaker, I appreciate my colleague's intervention on this particular piece of legislation.

With speaker after speaker, I think there is a common thread: the fact that the government has taken a court ruling and designed legislation not to improve the overall situation that first nations women find themselves in, but trying to focus on compliance with the court ruling and doing the absolute minimum. I think we have heard that through the presentations here today and I understand that was the thrust of the witnesses' presentations received through committee.

Does my colleague see that as an injustice? Does he see this as an opportunity missed on the part of the government, by just doing the absolute minimum to address the outcome of that court ruling?

Mr. Derek Lee: Mr. Speaker, this legislation is the minimum and the government, either because it could not or, in ways that have not been explained here, did not want to look for additional time.

There was an event around the year 2000. It was a court decision called Feeney. The Supreme Court of Canada had disallowed an area of criminal law that involved search warrants and the ability of police in hot pursuit to enter a dwelling house. The court disallowed the provision and said that Parliament had six months to fix it and son of a gun if Parliament did not go into an election. Therefore, the Department of Justice and parties had to go back to the Supreme Court and say that they could not fix it because Parliament was in an election. That added another six months. Then when Parliament came back, we had to get the legislation passed through the House and the other place.

However, the point I am making is that, with leadership and determination, it is possible for the government to go to the court and say that it can do a better job on this, that it can hit a home run if it has a reasonable amount of time. If the parties to the litigation, the government and the court that made the decision did get together on this, in a sense, this could have been done.

In many ways, what I have just described paints a picture of an opportunity being missed here. If the court can expand six months to two years in the Feeney Supreme Court case, I do not see why we could not have bargained for a bit more time in the McIvor case, and done a better job in this resolution.

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

Some hon. members: Question.

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

Some hon. members: Agreed.

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

* * *

• (1750)

POINTS OF ORDER

LEAK OF FINANCE COMMITTEE REPORT

Mrs. Kelly Block (Saskatoon—Rosetown—Biggar, CPC): Mr. Speaker, I rise on a point of order. Over the weekend, I spoke privately with most of the members of the finance committee about the leak of a report of that committee by a former member of my staff. Let me assure the House that at the earliest opportunity, I proactively took action and dismissed the staff member in question.

I would like to put on the record and say for all members of the House that I am sincerely sorry for the leak of the report. I have always and will continue to have the utmost respect for the confidential nature of the business conducted in our committees and I am upset about what has happened. As I mentioned, I have taken the responsible actions to deal appropriately with the current situation and to prevent any future incidents such as this from taking place.

I apologize for what has happened and hope that all members of the House will accept my apology in the spirit in which it is given.

The Deputy Speaker: I am sure the House appreciates the comments made by the member.

* * *

FIGHTING INTERNET AND WIRELESS SPAM ACT

The House proceeded to the consideration of Bill C-28, An Act to promote the efficiency and adaptability of the Canadian economy by regulating certain activities that discourage reliance on electronic means of carrying out commercial activities, and to amend the Canadian Radio-television and Telecommunications Commission Act, the Competition Act, the Personal Information Protection and Electronic Documents Act and the Telecommunications Act, as reported (with amendment) from the committee.

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

Hon. Stockwell Day (for the Minister of Industry) moved that the bill, as amended, be concurred in.

(Motion agreed to)

Hon. Stockwell Day (for the Minister of Industry) moved that the bill be read a third time and passed.

Mr. Dave Van Kesteren (Chatham-Kent—Essex, CPC): Mr. Speaker, I am pleased to rise in my place today to speak to Bill C-28, a bill that passed second reading as the fighting Internet and wireless spam act, or FISA. With this legislation, we would be providing Canadian consumers and businesses with a regulatory and legal

regime that would help drive spammers out of Canada but permit legitimate online commerce.

Hon. members will recall that Bill C-28 recently received support from all sides of the House. In fact, several members pointed out the importance of passing this bill quickly. Indeed, we have been working for some time now to produce and implement legislation to reduce spam and related online threats that discourage the use of electronic commerce and undermine privacy.

The origins of this bill, after all, go back to the work of the task force on spam. The task force recommended that strong action be taken against unsolicited commercial emails, as it recognized that spam was becoming more than just a nuisance. It has become the means by which viruses, trojans and worms are spread through the Internet and it undermines confidence in the digital economy.

The task force made its recommendations, and Industry Canada followed up with its own consultations. In the last Parliament, Bill C-27, the electronic commerce protection act, or ECPA, was introduced in April 2009. The House unanimously passed Bill C-27 at third reading last November and it was sent to the other place on December 1, 2009.

The fundamentals of the former Bill C-27 and this Bill C-28 remain the same. With the new parliamentary session, Industry Canada took the opportunity to fine-tune some of the features of the bill before reintroducing it as Bill C-28. For example, given the more focused consent regime in the bill, it was necessary to make it clear that Bill C-28 takes precedence over the Personal Information Protection and Electronic Documents Act with respect to consent.

In review by the Standing Committee on Industry, Science and Technology, all parties stood behind the principles of this bill and there was good discussion about how some of these principles would be applied. For example, realtors and other businesses would need to change some business practices with respect to third party referrals as a result of requirements for consent in Bill C-28.

Committee members also expressed concern that the government allocate sufficient resources to administer the new rules. As hon. members will recall, the CRTC, the Competition Bureau and the Privacy Commissioner will all have their respective roles in combatting the effects of spam and related online threats. These three enforcement agencies would be able to collaborate with each other and their international counterparts as a result of this bill.

The government has committed that all three agencies will receive additional funding and personnel to fulfill this role. In addition, Industry Canada will establish a spam reporting centre and support the Office of Consumer Affairs at Industry Canada in providing resources for education and awareness.

Government Orders

When it came time to go through the clause-by-clause study, every clause but one was passed by the committee. As per the report from the Standing Committee on Industry, Science and Technology, clauses 2 through 92 were carried. Clause 1 was defeated. It would seem that there was unanimous consent in the committee and I believe in the House on the importance of this bill and the effect it would have on countering Internet and wireless spam and related online threats.

However, where the committee could not find its way to agree was on the short title of the bill. As outlined in clause 1, the short title of Bill C-28 is the “Fighting Internet and Wireless Spam Act”. The name was intended to reflect the concern that cellphone and other wireless spam has joined Internet spam as a source of malicious infections that undermine consumer confidence in the digital economy.

The government does not believe the short title of the bill should impede the progress of a much needed law. Canadians have waited a long time for legislation that would give spammers nowhere to hide in Canada. In the interest of having this bill move quickly through the House and on to the other place, we will support changing the short title of the bill to the name by which it was known under Bill C-27 in the last session.

• (1755)

The short title of the bill has been restored to what it was in the last session of this Parliament when Bill C-27 had succeeded in making its way through the House and to the other place but died on the order paper when Parliament was prorogued last December.

The change to the short title in clause 1 of the bill was the only change requested by the Standing Committee on Industry, Science and Technology. Clauses 2 to 92 remain the same. So we now call the bill the electronic commerce protection act, ECPA for short.

The fact that clauses 2 through 92 passed through the clause-by-clause study without amendment indicates the wide support this bill has from all parties in this House. In fact members from both sides of the House are eager to see this bill pass into law so that we can help eliminate spam and related threats from the Internet and from cell phones.

This bill is about reducing spam and related online threats that discourage the use of electronic commerce and undermine privacy. The Internet has become a powerful medium for communication in the economy, but it has also become more vulnerable with the rapid growth and increasing sophistication of spam and other online threats.

Unsolicited commercial email can carry associated threats like malware, spyware, phishing and various viruses, worms and Trojans. In fact the hon. member for Davenport pointed out during second reading that the Kroll Global Fraud Report maintains that cyber theft has overtaken physical theft as a criminal act.

The Government of Canada is committed to the passage of this bill. Over the past years, it has worked both with the industry committee and in the House to create effective anti-spam legislation as a critical element of Canada's digital economy. The goal has been to make Canada a leader in anti-spam legislation by providing a more secure online environment for both consumers and businesses.

Under the bill before us, the CRTC would be responsible for enforcing the no-spam provisions, the violations involving the alterations of transmission data in an electronic message, and prohibitions against installing software or causing it to be installed without consent.

The Competition Bureau would extend its powers under the Competition Act to prevent misleading and deceptive online practices. The bill contains amendments to the Personal Information Protection and Electronic Documents Act that would enable the office of the Privacy Commissioner to take measures against the unauthorized collection of personal information through hacking or illicit trading of lists of electronic addresses.

The bill before us would create an effective regulatory regime that would permit legitimate online commerce while protecting consumers and businesses through rigorous safeguards. It would provide powers to the CRTC and the Competition Bureau to administer administrative monetary penalties for those who violate the law. It also proposes a private right of action, which would allow individuals and businesses to take civil action against those who violate the law.

The end result would be to promote consumer confidence in online commerce, by protecting both consumers and Canadian businesses from unwanted spam and related online threats.

We saw one recent example of the power of the right of private action when a California court rendered a judgment against a Montreal-based Internet marketer. The marketer had posted spam messages on Facebook. This judgment was recently upheld by the Quebec Superior Court, which ordered the marketer to pay Facebook more than \$1 billion in fines. It is unlikely the marketer will ever be able to pay the fine, but the judgment certainly sent a powerful signal to spammers.

During the debate at second reading, the hon. member for Bonavista—Gander—Grand Falls—Windsor reminded us that fighting spam is not the responsibility only of the designated enforcement agencies but is also the responsibility of businesses, citizens and all members of society writ large. I believe the Facebook judgment demonstrates how businesses are ready to take action against spammers.

The bill before us is part of a wider government strategy to build consumer confidence and put Canada at the forefront of the digital economy.

• (1800)

Last May, the hon. Minister of Industry launched a nationwide consultation on the digital economy. Industry Canada has been evaluating the input and advice, and the minister has indicated he will make further announcements in the coming weeks and months on steps we will take to put Canada at the forefront of digital economy.

Government Orders

We can reduce spam and related online threats through a concerted, co-operative approach involving the public sector and the private sector. We will continue to work closely with our domestic and international partners to address threats to online commerce.

I urge hon. members to join me in supporting Bill C-28.

[*Translation*]

Mr. André Bellavance (Richmond—Arthabaska, BQ): Mr. Speaker, I am pleased to speak again to Bill C-28.

My colleagues may think I have become an expert on spam. I want to reassure them and the people who are watching us that I am not a spam expert and I have certainly never sent any spam. I have received spam, though, as I said in my previous speeches on this issue. People who work in offices today, especially decision makers, receive so much spam that there was a need for legislation on this issue, which is why the Bloc Québécois supports Bill C-28, the Fighting Internet and Wireless Spam Act.

I am not necessarily going to repeat all the criticisms the Bloc Québécois has offered in speeches in the House. But I do want to remind hon. members—and the Conservative member who spoke before me said this himself—that Bill C-27, which preceded Bill C-28 and concerned the same issue, died because the government prorogued Parliament, which is why Canada is so far behind other countries today when it comes to anti-spam legislation.

Better late than never, as I always say, but the damage that has been done is still there. People who have suffered losses, especially financial ones, because of all this spam will never get their money back. It is time to act, and we need to act as quickly as possible. We will see how quickly we can deal with this in committee. We will also see whether the government is willing to listen to people who might have improvements to make to this bill.

The Bloc Québécois supports Bill C-28. We will listen to the relevant testimony in committee. This speech may give me the chance to draw some conclusions, which I had not had time to do. In our speeches, we often get sidetracked and end up not having enough time to say everything we planned to say. As I touched on earlier, over the years, unsolicited commercial electronic messages have turned into a major social and economic problem that undermines the individual productivity of Quebecers. People all across Canada have the same problem.

Spam is a threat to the growth of legitimate electronic commerce. Clearly, new technologies can be practical. If legal businesses want to communicate by email legitimately, we must not stop them from doing so. However, spam is something else entirely. Fraud is not the only danger. Some companies harass people, which is a huge waste of time for people in offices trying to get rid of these unwanted emails.

Spam accounts for more than 80% of global electronic traffic, which results in considerable expenses for businesses and consumers. In light of this situation, legislation to protect electronic commerce is reasonable and appropriate.

On another note, some clauses of the bill are still problematic. We would like further information about the national do not call list. The

current list is doing the job it is supposed to do, and it is used by millions of people. Compliance with the national do not call list required many companies to reorganize their resources and make a large financial outlay. Could we not use the existing list?

I do not know what mechanism might make that possible, but that can be covered in committee. A number of parallels may be drawn between the system proposed for emails and the existing system for telephone calls. For example, I have had my name taken off call lists, but that does not mean that marketing companies cannot get in touch with me. There are certain categories of businesses that can do so. Political parties are one example. Since I subscribe to newspapers, they can call me. I am not completely sheltered from receiving calls. However, people who incessantly phone during supper to sell all sorts of things are now breaking the law.

As I said, could we not use this list to cut the cost of creating a whole new list? We will have to wait and see.

● (1805)

It might be worth looking into. Speaking of the do not call list, consumers should understand that registering will reduce but not eliminate all telemarketing calls. There are certain kinds of telemarketing calls that are exempt from the rules. The exemptions include telemarketing calls made by or on behalf of political parties, riding associations and candidates; Canadian registered charities; and newspapers of general circulation for the purpose of soliciting subscriptions.

Telemarketing calls from organizations with whom people have an existing business relationship are also exempt. A person is considered to have an existing business relationship with a telemarketer if they purchased, leased, or rented a product or service in the last 18 months from the telemarketer, have a written contract with the telemarketer for a service that is still in effect or expired within the last eighteen 18 months, or asked a telemarketer about a product or service within the last six months. In those cases, people can expect to receive calls at home.

Telemarketers may also call those who have provided express consent to be called. Express consent includes permission on a written form or an electronic or online form, or verbal permission. The do not call list rules do not apply to telemarketing calls made to businesses.

Government Orders

If you do not want to be called by a telemarketer making an exempt call, you can ask to be put on the telemarketer's internal do not call list. Every telemarketer is required to maintain such a list and respect wishes not to be called. Organizations conducting market research, surveys, or public opinion polls are not required to keep their own specific do not call lists.

I am explaining all this to say that it is possible to have our telephone numbers taken off telemarketing lists. This list is working well. The very same principle should apply to email. Text messages can also come under this category. I think that Bill C-28 covers text messages as well as email.

I would remind the House that Bill C-28 was inspired by the final report of the task force on spam, which was created in 2004 and did an enormous amount of work. I have already had the opportunity to address some of the 22 recommendations made by the task force. Of course I will not list all of them here in the House, but I have already mentioned a couple of them. I would like to revisit some other, very interesting recommendations. Most of the 22 measures recommended to the government have been accepted and included in Bill C-28.

There are some very interesting recommendations regarding legislation, regulation and enforcement. The federal government was told it should establish in law a clear set of rules to prohibit spam and other emerging threats to the safety and security of the Internet—for example botnets, spyware and keylogging—by enacting new legislation—which will be done when Bill C-28 is passed—and amending existing legislation as required. It is worth noting that this bill also amends a number of other pieces of legislation, including the Competition Act, which I will talk about a little later, if I have the time. Of course this new legislation will affect the Competition Bureau.

It is important for people to know that they will have some recourse when it comes to sending and receiving unwanted emails. This is also covered in the final report of the task force, which was made up of experts, government officials and marketing experts, as well as leading experts in the field of these new technologies.

• (1810)

According to the task force on spam, the following penalties and remedies should be applicable: new offences created should be civil- and strict-liability offences, with criminal liability possible for more egregious or repeated offences. There should be meaningful statutory penalties for all offences listed in the recommendation. They also said that there should be meaningful statutory damages available to persons, both individuals and corporations, and that there should be meaningful statutory damages available to persons who bring civil action. The businesses whose products or services are being promoted by way of spam should also be held responsible for the spamming. Responsibility should also rest with other third-party beneficiaries of spam.

This leads us to the issue of private recourse. People should know that they will have rights once this bill is passed. Bill C-28 provides for the creation of a private right of action that would enable businesses and individuals to initiate civil proceedings against any person who contravenes articles 6 to 9 of the new act; this is found in clause 47 and onward. If the court believes that a person has

contravened any of these provisions, it may order them to pay an amount representing either the loss or damage suffered, or the expenses incurred. If the applicant is unable to establish these amounts, the court may order the applicant to be paid a maximum amount of \$20 for each contravention, not exceeding \$1,000,000. This is found in clause 51.

That may seem a bit high, but in one of my earlier speeches on Bill C-28, I mentioned an individual from Montreal who was found guilty by a California court of hacking into the Facebook social networking site. This individual, who managed to send a slew of spam messages through Facebook, was fined \$1 billion. Yves Boisvert wrote about this case in an article in *La Presse*, which I have quoted here before. The article said that this individual will never be able to pay \$1 billion, but it served as a good scare for all those who use websites, social networks and email addresses to defraud or embezzle people and get away with it. These people flood us with unwanted emails or text messages, which are becoming increasingly popular, as I mentioned earlier. We all get them on our telephones. The individual in question in this case will perhaps not pay the fine, but he will certainly not have any desire to start up again.

Bill C-28 also proposes an extension of the co-operation and information exchange powers for anything that has to do with the Competition Act, the Telecommunications Act or the Personal Information Protection and Electronic Documents Act. Earlier I said that I had some examples about the Competition Bureau. For example, any organization to which part 1 of that act applies may on its own initiative disclose to the CRTC, the Commissioner of Competition or the Privacy Commissioner any information in its possession that it believes relates to a violation of the act. The CRTC, the Commissioner of Competition or the Privacy Commissioner must also consult with each other and share any information necessary to carry out their activities and responsibilities in accordance with their respective acts.

And if agreements are signed to this effect, this information could be given to the government of a foreign state, an international state or government organization or one of their agencies, if the information is useful in ensuring compliance with laws that address conduct substantially similar to conduct prohibited in our laws. It is important that countries continue to consult more often in order to end this scourge of spam or at least reduce it; it will be difficult to eliminate it entirely.

Government Orders

•(1815)

On one hand, agreements must specify that the information can only be used to assist an investigation or proceeding in respect of a contravention of the laws of a foreign state that address conduct that is substantially similar to those I just spoke about. On the other hand, they must ensure that the information will remain confidential and cannot be otherwise shared without the express consent of the person responsible for the communication. These two conditions are fundamental to preserving the privacy rights of those concerned.

I said earlier that it was important to remember why countries enacted such laws, which are becoming increasingly strict. When a new technology comes on the scene, it is not always possible to know exactly how people are going to adjust to it and what powers the courts will have to deal with all the fraud and abuse that can be perpetrated with this new technology. But some countries have reacted much more quickly than we have, and we need to use their experience to help the victims of these unwanted emails. Spam is a real nuisance. It damages computers and networks, contributes to deceptive marketing scams and invades people's privacy. That list alone shows just how serious a problem spam can be.

More generally, spam poses a direct threat to the viability of the Internet as an effective means of communication. It undermines consumer confidence in legitimate electronic commerce and hampers electronic transactions. In the end, everyone loses.

I do not know whether it is because of my age, but when I buy things on the Internet, I am always reluctant to give my credit card number. It always gives me pause. If hon. members are like me, they wonder whether everything is secure or whether someone somewhere is looking at what they are doing on their computers. Maybe I watch too many movies—even though I do not have that much spare time—but I know there are hackers out there who can play around in people's home or office computers. Not only can they create computer problems, but they can also access the personal information of people who are using sites legitimately to purchase items.

In any event, like everyone else I got up to speed and managed to do my banking transactions, my transfers and all that on the Internet. So far, so good. However, before buying anything on the Internet with a credit card number, I check as much as possible to see whether the site is secured. So far, things have worked out well, but I know that everyone knows someone who has been a victim after making this type of transaction. We have to restore public confidence to ensure that those who have a legitimate business can make a living and that consumers can benefit from this properly.

New legislation to regulate unsolicited email has been needed for far too long now. The Bloc Québécois is pleased to see that Bill C-28 addresses most of the recommendations from the final report of the task force on spam.

Since I am being asked to wrap up, the time has come to talk about how we are behind on legislation that has been passed around the world. I am talking about the United States, Australia and Great Britain, for example. We must nonetheless proceed carefully. I invite people to read a very interesting article in *La Presse* about the Competition Bureau and how it has started to attack social networks.

This September 25 article by Isabelle Massé addressed advertising on social networks and the importance of taking action.

I do not have enough time to quote it as much as I had hoped to, but it is worth reading this article that shows that the Competition Bureau has been able to take action. With Bill C-28, other organizations will be able to take even more consistent and concerted action.

•(1820)

As I was saying, it is time to take action.

[*English*]

Mr. Rodger Cuzner (Cape Breton—Canso, Lib.): Mr. Speaker, I appreciate the comments from the member for Richmond—Arthabaska.

I am pleased that the Canadian chambers of commerce have decided to support the bill. I know when it was presented to the House in past machinations of what it is now as Bill C-27, a great number of concerns were raised. Amendments have been made. One problem that had been identified with past legislation was the sending out of spam prior to any kind of approval or consent from the recipients. We wanted to prohibit the use of false and misleading statements that disguised the origins or the intent of the email and the insulation of unauthorized programs.

I am sure that every member of the House has received calls from constituents with regard to some of these vexatious annoyances. When one tries to do some work on the computer there are these types of things and they are annoying.

Does the member think that Bill C-28 addresses with sufficient rigour the one that is of most concern, the one to prohibit the unauthorized collection of personal information? I know there are various laws to protect personal information. Specifically with regard to the Internet and the use of online services, does the member believe that with the checks and balances this is adequately addressed within the legislation?

•(1825)

[*Translation*]

Mr. André Bellavance: Mr. Speaker, I thank the hon. member for his comments and question.

Clearly, that is why it is important to refer this kind of bill to committee, since I have never seen a perfect bill. I have been a member in this House for six years, and seeing a bill in which everything has been thought of, everything has been resolved from the beginning and which can be referred directly, without even examining it, now that is rare. I cannot say it has never happened, because sometimes we have had the time to read a bill, only to say that not much really needed to be changed in the end. Generally speaking, however, they need to be examined further in committee to ensure, as the member put it so well, that these kinds of problems are resolved.

Who has not been affected by the kind of messages he mentioned? For instance, a message supposedly sent from a bank or credit union asks for certain personal information and personal identification numbers to resolve an issue with an account, in order to ensure that everything is all right and that there are no problems. Unfortunately, some people are duped by this. Or else there are other kinds of messages from people who claim to be related to very wealthy individuals—for instance, presidents of certain African countries or other countries around the world—who need money. In return, those people will send us even more money. We have all seen these kinds of messages.

Whether Bill C-28 will specifically and completely prevent all fraud of this kind remains to be determined, but we need to conduct an extremely thorough examination of the bill in committee.

[English]

Mr. Scott Simms (Bonavista—Gander—Grand Falls—Windor, Lib.): Mr. Speaker, the member talked about amendments to the Competition Act. It amends the definition of “record” to give it a much broader meaning. There seem to be several additions, including amendments to the Canadian Radio-television and Telecommunications Commission Act, the CRTC.

I wonder if the member could briefly comment on what are the new roles and responsibilities being brought on to the CRTC regarding Bill C-28. Perhaps he could also, if he has time, briefly comment on the international aspect of it.

[Translation]

The Deputy Speaker: The hon. member for Richmond—Arthabaska has 30 seconds to answer the question.

Mr. André Bellavance: Mr. Speaker, if the member permits, it would be easier for me to speak of international co-operation rather than all the details about the CRTC. The bill affects a number of other acts. The CRTC will have a mandate and a role under this new law.

With respect to international co-operation, the task force gave very clear instructions to the government when it recommended the following, “The federal government should continue to pursue bilateral agreements on anti-spam policies and strategies with foreign governments.”

It also recommended that “the federal government, in consultation, collaboration and partnership with other stakeholders,...should actively promote” actions to stop this kind of unwanted spam.

ADJOURNMENT PROCEEDINGS

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

• (1830)

[English]

ABORIGINAL AFFAIRS

Ms. Jean Crowder (Nanaimo—Cowichan, NDP): Mr. Speaker, I am rising on a question that I raised in the House in September with regard to first nations education. There were two essential parts to

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my question: one was about the 2% funding cap and the other one was about the continuing two tier education system that exists in first nations communities.

I want to refer the House to the 2007 report of the standing committee called “No Higher Priority: Aboriginal Post-Secondary Education in Canada”. I want to talk about a couple of things in that report.

The introduction says:

It is rare to find unanimity on any topic in the realm of public policy. When it comes to Aboriginal education, however, the now overwhelming consensus view of experts and officials within and outside government...defies the rule. All agree, quite simply, that improving educational outcomes is absolutely critical to the future of individual Aboriginal learners, their families and children, their communities, and the broader Canadian society as a whole.

On that note, in an article by Paul Wells on November 12, 2010, he reminded us that by investing in education, according to the Centre for the Study of Living Standards, the total tax revenue would increase by \$3.5 billion and government spending would decrease by \$14.2 billion.

The standing committee report also highlighted the fact that there have been many reports and many studies on education, including post-secondary education. On page 8 of the report it says, “There were 6,000 reports on First Nations education in this country”. We can see that education has literally been studied ad nauseam. The challenges and problems are well-known.

However, on the government's website is a request for a proposal on public engagement, planning, development, delivery and expertise of services. This RFP is for \$500,000 to \$1 million. It is asking for proponents to engage in public engagement planning, development, delivery and expertise services in support of INAC education programs with an emphasis on aboriginal youth. This is to increase awareness of education opportunities and programs, obtain perspectives on aboriginal education, and gain a better understanding of the barriers to both access to education and to achieving successful educational outcomes.

Since we already have one of many reports from the standing committee that makes a series of recommendations to the government about how to improve post-secondary education for first nations in this country and we now see up to \$1 million being spent on a further study, my question is three-fold. Were first nations included in the development of the terms of reference for this request for proposal for up to \$1 million? If they were included, how were they included? If they were not included in the development of this proposal, why were they not included?

Mrs. Shelly Glover (Parliamentary Secretary to the Minister of Indian Affairs and Northern Development, CPC): Mr. Speaker, I am pleased to rise to respond to the question of the hon. member from Nanaimo—Cowichan.

First nation education is a priority for our government. Indian Affairs Canada at this moment is spending \$1.7 billion on first nation education annually, including investments of \$289 million for post-secondary education.

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The department's approved annual growth rate for a bundle of basic services remains at 2%. However, and this is the important part, the overall annual growth rate is larger due to significant investments made in priority areas since 2006.

Indian and Northern Affairs Canada, Health Canada and a number of other federal departments and agencies now spend more than \$11 billion each year to fund programs directed to aboriginal people. This reflects the determination to make real progress by spending money more efficiently and working on structural reforms in key priority areas to get the most possible out of each of these funds.

The Government of Canada is working to improve education for first nations in partnership with both the provinces and first nation communities. We recognize that dollars alone will not address the challenges confronting first nations learners. Improving educational outcomes is a shared responsibility in which governments, communities, educators, families and students all have a role to play.

To this end, we have signed tripartite memoranda of understanding with provincial governments and first nations in seven provinces. These agreements help foster collaborative work between first nations, provinces and Indian and Northern Affairs Canada on initiatives to improve first nation student outcomes.

Of course, we want to make sure that every aboriginal young person who chooses to can pursue post-secondary studies. We want to see more aboriginal youth build the skills they need to find jobs and contribute to Canada's social and economic success, whether it is via university, college or an accredited trade.

Approximately 22,000 first nation and Inuit students across Canada receive funding from our post-secondary education program to help with the cost of tuition, books, transportation and living allowances. In total, we are spending \$289 million on post-secondary education every year.

Since 2008, we have heard from first nations, Inuit and other stakeholders on how to improve the post-secondary education program's effectiveness and its accountability in coordination with other programs. We are currently looking at ways to improve the program.

We have made it clear, with our investments and our commitment to productive partnerships, we are committed to ensuring that aboriginal people have access to the same educational opportunities as other Canadians and we are going to continue that work.

• (1835)

Ms. Jean Crowder: Mr. Speaker, we have this report from 2007 that makes very clear recommendations about how the post-secondary education program can be improved. We now have this study of up to \$1 million being proposed on increasing awareness and understanding barriers, when we already have sufficient information about what the problems and barriers are.

So again my question to the parliamentary secretary is, were first nations included in the development of this request for proposal for further study? If they were included, how were they included? If they were not included, why not?

Mrs. Shelly Glover: Mr. Speaker, once again, our government does understand the importance of education. I have to reiterate that we work with the provinces and first nations communities to develop these kinds of programs because it is so important that we work together. It is the responsibility of all of us to ensure that these aboriginal students do make successes out of their education.

What some of these students have accomplished should be celebrated. We should be cheerleaders for them. Just as we saw in the World Cup and we heard the vuvuzelas in behind the scenes cheerleading for all these world athletes, we as the government and as parliamentarians need to be cheerleading for these aboriginal students who are accomplishing much under very strained circumstances at times.

So I encourage the parliamentarian who has asked this question to join with us to support these programs to support these aboriginal students.

The Deputy Speaker: The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 10 a.m. pursuant to Standing Order 24(1).

(The House adjourned at 6:38 p.m.)

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