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OFFICIAL REPORT
(HANSARD)

Thursday, October 20, 2011

—

Speaker: The Honourable Andrew Scheer

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HOUSE OF COMMONS

Thursday, October 20, 2011

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

• (1005)

[English]

GOVERNMENT RESPONSE TO PETITIONS

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

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QUESTIONS ON THE ORDER PAPER

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

The Speaker: Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[English]

MARKETING FREEDOM FOR GRAIN FARMERS ACT

BILL C-18—TIME ALLOCATION MOTION

Hon. Peter Van Loan (Leader of the Government in the House of Commons, CPC): moved:

That, in relation to Bill C-18, An Act to reorganize the Canadian Wheat Board and to make consequential and related amendments to certain Acts, not more than two further sitting days shall be allotted to the consideration at second reading stage of the Bill; and

That, 15 minutes before the expiry of the time provided for Government Orders on the second day allotted to the consideration at second reading stage of the said Bill, any proceedings before the House shall be interrupted, if required for the purpose of this Order, and, in turn, every question necessary for the disposal of the said stage of the Bill shall be put forthwith and successively, without further debate or amendment.

[Translation]

The Speaker: Pursuant to Standing Order 67.1 there will now be a 30-minute question period.

[English]

I invite hon. members who wish to ask questions to rise in their places so the Chair has some idea of the number of members who wish to participate.

I would ask members if they could keep their questions to approximately one minute and the responses a similar length of time so we can accommodate as many members as possible. As we have done before, the Chair will give precedence to members of opposition parties. While we will still allow some members of the government to ask questions, this is primarily for the opposition to question the government.

I will recognize the member for Windsor—Tecumseh.

Mr. Joe Comartin (Windsor—Tecumseh, NDP): Madam Speaker, before I ask my question, I would suggest that you should probably not let the minister answer anything so we can use up some of the time on meaningful comments rather than the responses we will get from him.

My question for the minister is fairly straightforward. How many more of these time allocation motions are we going to have? We have sat for 25 days and I think this is the fourth time allocation motion on bills that are extremely important, this one at least as much as some of the other ones where time allocation has been moved.

The effect of time allocation is to end all debate at second reading stage on a bill that is extremely important. It is a historically important structure within the Government of Canada going back many years. The government is limiting debate to what will be a little over three days on a very important bill.

How many government members want to speak to it? I know many of our members want to speak to it.

How many more times is the minister going to do this?

Hon. Gerry Ritz (Minister of Agriculture and Agri-Food and Minister for the Canadian Wheat Board, CPC): Madam Speaker, I find that a bit hypocritical coming from the member for Windsor—Tecumseh when he stood up and voted to adjourn debate yesterday. We are actually moving forward and giving him two more full days of debate in spite of his voting to adjourn debate at the end of the very first day. I am not sure exactly where he thinks he is on stable ground with that.

Government Orders

As the member well knows, time allocation is a valuable tool used by governments when it is needed. I do agree with his point that we do this when it is extremely important, but extremely important for the citizens of Canada and in this case, for western Canadian farmers.

What we are looking for is fairness. The member's farmers in Ontario have access to a voluntary board, which is doing extremely well. They made that change in 2003.

I am not sure how the member can stand in his place and say it is okay for his farmers in Ontario but the guys out in western Canada cannot have the same rights and privileges. That is absolutely untenable in a democracy, which is why we are seeking to make this change. We will use whatever is necessary to make that happen in a timely way.

• (1010)

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Madam Speaker, we in the Liberal Party are very disappointed in the way the government is manipulating the prairie wheat farmer.

The other day the government said that this was all about freedom. If we talk to the tens of thousands of prairie grain and wheat farmers, this is not about freedom. What the government is doing is crippling many opportunities for the farmers of small and large operations alike. Those farmers want this bill to be thoroughly debated.

The government is completely disregarding what a vast majority of the prairie wheat farmers wanted and said so in a plebiscite. Over 60% said that they want to retain the Wheat Board, but the Prime Minister has said that does not matter and the government is getting rid of it. Now the Prime Minister is allowing only a couple days of debate.

I ask the Minister of Agriculture, why does the government not respect the majority of prairie grain farmers who said they want to retain the Canadian Wheat Board?

Hon. Gerry Ritz: Madam Speaker, I am wondering who really is manipulating prairie farmers when I look across at the third party down at the end over there. Those members do not represent any farmers at all. Even the member for Wascana has 11 rural polls which the Conservative candidate won in that particular area.

We were very open in our campaign regarding an open and accountable Canadian Wheat Board, something different, something new, something similar to what there is in Ontario, following the Australian model where we saw freedom reign. Farmers are doing better.

The member also talked about small farms. Those same small farms grow canola and other special crops and are doing extremely well with those. Even when we talk to someone like Nettie Wiebe, who is the former president of the NFU, she tells us that canola is grown on her farm because a cash crop is needed. If the Wheat Board is giving farmers a premium price and doing such a great job, why do they need another cash crop? In fact, canola has surpassed wheat in its value on the Prairies.

If the member is serious about debating, he should stop playing tricks with this and let us debate.

[*Translation*]

Ms. Hélène LeBlanc (LaSalle—Émard, NDP): Madam Speaker, I rise today in the House as member of Parliament for LaSalle—Émard.

I would like to note that, since May 2, there have been many of these requests to limit debate. I remind my hon. government colleagues that as a member of Parliament elected by my constituents in LaSalle—Émard, I have just as much a right to be heard as members on the government side. Their recent requests limit my right to represent my constituents.

[*English*]

Hon. Gerry Ritz: Madam Speaker, I guess my argument would stand from the former questions. If those members are so concerned about having time to debate, why are we seeing silly motions to adjourn the debate which they supported? If they are really serious about moving forward and having a good fulsome debate, I am here and I am ready to do it. However, when we have to use valuable parliamentary time to come in and vote down a motion to adjourn the debate on the very first day of debate, and members scream that they want more debate, it is more than hypocritical.

Mr. Jamie Nicholls (Vaudreuil—Soulanges, NDP): Madam Speaker, I find this disturbing. In my view, time allocation should be used for pressing issues of pan-Canadian interests. This appears to be a regional interest for western farmers.

The Wheat Board has been with us for 91 years. I could see a time allocation motion being worthy if there were unanimity among western farmers for the changes to the board, but from what I have heard in the House, even among western farmers there is not agreement about changes to the Canadian Wheat Board. Since there appears to be no unanimity in this region, why is the government trying to close debate at this time?

• (1015)

Hon. Gerry Ritz: Madam Speaker, I am not sure where the member opposite gets the time of 91 years. I know that for a lot of us, it seems longer than that, but the reality is it was brought in as mandatory in 1943 under the War Measures Act.

I do agree with him that it is a regional interest, absolutely. That is why I find it almost untenable when all these members from outside western Canada preach to us and tell us how we should run our farming enterprises. I am a farmer myself, and there are a lot of farmers on the benches here that still have farming interests and still have families tilling the soil. They are all asking for a reasonable request, that they have the same rights and privileges as farmers in Ontario do. I do not think that is out of line at all.

Hon. Bob Rae (Toronto Centre, Lib.): Madam Speaker, I hope it is not the position of the government of the day that the only people who are allowed to have an opinion with respect to the Wheat Board are the people who agree with the government.

The fact of the matter is when the minister stands in his place and asserts that there is unanimity among western farmers with respect to the future of the Wheat Board, that is a preposterous statement.

Government Orders

I would hope that the minister would at least have the decency to recognize that western farmers themselves had a vote. They had a vote because the government was not willing to have a vote. They had a vote because the government was not willing to follow the law. We then have the Prime Minister of the country saying on October 7 in the *Globe and Mail*:

It's time for the wheat board and others who have been standing in the way to realize that this train is barreling down a prairie track.

What the government of the day is saying is that the Conservatives are going to railroad the western farmers. They are going to railroad anybody who does not agree with them, and they are going to railroad the House of Commons for the fourth time in 25 days.

That is what the government has become all about, a government that simply says, "It is our way or the railroad", and it is the railroad that it is driving and it is not—

The Deputy Speaker: Order, please. I will try to limit questions and comments to about a minute, because I see many people rising.

The hon. Minister of Agriculture.

Hon. Gerry Ritz: Madam Speaker, the main tenet of democracy is having one's say, not necessarily having one's way, no matter how loud one screams.

At the end of the day, even the Wheat Board admitted that the so-called plebiscite was a non-binding referendum.

Hon. Bob Rae: They had no choice.

Hon. Gerry Ritz: Just a minute, Bob. Hang on. You had your turn.

The Deputy Speaker: Order, please. I think the hon. minister knows that he should direct his comments through the chair.

Hon. Gerry Ritz: I am happy to do that, Madam Speaker. At least you are balanced.

The Wheat Board itself, in its spring edition that it puts out quarterly, did a non-binding referendum of farmers across western Canada, and when it offered the idea of a dual market, there was tremendous response for that. We will honour that as well.

Mr. LaVar Payne (Medicine Hat, CPC): Madam Speaker, the Medicine Hat riding is a huge rural area. About half of the population is rural, and there are all types of farmers and products.

Could the Minister of Agriculture and Agri-Food tell the House why we need to pass this legislation immediately for the benefit of funding for research in western Canada?

Hon. Gerry Ritz: Madam Speaker, innovation has been a main tenet of agriculture in western Canada. We have developed things like zero till and moved forward with a number of different entities in everything but the Wheat Board commodities.

Having said that, there has been a check off in place for years through the Wheat Board to fund valuable organizations like the Canadian International Grains Institute, the Western Grains Research Foundation and the Canadian Malting Barley Technical Centre, and we will continue to do that.

We will move to a point of sale, gathered in and administered by Agriculture Canada in the short term until we find someone to take over that valuable resource and asset.

There can never be enough funding for science and research. We will continue to do that check off and make sure the money flows to those organizations that do such a great job.

• (1020)

Mrs. Carol Hughes (Algoma—Manitoulin—Kapuskaing, NDP): Madam Speaker, I have a press release from Allen Oberg, chairman of the CWB governing board of directors. He said:

This is not about putting farmers in the drivers' seat—it's about throwing us under the bus, and handing the steering wheel to huge American and European multinationals that control the world's grain trade.

I am just wondering if the minister could answer two simple questions. Can he guarantee that farmers will not lose their land to big conglomerate? Can he confirm that they will be appointing their own appointees to the Wheat Board, as opposed to having the farmers themselves who have been doing this for years?

Hon. Gerry Ritz: Madam Speaker, the exact purpose of this in the end is to have farmers take 100% control of this. That is why we are giving the new entity up to five years to adapt to and bring forward a program that puts farmers in the driver's seat, absolutely.

The problem that the Wheat Board is encountering is that it becomes a price taker. Over the last short time it has lost 50% of the wheat volume. It has lost 40% of the barley volume.

The quality consistency is still there because of the great job western Canadian farmers do, and in using entities like the Grain Commission for blending and so on. We are still putting out that top quality product. We need more of it, not less.

Hon. Ralph Goodale (Wascana, Lib.): Madam Speaker, in Ontario there used to be a single-desk marketing agency through the Ontario Wheat Producers' Marketing Board. That board disappeared in 2003. That happened because of a democratic decision taken by the democratically elected board of directors of the Ontario Wheat Producers' Marketing Board who determined that was the route they wished to take.

In western Canada, there is also a duly elected board of directors for the Canadian Wheat Board. Why are the western directors not being treated with the same respect and regard as the directors of the Ontario Wheat Producers' Marketing Board?

If the Ontario directors were allowed to take a democratic decision and go in a certain direction, why can the western directors not do the same thing?

Hon. Gerry Ritz: Madam Speaker, there is a major difference between what was governing the body in Ontario and what was governing the body in western Canada. It is called a piece of legislation. There was no Ontario Wheat Producers' Marketing Board legislation in the House even at the provincial level. However, there is one at the federal level. We seek to change that and allow farmers to work democratically to move forward and use or not use the board.

When farmers spoke out, the member opposite shackled and jailed them. He has absolutely no credibility on this issue.

Government Orders

Ms. Niki Ashton (Churchill, NDP): Madam Speaker, I ask the Minister of Agriculture and Agri-Food why in this discussion the government is not following the Canadian Wheat Board Act?

Section 47.1 guarantees farmers the right to vote on changes to the Canadian Wheat Board's marketing structure. Why is the minister not allowing farmers a say in the full dismantling being proposed? Why is the government refusing to listen to the voices of not just western farmers but also western Canadians who have spoken out in large numbers asking the government to protect the single desk system?

Hon. Gerry Ritz: Madam Speaker, anybody reading section 47.1 knows that is not exactly what it says. It calls for a vote of the affected producers if we are adding or subtracting a commodity from the board. We are not doing that. We are using democracy and the supremacy of Parliament to fundamentally change the act.

As significant moneys would be allotted to the port of Churchill, would the member for Churchill support the bill?

When we spent some \$30 million in budget 2008, she voted against it. I am not sure why she would continue to do that when she knows how valuable that port is.

[*Translation*]

Mr. André Bellavance (Richmond—Arthabaska, BQ): Madam Speaker, I have a very simple question for the minister. He said that the government can always use time allocation, when it is needed. But why is it necessary today to shut down debate on the Canadian Wheat Board? I sat with him when he was in opposition, when he was the chair of the Standing Committee on Agriculture and Agri-food. Since he became Minister of Agriculture, he has shown that he is able to defend and debate his point of view. He has even introduced bills to shut down the Canadian Wheat Board. So it is not that he is not capable of debating. It is because, since Parliament convened on May 2, this government has decided to bulldoze through everything. It no longer wants us to debate bills that it deems important. That is undemocratic.

What is the minister afraid of? Why does he not want to talk about this issue here, in the House, and let democracy do its job?

• (1025)

[*English*]

Hon. Gerry Ritz: Madam Speaker, the member for Richmond—Arthabaska was a good colleague on the agriculture committee. We did some great work together.

The simple answer is timeliness. Markets and farmers themselves need clarity and certainty as to when this would move through. As the member is aware, farmers commence their farm inputs in the fall. They spread fertilizers and apply chemicals depending on the commodity they will seed in the spring.

Farmers need to know that what they will seed next spring will be theirs to market. We are putting a time allocation on this bill to ensure it is in effect by the end of this calendar year so that the industry and markets can adjust accordingly.

Mr. Ray Boughen (Palliser, CPC): Madam Speaker, one of the myths the opposition is perpetrating is that somehow the quality of our grain would decline without the Canadian Wheat Board

monopoly. Will the Minister of Agriculture and Agri-Food explain to the House why it is important that the legislation be passed immediately to assure our global customers that our grain will continue to be of the best quality?

Hon. Gerry Ritz: Madam Speaker, as the member for Palliser represents a huge rural riding in the Moose Jaw area, he is as concerned as I am about grain quality.

Quality is regulated by the Canadian Grain Commission. However, it is based on the great work our farmers do. Changes in weather, cropping and so on have allowed our farmers to adapt. They have done some great work with new varieties in canola and pulse crops. They have also been able to maintain that top quality wheat that is in such demand around the world. A good portion of the barley goes to malt, which is also in demand around the world.

We require more acres of new and better crop varieties. We will continue to do that.

Mr. Philip Toone (Gaspésie—Îles-de-la-Madeleine, NDP): Madam Speaker, the minister keeps referring to this side of the House as being full of hypocrisy.

I will quote several remarks made in the House on previous occasions by his leader.

On March 31, 2004, his leader said:

No real reform at committees, instead the same old games the government is playing with public accounts. The government invoked closure in the House after only six days.

I point out that we have only been debating the bill for a day and the government already is invoking closure.

There is no reform or election of Senators. He is driving opponents out of his party, appointing candidates and playing with the election date as a personal political football.

On October 1, 2002, his leader said:

The government has used closure and time allocation more frequently than any previous government.

The government has been using time allocation procedures a lot more. Why the hypocrisy?

Hon. Gerry Ritz: Madam Speaker, time allocation and closure are legitimate tools of a democracy. They are within the bounds of what we are allowed to do in this place.

In the case of this bill, it is a matter of timing. It is a matter of offering market certainty and clarity to the producers so they will know that what they are prepping for this fall and will be sowing in the spring will be theirs to sell.

They need to know that the markets will be adjusting. As well, the new entity of the Canadian Wheat Board will require time to forward hedge and contract to be the major player we know it can be. We look forward to that day.

Government Orders

[*Translation*]

Mrs. Anne-Marie Day (Charlesbourg—Haute-Saint-Charles, NDP): Madam Speaker, this morning the minister spoke about people from the outside getting involved in this debate. I would like him to tell us exactly who these people from the outside are. Are they from the United States and Europe or are they from Quebec, Saskatchewan and other parts of Canada?

We are talking about democracy here. We have the right to speak, say what we are thinking and participate in the debate.

[*English*]

Hon. Gerry Ritz: Madam Speaker, I am happy to entertain that question on the merits of the debate.

I am concerned when I see that farmers in Ontario have rights and privileges that have been denied to farmers in western Canada. I am asking for fairness.

The Confederation of this county ensures that all provinces have a chance to succeed. We have certainly worked well with the province of Quebec over the last few years. It has more autonomy, as do other provinces. We have a tremendous relationship with some provinces. Three out of the four provinces involved in the Canadian Wheat Board issue are siding with us in this debate and I welcome that.

I welcome debating the points of the matter, not beating around the edges and wasting time.

• (1030)

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Madam Speaker, my question for the minister is with regard to time allocation. What will it take to convince the government that this is not the direction it should be taking given the level of frustration being experienced today by prairie farmers regarding the government's actions?

One way prairie farmers can express their frustration is by opposition members articulating what has been discussed with them or what has been received from them in emails or telephone calls. By putting limitations on our ability to at least debate the issue, does the minister not recognize that he is adding to the frustration of the prairie farmers?

Hon. Gerry Ritz: Madam Speaker, I live on the Prairies. I go home when I can, as do many of my colleagues.

The real frustration for prairie farmers is the unknown. They are asking for certainty and clarity so they will know how to market and what to grow next year.

I point out to the member opposite that it was his party that dragged us into an election last spring that was not required by the Canadian people. Canadians sent us back here with a clear majority and a mandate to move forward on issues exactly like this. That is why we are sitting over here and he is sitting over there.

When I look at the silly tricks the Liberals have been playing this last while on this issue I know they are not done. They have a quiverful and will play as many as they possibly can while at the same time saying we should get on with it.

I am happy to get on with it. I am here to debate.

Mr. Lee Richardson (Calgary Centre, CPC): Madam Speaker, the Marketing Freedom for Grain Farmers Act will enable the interim Canadian Wheat Board to act as a voluntary marketing organization through its transition to full private ownership.

During that orderly transition our government will provide the Canadian Wheat Board with the tools it needs to act as a voluntary pooling option for the farmers who choose to use it.

During the transition period our government will continue to guarantee the new Canadian Wheat Board's initial payments for borrowing, assist with funding for reorganization costs related to the removal of the monopoly and put in place a voluntary check-off to continue producer support for research and marketing development activities.

Today we are only a few hours into the debate and the opposition has introduced two motions to delay and stall the bill.

Would the Minister of Agriculture and Agri-Food explain to the House why it is important that the legislation be passed immediately to ensure the transition happens in an orderly fashion?

Hon. Gerry Ritz: Madam Speaker, the member for Calgary Centre underscores the answer I have given many times. It is about clarity and certainty. It is about ensuring that farmers have the tools at their disposal to accentuate the bottom line of their businesses. Farming is now a big business. Even small farms operate as businesses. Some farmers have jobs off the farm and have moved to other commodities that are not under a single desk, such as livestock, pigs, chickens, et cetera. They also grow different grain commodities.

The member for Calgary Centre makes an excellent point as to why we need to get this done quickly. It is about timeliness. It is about ensuring that not only the markets have time to adjust but also to enable the new Canadian Wheat Board to forward contract and offer futures as soon as possible.

[*Translation*]

Mr. Jonathan Tremblay (Montmorency—Charlevoix—Haute-Côte-Nord, NDP): Madam Speaker, I am gravely concerned about Canadian democracy. The government is trying to muzzle the media. The government is trying to muzzle the opposition and therefore the power of each member in the House. There are movements rising up around the globe to denounce this type of attitude, yet the government is moving in the opposite direction.

I am curious to know whether the minister and the government are advocates of democracy. If so, does the minister plan to change his position on this motion?

[*English*]

Hon. Gerry Ritz: Madam Speaker, I would say to the member opposite that the only thing gagging the media lately are the metaphors coming from the member for Winnipeg Centre.

Government Orders

We certainly believe in democracy. We campaigned hard on these types of issues. We came back here to fulfill those commitments and maintain the bond that we have with our constituents. We will get the legislation passed in a timely manner, ensure that farmers and markets have time to adjust and give them the signal to move forward and enhance their bottom lines.

• (1035)

[*Translation*]

Mr. Dany Morin (Chicoutimi—Le Fjord, NDP): Madam Speaker, I find it hypocritical that this bill is called an Act to reorganize the Canadian Wheat Board, when it is clearly intended to dismantle and destroy that board. Farmers get between \$4 billion and \$7 billion from this organization each year. This is no small issue. This is a very important organization, and we need to take time for discussion before we destroy it. I do not understand why the government is trying to muzzle the opposition. Earlier, my colleague mentioned that the government is trying to muzzle the opposition and keep information hush-hush.

I come from Chicoutimi—Le Fjord, where agriculture is one of the main economic drivers. I have something to say about this. In my region, the UPA believes that the Canadian Wheat Board should exist. So my opinion should be heard in the House.

[*English*]

Hon. Gerry Ritz: Madam Speaker, the Canadian Wheat Board does not give farmers money. It markets the farmers' commodities.

The system works as follows. If I grow and harvest durum wheat and decide to sell it to a pasta maker on my own, I must phone the Wheat Board and inform it of that. It will tell me how much it will cost in freight and elevation to get it to Tidewater. I will send a cheque. I will phone the Wheat Board back to ask if I can sell the wheat. At that point it will inform me that it will cost me so much a bushel because that is the price it can get for it that day. Essentially, I must buy back the durum wheat which has not yet left my farm before I can finally do something with it. That has to change.

We cannot shackle people like that and expect them to stay in that kind of situation. The board was created in a different time for a different reason. We have moved beyond that.

Ms. Niki Ashton (Churchill, NDP): Madam Speaker, my question is—

Mr. Chris Warkentin: Madam Speaker, on a point of order. I am not sure if you are aware, but there are countless members of the Conservative caucus who want to ask questions. Several members on the other side have asked multiple questions. I believe it would be important to hear what the strong representatives of the Canadian wheat farmers have to say on this side of the House.

The Deputy Speaker: I appreciate the members' frustration, but they should recall that the Speaker stated before leaving the chair that as per the regulations and procedures, the purpose of this 30-minute question period is to allow the opposition to hold the government to account.

Members should recognize that I did allow three questions from the government side, which is similar in proportion to the time we allot during question period. I believe that is a fair allocation.

I will give the member 15 seconds to ask her question.

Mr. Bob Zimmer: Madam Speaker, just for our clarification, we have seen this happen, but we just do not seem to have your formula of how you figure out who is able to speak and who is not. Could you give us the actual numbers so we will time our standing up appropriately?

The Deputy Speaker: There is no formula. It is at the Speaker's discretion following the rules of procedure.

I will give the hon. member for Churchill 15 seconds to ask the last question.

Ms. Niki Ashton: Madam Speaker, I wish the members across would have the same interest in allowing farmers to speak out, not just their own caucus members but to allow farmers across western Canada to have a vote on whether they want this Wheat Board to be dismantled. The Conservatives are not allowing that vote because we know from the plebiscite and from the farmers' voices that they support the single desk.

Hon. Gerry Ritz: Madam Speaker, I pointed out earlier that a lot of the people sitting on this side of the House right now are actually farmers. They represent farmers. We were sent here with a mandate to change the single desk into a dual market situation and we will continue to do that whether we have help from the opposition or not.

[*Translation*]

The Deputy Speaker: It is my duty to interrupt the proceedings and put forthwith the question necessary to dispose of the motion now before the House.

[*English*]

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And five or more members having risen:

The Deputy Speaker: Call in the members.

• (1120)

[*Translation*]

(The House divided on the motion, which was agreed to on the following division:)

(*Division No. 41*)

YEAS

Members

Ablonczy
Adler
Albas

Adams
Aglukkaq
Albrecht

Government Orders

Alexander	Allen (Tobique—Mactaquac)	Atamanenko	Aubin
Allison	Ambler	Bélangier	Bellavance
Ambrose	Anders	Bennett	Benskin
Anderson	Ashfield	Bevington	Blanchette
Aspin	Baird	Blanchette-Lamothe	Boivin
Bateman	Benoit	Borg	Boulerice
Bernier	Bezan	Brisson	Brousseau
Blaney	Block	Caron	Casey
Boughen	Braid	Chicoine	Choquette
Breitkreuz	Brown (Leeds—Grenville)	Christopherson	Cleary
Brown (Newmarket—Aurora)	Brown (Barrie)	Coderre	Comartin
Bruinoooge	Butt	Côté	Cuzner
Calandra	Calkins	Davies (Vancouver Kingsway)	Day
Cannan	Carmichael	Dewar	Dionne Labelle
Carrie	Chisu	Donnelly	Doré Lefebvre
Chong	Clarke	Dubé	Duncan (Etobicoke North)
Clement	Daniel	Duncan (Edmonton—Strathcona)	Dusseault
Davidson	Dechert	Eyking	Foote
Del Mastro	Devolin	Freeman	Fry
Dreeschen	Duncan (Vancouver Island North)	Gameau	Garrison
Dykstra	Fantino	Genest	Genest-Jourdain
Fast	Finley (Haldimand—Norfolk)	Giguère	Goodale
Flaherty	Fletcher	Gravelle	Grogg
Galipeau	Gallant	Harris (St. John's East)	Hassani
Gill	Glover	Hsu	Hughes
Goguen	Goldring	Hyer	Jacob
Goodyear	Gosal	Julian	Karygiannis
Gourde	Grewal	Kellway	Lamoureux
Harper	Harris (Cariboo—Prince George)	Larose	Latendresse
Hawn	Hayes	Laverdière	LeBlanc (Beauséjour)
Hiebert	Hoback	LeBlanc (LaSalle—Énard)	Leslie
Hoepfner	Holder	Liu	MacAulay
James	Jean	Mai	Marston
Kamp (Pitt Meadows—Maple Ridge—Mission)	Keddy (South Shore—St. Margaret's)	Martin	Masse
Kenney (Calgary Southeast)	Kerr	Mathysen	May
Komarnicki	Kramp (Prince Edward—Hastings)	McCallum	McGuinty
Lake	Lauzon	McKay (Scarborough—Guildwood)	Michaud
Lebel	Leef	Moore (Abitibi—Témiscamingue)	Morin (Chicoutimi—Le Fjord)
Leitch	Lemieux	Morin (Notre-Dame-de-Grâce—Lachine)	Morin (Laurentides—Labelle)
Leung	Lizon	Morin (Saint-Hyacinthe—Bagot)	Murray
Lobb	Lukiwski	Nantel	Nash
Lunney	MacKay (Central Nova)	Nicholls	Nunez-Melo
MacKenzie	McLeod	Pacetti	Papillon
Menegakis	Menzies	Patry	Péclet
Merrifield	Miller	Perreault	Pilon
Moore (Port Moody—Westwood—Port Coquitlam)		Plamondon	Quach
Moore (Fundy Royal)		Rae	Rafferty
Nicholson	Norlock	Ravignat	Raynault
O'Connor	O'Neill Gordon	Regan	Rousseau
Obhrai	Oda	Saganash	Sandhu
Opitz	Paradis	Savoie	Scarpaleggia
Payne	Penashue	Sellah	Sgro
Poillievre	Preston	Simms (Bonavista—Gander—Grand Falls—Windsor)	
Raitt	Rajotte	Sims (Newton—North Delta)	St-Denis
Rathgeber	Reid	Sitsabaiesan	Stoffer
Rempel	Rickford	Stewart	Thibeault
Ritz	Saxton	Sullivan	Tremblay
Schellenberger	Seeback	Toone	Turmel
Shea	Shipley	Trudeau	
Shory	Smith	Valériote— 121	
Sopuck	Sorenson		
Stanton	Storseth		
Strahl	Sweet		
Tilson	Toet		
Toews	Trost		
Trottier	Truppe		
Tweed	Uppal		
Valcourt	Van Kesteren		
Van Loan	Vellacott		
Wallace	Warawa		
Warkentin	Watson		
Weston (West Vancouver—Sunshine Coast—Sea to Sky Country)			
Weston (Saint John)			
Wilks	Williamson		
Wong	Woodworth		
Yelich	Young (Oakville)		
Young (Vancouver South)	Zimmer— 156		

NAYS

Members

Allen (Welland)	Andrews
Angus	Ashton

PAIRED

Nil

The Speaker: I declare the motion carried.*[English]*

I wish to inform the House that because of the proceedings on the time allocation motion, government orders will be extended by 30 minutes.

SECOND READING

The House resumed from October 19 consideration of the motion that Bill C-18, An Act to reorganize the Canadian Wheat Board and to make consequential and related amendments to certain Acts, be read the second time and referred to a committee, and of the amendment.

Government Orders

The Speaker: Resuming debate, the hon. member for Churchill has 10 minutes left to conclude her speech.

Ms. Niki Ashton (Churchill, NDP): Mr. Speaker, I stand here today in some great irony. Today is the birthdate of Tommy Douglas. Tommy Douglas was a champion of much of what we call Canadian values today. He led Saskatchewan from some of its darkest days to some of its brightest days. He was somebody who fought for public medicare at the national level, somebody who created much of the Canadian identity that we have today.

But Tommy Douglas also did one more thing. He stood up for rural Canada. He stood up for the farmers whose communities had been impacted by the Great Depression. He stood up for the development of those communities and those regions. He stood up for their voices.

Today, so many years later, on the day of his birthday, we are entering into a historic debate. We have all been plunged into this debate by the Conservative government's ideological agenda to oppose farmers' voices, to oppose the messages we have heard from farmers in farming communities and rural communities in western Canada, the very part of the country that Tommy Douglas came from.

The loss of the Wheat Board is a loss for all of us across this country. Today's debate also amplifies the fact that the government's agenda is not just about the dismantling of the Wheat Board, but about the silencing of our voices.

Just some short weeks ago, the results of a plebiscite administered by the Canadian Wheat Board came out. That plebiscite showed that a majority of Canadian western farmers in Manitoba, Saskatchewan and Alberta believe that the single desk ought to be maintained. The government not only ignored that plebiscite but is also ignoring section 47.1 of the Canadian Wheat Board Act, which states that farmers must have a say in any proposed plans to alter the operation of the Wheat Board.

Today is a dark day, given that we are not just hearing about the government's plan to dismantle a successful institution that has supported the livelihoods of so many farmers and so many rural communities across western Canada, but that once again the government is not allowing westerners to have their voices heard through our Canadian democracy.

Today I also stand as the member of Parliament for Churchill. I stand here proud to represent the community of Churchill. It is an important part of our Canadian economy and also a critical part of our movement forward.

As the only deepwater Arctic seaport, Churchill holds a bright future for the kind of development we could see in northern Canada. Yes, there was an announcement in terms of investment, but many of us know that much of that announcement is both highly speculative and extremely short term. While Churchill and the north welcome investment, more than anything we would welcome the assurance that we can work with institutions that have successfully worked with us to provide a livelihood to the people in our communities.

The Canadian Wheat Board is the only agricultural shipper to the Port of Churchill. Wheat Board shipments account for 95% of the cargo that goes through Churchill. The Port of Churchill is the

closest port to many Canadian farmers in the west, and as a result, it saves farmers millions of dollars in shipping. The port depends on farmers as much as farmers depend on the port.

While the government announced adjustment funding for the Port of Churchill, it is speculative. A cost-benefit analysis has not been done as the government has pursued its steadfast approach, its ideological approach, to dismantling the Canadian Wheat Board. The government's actions do not make sense for Churchill. They do not make sense for Manitoba or western Canada.

● (1125)

What will the Port of Churchill do when this adjustment funding runs out and big agri ships to their own terminals in the east and the west to maximize the revenue? What will happen to the port, a port that some have referred to as a jewel of the north, a port that is a critical link in the endless development that we could see in northern Canada, further north than we are?

All in all, the implications of dismantling the single desk are profound. Despite a clear message from western farmers to keep the Wheat Board, the government continues to display arrogance in failing to listen to the voices of farmers. The National Farmers Union president, Terry Boehm, said that the plebiscite's message was crystal clear. Perhaps the government has trouble interpreting these numbers. The facts are that out of the roughly 38,000 votes that came in, almost 23,000, or 62% of farmers, agreed with the statement "I wish to maintain the ability to market all wheat through the Canadian Wheat Board single desk system".

That is crystal clear. Farmers voted in the plebiscite to say that they want the Government of Canada to stand up for the single desk.

Alberta farmer Ken Larsen, from Benalto, Alberta, a supporter of the Canadian Wheat Board and a full-time farmer, said of the vote "that farmers voting in such high numbers is a strong message in itself", given what he called "an ongoing campaign of misinformation and bullying".

The government has no mandate to go against the wishes of prairie farmers and to meddle in this system. The Wheat Board is controlled, operated and funded by farmers for farmers.

The Wheat Board offers a number of advantages to wheat farmers. The first is price pooling, which insulates farmers from abrupt shifts in price and passes returns back to these farmers.

Government Orders

Producer car loading sites are an important piece of this puzzle. The car loading sites that the Wheat Board includes as part of its system save the farmers money, but if the single desk goes, so will the producer car loading sites. These producer cars mean farmers can bypass grain companies' elevators and save themselves \$1,000 to \$1,500 per car that is shipped. The producer cars are branch lines and short-line railroads. What will happen to them and to the communities along these rail lines?

To connect to the reality of Churchill, as the Port of Churchill is threatened, so is the Bay line that connects Gillam, Ilford, War Lake, Thicket Portage, Pikwitonei, Thompson, Wabowden, The Pas. These are communities all across Manitoba. Some have an agricultural connection, but some depend on the rail line that makes its money from the kind of cargo that the Wheat Board has shipped to the Port of Churchill.

Dismantling the Wheat Board is a slap in the face for western farmers, to their jobs and to their economy. During tough economic times and when prices fall, farmers will be left without any marketing agency to provide them with free risk management and market power.

The government's actions are an attack on the family farm that has supported the Canadian economy for decades. Mark Sandilands, of Lethbridge, put it well when he said, "Farms will have to grow bigger; there'll be fewer small and medium farming operations, and the loss of small rural communities, with their schools, hospitals, community centres and other services. One could drive through rural Canada and find virtually no inhabitants".

I stand here today not just as the MP for Churchill but as a proud member of the NDP team that has a history of standing up for prairie people and a history of standing up for the voices of people who want to have a say in what they produce, in the future of their communities and in the well-being of our country.

Today on October 20, I ask that we all think of Tommy Douglas, our greatest Canadian, a great leader who stood up for the very ideas that we are fighting for today.

●(1130)

Let the farmers vote. Let western Canadians hear. Let us save the Canadian Wheat Board.

Mr. Bob Zimmer (Prince George—Peace River, CPC): Madam Speaker, the member mentioned that today is October 20. It happens to be my birthday today, and I could not ask for anything better than to give our western Canadian farmers marketing freedom.

I would like to ask the hon. member across the way if she supports jailing Canadian wheat farmers for wanting to sell their products across our borders. She speaks of democracy. Does she think it is okay for Canadian farmers to go to jail for selling their grain?

Ms. Niki Ashton: Madam Speaker, first I will wish my colleague across the way a great happy birthday. Perhaps it is an honour for all those celebrating today to have a birthday on the same day as Tommy Douglas, a great leader in Canadian history.

I hear the very common reference to the word "freedom". To me and certainly for us living in the west, "freedom" also means the

freedom to speak, the freedom to be heard, the freedom to have a vote on whether people want the single desk to be maintained.

To return the question, I would like to ask this government why it is so afraid to give farmers the freedom to have their voices heard. Maybe it is because in the plebiscite it saw that the farmers want to keep the single desk.

●(1135)

Mr. Frank Valeriote (Guelph, Lib.): Madam Speaker, my colleague made reference to the sacrifices that would be made in the Port of Churchill.

Recently an article that appeared in *The Economist* warned of the tragic closure of very many farms and the consequence that would have on local small-town economies in our western provinces. Such closures would change their entire way of life and their entire culture.

Would the member comment on her observations and her fears of these consequences?

Ms. Niki Ashton: Madam Speaker, that is what this debate on keeping the Canadian Wheat Board is about. It is about farming and farmers, but it is also about the well-being of rural communities.

I find it pretty ironic that the government refers to its representation of rural Canada when, step by step, it seeks to dismantle the very structures that keep livelihoods in our rural communities and that allow farmers and their families to survive in rural communities. We already know how difficult it is for farmers and the family farm in this day and age. However, as we connect the reality of the Wheat Board with a farm in southern Saskatchewan or northern Alberta to the survival of the Port of Churchill, we also understand that the Wheat Board stood up for all of us. It supported our communities in the work that we do, whether we are farming, northern or western communities. That is why we would like to see the government show some leadership to support rural Canada.

[*Translation*]

Mr. Pierre Nantel (Longueuil—Pierre-Boucher, NDP): Madam Speaker, I would first like to thank my hon. colleague for reminding us of the importance of Tommy Douglas' birthday. When we think of this great Canadian and his birthday, the cynicism of today's debate on the Canadian Wheat Board is even more striking. I heard someone say that the survey in question, which our Conservative friends continue to ridicule, was at least honest enough to show a very clear vote on wheat and a much closer vote—51% or 52% I think—on another grain.

I wonder if our colleague could elaborate a little for us. Just how credible was that plebiscite?

Government Orders

Ms. Niki Ashton: Madam Speaker, I thank my hon. colleague for this very important question. The results of the Wheat Board's plebiscite showed that a majority of farmers support the continued existence of the board, not only for wheat, but also for barley. The government is ignoring those results and, on top of that, is defying the act that created the Canadian Wheat Board, which stipulates that any proposed changes to the institution or the process must be voted on by farmers after they have been consulted. Once again, this government is showing complete disrespect for western farmers and for democracy.

[English]

Mr. Garry Breitkreuz (Yorkton—Melville, CPC): Madam Speaker, I have a brief question for the member opposite. She talks a lot about democracy and the need for us to listen to farmers, and so on. How would she explain that the governments of Saskatchewan and Alberta support the legislation before the House? Do they not also represent their farmers?

• (1140)

Ms. Niki Ashton: Madam Speaker, I am proud to come from a province that has a strong NDP government, one that was re-elected to its fourth term majority, with a pro single desk stance. That pro single desk stance came from consulting with farmers on the ground, a majority of which time and time again voted for directors, who are pro single desk, to represent them on the Canadian Wheat Board.

I would ask that the federal government follow the Canadian Wheat Board Act and consult with farmers directly, who we know have the most to lose with the dismantling of the Canadian Wheat Board. Who is going to gain? It is big agriculture, such as Cargill and Viterra. Corporations will certainly be benefiting from the government's actions.

Why is the government standing up for the corporations instead of western farmers?

Hon. Mark Eyking (Sydney—Victoria, Lib.): Madam Speaker, I am a farmer. I know what will happen with the Canadian Wheat Board and I am concerned about what will happen to other marketing boards. This is a slippery slope.

Yesterday the Parliamentary Secretary to the Minister of Natural Resources and for the Canadian Wheat Board said, "we want to provide the same freedom for farmers right across the country".

My question for the hon. member is this. Does she see the slippery slope that is happening today with the Canadian Wheat Board? Are chickens and milk next? What is happening with the government? It does not believe in boards. I hope farmers across the country are watching this slippery slope because other boards are next. What comments does the hon. member have on that?

Ms. Niki Ashton: Madam Speaker, absolutely, it is a slippery slope. We are seeing a continuation of the ideological agenda to put corporations ahead of farmers and their communities, which produce the most important thing we need, and that is nourishment. Knowing who is producing our wheat and providing our economy with dairy products and livestock is what we are talking about today.

There is a great concern by farmers across our country, especially in Quebec where supply management is such a critical part of its economy. We hear the government talk about the importance of the

agricultural economy, but in fact it stands up for large corporations and kills the very institutions that allow farmers in whatever sectors to flourish, although in this case it is the wheat and the grain sector predominantly. It puts their livelihoods at much greater risk of being lost.

That is not the way we will move forward to build a better Canada. That is not the way we will build better rural communities. If anything, we are taking away the foundations on which our rural communities are built. We are taking away the economy on which our rural communities are built. We are providing an incentive for a generation of young people, like myself, to leave the industry.

If this is the way the government feels Canada will move forward, we in the NDP and, I might assume, based on this discussion, opposition parties do not think that is the kind of Canada we see moving forward. We will stand up for Canadian producers and farmers every step of the way.

Mr. Brian Storseth (Westlock—St. Paul, CPC): Madam Speaker, it is good to see you in the chair once again.

I would like to thank my staff and friends who helped me put this speech together, which I am about to deliver. Also, I would like to thank a few members of this chamber and former members, as we are discussing a very important topic to western Canadian farm families.

First, I thank Rick Casson, the former member of Parliament from Lethbridge. He is a good friend of mine and a mentor who fought hard on this for many years.

I also thank the following current members: the member for Cypress Hills—Grasslands, the parliamentary secretary, who has been a staunch advocate of freedom for farmers for as long as I have been here; the member of Parliament for Vegreville—Wainwright, when he is not out there going after gophers, he has always been a staunch advocate of freedom; the member of Parliament for Selkirk—Interlake; and the member of Parliament for Crowfoot.

We are very fortunate on this side of the House to have such institutional knowledge of not only men and women who have farmed and lived under the tyranny of the Canadian Wheat Board, but who have also taken time out of their lives for public service, to come here and do the right thing and provide marketing freedom for western Canadian farmers.

I also thank some of our new members of Parliament who have buoyed us in the last Parliament. They bring to the team a fresh sense of needing to get the job done and a lot of enthusiasm. We have the member for Prince George—Peace River, a refreshing change from the last member of Parliament from Prince George, as well as the member of Parliament for Prince Albert.

Government Orders

Now that my thanks are done, I would like to talk about something that the Minister of Agriculture and Agri-Food first brought to my attention with his private member's bill back in 2006, when I first was elected. That was the issue of the buyback. I went to the minister, who was the chair of the agriculture committee at the time, and asked why he felt this was the road we need to take.

When we go through all the processes and steps, we see that our western Canadian farmers do not have the ability to maximize their return on profit like any other businessman would have, and that is really unbelievable. Most people who do not live under the Wheat Board tyranny do not understand what it is like to have to put all that risk out there and not be able to get the same return on investment that others in other parts of our country can have.

I would also like to address, as we are kind of doing a little housekeeping, my dismay. This has been a top-of-mind issue to western Canadians for as long as I can remember and certainly for as long as I have been in politics, which has been over a decade. All they want is to be treated equally and fairly. At the end of the day, when we finally get the opportunity to put a bill forward and have serious debate, what are Canadians given to watch in the House of Commons? Parliamentary games.

The opposition, the NDP and Liberals both, is guilty of trying to delay, to filibuster. Then, when they do not like that, they want to move on and not have debate on it. This is not just my word, this is what those members have been doing. This is what they did last night and this is what they are attempting to do once again today.

When issues of this great a nature come before our country, before our Parliament, all parliamentarians should give the respect that is due and have a proper ideological, practical debate. I am more than happy to have that debate with the member of Parliament for Churchill or anybody who would like to discuss the issues of the Canadian Wheat Board and the positive effects that our government has had on that region.

It is very troubling for me to sit and listen to a member of Parliament, not only from the prairie region but from Churchill, a port that is getting a lot of support from our government, sit here and say that this is the wrong thing to do when her own mayor supports our government's position.

There has been a lot of talk about polls and plebiscites. Let me be frank, anybody can turn numbers to look any which way they want, but numbers tough to sway are the economic impacts on our communities, the economic impact on my home province and home town.

●(1145)

The June 2008 Informa report shows its assessment of the monopoly versus not having a monopoly on the Canadian Wheat Board. It should be pointed out that this is what we are talking about here. Everyone on the other side continues to misconstrue this as being an attack on the destruction of the Canadian Wheat Board. This is not about that. This is about ending a monopolistic system and opening up marketing freedom for western Canadian farmers.

The June 2008 report clearly demonstrates that the economic impact on western Canada will be between \$450 million a year and \$628 million a year. That is a lot of money. This is not money that

has to flow through some government program before it gets to my farmers so they get 70% of the cut that the government was supposed to give them. This is direct money, taken out of their pocket every year by the Canadian Wheat Board.

Some hon. member: Shameful.

Mr. Brian Storseth: It is absolutely shameful. From a low of \$13.72 per ton on feed barley in the five year reporting period to a high of \$47.57 per ton on durum, this would have had a tremendous impact on my farmers. That is not money they can get back. That is money that has been taken away from them.

What we can do now is look forward and ensure that they do not have that money taken out of their pockets any longer. That is what we are talking about today.

The other thing I would like to briefly touch on is Westlock Terminals. I am very proud of this new generation co-op that is in my riding. This is a co-operative of community members who have come together and taken on this terminal. They are doing a wonderful job in ensuring it is profitable and is servicing our farmers well.

I have sat down with them on several occasions, and they had some concerns when we first started down this road. They heard that we were going to end the monopoly. They definitely had some concerns because the other side was ramping up the fear campaign. They were already calling them and telling them that the world was going to end for them.

As the minister has said, and I believe the terminal now realizes, "The sky is not falling". The sky is actually the limit for our farmers moving forward, and for Westlock Terminals and other co-ops like that.

This is a time, moving forward, when we are going to have innovation and ingenuity on the Prairies. This is a region of the country that has been the economic engine in the country for the last decade. The one area that continually lapses behind has been on the agricultural front, particularly when it comes to wheat and barley. In my opinion, it lags behind because of the monopoly, and the Informa report clearly shows that.

As I rise in this chamber to speak on marketing freedom, it will shock many who are not familiar with this issue to know that in our great country we have had two distinct classes of grain framers: those who live under the oppression of the Canadian Wheat Board and are not allowed to produce and sell their own wheat and barley; and the rest of Canada that has complete marketing freedom, the freedom to maximize their profits and sell their property as they see fit.

As we go through this vigorous debate over the next couple of months, time and time again we will see urban members of Parliament, oftentimes representing people who do not fall under the tyranny of the Wheat Board, standing and arguing for the status quo.

Let us be clear. These members are arguing for a two-tiered system. They are arguing for a system, so that my family in Alberta should not be able to sell its own wheat and barley crops as it sees fit. However, my family members in Ontario and other parts of the country have that freedom. It is absolutely two distinct classes.

Government Orders

It is past time that we take the shackles off of western Canadian farmers. The status quo simply is not working. We need to allow farmers to farm the marketplace and not rely on the benevolence of government or its organizations. We have the best and brightest producers in the world.

● (1150)

This brings me to the Bauer family in Thorhild, Alberta. This is a young family with two young daughters. They earn their living on grain and oil seed production.

At the beginning of every year, and this should be particularly interesting for some of our colleagues who are not familiar with agriculture, they put \$400,000, \$500,000 worth of inputs into the ground. That is the cost of a very nice home right here in Ottawa and across our country.

Each year they take that risk capital and put it into the ground. They pray for some spring rain. They hope that they can get the proper sun amounts throughout the year. During the summer, they honestly just hope they do not get hailed out. As their crop starts to come up, they have to put more fertilizer and more pesticides. They have to ensure the grasshoppers will not get it.

In the fall, in September, October, while everything looks good and they have their entire life savings out on the fields, they have to hope for the good graces of God to get enough good days before the heavy frost and the snow to get their crops off the field.

When they have done all of this, worked countless days and sleepless nights, they have to accept a lower price on their commodity, on their crop, because they live in western Canada, and that is simply not acceptable.

The Bauer family should have the same right as their cousins in Ontario to maximum their rate of return so that they do not have to rely on the government, so that they can put money away for their children's education, and for the new renovations to their home. That is what we are talking about here today.

When we talk about younger farmers and trying to get younger farmers into farming, this is a big hurdle. They are very intelligent. They look at the business model and say, "Why on earth would I want to get into something where the government restricts what my profit can be?" Sometimes \$450 million to \$628 million a year is a lot of money to be taken out of an economy in the designated areas.

What have they done? They have turned to other crops. Quite frankly, they have turned to canola and many other options, so that they do not have the shackles holding them back.

This has been positive for the last several years in western Canada. Canola has been a good crop, but when we are talking about feeding the world and making sure, as the opposition likes to do, that people in Africa and people around the world, who are starving, have enough food and relying on Canadian exports, we cannot feed them with canola. We need to send them our grains and oil seeds that they can utilize.

It is projected that in 2020 there will be seven billion people in the world. That is up from about 6.2 billion people today. That is an 800 million person increase over the next eight years.

The good news is that when my grandfather was farming his quarter section of land up in Fort Assiniboine 40 or 50 years ago, he could only feed five, ten people off his farm. Really, individuals can feed their family and a little bit more to trade off and get some other stuff.

Now, the Bauer family can feed 120 to 150 people off of their farm. The ingenuity in Canadian agriculture over the last 50 years has been amazing. The product increase has been amazing. The problem that we have in meeting the world demand is simply the fact that these guys are not willing to take a loss or not maximize their profit, so they are not dealing with board products as often as they used to, which affects the amount of global export that we give to other countries.

Those are just a couple of the issues for young farmers taking on farming in the future, especially with the Canadian Wheat Board. Hon. members need not take my word for it. They can actually look at the Canadian Wheat Board's 2011 producer survey that found 76% of younger generation farmers surveyed by the Wheat Board itself want something other than the status quo monopoly.

This is an amazing figure. This is not a figure that the Conservative Party came up with. This is a figure from the Wheat Board itself.

● (1155)

Another issue I would like to address is innovation in agriculture and the business model. It is important to make clear to those who may not understand how agriculture works that farmers themselves are businesses.

Gregg Adair and his family farm 3,000 or 4,000 acres. I was actually out in their fields this year. I hope everything continued to go well. When I spoke with Gregg, he said, "You know, Brian, I know exactly how much inputs I have, right to the acre; I know exactly how much I need to get in return for my product; and I know exactly how much loss I'm able to take".

However, what he cannot calculate is what he is going to get out of the Wheat Board at the end of the day because what he does know is that he is not going to get the price he should get. He is going to take a lesser value on any wheat and barley that needs to go through the Canadian Wheat Board.

He also, because of the Wheat Board's restrictions on seed, does not have the ability to even utilize some of the Canadian seed and genetics that we have produced in our own country. The Wheat Board does not allow him to do that. Is that not amazing? The Wheat Board actually restricts Canadian technology. Who is using it instead of the Adair family in Westlock? Farmers in the United States are benefiting from our research and development.

These are just some of the many issues that we experience in western Canada. The fundamental difference here is these are not things that are encountered in the rest of the country. It is not fair for us to have two totally different classes of grain farmers.

Government Orders

In conclusion, I would just like to say that farm families across the Prairies are watching us today. They are hoping and praying that their government will stand up for them and fulfill the promise that we had made to provide them with marketing freedom. My farmers are not asking for special treatment. They are not asking for something that the rest of the country does not already have. They are simply asking to be treated as an equal with their cousins in Ontario and the rest of Canada.

Marketing freedom is a first but very important step in maintaining and encouraging young farmers to enter and stay in our agriculture sector.

This is not an issue of left or right. This is not an issue of blue or orange. This is an issue of equality and fairness. It is an issue of right and wrong.

I ask all members of Parliament when the time comes to please seriously consider their vote on this, to consider what their vote will do to western Canadian farmers. I ask all members to support our farmers and our farm families on the Prairies. Thanks and God bless.

● (1200)

[*Translation*]

Ms. Hélène LeBlanc (LaSalle—Émard, NDP): Madam Speaker, thank you for the opportunity to rise here today.

I am speaking not only as the member of Parliament for LaSalle—Émard, but also as an agronomist and someone who is passionate about agriculture. I would like to ask the hon. member what the consequences of this bill will be. The Canadian Wheat Board was created by farmers. They came together specifically to be able to provide a counterweight to large agri-food businesses. Over the past few years, we have seen a concentration of agriculture and agribusiness in the hands of large corporations and multinationals.

I wonder if the member who just spoke could tell us what he predicts for the future of Canadian farmers and for the Canadian institutions that help our farmers in that regard. I wonder if he could talk a little about the future.

[*English*]

Mr. Brian Storseth: Madam Speaker, I would like to thank my hon. colleague for the very respectful question.

Unfortunately, the very premise of the question which she asked is flawed because western Canadian farmers were never asked if they wanted to be a part of the Canadian Wheat Board. Seventy-six years ago, the Government of Canada decided it was what was best for the country and for Europe, at the time.

This was not a bunch of farmers getting together and saying that they needed a co-operative to fight the multinationals because around 1943 that was not an overwhelming concern.

However, today, when my farmers in Westlock get together with Westlock Terminals, they are looking forward to the future; they are looking forward to all the opportunities that are out there; and they are hoping that they can get the same opportunities with wheat and barley as they get with canola.

She does not have to take my word for it. Look at the numbers on the canola acreage over the last decade. There is a reason why

farmers are planting more and more canola and less and less wheat and barley. It is imperative that we ensure we look to the future, as the member said, and it is imperative that we allow our younger farmers to have the same access with wheat and barley as they do with canola.

● (1205)

Mr. Frank Valeriotte (Guelph, Lib.): Mr. Speaker, my friend spoke of the perceived tyranny of the Canadian Wheat Board and I would suggest that the tyranny that we have to fear is the tyranny of the government. Subsection 47(1) requires a plebiscite that the government refuses to hold.

The Economist writes of the many farms that will be closing and the negative effect it will have on the economies of small towns in the prairie provinces. With all the changes that are about to occur, what consideration has the member given to all of those small communities which will now suffer because of the closure of small farms?

Mr. Brian Storseth: Mr. Speaker, I am from a small rural community and I still live in one. I have a little better idea of what small rural communities and agriculture producers have been going through in the Prairies over the last decade and the decade before that under Liberal rule than the member of Parliament for Guelph does.

With all due respect, he has the absolute right to ask the question, but he talks about tyranny of this government. I will tell members what western Canadian farmers think was tyranny. It was when the member for Wascana locked up 12 farmers for trying to sell their own product. That was tyranny. That was heavy-handedness of the Liberal government. It was not acceptable then; it is not acceptable now. Our party has always listened to western Canadian farmers. We have many of them here with us.

An hon. member: Why are you afraid to have a vote?

Mr. Brian Storseth: The other thing I would like to say to my hon. colleague, as he heckles me, is the fact that the family farms are getting bigger and more and more farms have been shutting down because of the problem of the Wheat Board and other monopolies that exist in the agricultural sector. We are here to help resolve those issues.

Mr. Jeff Watson (Essex, CPC): Mr. Speaker, let me welcome my colleague on behalf of his constituents to marketing freedom for farmers that we enjoy in Ontario. I have a great agricultural riding with about \$1 billion a year in GDP for the farmers of Essex and they love their marketing choice. Some will choose the marketing agencies and others love to market directly to end users and middlemen.

The hon. member has made a great intervention so far. Can he explain the restrictions that western producers face as opposed to farmers in my riding in Essex, Ontario?

Government Orders

Mr. Brian Storseth: Mr. Speaker, I thank my hon. colleague for the welcome to marketing freedom. We are not quite there yet. We still have a group of people who are trying to keep farmers back and hold their heads under water, but we are going to ensure that does not happen.

My hon. colleague brings up a good point and that is the point members on the other side say which is that it is the destruction of the Canadian Wheat Board. It is important that we make this crystal clear to western Canadian farmers. There will still be a pooling agency for them to use just the same as our farmers in Ontario have. It is called marketing freedom for a reason. We are not taking anything away from them, we are just giving them more choices and more options.

As I emphasized in my speech today, it is particularly younger farmers who look forward to this.

Ms. Elizabeth May (Saannich—Gulf Islands, GP): Mr. Speaker, I hear from prairie farmers on both sides of this issue and it is fair to say there are prairie farmers on both sides of this issue. The ones I am hearing from primarily are concerned that the smaller farmers will be less able to manage without the single desk and they do want the plebiscite.

I am concerned that farms will go out of business and that main street small town businesses will be disadvantaged. I am wondering if there are some studies to which the hon. member can direct us that speak to the issue of the economic negative consequences of this legislation.

Mr. Brian Storseth: Mr. Speaker, western Canadian and small farmers already market their own products such as canola where the acreage for products like it is shooting through the roof. They have to market that on their own. There is not going to be a change there. They will also still have the opportunity of the pooling agency if they want. If anything, this is going to be an advantage because the pooling agency is going to be using farmers' money for what it is supposed to be used for. I am hopeful for less bureaucracy and less money being taken out of our farmers' pockets.

I focused my comments today on younger farmers in particular, many of whom are my friends in western Canada and they are looking forward to this because they are already marketing their own product. As the document I referred to from June 2008 shows, \$450 million to \$628 million a year more, and that was a few years ago, in the pockets of farmers is a significant increase of direct capital injection into their operations.

• (1210)

Mrs. Carol Hughes (Algoma—Manitoulin—Kapuskasing, NDP): Mr. Speaker, Bill Gehl, the chair of the Canadian Wheat Board, has said that one of the faults with the legislation is that the government would clearly not be supporting the port of Churchill even though the government says it is. The Canadian Wheat Board moves 600,000 tonnes a year through the port. The government was going to put in \$5 million. The \$5 million the government was going to put in over the next four or five years would not work out to very many dollars per tonne. There is no guarantee for these farmers at the end of the day.

The minister did not answer my question. I would like my colleague to tell me whether or not the government can guarantee that these farmers will not lose their farms to the big conglomerates.

Mr. Brian Storseth: Mr. Speaker, my hon. colleague, although with the best of intentions, has epitomized the problem we have with this debate raging today in the House of Commons.

The individual that she spoke of is not the chairman of the Canadian Wheat Board. Allen Oberg is the chairman. Mr. Gehl is the chairman of the Canadian Wheat Board Alliance. The member does not even have her sources correct and I cannot blame her, because she is not from there and does not necessarily interact with those guys and the agencies and farmers on a daily basis. She has to make sure that she does the proper research and homework so that we can have a fruitful debate.

Western Canadian farm families, not just farmers, the families, the children who are dependent on the farms, like the Bauers, are demanding that our government fulfill the promise we made to them so that they can have marketing freedom and be able to put more money back in their own pockets.

Mr. Peter Julian (Burnaby—New Westminster, NDP): Mr. Speaker, I had understood that a Conservative was going to rise and speak at this point but after hearing the force of the arguments from this side of the House, I guess the Conservatives have decided not to participate in the debate. I think that is very welcome.

I heard some of the comments the Conservatives were making earlier. I will start at that point because the government's tendency has been to constantly, significantly and regularly divide one Canadian from another, one region from another, one type of Canadian from another. That was not the Conservatives' hallmark before the election campaign. Members will remember they were wearing sweater vests and saying they were going to be a moderate government. One of their commitments during that so-called moderate time was to keep the Wheat Board.

However, since the election, the Conservatives have taken off the sweater vests and they have become incredibly intransigent and ideological in the kinds of things they are bringing forward in the House. One thing which clearly indicates that shift to fight for a radical right-wing politics privatization agenda is what the Conservatives are looking to do with the Wheat Board. Marketing choice, what a crock.

The farmers in western Canada voted 62% to retain the single desk on wheat and the government says it is going to run roughshod over those western farmers. On this side of the House, the NDP caucus is saying we are going to stand up for that 62% of western farmers and we are going to say no to this bill.

The other aspect that has been brought forward by members of the Conservative Party is that somehow the Canadian Wheat Board will continue. When we read through Bill C-18, we see the parts that deal directly with the dissolution of the Canadian Wheat Board. The Conservatives will say it is not their plan for the moment, but we know the intent is to remove what has been a mainstay for western farmers for generations.

Government Orders

I come from British Columbia and have been part of what we have seen in western Canada over generations, and it is fair to say that we have often seen governments in Ottawa neglect or not address western Canadian concerns. It is particularly surprising to me that we see the government putting ideology over what should be a significant effort to listen to what western farmers have had to say about the Wheat Board and to look at the significant economic benefit that western farmers get from the Canadian Wheat Board.

When farmers in western Canada in a plebiscite vote significantly, a strong majority of 62%, and say they want to retain the single desk for wheat, why would a government then say that farmers' opinions are not important and that how they voted is not something the government is going to consider?

It is clear to us on this side of the House that the Conservatives are not willing to listen to western farmers. They are not willing to allow western wheat farmers and barley farmers to vote or consult on this issue. As the Leader of the Opposition, the member for Hull—Aylmer, said yesterday in the House, the Conservatives are breaking the laws that say the Wheat Board needs to have consultations with farmers and to have that vote from farmers before the government can proceed. The government is choosing not to do that and is running roughshod.

Worse, we are now seeing closure being brought in on this debate. After one day of discussion, the Conservatives realize they are losing this debate, that they do not have substantive facts to bring forward and they do not even have a business plan. They have not done an impact study. They have done nothing except rely on their base ideological beliefs.

• (1215)

After only one day of debate, the government found it had increasing difficulty making its views known, so it brought in closure. It is running roughshod. Not only is it saying that it will break the law and run roughshod over the clearly expressed opinions of western farmers in Alberta, Saskatchewan and Manitoba, 62% of whom are saying yes to the Canadian Wheat Board and the single desk, it is now saying it does not want this debate to get out. The government does not want to hear from the public. It does not want the public to have time to react to this. It does not want democracy to have its place. The government certainly does not want to consult with western farmers because they will reject what it is putting forward, so it is going to use a sledgehammer and shut down Parliament.

It is fair to say that if the government has its way, for many years to come people in western Canada will remember how the Conservative government decided to run roughshod over western Canadians through these actions. The NDP will continue to speak for western farmers and all western Canadians and bring their point of view to the House of Commons because we understand this is a fundamental debate.

It is not just the fact that the plebiscite showed very clearly that 62% of western farmers wanted to keep the single desk, it is also the fact that Conservative MPs actively campaigned to gut the democratically elected members of the board of directors of the Canadian Wheat Board. Year after year there continues to be a strong majority of western farmers who support the Wheat Board. We are

not talking about one single plebiscite or referendum that the government is ignoring. Despite the keenest, most base ideological attempt to gut the Canadian Wheat Board, western farmers said no time after time. They elected a majority of members on the board of directors who support the CWB.

What we are talking about is a systematic pattern of arrogance, of running roughshod and trampling on western farmers, despite the fact that they have clearly expressed their support for the Canadian Wheat Board time and time again. Why is that? I know you do not come from western Canada, Mr. Speaker, but you can certainly understand that historically western farmers were cast adrift by Ottawa with the policies of former Conservative and Liberal governments time and time again. Western farmers had to organize. They had to push.

Western Canadians generally have had to push for things that were often of benefit to the entire country as well. We will recall, of course, that the federal Parliament refused to have anything to do with public health care. It was a western Canadian and a freely and democratically elected administration under the direction of Tommy Douglas in Saskatchewan that established public health care in this country and now all Canadians enjoy it.

Western Canadian innovations include a lot of other things. As we well know, the co-operative movement particularly in the agricultural sector was born and prospered in western Canada, as well as the credit union movement. It is very popular in Quebec through the caisses populaires, but its strongest area is in western Canada. The co-operative wheat pools were brought together by farmers. It was Canadian farmers saying they needed this kind of single desk that led to the actions a few generations ago to establish the Canadian Wheat Board.

Why did farmers want that? Why have farmers continued to support it year after year despite the actions of the Conservative Party in opposition and now the Conservative Party in government trying to beat them back with a sledgehammer saying that they are wrong and the government is right? A few folks in Ottawa are saying western farmers are wrong and the government is right. Why have farmers supported the Canadian Wheat Board year after year? It is very simple. The reasons are economic.

• (1220)

We can see what the economic basis has been for the Wheat Board. We can compare the economic indices of western farmers with those of areas that do not have a wheat board at all, such as the United States, or have done away with their wheat board, and the member for Winnipeg Centre was very passionate about what happened in Australia.

When we see the economic utility of the Wheat Board, we can then understand why western farmers, despite the most mean-spirited pressure from the government in a constant and ongoing way, have continued to support the Wheat Board year after year and generation after generation. No mean-spirited ideological attack by the Conservative government, which is taking off the sweater vest and getting down to a very mean-spirited divisive business, is going to change the fact that the economic realities have been good for western farmers.

Government Orders

If we compare the Wheat Board and the single desk marketing power that western farmers have with what happened in Australia and what continues to exist in the United States, we see a profound economic benefit from the Wheat Board in the same way as we do from supply management, which the NDP has also always defended. Supply management and the Wheat Board provide the collective force that makes a real difference to agricultural communities. The economic benefits are not just for the farmers themselves, but for the entire community.

The supply managed sector has been a Canadian innovation. The Conservatives pay lip service to defending it, but they are ready to sell it out at a moment's notice. I know this because I have been on the trade committee for seven years, and every year since the Conservatives have been elected, bureaucrats come and talk about what portion of supply management the Conservative government would be willing to sell out. We know what the economic ramifications are for that.

It is similar to the situation with the Wheat Board. There are economic ramifications. After Australian wheat farmers did away with a similar body and privatized it, their revenues fell. Predictions were made at the time that it would particularly impact the smaller farmers, those with less clout. Those predictions, sadly, have come to pass.

In the United States, we have seen a similar situation. It has been unfortunate that there is not the same degree of collective action in the United States. They are often at the mercy of big multinational grain companies, and over the last few years farm income has fallen steadfastly and considerably in proportion to the average American household income.

In Canada, the area that has the lowest level of farm receipts is the province of Alberta. Why is it that agricultural management in Alberta has meant that farmers are poorer than anywhere else in the country?

It is a very simple question to answer. Right-wing privatization agendas, the type of mean-spirited agendas that we are now seeing from the Conservative federal government, drive down agricultural receipts and drive down income in agricultural communities. In areas where there is more collective action and where there have been strong NDP governments, agricultural receipts are higher.

This mean-spirited attempt by the Conservatives to run roughshod over western farmers, even though 62% voted in favour of maintaining the single desk, can only lead to lower incomes for most farmers.

Conservatives would say they do not care about that and that they just care about the top 10% or 1% or whoever wants to contribute to their electoral fund. The reality is that the government has to be more mature, more responsible and less ideological. The government has to look at the interests of all of the west and the interests of the agricultural communities, but the government is not doing this.

I spoke earlier about the sweater vest. We remember when the Prime Minister was going around the country in a sweater vest talking about moderation and how a Conservative government would somehow be more moderate than anyone expected it to be. That was what the Conservatives' commitment was.

●(1225)

The commitment from the Minister of Agriculture and Agri-Food going into the election on May 2 was to let farmers decide. That was the commitment. Those were stolen votes that Conservatives were able to obtain in those key ridings.

Mr. Speaker, you will remember, as I do, that a lot of those prairie ridings were hotly contested between Conservatives and New Democrats. The Conservatives made the commitment that farmers would be able to make the decision. We saw the results of that decision on September 12. It is important to read it into the record again: on wheat, 62% of western farmers voted in favour of retaining the single desk—62%. That is a clear victory.

The Conservatives got 38% of the vote nationally. If the government has a mandate with 38% of the vote, then what kind of mandate is 62% of the vote? That is a strong mandate to maintain the Canadian Wheat Board. Sixty-two per cent of farmers said that they want to retain it.

Time and time again, despite the worst and most underhanded tactics of the government and some of the government MPs to try to undermine the Wheat Board, the members of the board of directors who are elected and maintained are the directors who support the Wheat Board.

The government made a commitment going into the election, I suppose because it was scared of losing seats, that it would let farmers decide. Then the farmers decided, and the government said, "No, to heck with that. No, we are not going to let farmers decide on this now. No, no. We have this majority with our 38% of the vote and we are going to run roughshod over that clear majority."

It was a clear majority by anyone's standard, unless one lives in Enver Hoxha's Albania. There is no reason to question the 62% support for the Wheat Board that came out of the plebiscite, yet the government, with 38% of the vote, is saying that it is going to stamp it down. It is going to rip it apart. The government is producing Bill C-18, which in part 4 talks about the dissolution of the Canadian Wheat Board.

The government is saying it is going to destroy the collective single desk marketing that has given farmers so much power and clout and turn farmers over to the mercy of some of the world's largest grain companies. That will drive the prices down, and drive down the income and receipts in agricultural communities all across western Canada. The government is saying it is going to drive those receipts down on the Prairies from Alberta through to Manitoba.

What does that mean? It means less money in the pockets of farmers. However, it is not just that direct impact of what the government is doing that is so despicable, but the indirect impacts, which are going to be felt right across the west. It is the small mom-and-pop grocery stores in some of those smaller communities across the western provinces. Coming from British Columbia, I have driven back and forth across this country many times. It is the grocery stores, the credit unions, the auto repair shops and the farm machinery shops. All of them are going to feel the impact of this irresponsible action.

That is why we are voting no on Bill C-18. It runs roughshod over what farmers in western Canada have clearly expressed time and time again. It has a profound economic impact, as we have seen in other jurisdictions that have done that. The government has done no preparation and has no business plan. It cannot even tell us what the impact is going to be.

The government is doing this strictly for ideology. On this side of the House, we are standing up for western farmers. We are standing for wheat farmers. We are saying yes to the Canadian Wheat Board, and no to Bill C-18.

• (1230)

Mr. Garry Breitzkreuz (Yorkton—Melville, CPC): Mr. Speaker, I can see that the member opposite has stuck very closely to the talking points given to him by the Wheat Board. One of the strongest lobbies in Ontario, Quebec and the Maritimes is the Canadian Wheat Board. It has been using farmers' money to push its own agenda. What I mean by this is that all farmers have to sell their wheat and malt barley to the Canadian Wheat Board, and the Canadian Wheat Board uses some of that money to then wine and dine the members opposite to convince them that they have to continue to support it.

I really wonder if the member even knows that those farmers do not own their wheat. If they want to do something with their wheat, such as mill it and then sell the flour to somebody in Ontario, they cannot do it. I can give examples of farmers in my riding who had an agreement with an Ontario flour mill that the Wheat Board put a stop to.

My question is this: is it fair for farmers be forced to pay for lobbyists who present only one side of the issue to the MPs opposite?

Mr. Peter Julian: Mr. Speaker, this despicable ideological agenda is exactly the point we have been making over the course of the few hours that the government has permitted debate. Somehow it is impossible for anybody to actually talk to a western farmer that supports the Wheat Board. The ideological mindset on the other side of the House is that somehow there has to be some kind of plot, because otherwise no one would support the Wheat Board because the Conservatives do not support it.

Sixty-two per cent of western farmers said they wanted to keep the Wheat Board. In the member's riding, 62% of the farmers, on average, support the Wheat Board. My question back to the member is this: why is he not standing up for the farmers in his riding? They support the Wheat Board. Why is he not standing up for them? Why is he not their voice in Parliament, rather than being the voice of the Prime Minister? Rather than just throwing out these prepared speaking notes from the Prime Minister's Office, why is he not speaking up for western farmers? Why is he ripping up the mandate he got?

He should be speaking up for them. He should be speaking up on the floor. He should be—

• (1235)

The Acting Speaker (Mr. Barry Devolin): Questions and comments. The hon. member for Chicoutimi—Le Fjord.

Government Orders

[*Translation*]

Mr. Dany Morin (Chicoutimi—Le Fjord, NDP): Mr. Speaker, my grandfather farmed his entire life until the day he died. He was a member of the UPA and as such, he was able to benefit from collective negotiation in order to get a better price for his grains.

Can my NDP colleague tell me what western Canadian farmers would lose, concretely, if the Canadian Wheat Board were dismantled?

Mr. Peter Julian: Mr. Speaker, I very much appreciate the question from my colleague from Chicoutimi—Le Fjord. His question is much better than the last question asked by the Conservatives, which was not very good at all, in my opinion. The hon. member for Chicoutimi—Le Fjord has made a very good showing in this Parliament and he has been here for only four months. I used to live in Chicoutimi and I recognize the quality of the remarks he makes here.

His question is very good, very simple and very clear: what will be the economic impact on western Canadian farmers, wheat farmers in particular? The Conservatives have no interest in disclosing whether they have done any studies, because they know full well that the end of the Canadian Wheat Board will lead to lower household incomes for farmers. It is not just farm families who will suffer from the economic impact, but also the entire community. The government has provided no figures.

[*English*]

Mr. Bob Zimmer (Prince George—Peace River, CPC): Mr. Speaker, my colleague has mentioned a few things. He is from British Columbia, as am I.

I met with the BC Grain Producers Association, which represents British Columbia grain growers. It is absolutely in support of our position.

Is the member okay with voting against our own B.C. grain growers?

Mr. Peter Julian: Mr. Speaker, I welcome the new member to the House.

We have 62% of western farmers supporting the single desk. It is not a few lobbyists, which I know Conservatives have been meeting, who make the difference. It is what farmers want. Sixty-two per cent of western farmers have said, clearly and unambiguously, that they support the single desk market. Many of them live in ridings that the Conservatives won. Admittedly, the Conservatives said that they would let farmers decide, but now they are not.

Is the member prepared now to break ranks with his government when he knows that western farmers do not want this legislation?

[*Translation*]

Mrs. Anne-Marie Day (Charlesbourg—Haute-Saint-Charles, NDP): Mr. Speaker, I wish to inform the member opposite who was just speaking that \$5.2 billion goes through the Canadian Wheat Board, that it costs \$75 million in administrative fees to run and that the rest goes back to the farmers. It has been a real success.

Government Orders

I want to thank the hon. member for Burnaby—New Westminster for his excellent speech. Does he believe that the dismantling of the Canadian Wheat Board will make families poorer and weaken farmers' bargaining power, since they will have to fend for themselves to get the best prices for their crops?

• (1240)

Mr. Peter Julian: Mr. Speaker, of course it will. I thank the member for her question. She makes a huge contribution to this House and I am pleased that she is here.

In Australia, the situation is quite clear, the numbers do not lie. When Australia eliminated this mechanism that protects farmers, the family income of wheat growers dropped. Wheat producers in the United States have been at a serious disadvantage because there is nothing like the Canadian Wheat Board in place there. And it is perhaps because Canadian farmers are more prosperous than U.S. farmers that the Americans have lobbied against the Canadian Wheat Board for years.

What will happen if the Canadian Wheat Board is dismantled? No one knows how far family incomes and the indirect income of the entire community will fall. The Conservatives do not know. They did not commission any studies. They have no idea of the impact that this will have. However, we can predict that the impact will be very detrimental, very negative and substantial. For that reason we are fighting Bill C-18.

[*English*]

Mr. James Bezan (Selkirk—Interlake, CPC): Mr. Speaker, again, the member for Burnaby—New Westminster just proves the fact that he is very good at misrepresenting what actually is happening in farm country.

He talks about the Australian wheat board. There was the complete demise of the Australian wheat board because of its own internal corruption and its involvement in the scandal involved around the UN oil-for-food programme. The wheat board actually took itself out of the game, and it had nothing to do with political interference, and things in Australia got better.

Let us talk about the Canadian situation. Ontario had a monopoly in the Ontario Wheat Board. That was changed and a voluntary system was put in. There is more wheat and more wheat processing happening in Ontario today than there was before we removed the monopoly.

We know that when we took oats out of the Wheat Board, wheat processing and wheat acres increased and the returns to farmers increased. Farmers now want to grow oats again.

What is happening in wheat? Wheat acres are dropping. Wheat returns to farmers are reduced. Farmers want the ability to go and market their own grain, create value-added opportunities, create jobs and opportunities in western Canada just like everybody else in the rest of Canada.

Mr. Peter Julian: There was not a question in that, Mr. Speaker, but I would like to ask a question back to the hon. member.

What does he not understand about 62%? We hear Conservatives saying that they know this farmer or that farmer who is opposed to the Wheat Board and they are basing their entire strategy of gutting

the Wheat Board on a few friends who do not like it. Sixty-two percent, and that includes farmers in his riding as well, of farmers said that they wanted to keep the Wheat board. It is a simple message. It is something that any Conservative MP should understand. Sixty-two percent of western farmers want to keep single desk marketing.

Why will those members not listen to the needs and desires of western Canadian farmers?

Mr. Randy Hoback (Prince Albert, CPC): Mr. Speaker, I am pleased to join my colleagues in support of marketing choice for western Canadian grain farmers. The move to marketing freedom is exciting for all Saskatchewan farmers, especially Saskatchewan durum growers, who produce close to 80% of Canada's durum. This will mean greater price transparency for farmers before spring seeding so they can make more informed decisions about spring planting. This will give farmers the flexibility to react quickly to market signals and take advantage of market pricing opportunities.

The days of durum growers being forced to store their crop for one to three or more years are over. The days when durum growers had high quality durum and they were forced to liquidate it on the feed market in order to make cash because the board would not sell that durum are over. That nightmare will be a thing of the past.

There is no doubt this is all very good news for Saskatchewan producers. The wheat and barley business in Saskatchewan is a major driver of our economy, bringing almost \$2 billion to the farm gate. The sky is the limit, like the minister said, on what the potential can be once this legislation is through: \$2 billion dollars is a small number, \$2 billion could be \$4 billion, or \$6 billion or \$8 billion.

When we look at where wheat was in the thirties and the forties and then we look at what happened when we brought in the single desk and how the processing system moved, how it all went somewhere else, just think what could happen when that could now move back onto the Prairies. Think of how farmers can participate and partner and form their own co-operatives to mill their own durum, wheat and barley. I am confident a business can grow even more under marketing choice.

I must commend our Prime Minister, the Minister of Agriculture, the parliamentary secretary and all my colleagues for all the hard work they have done on this file. Conservative members have been out in their ridings talking to farmers. We do that on a weekly basis when we go back home on weekends. Our farmers have been very blunt. They have asked us to move fast and make this happen because they need the freedom and they need it now. That is what is happening here today, and I commend the minister and the Prime Minister for seeing this through and allowing farmers to finally have the freedom to market their own grain.

Government Orders

One thing about marketing freedom that will be of benefit is the innovation that will come from it. I worked in the agriculture sector before I was involved with farming and my career in Ottawa. I can remember the days of summer fold. Farmers used to summer fold half and half. Suddenly farmers started asking why they needed to summer fold. Why not just seed into the stubble? All of a sudden direct seeding happened. A few manufacturers, Bourgault, Flexi-Coil, Morris, which are farmer-owned businesses, looked at that and thought this was great. Why would they even need to work it at all?

If we look at the results of that innovation, we will find that costs for farmers have been reduced substantially, such as the cost of fuel. In fact, tractor manufacturers were concerned because the hours they were putting on their tractors, flipping tractors every two to three years. Now it is every five to seven years. That is the type of innovation that could happen on the Prairies and that is the type of innovation farmers would have to put in to wheat and barley.

Let us also talk about the innovation that we have seen in non-burnt crops. Let us look at value-added processing.

One crop that my colleague from Manitoba talked about was oats. This crop was under the single desk. Under that system, farmers would not grow that crop because they could not get more than 80¢ a bushel. The board released oats out of the single desk and a year later the price per bushel went up. A year later I saw farmers growing oats. I talked to my neighbour and asked him why he was growing oats and he told me that it was paying aid the bills. He actually substituted oats for wheat. If we asked farmers what paid the bills over the last 10 or 15 years, they would say canola, pulses and oats, not wheat or barley.

We hear this argument about grains not being able to be processed on the Prairies because it is too far for market. Let us look at the canola sector. Let us look at Yorkton, which has two processing plants. Let us look at Lloydminster, which has another canola plant. Let us look at Clavet, Saskatchewan, a small town outside of Saskatoon, which has another canola processing plant.

Canola contributes almost \$6 billion to the Canadian economy. Canola was not a big crop in the seventies. This all happened in the last 30 years. Why did wheat not grow at that same level? Why did wheat innovation not happen? We have to ask these questions. We cannot put our heads in the sand.

● (1245)

One of the answers to those question is the CWB and its process in not making changes, in not exploring new opportunities, unwilling to allow value-added to happen in the prairies.

I think back to the days of the Weyburn Inland Terminal, which was a very progressive group of farmers. It built the first terminal on the prairies. It introduced the concept of direct hit trains to the west coast. It introduced the concept of cleaning the grain on the prairies so the dockage could be fed to cows and the clean grain would go to the west coast without having to take the cleaning charges out.

These farmers figured that there was a durum plant across the line in North Dakota and they could do that in Weyburn. They raised the money, they had a business plan, they had the market and they had it all developed. Then the CWB said, absolutely not, that this was not allowed, that it was not under the act.

The minister from Wascana, instead of backing farmers, what did he do? He backed the board. The farmers were irate. When farmers were told they could not value-add and process their own products that might have been the straw that broke the camel's back.

When I used travel with Flexi-Coil, I had a dealer down at Milk River. Milk River is right on the Montana line. Every once in a while we would sneak across the line and talk to some farmers with a salesman I knew down there. One farmer grew a lot of barley, and I asked him why he grew so much barley because there was no money in barley in Canada. He told me that the guys from Coors went to his farm and told him if I grew this type of barley, they would supply the seed. They said that if he worked with them and their agronomist to ensure they would get the proper quality, they would give him a price that he could not say no to, and they did that.

All of a sudden the farmers around Milk River on the American side were growing a pile of barley. They were selling it to Coors, making a premium, making a good profit. The company was happy and the farmers were happy. That is an example of partnerships that work.

Coors tried to do this on the Canadian side because Canadian farmers thought it was a good deal. Who said no? The Canadian Wheat Board. It was unable or unwilling to accommodate Coors. The location of malt plants that have been built over the last few years are not in Canada. They are in Montana. What about the location of durum plants up till now? The biggest durum plant was in downtown Winnipeg at CIGI. Does that make sense? We ship Canadian durum all over the world and the only processing plant in the west is in downtown Winnipeg.

Why? There has to be a reason why that value-added and that processing is not happening on the prairies. When we do a process of elimination, we can see why that is. It was because the board, at that point in time, wanted to export grain. It did not want to see processed grain. That is what its mandate was and that is what it would do. If that meant farmers could not participate in the value-added chain, so be it.

Finally the board would tell farmers that if they wanted to export their grain, the Board could do that. It could give them a buyback. The farmers could sell their grain to the board and the board would charge them a premium to buy it back. Then they could do what they wanted with it. That sounded really good. If farmers could buy it back, they could look at the U.S. market or if they wanted to ship some barley to Hong Kong or China, they could do that. However, when the farmers realized what the board charged them on the buyback, it was next to impossible for them to make any money. Yet when farmers got their final payment from the Canadian Wheat Board, it was never close to the buyback. Where did that money go?

Farmers would shake their heads because the board said that they had opportunity under this system to do that, but really they did not. Instead of telling the farmers yes, instead of working with farmers to help them develop these niche market, the board's answer was no, absolutely not.

Government Orders

In the late nineties a farmer talked to a Wheat Board representative. He was giving the representative a hard time about the Coors barley. The representative proceeded to tell him that the wheat and barley did not belong to him once he harvested it.

Let us think about this, just go through the process again. In the spring the farmer will plant as many Canola acres as he can or as many pulse and peas acres as he can because that is his cash crop, but he has to do a rotational crop.

●(1250)

For members who do not farm, a rotational crop is a filler crop so the type of chemical that is used can be changed so that weed tolerance does not build up and it reduces the weeds in the fields. It is not something they want to do. It is something that they have to do as they farm.

Then they bring in wheat and in another case barley. They do that as their rotational crop. Fall comes and they are harvesting the wheat, a beautiful crop of durum, nice crop of canola and pulses. They have to pay some bills because farmers take out cash advances so they have to haul some grain off that combine to pay those bills.

Wait a minute, I want to haul my wheat. I am told no, no contract so I cannot haul wheat right now. How do I get cashflow? I would have to maximize my cash advance if I need cashflow. If I do not want to do that, authorities do not care it is not their problem. I cannot haul that wheat or barley.

What do farmers do? They have to sell their pulses and they sell their canola. What does the trade do? They cannot take all that grain at the same time, so the basis goes up. The actual price the farmers get off the combine gets reduced because the board is unwilling to move the grain at that point in time.

Does this have the best interests of farmers at heart? It does not. It never has. It was a system made for the 1940s and 1950s. Like my colleague said, this system did not come into play because farmers wanted it. It came into play because farmers participated in helping the war effort. Then it was forced upon them. When farmers wanted out of it, they were not able to get out of it.

Liberal governments realized this was a nice cashflow for them and for their buddies. Let us look at the Liberal ties into the Canadian Wheat Board, at the people who are working there and at who is doing the survey or voter identification because that is very important when we talk about plebiscites. David Herle was sitting there doing surveys every year identifying which farmers support the single desk and which ones do not. Where did that information go? I know farmers never got to see it. Farmers did not see their file. The plebiscite claims to be so accurate and so honest. There were 51,000 permit book holders, yet there were 61,000 ballots sent out. Who received the extra 10,000 ballots? Mr. Oberg, where did they go?

A friend of mine, who is a big farmer and a fairly notable person, said a lady approached him that he did not know and told him she wanted to talk about the plebiscite. He said he became defensive, but she said her brother and sister both had votes, but they are both dead. How accurate was the plebiscite if dead people were voting in it?

More frustrating, progressive farmers who have been growing wheat for 20 years phoned me and ask where their ballots was?

These are the same people during the Wheat Board directors election saying the same thing. Why did they not get a ballot?

When they look at this sham and how the Wheat Board treats them, would they ever trust the results of a Wheat Board plebiscite? When we look at the plebiscite there is one question which was not asked which is did they want choice and the ability to use the board or the ability to sell outside the board? That was never in the question. It was either single desk or nothing.

The board of directors are like *Thelma & Louise*. They want to drive this thing off the cliff. If they cannot get their way, they will just drive the car off the cliff, come hell or high water. This is what is frustrating a lot of farmers on the Prairies these days. There are many legitimate farmers who looked at it and wanted to sell grain to the board because they liked the idea of pooling because it spread the risk. That option is going to be there. That is why it is so confusing to listen to opposition members when they are handing out teddy bears and telling us this is horrible for western Canada because they are actually talking about themselves. They are not talking about farmers.

The reality is this organization has lost touch with farmers. It has lost touch with the producers that actually wanted to use it. This organization in the last four months, instead of holding plebiscites, could have aggressively been out securing acreages. It claims it has 22,000 supporters through this so-called plebiscite. If that is the case why does it not have 22,000 producers signing up acres today and tomorrow? It would know then how many tonnes of wheat, durum and barley it would have.

●(1255)

I have had some accredited exporters who represent the board in Africa and around the world because we always talk about the board selling all this grain. The reality is it does not sell it. Accredited exporters take on that role and sell it in these countries. I find it really interesting when they come to me in Ottawa and say they cannot source wheat after March. The board tells us we cannot have it, that it will not give it to us.

Again, we have 22,000 farmers over here, an accredited exporter over here, and a CWB volunteer in the middle. The CWB has a role to play to bring them together. Do members think it will do that? No. Why? Philosophy. Again, it comes back to my *Thelma and Louise* analogy. It would rather prove us wrong and destroy the entity than actually try to make it work and that is really disappointing. It is really frustrating for me as an MP and as a farmer. It has taken that tool that was in my toolbox and instead of giving me a new tool that I can use, it has basically taken that tool and thrown it away.

Government Orders

So our government did what we had to do to represent all farmers. We are not destroying the CWB. We are basically just taking away the single desk but there will be a CWB. If farmers choose to use it, they would be able to use it. If farmers choose to ship their grain through Churchill, they could do so. We would ensure that the assets, the rails and the ports, would be there for farmers to use. When it comes to producer cars, that is embedded in the Canada Grain Act, not the Canadian Wheat Board Act. That would not change. If they want to use a producer car, they can phone up the CGC and they get a producer car. Farmers who want to load their own rail car can do that.

Again, those choices are not changing. However, let us listen to what the CWB is saying, again spreading fear and mistruths or half truths. It is talking about all of them losing producer cars. That is not happening. Read the legislation. It is not there. Read the Canada Grain Act where it can be seen that it is not changing. Producer cars will be there.

We talk about Thunder Bay or Churchill. My area wants to use Churchill. We are pretty excited because there is a rail line that CN has owned for quite awhile and they have not allowed anybody to go down it and it is coming up for abandonment. Local producers are talking about getting together and buying that line, so it would actually go from Tisdale to Hudson Bay and then up to Churchill. They are excited about that. That would pull about \$15 a tonne off their freight. That \$15 a tonne is roughly \$15 an acre for an average farmer who does maybe 1,000 acres a week and that is \$15,000, hard cash, in his or her pocket. If it makes economic sense to use Churchill, farmers would use Churchill. We would ensure they have that option. We would ensure that Churchill is viable so that as the transition goes on it would not get left out.

As we see the rail improve and we see some of these farmer-owned rail lines moving grain to Churchill, it actually would get busier. Is this bad for Churchill? There is lots of potential for Churchill.

I come back to the canola sector and look at what we have seen happen there and I touched on the just under \$6 billion it brings in. I look at the old sector and 15 years ago the University of Saskatchewan in Saskatoon had a department of agriculture but that was about it. Going there now, first in Martinsville, there is an oat processing plant. That did not come into play until the single desk for oats was gone. At the University of Saskatchewan, we need to go outside to see the research people. We see all these field-size research farms. Companies have located in Saskatoon and do all this research work on canola.

I have a good friend, Dr. Fowler, who is a very well-established renowned plant breeder. He has been in front of the agriculture committee numerous times. He expressed his frustrations in being a plant breeder when he developed new varieties of winter wheat for Canadian farmers and then was told by the CWB “no”. However, he then used that variety in North Dakota and Montana and it would be the number one variety in the United States and our farmers would not have access to it. Yet, we paid for that research.

In closing, there are some other people we need to honour. The late Art Walde was a farmer who just wanted choice and freedom. It is too bad he is not here because today he would be celebrating that

freedom of choice. I think of the 12 farmers who were handcuffed and went to jail. They are celebrating today. I think of Jim Chatenay who used to get kicked out of board meetings because he just wanted to present other options to the board. He is celebrating. I think about how they threatened his family and threatened to take away his farm because he offered them an option of something different or that he opposed the way they handled things with farmers. I think that part of this is for Jim.

• (1300)

Finally, this is great legislation. I encourage the opposition members to actually understand what is going on here. If they understood, they would not be opposing this legislation. In fact, they would get behind it and they would realize just how great this will be for Canadian farmers and western Canadian farmers.

[*Translation*]

Ms. Lysane Blanchette-Lamothe (Pierrefonds—Dollard, NDP): Mr. Speaker, my colleague, the member for Calgary Centre said that he does not trust the Wheat Board plebiscite. His arguments are based on some testimonies, his personal experience as a farmer, and a great deal of speculation about the future of farmers.

My question is very simple: is my colleague prepared to support a valid and neutral consultation? Would he be open to an objective study of the situation and the consequences of dismantling the board? If not, why not?

• (1305)

[*English*]

Mr. Randy Hoback: Mr. Speaker, I thank the member for the question and I will be sincere in my answer. I will try not to politicize it.

There was a consultation; it is called a general election. In my riding, 70% of the farmers, outside the city, voted for me. This is one of the things that they wanted to see done. In fact, last week, I was back in my riding, I did some passport clinics. I had maybe one out of 500 farmers who came up to me and said he did not necessarily like the changes. That is only one out of 500.

When we start talking about the second part, it is always an issue when looking at moving forward. Our farmers are telling us we need to move forward quickly. They cannot afford the single desk much longer. That is why they are insisting we move forward as quickly as we can.

Mrs. Kelly Block (Saskatoon—Rosetown—Biggar, CPC): Mr. Speaker, I would like to thank my colleague from Saskatchewan for his remarks, for the incredible knowledge that he brings as a farmer from Saskatchewan to this file, and for the excellent work that he has done on the agriculture committee.

When the chair of the Canadian Wheat Board came to Ottawa and bought the NDP caucus breakfast, it was reported that he requested that it delay the passage of the bill so that it would have a negative impact on the markets. Would the member be willing to share his thoughts on this?

Government Orders

Mr. Randy Hoback: Mr. Speaker, the hon. member for Saskatoon—Rosetown—Biggar has been a great member. She was elected at the same time as I was, and her knowledge on agriculture issues is greatly improving. I know she does a great job representing her farmers.

I always get a little concerned when I see CWB directors spending more time in Ottawa than they do out selling our grain. They have another year to fulfill their contracts. They have until 2012 to actually finish selling this year's crop. I am concerned that they are spending all that time trying to disrupt the marketplace instead of making the transition so that farmers will reach the benefit of the grains that are grown.

As far as the existing board of directors, and Mr. Oberg himself, they are going to do what they are going to do, I guess, but the reality is they have quit working for farmers and are more concerned with keeping their own jobs. That is what is going on.

[*Translation*]

Mr. Marc-André Morin (Laurentides—Labelle, NDP): Mr. Speaker, I would like to ask the hon. member for Prince Albert, who expressed his opinion very clearly, with a lot of confidence and what appears to be a lot of certainty, why the government did not hold the plebiscite?

The plebiscite is in the legislation that created the Canadian Wheat Board. What prevented the government from holding the plebiscite that should have been held under the existing legislation? Was it fear of losing the plebiscite or was it that, from the outset, the government did not want to take the results into account? Action cannot be taken on such an important matter based on feelings and people's comments. If the government is questioning the quality of the consultation, it should organize a consultation that it deems to be valid and then it will get its answer.

[*English*]

Mr. Randy Hoback: First, Mr. Speaker, I am representing the farmers' point of view, not my point of view. I am confident in what I say because the farmers have been fairly clear on what they want to see happen here in Ottawa.

The other thing I would point out is that our farmers are not waiting for the opposition to get educated on this file. They want us to move forward. They do not feel that they should have to wait for opposition members who do not represent them in that area to get up to speed, nor should they have to pay for them to get up to speed. If opposition members were to take some advice outside the Canadian Wheat Board, I do not think they would be taking the position they are taking. Every time they defend the CWB, my numbers go up another 2% in my riding.

There are two plebiscites. There was a plebiscite on May 2 that elected a Conservative majority and which actually put Conservative members in all of that area. There will be another plebiscite four years from now when farmers will be able to review the job we have done.

• (1310)

Mr. Colin Carrie (Parliamentary Secretary to the Minister of Health, CPC): Mr. Speaker, my colleague gave an excellent speech. He talked about freedom and how it came about that farmers were

forced into collectivism and a government monopoly. They were forced to do something and many of them had no choice.

We are talking about freedom. I have heard about the fearmongering and misrepresentation. He mentioned that many farmers in his riding actually support a strong voluntary wheat board. What does he think it is in the ideology of the Liberal Party and its comrades in the NDP that they will not support freedom of choice and a strong voluntary wheat board? What does he think it is in their ideology that would stop them from supporting choice?

Mr. Randy Hoback: Mr. Speaker, that is a good question. I am not sure if it is ideology or just lack of knowledge on the issue. It could be one or the other.

I also want to point out that under the Liberal government the Canadian Wheat Board was put in place and a lot of participants in the backrooms of the Liberal Party have benefited from the Canadian Wheat Board being in place. Maybe that is the reason behind it. We can look at David Herle. It seems that as grain was shipped to the east coast, there was somebody tied to the Liberal Party with his or her hand out, whether it was Canada Steamship Lines or someone else. That might explain why the Liberals are really concerned about this file, because they actually have no representation in the Prairies.

As far as the New Democrats are concerned, it is strictly ideology. They really cannot understand that in a free market the economy grows and people move back to the provinces. I come from Saskatchewan. Four years ago there was a Saskatchewan Party government and the province's towns were worried about how to pay for infrastructure because everybody was leaving. Now they are worried about paying for infrastructure because everybody is coming back. They need more commercial lots and more residences. That is the difference between socialism and letting the market do what it should do.

[*Translation*]

Hon. Denis Coderre (Bourassa, Lib.): Mr. Speaker, I do not know whether the hon. member is confident or arrogant but a person has to be careful when he is busy looking up instead of watching where he is going that he does not trip and fall. I find it rather odd and do not understand why Canada Steamship Lines is being brought into this. As a member from Quebec and a native of Joliette, I am able to speak on behalf of all Canadians as well. The hon. member should not say that we are unable to understand the issues and the situation elsewhere, regardless of where we come from. It is not a monopoly. If he is in favour of choice, we can talk about it. Given his arrogance and manner of speaking, I am concerned that he is trying to move to the next step, which is supply management. Here, I am thinking of the dairy farmers in my riding. Is the hon. member trying to tell me that he is against supply management?

[*English*]

He is against supply management. Is that what he is saying?

Government Orders

Mr. Randy Hoback: Mr. Speaker, we are back to the fear and smear campaign of the Liberal Party. They are trying to concern their farmers who are not going to be affected by this legislation. There is nothing in this legislation that talks about supply management. There is nothing that talks about dairy, eggs or poultry, absolutely nothing. We have spoken with representatives of those industries and they understand what is going on. Representatives of those industries are talking to farmers and they understand why farmers want choice. We do not see them jumping up and down on this file.

When we talk about arrogance, arrogance is when a minister puts farmers in jail and looks the other way. Arrogance is telling a farmer that he cannot own the crop he grows. Arrogance is telling a farmer who looks across the border to Montana and sees all of his buddies prospering that he cannot have that same prosperity just because the Liberal government said so. That is the arrogance of the Liberal government of the past. That is the arrogance of the CWB, and it is why it has to change.

Mr. Alex Atamanenko (British Columbia Southern Interior, NDP): Mr. Speaker, it is nice to be in this full House once again speaking on this topic. I wish to say that it gives me pleasure, but it does not give me pleasure.

It is tragic to see that it has come to this. Ever since my election in 2006, I have witnessed a systematic smear campaign by the Conservative government to discredit the Canadian Wheat Board. It is a campaign based on ideology and not market sense or democratic principles.

We have seen gag orders put in place prohibiting the CWB from outlining its position, the firing of the former CEO for speaking out in support of the CWB single desk, and most recently, a flagrant violation of democracy by not respecting the recent plebiscite where farmers voted to keep the CWB as it is.

In Minnedosa, Manitoba, during the last election campaign, the minister was quoted as saying that his party respects the vote of farmers who support the single desk. He suggested there would not be any attempt to dismantle CWB unless a majority of producers voted for it. I quote:

Until farmers make this change, I am not prepared to work arbitrarily. They are absolutely right to believe in democracy. I do, too.

Two days ago a number of us stood in this House to denounce the flagrant violation of democratic principles by the President of Ukraine, Viktor Yanukovich. It is tragic and somehow ironic that these same Conservative MPs who spoke out for democratic rights in Ukraine are now ignoring their own minister's comments made in Minnedosa.

We have heard in the House almost daily how the last election was somehow a mandate to do away with the Canadian Wheat Board. Let us not forget there are many issues that people look at prior to casting their ballot. We know, for example, although I do not agree with it, that the gun registry was decisive in swinging votes in western Canada. It is important to remember, however, that farmers only represent 2% of the population spread over 57 western ridings.

If a federal election were called today with the only issue being the dismantling of the Wheat Board, Canadians, including the farming community, would ensure that this so-called mandate would

not win. It is because the Conservatives have won a majority in this House they are moving forward with their ill-guided plan to dismantle the Canadian Wheat Board.

As stated by Bill Gehl of the Canadian Wheat Board Alliance:

...claiming the Conservative Party has a mandate from farmers to change the Canadian Wheat Board is ridiculous and I think most urban voters agree that farmers should decide this issue, not Ottawa.

We often hear the government draw a parallel between Ontario farmers and western Canadian grain producers. The two situations are completely different. Anyone who attempts to say they are the same is simply ignoring the facts.

Ontario farmers decided for themselves on changes to their marketing system and not the federal government which made the decision. They chose the open market. Quebec farmers, on the other hand, have chosen to market their wheat collectively.

The other point is the impact on Canada and on prairie farmers from changes to the CWB is much greater than the impact of changes to the Ontario system. Most of Ontario's wheat, about 90%, is sold within Canada or in the northern U.S.A. Most of the prairie wheat, roughly 68%, is exported.

A number of western farmers believe that more U.S. markets would somehow magically open up to them as a result of the loss of the single desk. However, they forget that the U.S. agriculture industry is extremely protectionist. We have seen that in the past. This is especially true now under their buy American philosophy. It is therefore very unlikely that the U.S. would take additional Canadian wheat unless the price of the wheat was reduced to the point that it could replace their domestically grown wheat, allowing the U.S.A. to export even more.

The fact is the Canadian Wheat Board currently seeks high-end markets for high-quality milling wheat and durum in over 70 countries, and does not have to pursue markets by reducing its prices. I might add that this obviously gives a premium to Canadian farmers.

● (1315)

The other important point to mention when comparing Ontario and western Canada is the fact that transportation is a less important factor in Ontario. Most Ontario farmers can get their crop to market for \$15 a tonne in freight costs due to the close proximity of flour mills and Great Lakes terminals. On the Prairies, the volume produced along with the distance between farms, country elevators, inland terminals, domestic markets and ports make transportation costs significant.

Government Orders

The Canadian Wheat Board is a strong advocate for fair transportation rates and provides a countervailing force to the railway's power. It is very probable that railway costs will increase for farmers once the CWB is gone.

Let us not make the mistake of deluding ourselves that the Wheat Board will survive in a dual market system. Currently it provides stability and certainty for farmers in what I would say are volatile world markets. Once it no longer has a mandate, farmers will be free to choose when and if they wish to deal through the Wheat Board. This will tend to bring prices down because the Wheat Board will have lost its authority among its trading partners. Let us not forget that a powerful organization with a monopoly can dictate prices in the world and obtain the highest premium for our farmers. Farmers will eventually end up on the losing end.

In regard to the movement of grain in western Canada, without the Wheat Board's ability to organize deliveries, it is likely that farmers close to inland terminals and those with large trucking capacity will plug the system at harvest time. The strongest will survive while others will be left behind. In other words, it will be the survival of the fittest.

• (1320)

[*Translation*]

What will be the consequences of eliminating the single-desk system? First, we will see decreased revenues for farmers. Now, the Canadian Wheat Board obtains lucrative premiums for farmers in the Prairies, which means that the Canadian Wheat Board takes a highly strategic approach to where and when it sells during the year. The result is that, every year, the board enables farmers to earn several million dollars more than they would in a free market. But we are headed towards the free market now.

The Canadian Wheat Board does not have any capital assets. Once it is dismantled, it will need to acquire a considerable amount of capital assets if it wants even the slightest chance of surviving in a free market. Who will pay for that? Plus, there will be very high costs associated with dismantling the Canadian Wheat Board.

Current activities will have to cease. All of the related costs will have to be paid so that no potential new entity ends up with that burden. Since the government is the one that chose to dismantle the Canadian Wheat Board and not the farmers, the farmers should not end up on the hook for these expenses.

And then there is the city of Winnipeg. The Canadian Wheat Board employs over 400 people at its headquarters and helps maintain over 2,000 jobs, for a total of over \$66 million in labour income in Winnipeg. At the provincial level, the Canadian Wheat Board's contribution to gross production is estimated at \$320 million, which represents over 3,000 jobs and labour income of over \$140 million. What will happen to the city of Winnipeg and the province of Manitoba, to the people who are working now and are part of this system? Will they lose their jobs? Will they be able to find another job somewhere else? What we see here is uncertainty.

[*English*]

What we are seeing here is what I would call "economic madness". A successful organization or a farmer-run corporation that puts money into the pockets of farmers and contributes millions of

dollars to the economy of our nation is being dismantled to satisfy the demand of a small number of farmers who think they will be able to survive in a ruthless world market.

In all probability some will survive, but what about the rest? What will happen to the majority who have relied on the stability and protection of the Wheat Board in difficult economic times?

The debate is ongoing and history will be the judge.

I have before me a letter written to the Prime Minister, dated May 6, shortly after the election, by Mr. John Manley, CEO of the Canadian Council of Chief Executives, which is an extremely powerful business lobby group representing 150 of the most powerful corporations in our country.

I will quote from page 3 of the letter, which states:

As a demonstration of Canada's strong commitment to trade liberalization, we endorse your plan to reform the marketing practices of the Canadian Wheat Board.

[...]

Consistent with that, we believe the time is right to phase out the national supply management systems for eggs, dairy products and poultry, which penalize consumers and have seriously damaged our country's reputation as a champion of open markets—

The Canadian Council of Chief Executives is directing our Prime Minister to get rid of the Wheat Board and supply management.

People laugh at this and say that there is no way that could be happening because they are supporting supply management. The question we must ask ourselves is not if but when will the Conservatives be phasing out supply management now that they have successfully destroyed the Canadian Wheat Board.

I ask my colleagues on the other side to answer that question. I submit it will be in the not too distant future. There is tremendous pressure from the WTO, our trading partners and the European Union for Canada to decrease or eliminate its tariffs on supply management commodities.

Our country is currently negotiating, although in secret, a free trade agreement with the European Union, the CETA. Last night, at a presentation hosted by the Council of Canadians and CUPE, we were told in no uncertain terms by an expert from France who has been studying the situation in Europe that in addition to pushing for unlimited access to service contracts at the provincial and municipal levels, and I am sure that includes Prince Albert and the surrounding communities, Europe is demanding access to our natural resources. Obviously agriculture is on the table.

Government Orders

What would stop our negotiators from increasing the tariff-free quota from the current 7.5% to 10% and decreasing the over-quota tariffs to satisfy European demands?

Technically, we would still have supply management. However, we have been told by the dairy producers that should that happen each Canadian dairy farmer stands to lose approximately \$70,000.

This is a scary situation given the fact that the government's mantra has been and continues to be to open up as many markets as possible without evaluating the potential negative effect on our own producers. It would dismantle and do away with the single desk of the Wheat Board without evaluating potential economic consequences. It would sign an agreement with Europe without evaluating the impact that would have on our municipalities, on obtaining pharmaceuticals, on our water rights and on our agricultural producers.

Today we have witnessed a move by the Conservatives to limit debate on this very important issue.

In today's press release, the Canadian Wheat Board Alliance states:

Even more ominous are rumours the Harper administration intends to avoid Agriculture Committee hearings and fast track this bill through the unusual use of a Legislative Committee hearing process.

• (1325)

It goes on to state:

This is inappropriate because it will restrict Parliament's right to examine this Legislation and to hear from those most affected: the farmers of western Canada...

People around the world know it is simply wrong for a government to remove hard-won democratic rights from its citizens. Cancelling democracy for western Canadian farmers to end our Wheat Board is a bullying tactic of the worst sort. We are asking for the help of all Canadians to oppose this attack on farmers and the democratic process—

In a letter to the minister, the chair of the board of directors of the Canadian Wheat Board communicated that the Wheat Board had put considerable effort into analyzing what a redefined Canadian Wheat Board would require for any prospect of success. The conclusion it reached was that no alternative could be identified that comes anywhere close to offering farmers the benefits provided by the Canadian Wheat Board's single desk system.

Therefore, if there is no analysis and we are unsure of what the future holds, it begs the question as to why this is happening and why it has not been put to a democratic vote.

There we have it. The government has not performed an economic analysis. It has shown a flagrant disregard for democracy. As well, it is dictating its ideological agenda after having received only 40% of the vote in the last election.

Mention has been made that members on this side of the House are basing their arguments on ideology. Our arguments are based on practical considerations, such as potential economic impacts, impacts to the communities and the City of Winnipeg, impacts on the short line railway systems, and impacts on the port of Churchill. None of these has been identified in any economic analysis that I have seen unless they are hidden in an office somewhere.

This is a sad state for democracy. What is happening here makes absolutely no sense. Surely the minister could get together with the

members of the board of directors of the Wheat Board, most of whom are elected and most of whom support the status quo, to attempt to work out some kind of system that is not based on ideology.

• (1330)

[*Translation*]

The Canadian Wheat Board serves farmers in western Canada to market their wheat, durum and barley. Under the Canadian Wheat Board Act, the organization has an official mandate to bring in the highest possible receipts for farmers from the sale of grain, by effectively profiting from being a single-desk seller.

The Canadian Wheat Board sells farmers' grain in 70 countries. It hands over all of the profits from the sale to farmers, between \$4 billion and \$7 billion a year.

[*English*]

If we look at the proposed scenario, there are tremendous costs involved in this process of dismantling, changing and modifying the Wheat Board. Who will pay the hundreds of millions of dollars required to transform the organization presently in place? The Wheat Board was financed by farmers and has given profits back to farmers. Will the taxpayer pay for its transformation? Will farmers see increased costs? Will donations be forthcoming from some benevolent society to ensure that no money is lost? These are questions we must ask ourselves.

As I said earlier, history will be the judge of this very sad day in Parliament.

Mr. Randy Hoback (Prince Albert, CPC): Mr. Speaker, I enjoy working with the member on the agriculture committee. Even though we have differing ideologies, I know he has a passion in his heart for agriculture and wears his ideology on his sleeve. Unfortunately, that ideology will cost farmers a lot of money.

For example, the price for milling durum wheat today in Fortuna, North Dakota, which is roughly 20 miles from the Canadian border, is \$12.47. Today the Canadian Wheat Board's fixed price is \$7.53 and the pool outlook is \$9.47. The Wheat Board is asking \$16.23 for that farmer to buy back that durum wheat and ship it across to the U.S.

There is a huge difference between the pool outlook and the buyback. Where does that money go?

• (1335)

Mr. Alex Atamanenko: Mr. Speaker, we have heard the arguments that the price is different across the board than it is for farmers. However, that is in the current market. Will the market remain static? What would happen if we tried to sell our wheat across the border when the market was saturated? If we consider the buy America policy of the U.S., it would be ludicrous to think that our farmers could tap into that market on a volume basis.

Any money made by the Wheat Board goes back to farmers. It does not make economic sense to do what the Conservatives are attempting to do.

Government Orders

Mr. Frank Valeriote (Guelph, Lib.): Mr. Speaker, the member for Edmonton—St. Albert questioned the ideology of the member speaking. It is better that the member speaking wear that ideology on his sleeve than have it spread all across Bill C-18 the way it is now by the government.

The Alliance Grain Traders announced last week that it will invest \$50 million to build a pasta plant in Saskatchewan. Could the member speculate as to why it would do that? Could he comment as to whether the AGT expects the price of grain to go up, go down or stay the same?

Mr. Alex Atamanenko: Mr. Speaker, I thank my colleague for his tireless efforts on behalf of farmers in this country. It has been a pleasure to work with him over the last few years on the agriculture committee. I look forward to a continuing collaboration with him and others in his party on these important issues.

It is an interesting coincidence that announcement was made now that this legislation is coming in. There have been more value-added benefits taking place in western Canada than south of the border. There is more milling taking place in western Canada than south of border. The value-added chain is being supported.

Obviously the Alliance Grain Traders would invest money there because it intends on making money. It begs the question though why it would do that during an economic downturn and not two years ago when the economic situation was better. The fact of the matter is it was unaware that the Wheat Board would be dismantled.

By dismantling the Wheat Board, the price of wheat would go down and companies would build milling plants because they would not have to pay premium prices. One does not have to be a rocket scientist to understand that.

[*Translation*]

Ms. Hélène LeBlanc (LaSalle—Émard, NDP): Mr. Speaker, I would like to thank the hon. member from British Columbia Southern Interior because I know how passionate he is about agriculture and farmers. I would like to ask him what effect this bill would have on Canada's food and economic sovereignty and all of the related possibilities.

Mr. Alex Atamanenko: Mr. Speaker, I would like to thank the hon. member for her question and her participation in the debate. Our food and economic sovereignty is being threatened now more than ever before. By whom? By huge transnational, multinational corporations. Obviously, dismantling the Canadian Wheat Board would be a good thing for them. It is to their advantage to not have such strong competition from the Canadian Wheat Board, which represents Canadian wheat growers and exporters.

I think it is clear that we will see more transnational corporations coming to this country and more blackmail. Or they will simply say: this is the price, you can agree to it or go elsewhere. All of these so-called free trade agreements—really just pressure from multinationals—threaten our sovereignty, particularly our food sovereignty. The policy here is to open more markets to free trade. That adds nothing to our ability to grow and produce food for ourselves. Yes, I believe it threatens our sovereignty.

• (1340)

[*English*]

Mr. Bob Zimmer (Prince George—Peace River, CPC): Mr. Speaker, the hon. member and I are both on the agriculture committee. I will use Chicken Little as an agriculture metaphor.

We see other crops like canola, pulses, et cetera, on the open competitive market in the world. Why has the sky not fallen for them?

Mr. Alex Atamanenko: Mr. Speaker, it is an interesting comparison. The fact is that prior to the markets opening up for other crops, there has not been a single desk entity negotiating good prices for, in this case, wheat farmers.

The market is already established. I hear the same argument on GMOs, which is that if a canola GMO is successful, why would we not introduce any more GMOs?

Those producers have done it. They have carved out their market. However, when they did that, the situation was different. It is a tougher time now. It is going to be a tougher time for wheat growers to carve out that market and to have the representation to get those markets on the international level.

It is now 2011. It is throwing people open to a ruthless market and to competitors who heavily subsidize their agriculture, such as the European Union, the United States and others. It is going to take a long time to stabilize that. In the meantime, wheat farmers are going to take a hit. It is as simple as that.

Mrs. Carol Hughes (Algoma—Manitoulin—Kapusking, NDP): Mr. Speaker, I would like to correct the record. A while ago I mentioned Bill Gehl was the chair of the Canadian Wheat Board, but in my haste I had forgotten to indicate “Alliance” at the end. I am very well aware that Allen Oberg is the chair of the Canadian Wheat Board. Again, I want to mention that Mr. Gehl had indicated that the Port of Churchill is going to be toast, in contrast to what the minister explained a while ago.

The Conservatives have been arguing that the Ontario experience with removing the single desk can be applied to western farmers. Maybe my colleague could explain why we cannot compare apples to oranges when it comes to the Canadian Wheat Board and the Ontario experience.

Mr. Alex Atamanenko: Mr. Speaker, as I mentioned in my speech, there are a number of points.

First, Ontario farmers decided on the marketing system themselves. They decided that experience. Western wheat production is 10 times that of eastern Canada. It has a different transportation system. It only costs \$15 a tonne in Ontario to move wheat to the Great Lakes or just across the border, but there is a tremendous cost in western Canada.

The Ontario wheat business is completely different from what it is in western Canada. Ontario produces soft wheat used for pastry, cookies, doughnuts, et cetera. Most of Ontario's wheat is sold within Canada. U.S.-Canada trade in wheat is relatively low. Transportation, as I said, is a less important factor in Ontario.

Government Orders

Ontario farmers actually pay more handling fees now than they did under the single desk, which is quite interesting. If we transport this to the argument we have now, with transportation fees already high for western Canadian farmers, what are they going to pay when they lose the single desk?

As well, wheat is cleared from the Ontario system quickly, whereas it often takes a long time to store and move grain in western Canada.

Mr. Bob Zimmer (Prince George—Peace River, CPC): Mr. Speaker, I would just like to let you know I will be sharing my time with the member for Red Deer.

Our government has introduced legislation that aims to give western Canadian grain growers the freedom to choose to market their wheat, durum and barley independently or by voluntary pool.

I am proud to stand in support of our government's intention to bring marketing freedom to western Canadian grain farmers. With marketing freedom, farmers in British Columbia and across the Prairies will be able to make marketing decisions that are best for their own businesses. They will have the opportunity to take advantage of special markets.

As Virginia Labbie from the Canadian Federation of Independent Business said, "The message from farmers is that the CWB is not currently meeting producers'...needs. It is evident growers need more consistent, timely, accessible and transparent marketing signals in order to make the best possible marketing decisions for their farm".

When western Canadian farmers have the freedom of an open market, they will not have to wait for an outside agency to tell them, up to a year and a half after the sale of their grain, the final price of the sale. Western Canadian grain farmers want the same marketing freedom and opportunities as other farmers in Canada and around the world.

The creation and additional use of futures contracts will allow producers to manage their own individual risk. British Columbia ports are the main end of the pipeline for our grains prior to export. B.C. processors could see the opportunity to have direct, regular access prior to leaving our shores to pick and choose from the very best of the produce for the creation of high-end, high-value special products.

We know that an open market will attract investment, create jobs and help build a stronger economy for Canada and Canadians. We know farmers want to make their marketing decisions based on what is best for their own businesses. That is why we have brought this legislation to remove the single desk monopoly, and not the Wheat Board, as the opposition continues to say as it misleads the public.

The removal of a monopoly will allow farmers to sell their wheat and barley directly to a processor, whether it be a pasta manufacturer, a flour mill or another processing plant.

As Alberta farmer Paul Schoorlemmer said:

It will allow individual farmers to do secondary processing, mixed marketing and those types of things that were not really practical under the old system.

Grain farmers in western Canada and right across this country have a bright future, and we stand with them. Our government is

committed to the continued success of Canadian agriculture. We are pulling out all the stops to help make sure Canadian farmers succeed and to build a strong future for the sector as a whole.

Farmers are the key economic driver in this country, and that is why we put farmers first in every decision we make on agriculture. Our formula is simple, and it works: we listen to our farmers, we work with farmers, and then we deliver the practical results farmers need.

Canadian farmers have proven time and time again that they can compete and succeed in the global marketplace if they have a level playing field. That is why the government has been working very hard to build new opportunities in global markets for our farmers. We have been on the road a lot in our efforts to build trade relations, and they are paying off.

The agriculture minister has led trade missions to key markets in Europe, Asia, South America, Africa and the Middle East. Working closely with the industry, we have completed over 30 international trade missions and returned home with some real tangible results for our farmers, producers and processors. Everywhere we go, we are finding new customers who want to buy Canada's safe, high-quality foodstuffs. Together we have been moving a lot of product and have delivered some real results for our farmers and processors.

The government knows farmers want to make their living in the marketplace. That is why we have gotten out on the world stage, whether it is serving up Canadian steak at the Winter Olympics in Vancouver or canola oil in Mexico, to make sure our farmers can connect with new customers.

Canada has a lot to be proud of. Canada is rich in land and resources. We have the expertise in science and innovation. We export our high-quality, safe, delicious foods all over the world. We have dedicated farmers and processors to help us continue our long-standing proven tradition of delivering an abundance of top-quality food and food products to the world. These qualities are important assets as we look to the future.

Farmers appreciate the agriculture minister's hard work on their behalf. They understand that agricultural trade is critical to Canada's economy and prosperity.

Overall, Canada's agriculture, food and seafood exports surpassed \$39 billion in 2010. That is the second-highest level in history, and it puts us in the top five global agrifood exporters.

Government Orders

• (1345)

That is huge. Those dollars mean jobs and livelihoods for Canadians. That is why, when we as a government take measures to support agricultural trade, we are not just helping farmers but all Canadians. Agriculture has proven time and time again its contribution to Canada's economic recovery and will continue to do so, especially as we succeed in breaking down barriers to trade.

Canada is working on all fronts to boost our agricultural business in the world. We know that buyers and consumers already think highly of Canadians and Canadian products. We want to raise awareness and boost the appetite for our great Canadian agriculture products. Opening and expanding markets around the world creates opportunities for our producers to drive the Canadian economy.

There are challenges facing the industry, but the long-term signs are positive. During this time of global economic uncertainty, we have to maximize trade opportunities on the world stage. We have to provide every opportunity for our farmers to succeed, which includes this great step forward—and it is forward—to give western Canadian wheat farmers and barley farmers the freedom they have asked for and deserve.

Removing the single desk monopoly helps not only farmers: it helps all Canadians by creating jobs and prosperity. I urge members to support the bill and to understand that timely passage will help give farmers the certainty they need to plan their business for the coming year.

• (1350)

Hon. Judy Sgro (York West, Lib.): Mr. Speaker, I listened intently to my hon. colleague's comments and I cannot help but wonder, if he has such confidence in the overall system, why the Conservatives did not have a full referendum vote on it, rather than playing the "we know better than everybody else". This way there would not be this immense division, which continues to grow.

I have had more than a dozen phone calls this morning on this issue. It would have been helpful in the overall mission that the government is on if it had held a referendum and truly heard from 100% of the people who are going to be affected.

Why is the government afraid to do that?

Mr. Bob Zimmer: Mr. Speaker, I beg to differ. We did have a plebiscite on May 2, and it was called the national election. By the way, we have a majority.

Opposition members often quote a plebiscite that was supposedly an accurate collection of the farmers' thoughts. My uncle and cousin farm in Manitoba. They farm grain and they did not even get a ballot. They were not even able to vote in the plebiscite.

We know on this side of the House that the plebiscite has a lot of issues and is an inaccurate representation of the views of Canadian farmers.

[Translation]

Mrs. Anne-Marie Day (Charlesbourg—Haute-Saint-Charles, NDP): Mr. Speaker, a plebiscite, an election, is not just about the Canadian Wheat Board.

Canadians need to be reminded that the Canadian Wheat Board was created in the 1920s and was formally implemented in 1935 by farmers, for farmers. This board is entirely run and funded by farmers. Taxpayers do not contribute any money to this organization, as they do to crown corporations. This board is not a crown corporation. What is the government doing?

[English]

Mr. Bob Zimmer: Mr. Speaker, I mentioned the inaccuracies of the plebiscites held in the past by the Canadian Wheat Board. They do not support the numbers of 62%. They just are not accurate. Again I will mention my uncle and cousin, who farm in Manitoba and were not allowed to vote because they had not been given a ballot. There are a lot of issues with that.

The B.C. grain growers group overwhelming said it supports our legislation to move the Wheat Board forward into the 21st century.

Hon. Rob Merrifield (Yellowhead, CPC): Mr. Speaker, I could not agree with my colleague more when it comes to the Wheat Board.

At home we farm about 3,000 acres. I have a son who is looking after it at the present time. He is still combining and trying to get the crop off, but he asks me why he is getting a world price for canola outside the board but not getting a world price for wheat, which is in the board.

I would like to know what my colleague would say to my son and I would like to ask that question to the opposition. Obviously none of those members actually farms wheat or canola and understands exactly what is happening at the farm gate. The real question should be how much the Wheat Board is costing at the farm gate today, because it is very significant.

Could my colleague come up with an answer that would satisfy my son?

• (1355)

Mr. Bob Zimmer: Mr. Speake, that is an easy one. We talked about it. I asked the hon. member of the opposition sits on the agriculture committee. We have not seen the same issues with canola and other crops that are on the open market. They simply are making money. In my neck of the woods in northern B.C. canola and other crops are making money. Farmers have shifted away from grain because it is so difficult to operate within the Canadian Wheat Board structure.

I would like to tell the member a personal story. I would likely be a farmer today because I wanted to be a farmer as a kid, but it just simply was not doable in the grain market as my family has continued on with in Manitoba. Hopefully it is coming soon.

Mr. Earl Dreeshen (Red Deer, CPC): Mr. Speaker, I appreciate the opportunity to stand in support of this important and timely legislation for western Canadian grain farmers.

I would also like to thank the member for Prince George—Peace River for sharing his time with me today.

Our government has always promised western Canadian wheat and barley growers that they would be given market freedom. With this legislation, we are delivering on that promise. We live in a democratic country and we believe that western Canadian grain farmers deserve the same freedom as farmers in other parts of Canada and around the world.

I will outline what this new legislation will mean for western grain farmers.

In the June 2011 Speech from the Throne, our government reiterated its commitment to ensure that western farmers have the freedom to sell wheat and barley on the open market. With this proposed legislation, we aim to provide marketing choice to western wheat and barley farmers. To avoid market disruptions, the goal is for farmers and grain marketers to be able to start forward contracting for the 2012-13 crop year well in advance of August 1, 2012.

This bill would remove the monopoly of the Canadian Wheat Board and allow for the Canadian Wheat Board to continue as a voluntary marketing organization for up to five years as it makes the transition to full private ownership.

The Canadian Wheat Board will finally have the opportunity to become owned and operated by farmers. The Canadian Wheat Board will continue to offer farmers the option of pooling their crops. It will continue to benefit from a borrowing guarantee backed by the federal government. It will develop a business plan for privatization, which will be reviewed by the Minister of Agriculture no later than 2016.

During our extensive consultations, industry raised a number of valid issues around transition. We are taking these concerns seriously.

First, on the issue of the voluntary Canadian Wheat Board's access to elevators, ports and terminals, we expect grain handlers will be competing vigorously for grain volume in an open market, so they will want to handle the grain that is marketed by the Canadian Wheat Board.

Curt Vossen, president of Richardson International Limited, said that the end of the Canadian Wheat Board monopoly is "going to open up 20 to 25 million new tonnes of marketing opportunities for companies inside and outside Canada". This will mean more companies competing for farmers' grain, which is the good news for farmers. Our staged approach will provide the necessary checks and balances to help ensure a smooth transition, taking corrective action if needed.

Second, on the issue of producers' continued access to producer cars, the right to producer cars is protected in the Canada Grain Act. The Canadian Grain Commission allocates these cars to producers, and this will not change with marketing freedom.

Currently, the Canadian Wheat Board manages the marketing of grain shipped in producer cars so that shipments are related to a sale. Under the new rules, producers and short lines will be able to make commercial agreements and arrangements with grain companies or the voluntary Canadian Wheat Board to market their grain.

Statements by Members

Stephen Vandervalk, president of the Grain Growers of Canada, believes "You'll see more and more producer cars because it's like a specialty crop as far as quality and contracting directly with the farmer. It has very little to do with the Canadian Wheat Board".

Short line railways are expecting some adjustments as they will have more options of marketing partners for the grain volumes they can attract from producers. However, Sheldon Affleck, president of Big Sky Rail, believes that "The flexibility of a short line should provide improved service that will attract grain".

Third, these changes will not change the Canadian Grain Commission's role in assuring the world-renowned quality of Canada's grain.

• (1400)

The Acting Speaker (Mr. Barry Devolin): Order, please. Excuse me for interrupting the hon. member for Red Deer. He will have six minutes remaining when the House returns to this matter.

STATEMENTS BY MEMBERS

[English]

CANADIAN WHEAT BOARD

Mr. Bob Zimmer (Prince George—Peace River, CPC): Mr. Speaker, local grain farmers in my riding, such as the BC Grain Producers Association, have made it clear that they want the same marketing freedom and opportunities as other Canadian farmers. Our nation's grain farmers feed the world, and they deserve the opportunity to decide when, where and how they sell their product.

With the introduction of Bill C-18, we no longer would see those same western Canadian grain farmers go to jail for selling their grain across our borders. Our Canadian government believes in marketing freedom for all Canadian grain farmers. I, for one, am in full support of our legislation to reorganize the Canadian Wheat Board. I hope all of us in the House will support the bill. It all can be summed up into one word: "freedom".

* * *

[Translation]

PENSIONS

Mr. Alain Giguère (Marc-Aurèle-Fortin, NDP): Mr. Speaker, right now, there are too many seniors with inadequate pensions in my riding and in other ridings across Canada.

For these people, a strong pension plan would mean the difference between living well and merely surviving. For retirees, financial planning is key. To have one's pension plan cut by up to 40% after 30 years of service is unacceptable. It is unfair.

Statements by Members

Under the existing Bankruptcy and Insolvency Act, creditors are paid before employee pensions. This does not make any sense. I hope that this Parliament will be able to keep future retirees out of poverty by revitalizing the Canada pension plan. Only the CPP can save people from poverty when they retire.

An amendment to the Companies' Creditors Arrangement Act, as the hon. member for Hamilton East—Stoney Creek proposed earlier this week, would truly put money in the wallets of those in need across the country and help keep them out of poverty. These people deserve to live well, not just survive.

* * *

[English]

BUSINESS EXCELLENCE AWARD

Ms. Lois Brown (Newmarket—Aurora, CPC): Mr. Speaker, small and medium-sized businesses are the backbone of our Canadian economy. Nowhere is that more true than in Newmarket—Aurora. Entrepreneurs there are creating jobs and are a vital part of our community's fabric.

Today, I would like to recognize the 2011 Business Excellence Award winners from my riding.

From the Newmarket Chamber of Commerce, I congratulate the following: Roadhouse and Rose Funeral Home, Mr. Janitorial Supplies, Neptune Innovations, Keller Williams Realty, Tim Hortons; Warden Restoration, Rose of Sharon Services for Young Mothers, and Stephen Kearley of Benson, Kearley Insurance Brokers.

From the Aurora Chamber of Commerce, I congratulate the following, Rent Source Tools Etc. Mini Bins; Simply Yummy Bakery, Commport Aerospace Services; Robinson's Karate Schools, Park Place Manor; Longo's Aurora, Carcone's Auto Recycling, and Peter van Schaik of Van-Rob.

Congratulations to all on a job well done.

* * *

DAVID Y.H. LUI

Hon. Hedy Fry (Vancouver Centre, Lib.): Mr. Speaker, I rise today to pay tribute to a cultural icon in Vancouver, David Y.H. Lui, who passed away last month.

David was a B.C. boy. Born in Vancouver in 1944, David attended Kitsilano Secondary School and, later, UBC. From a young age, David was interested in ballet, but it was in university where that interest really took hold.

The man with the flowing cape, as he was known, made Vancouver a destination for world-class artists. His David Y.H. Lui Dance Spectacular series brought artists like Martha Graham, Alvin Ailey, the Joffrey Ballet and Shirley MacLaine to Vancouver.

David was the head of the arts community, a prominent member for more than 40 years. He built the David Y.H. Lui Theatre in 1975, co-founded Ballet BC and BC Arts Council and was board member of the Canada Council, where he pushed for a multicultural arts scene.

Canada's artistic community has not only lost a great visionary and advocate, but a dear friend. On behalf of the Liberal Party of Canada, I offer sincere condolences to David's friends and family. A celebration of David's life will be held at The Playhouse in Vancouver on October 23.

* * *

● (1405)

PARLIAMENTARY FITNESS INITIATIVE

Mr. John Weston (West Vancouver—Sunshine Coast—Sea to Sky Country, CPC): Mr. Speaker, it gives me great pleasure to remind fellow members of the parliamentary fitness initiative intended to make each member healthier personally and in the process better role models as parliamentarians.

Members are invited early Tuesday mornings to run or walk and to swim on Thursdays, with the highest calibre volunteer coaches. For cyclists, their fitness initiative team recently secured indoor shelters on Parliament Hill.

The aim is not at high performance athletes, but at every member and, more importantly, at every Canadian represented through us from across our great country. Every step we take is a step in the right direction at a time when, as a nation, we Canadians need to confront childhood obesity, diabetes and other consequences of unhealthy lifestyles.

All Canadians like to see members work together in common cause for the benefit of the whole country. That is why colleagues for Etobicoke North and Sackville—Eastern Shore are working with me on this initiative, and I thank them for their support.

Let us join together Canadians of every measure of ability to make Canada the healthiest place on earth.

* * *

[Translation]

MONTREAL METROPOLITAN AREA

Ms. Hélène LeBlanc (LaSalle—Émard, NDP): Mr. Speaker, later this evening, on behalf of the 28 NDP members from the Montreal metropolitan area, a colleague and I will be presenting a submission entitled "Putting a human face on our metropolis: towards a green, sustainable and prosperous Montreal metropolitan area" as part of a public consultation process.

As representatives of our constituents and in the spirit of co-operation with all levels of government, we wanted to share our thoughts and contribute to these public consultations. This submission is the product of a collective effort. We hope it will add to the plan and help it come to fruition.

The NDP members from Quebec want to play an active role in partnership projects and plans for the future. Residents and community stakeholders want the Montreal metropolitan area to finally have a coherent and comprehensive plan that respects the diversity and wealth of the land, facilitates travel, and contributes to the economic and social development of the region in a sustainable manner.

Statements by Members

[English]

ELDRED KING

Mr. Paul Calandra (Oak Ridges—Markham, CPC): Mr. Speaker, this was a sad week for residents of York Region. Over the weekend, Eldred King, former mayor and York Region chair, lost his battle with illness and passed away at the age of 84.

Mr. King lived a full life as a leader, mentor, husband and father. He was an extraordinary individual who dedicated much of his life to our community. He guided us through a period of tremendous change and was a towering figure in helping to make our community the extraordinary place it is today.

Wednesday was a difficult day as we officially said goodbye to Mr. King. He was a prominent man in many people's lives. For me, he was the first to support my decision to seek public office. His advice was instrumental. He helped me truly understand the importance of maintaining rural heritage in the face of dramatic growth.

We owe a huge debt of gratitude to Mr. King for his work in helping shape Markham, Stouffville and York Region.

On behalf of my family and my entire team, I pass on my sincere condolences to his wife, Beulah, and sons Jeff, Rod and Jan.

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BAY OF FUNDY

Mr. Greg Kerr (West Nova, CPC): Mr. Speaker, as I said in the House in March, the Bay of Fundy is Canada's finalist in a prestigious global campaign to identify the New 7 Wonders of Nature. I am pleased that other colleagues have spoken in Parliament in support of the Bay of Fundy.

Time is running out and we need the help of all Canadians. Our Bay of Fundy belongs in the company of other prestigious finalists, like the Grand Canyon, the Great Barrier Reef and the Galapagos Islands.

The top New 7 Wonders of Nature will be announced on November 11, just three weeks away. A win for the Bay of Fundy would have huge significance for Canada on a global scale. It may be one of the best known destinations in the world.

I am once again asking all members of the House to support this initiative and encourage their constituents to vote for the Bay online and by text. With the help of Canadians, we can ensure that on November 11, Canadians will be proud to hear the Bay of Fundy declared one of the New 7 Wonders of Nature.

A vote for the Bay of Fundy is a vote for Canada.

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● (1410)

[Translation]

BINATIONAL HEALTH WEEK

Mr. François Pilon (Laval—Les Îles, NDP): Mr. Speaker, I rise today to acknowledge the exceptional work of the organizers of the 11th Binational Health Week in Montreal.

This event is one of the largest mobilization efforts of federal and provincial government agencies, community-based organizations and volunteers in North America.

Through this effort, the consulates general of Colombia, Guatemala, Honduras, Mexico and Peru invite people from their countries to contribute positively to their communities and improve their health.

I want to congratulate all those who make this positive initiative possible, and I encourage them to continue their amazing contribution to Quebec and Canadian society.

* * *

[English]

JUSTICE

Mr. Brian Jean (Fort McMurray—Athabasca, CPC): Mr. Speaker, members will be shocked to know that the CBC has not corrected the record on its misleading report from Monday night. It failed to inform Canadians about the drug treatment court exemption in our government's safe streets and communities act.

Today the Quebec Bar Association confirmed that it supports the important drug treatment court exemption in Bill C-10 for those who are seeking treatment for their addictions.

Police chiefs have confirmed that drugs are the primary currency of violent criminal organizations. Fire chiefs have confirmed that grow ops and meth labs constitute a significant threat to the health of Canadian communities.

Bill C-10 is clear. If individuals do this criminal activity, they will pay with jail time. It is time the opposition parties across listened to the front-line experts and supported our efforts.

Canadians are concerned about crime and the experts agree. Bill C-10 targets organized crime while providing treatment options for those addicted to drugs. I call on the CBC today to apologize, to correct the record, and to stop misleading Canadians.

* * *

BULLYING

Mr. Randall Garrison (Esquimalt—Juan de Fuca, NDP): Mr. Speaker, I rise today to recognize October 20 as Spirit Day, a day started in 2010 by Canadian teenager Brittany McMillan to remember the lesbian, gay, bisexual, transgender and questioning youth lost to suicide.

Many of us are wearing purple today in their memory and as a way to draw attention to the need for action. Suicide is the second leading cause of death among teens, and homophobic bullying often plays a significant role in these tragic losses.

I want to applaud the efforts of the purple letter campaign in B.C., which has collected thousands of letters urging the provincial government to adopt an anti-bullying campaign in every school.

Statements by Members

I would also like to draw attention to the efforts of Ottawa youth who are dealing with the loss of a friend this week by holding a vigil tonight at 7:30 p.m. at the Human Rights Monument.

Beyond wearing purple today, we also need to take action to bring an end to suicides caused by homophobic bullying. We need to ensure that youth have the supports they need, so that no one is left feeling that suicide is the only option. We need to listen to the calls from youth to make things better now. Yes, for most it will get better, but some feel they cannot wait.

We need a national suicide prevention program and we need to ensure youth have access to supports like gay-straight alliances in their schools. Let Spirit Day move us closer to these goals.

* * *

NEW DEMOCRATIC PARTY OF CANADA

Mr. Bernard Trottier (Etobicoke—Lakeshore, CPC): Mr. Speaker, the leadership candidate from Skeena—Bulkley Valley is proposing non-compete deals with the Liberals in government-held ridings.

After seeing the candidates the NDP has run over the years in various ridings, does this show this member's lack of faith in his party's ability to find quality candidates for office?

The member for Winnipeg Centre backed this idea. There has even been support within their caucus for an outright merger.

[*Translation*]

While our government is focusing on what is important to Canadians—job creation and economic growth—the NDP is looking at who could defeat our members. The NDP is splintered in these difficult times.

This week, NDP spokespersons contradicted one another on the issue of a coalition with the Liberals. These are disturbing examples that show that the NDP is too weak and divided to govern.

* * *

[*English*]

KINGS—HANTS NATIONAL LEADERS

Hon. Scott Brison (Kings—Hants, Lib.): Mr. Speaker, this year Kings—Hants is home to a trifecta of great Canadians providing effective leadership to three prominent national organizations.

Trinda Ernst is the president of the Canadian Bar Association, Dr. Robert MacGregor is president of the Canadian Dental Association, and Peter Clarke is president of the Egg Farmers of Canada.

Trinda Ernst is the fifth woman to lead the CBA and practises with Waterbury Newton in Kentville, Nova Scotia. She is a graduate of Dalhousie University.

Dr. MacGregor has practised in Kentville for almost 30 years and is a graduate of both Acadia University and Dalhousie University.

Peter Clarke is a well-respected member of the Nova Scotian agricultural community and operates an egg farm in the Annapolis Valley. He is also a recipient of the Order of Nova Scotia.

I congratulate these three fine citizens for their leadership in their communities and national organizations, for their leadership within Canada, and for their dedicated public service to all of us.

* * *

• (1415)

SHIPBUILDING INDUSTRY

Mr. Gerald Keddy (South Shore—St. Margaret's, CPC): Mr. Speaker, our government is focused on what matters most to Canadians, which is, creating jobs and economic growth.

Yesterday, the shipbuilding secretariat announced its decision. The national shipbuilding strategy is a win for all of Canada that will create thousands of new jobs and billions in economic growth in cities and communities across this great country.

Unfortunately, as non-partisan public servants were explaining the process that was based on merit and run at arm's length, free from political involvement, the leader of the NDP was calling for political intervention in the process.

Let us remember that the NDP members voted against this procurement, and now they want political interference in a plan they never supported. This contradictory position from the NDP is another worrying example of its lack of understanding of how Canada works.

* * *

[*Translation*]

HOMELESSNESS AWARENESS NIGHT

Ms. Marie-Claude Morin (Saint-Hyacinthe—Bagot, NDP): Mr. Speaker, on Friday, October 21, the 22nd homelessness awareness night will take place in 25 Quebec cities. The theme is poverty. This event raises awareness of the fact that, every night, whether it is 20°C or -20°C, people sleep in the streets and sometimes die of hunger and cold.

One in every six Quebecers believes that he or she could become homeless. This event is an outdoor vigil for solidarity where street people and ordinary citizens spend some time together enjoying various activities and entertainment. I commend the initiative of the agencies that organize this event and that struggle every year to make ends meet and to help the disadvantaged, even though they receive inadequate funding.

I am taking this opportunity to share my dream with you. I hope that one day we will no longer hold such events because there will be no more homeless people.

Join us on October 21, from 6 p.m. to 6 a.m., to put an end to isolation and indifference, fight prejudice against homeless people and eliminate a problem that can happen to anyone.

* * *

[English]

MARKETING FREEDOM

Hon. Rob Merrifield (Yellowhead, CPC): Mr. Speaker, our government is focused on what really matters to Canadians which is, creating jobs and economic growth.

Instead of working with us, the NDP caucus members have become so disunited that they are contradicting each other on important issues that are important to Canada, and particularly western Canada.

Yesterday, the NDP leader tried to argue, wrongly, that Parliament could not amend legislation that would give farmers marketing freedom.

One of her own colleagues, the member for Winnipeg Centre, said that he actually did not buy her argument.

Now, I seldom agree with him, but on this one I do. In fact, he recognized that our legislation can give farmers the freedom that they are asking for. Unfortunately, his leader does not agree with him.

This contradictory position from the NDP is just yet another worrying example of how weak and disunited the NDP is and that it is nowhere even close to being fit to govern.

ORAL QUESTIONS

[English]

SHIPBUILDING INDUSTRY

Mrs. Nycole Turmel (Leader of the Opposition, NDP): Mr. Speaker, today the NDP shipbuilding critic from Sackville—Eastern Shore, along with myself and all New Democrats, celebrate with the workers of Nova Scotia and British Columbia, but for other workers yesterday's announcement came up \$2 billion short. Instead of announcing the full \$35 billion in contracts, the government picked winners and losers.

The Prime Minister left major shipyards like Davie vulnerable. Why?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, while the leader of the NDP has chosen at the last hour to criticize the process, the fact of the matter is this. The NDP member of Parliament for Louis-Hébert said, "We would like to ensure that all the processes are clear and transparent and we recognize that that is the case here".

In the case of the NDP member for Sackville—Eastern Shore, he said, "We are very pleased and we congratulate the government on that process".

Oral Questions

This is a process that will result in enormous benefit not just for the shipbuilders that won the contracts yesterday but for all of the shipbuilding industry and all of the Canadian economy.

● (1420)

[Translation]

Mrs. Nycole Turmel (Leader of the Opposition, NDP): Mr. Speaker, the Prime Minister cannot completely wash his hands of this matter. The government did not make public how the bids were evaluated. Workers in Lévis do not know why they did not get anything. The government did not explain why there is not enough work for three shipyards if there is enough for two.

When will a maritime strategy be developed so that our shipyards can reap the benefits of continuing demand and stable employment and avoid boom and bust cycles?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, the NDP's position is completely contradictory. The member for Louis-Hébert said, "We would like to ensure that all the processes are clear and transparent and we recognize that that is the case here." The member for Sackville—Eastern Shore said, "I am confident that this is fair. To this point, nothing has led me to believe that there has been any political interference. We are very pleased and we congratulate the government on that process."

The government has a program that will benefit not only the shipyards selected yesterday, but also the entire industry, taxpayers and the Canadian economy.

Mrs. Nycole Turmel (Leader of the Opposition, NDP): Mr. Speaker, we agree and everyone agrees that the awarding of government contracts should not be a partisan process. This should be true not only for shipbuilding contracts, but also for those related to fighter jets and G8 gazebos. That being said, the government must put in place a Canada-wide strategy to develop the shipbuilding industry.

When will Davie workers have the opportunity to reap the benefits of such a strategy?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, the NDP voted against this shipbuilding program and now NDP members are contradicting each other on the process.

[English]

The position on our side is, of course, completely clear. These are great initiatives not just for the shipbuilding industry but for the Canadian economy.

New Democrats have to get together and work out their policy on the other side. Meanwhile, we will get on with making sure that shipbuilding and the Canadian economy move forward.

[Translation]

Mr. Denis Blanchette (Louis-Hébert, NDP): Mr. Speaker, since 1829, the Davie shipyard has been an economic driving force in the Quebec City region. It has gone through good times and bad, but it has always endured. It helped make Canada a naval power. Today, the shipyard is offering its services to the Canadian government through a consortium that has the expertise and ability to perform. This government maintains that the selection process was open, fair and competitive.

Oral Questions

If that is the case, Quebec wants to know what made the difference in how the contracts were awarded.

[English]

Hon. Rona Ambrose (Minister of Public Works and Government Services and Minister for Status of Women, CPC): Mr. Speaker, I am curious to find out why the member has not spoken to the NDP shipbuilding critic because he himself said yesterday that this was a great day for all of Canada. I agree with him because this shipbuilding contract will create more than 15,000 jobs across Canada in all regions and revitalize the marine industry.

Let us remember that Davie and all other shipyards across the country are welcome to bid on the construction of 100 smaller ships that have been set aside and the winners announced yesterday are not allowed to bid on those.

[Translation]

Mr. Denis Blanchette (Louis-Hébert, NDP): Mr. Speaker, for the past 182 years, the Davie shipyard has been at the forefront of marine technology. The Davie shipyard and its consortium offer a unique opportunity for its national and international expertise to contribute to the development of the Canadian marine industry.

In the context of this procurement strategy, would it not have been possible, as the former Conservative public works minister, Michael Fortier, suggested yesterday, to use the potential offered by the Davie shipyard consortium to revive this Canadian industry?

[English]

Hon. Rona Ambrose (Minister of Public Works and Government Services and Minister for Status of Women, CPC): Mr. Speaker, as I said, Davie along with other shipyards are welcome to bid on the construction of over 100 smaller ships that have been set aside for national competition. In addition to that, there is also billions of dollars in maintenance work to be done for decades to come that Davie and other shipyards can also compete for.

I should just mention that John Dewar, the vice-president of Upper Lakes Group which now owns Davie in Ontario, said that the federal government bent over backwards to try and eliminate any political interference or manipulation of the results.

* * *

• (1425)

[Translation]

TAXATION

Hon. Bob Rae (Toronto Centre, Lib.): Mr. Speaker, the small business federation has been clear about the fact that taxes on employment kill jobs.

I have a simple question for the Prime Minister: in light of the current difficult economic situation in Europe and in the United States—we are seeing signs of a recession—why not freeze taxes on employment now and ensure that people are not contributing to killing jobs in Canada?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, I am surprised by this question from the leader of the Liberal Party because that party voted against tax cuts for small and medium-sized enterprises in Canada.

This government has a clear objective: to keep taxes low. Obviously, it is an essential aspect of our plan for the Canadian economy, a plan that continues to create jobs.

Hon. Bob Rae (Toronto Centre, Lib.): Mr. Speaker, the Prime Minister has an opportunity to do something very direct and very simple. I asked a question the other day for which he did not give a direct answer. The tax credits in the budget currently being discussed in committee are not refundable. Some people do not pay taxes because they are too poor. Why not make the tax credits refundable, for example, those for caregivers and volunteer firefighters? These are good examples of what could be done for the least fortunate in—

The Speaker: The Right Hon. Prime Minister.

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, the leader of the Liberal Party is trying to justify his opposition to tax cuts for the Canadian economy. In the bill before Parliament there are significant tax cuts for SMEs, for families and for individuals. I encourage the leader of the Liberal Party to do the right thing and support these tax cuts.

* * *

[English]

NATIONAL DEFENCE

Hon. Bob Rae (Toronto Centre, Lib.): There was no answer there, Mr. Speaker.

I have another question for the Prime Minister. If he can have a fairness officer rendering an opinion, if he can have a competition which is non-partisan, if he can have a process which is generally seen as being fair and objective when it comes to the shipbuilding contracts, why can the government not see the logic of doing the same thing with respect to the purchase of several billion dollars' worth of new fighter jets for this country? That contract is a fiasco. The government has numbers which no one believes. There is no fairness opinion. There is no objective opinion, and there is no—

The Speaker: Order. The right hon. Prime Minister.

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, of course one of the elements of such a transparent, non-partisan and fair process is we do not re-open it later.

The fact of the matter is the previous Liberal government was part of an international process to select an aircraft company to develop the fifth generation fighter. That is obviously why this government is proceeding in that way.

The leader of the Liberal Party of course was not a member of the Liberal Party at the time, so he may not remember that.

[Translation]

SHIPBUILDING INDUSTRY

Ms. Annick Papillon (Québec, NDP): Mr. Speaker, many people are trying to understand today why this government did not want to distribute the \$35 billion in shipbuilding contracts more fairly. There should not be winners and losers when we are awarding contracts. Yesterday, the Minister of Public Works and Government Services boasted that it was a historic day for all regions of Canada.

How is the government's announcement great news for workers at the Davie shipyard?

• (1430)

[English]

Hon. Rona Ambrose (Minister of Public Works and Government Services and Minister for Status of Women, CPC): Mr. Speaker, I would like to quote the NDP shipbuilding critic once again, because I think what he said yesterday was true. He said that yesterday was a great day for all of Canada. I agree with him.

I also agree with the president and CEO of Canadian Manufacturers & Exporters, who said:

Beyond the benefits for the winning companies and their workers, the shipbuilding contracts will have profound benefits for the entire economy, coast-to-coast. We congratulate the government on a fair and transparent process that will maximize opportunity for participation and growth throughout all regions of Canada....

[Translation]

Ms. Annick Papillon (Québec, NDP): Mr. Speaker, shipbuilding is a key, strategic industry in our country and it must remain stable. Unfortunately, the shipbuilding industry in Quebec is vulnerable right now. After 182 years of existence, the Davie shipyard is in a fragile position.

I would like to know how the Minister of Veterans Affairs, member for Lévis—Bellechasse, plans on reassuring the people of Lévis and Quebec City. In light of all of the jobs that have been lost, what is the government's economic development plan for the greater Quebec City area?

[English]

Hon. Rona Ambrose (Minister of Public Works and Government Services and Minister for Status of Women, CPC): Mr. Speaker, we cannot understate enough the opportunities that come out of the national shipbuilding strategy for all regions, and in fact for the entire marine sector, including Davie Canada.

Davie yards, along with other shipyards across the country, are welcome to bid on the construction of over 100 smaller ships that have been set aside for national competition, which are excluded from the two winners yesterday.

In addition, there will be billions of dollars in maintenance work to be done for decades to come, and of course, they are welcome to bid on those contracts as well.

* * *

NATIONAL DEFENCE

Ms. Christine Moore (Abitibi—Témiscamingue, NDP): Mr. Speaker, the Minister of National Defence calls the process for shipbuilding contracts bulletproof.

Oral Questions

Will the minister now admit his gamble on F-35 jets is riddled with holes? Conservatives are ready to spend billions without a single competitive bid.

Is the cost per jet \$65 million or \$148 million? Canadians do not know. The Associate Minister of National Defence does not know. The Minister of National Defence does not know.

If the process was fair for shipbuilding, why do we not have the same for jets?

Hon. Julian Fantino (Associate Minister of National Defence, CPC): Mr. Speaker, I, too, applaud the fair and transparent way in which the national shipbuilding procurement was awarded.

On the F-35s, I remind the member opposite that the extensive and rigorous competitive process took place and it happened under the previous Liberal government. Now the Liberal members in this House have cold feet about the program they started.

The F-35s will provide our men and women in uniform with the best equipment to do their jobs and return home to their families, as we have supported them during their campaign in Libya.

[Translation]

Ms. Christine Moore (Abitibi—Témiscamingue, NDP): Mr. Speaker, we have learned that about 20 public servants made sure that the shipbuilding contracts were awarded as fairly as possible, primarily because the Conservatives were not involved in the decision-making process. In the meantime, the government is stubbornly wanting to award a \$30 billion contract for the F-35s without any kind of framework or bidding process.

Why is it that what is good for shipbuilding is not good for our air force?

[English]

Hon. Julian Fantino (Associate Minister of National Defence, CPC): Mr. Speaker, the previous answer applies. I am sorry that the member was not listening.

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FISHERIES AND OCEANS

Mr. Ryan Cleary (St. John's South—Mount Pearl, NDP): Mr. Speaker, on the Prairies the Conservatives are attacking the livelihood of farmers. On the west and east coasts, the fisheries are their target.

The Conservatives' decision to cut the Department of Fisheries and Oceans shows they are completely out of touch with the needs of fishing communities.

Oral Questions

The government's buddies on Bay Street cannot feed Canadian families. Why do the Conservatives have it in for Canada's primary producers?

Hon. Keith Ashfield (Minister of Fisheries and Oceans and Minister for the Atlantic Gateway, CPC): Mr. Speaker, the strategic review was an opportunity for the department to assess the performance of its programs. It also allowed us to ensure that we are responding to the priorities of Canadians. DFO is making steady progress in modernizing and improving our program and policy approaches to meet the needs of Canadians today and in the future.

Mr. Ryan Cleary (St. John's South—Mount Pearl, NDP): Mr. Speaker, we know the government prefers to make decisions based on ideology rather than science, statistics or facts, but the Conservatives' cuts to DFO have gone too far. Cutting the science branch means making decisions with nothing to back them up. Cutting the resource conservation councils means fishermen have no say. Cutting search and rescue means lives are actually put at risk.

Can the minister explain exactly what will be left, what he will be in charge of once he is finished scuttling his department?

• (1435)

Hon. Keith Ashfield (Minister of Fisheries and Oceans and Minister for the Atlantic Gateway, CPC): Mr. Speaker, there was a multitude of questions from the member opposite.

We will have a more efficient, more effective department which will deal with the needs of fishers on the east coast, the west coast and in northern Canada.

[*Translation*]

Mr. Philip Toone (Gaspésie—Îles-de-la-Madeleine, NDP): Mr. Speaker, fishermen from the Pacific coast all the way to the Grand Banks of Newfoundland—including the Gaspé and the Îles-de-la-Madeleine—are worried. Their livelihood, their way of life and their safety are being jeopardized by the cuts to Fisheries and Oceans Canada. The government is making cuts to research, management and rescue without thinking about the consequences.

Why has the government abandoned fishermen?

[*English*]

Hon. Keith Ashfield (Minister of Fisheries and Oceans and Minister for the Atlantic Gateway, CPC): Mr. Speaker, the contrary is the truth. The government has demonstrated a strong commitment to science at Fisheries and Oceans since 2006, including \$30 million to upgrade 13 laboratories at sites across the country, and \$36 million to construct three new science vessels. This government has been focused on marine science. We have invested \$14 million to complete mapping and data collection in the Atlantic and Arctic oceans for Canada's submission to the United Nations Convention on the Law of the Sea, and \$9.7 million in science to support emerging commercial fishing—

The Speaker: The hon. member for Gaspésie—Îles-de-la-Madeleine.

[*Translation*]

Mr. Philip Toone (Gaspésie—Îles-de-la-Madeleine, NDP): Mr. Speaker, the government is clearly disconnected from the reality of fishers. We even wonder whether the government is still interested in the future of the fishery. If it is, then why abolish the Fisheries

Resource Conservation Council? Canadians rely on Fisheries and Oceans Canada to make decisions based on science, as well as on those who know best: the fishers themselves.

How can the government manage the fisheries without any expert advice? Is it throwing in the towel?

[*English*]

Hon. Keith Ashfield (Minister of Fisheries and Oceans and Minister for the Atlantic Gateway, CPC): Mr. Speaker, the FRCC and the PFRCC have historically served an important role. Activities, however, have been replaced with other approaches, such as industry participation in stock assessments and the development of integrated fisheries management plans through advisory committees. In fact, council members are quoted as saying that there will not be a huge gap created.

* * *

FISHERIES AND OCEANS

Mr. Fin Donnelly (New Westminster—Coquitlam, NDP): Mr. Speaker, after the discovery of infectious salmon anemia in two wild sockeye smolts, U.S. federal agencies are preparing an emergency research effort into this threat of their wild, hatchery and farmed salmon. This is the single most feared virus in the fish industry. The U.S. recognizes the urgent need to protect its coastal economy and jobs, but the Canadian government is mute. Does it not understand the scale of this new threat? When will the minister tell Canadians exactly what emergency action he will take?

Hon. Keith Ashfield (Minister of Fisheries and Oceans and Minister for the Atlantic Gateway, CPC): Mr. Speaker, stringent federal regulations are in place to protect Canada's aquatic species from disease. Infectious salmon anemia, ISA, has never been found in B.C. aquaculture salmon. Fisheries and Oceans Canada in the Pacific region has been testing wild sockeye salmon for ISA. In fact, 300 samples tested this year have all tested negative.

At this time the reported finding the member refers to is far from conclusive. Fisheries and Oceans Canada will conduct testing in the national ISA reference laboratory.

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VETERANS

Mr. Sean Casey (Charlottetown, Lib.): Mr. Speaker, the Conservatives are shortchanging our brave veterans by cutting more than \$200 million from their budget.

Oral Questions

Today at committee the Liberals fought back and won a small victory for the vets. Our motion to study these massive cuts passed because Conservative members did not show up to the veterans affairs committee on time today to defeat it.

Would the minister commit to appear at committee and explain why he is cutting support to our veterans, and will he be on time?

• (1440)

Hon. Steven Blaney (Minister of Veterans Affairs, CPC): Mr. Speaker, our veterans have been winning massively for six years with the Conservative government.

If the member wants to get the number right, \$500 million times six gives \$3 billion to our veterans and \$2 billion with the new veterans charter. If the member wants to help our veterans, he must sit up in his chair when we are improving budget initiatives for our veterans.

We are on the side of veterans.

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CANADIAN WHEAT BOARD

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, the Prime Minister is killing the Canadian Wheat Board. This is going to destroy family farms. It is going to hurt rural communities.

Let me quote *The Economist*:

Smaller producers, faced with mounting marketing costs, will inevitably have to sell their farms to bigger rivals or agribusiness companies. Eventually, this should lead to consolidation and fewer, bigger farms—making Canada a more competitive wheat producer, but devastating small prairie towns, whose economies depend on individual farmers with disposable income.

Why is the Prime Minister causing so much damage to our—

The Speaker: The hon. Minister of Agriculture.

Hon. Gerry Ritz (Minister of Agriculture and Agri-Food and Minister for the Canadian Wheat Board, CPC): Mr. Speaker, the predictions of *The Economist* will only come true if we maintain the status quo.

That is why we are moving to marketing freedom for western Canadian farmers, so that they can start developing processing right there in those small rural communities and develop a broader base and a better business plan. That will return more money to them and keep those smaller farms and communities alive and vibrant.

Mr. Frank Valeriote (Guelph, Lib.): Mr. Speaker, barely finished butchering the Canadian Wheat Board, the Conservatives have already set their sights on supply management.

Yesterday, the member for Cypress Hills—Grasslands said, “We want to provide the same freedom for farmers right across the country”. Who other can he be referring to than the supply managed agriculture sectors in Canada? Conservatives keep musing about the demise of supply management. The final pleas from family farms across the west fell on deaf ears.

Could the minister forecast when his attack on dairy, egg and poultry farms across the rest of Canada will begin?

Some hon. members: Oh, oh!

The Speaker: Order. There needs to be a lot more order during the questions and answers. I can barely hear the question. I will allow the hon. minister to answer, but we need more order.

Hon. Gerry Ritz (Minister of Agriculture and Agri-Food and Minister for the Canadian Wheat Board, CPC): You are right, Mr. Speaker, it was loud, but it was not clear.

This government is well respected by the supply management sector as we reciprocate and respect it for the great job it is doing. We are the only party that listed supply management support in our last campaign platform. We brought it forward in our throne speech. Those members voted against it. What a bunch of hypocrites.

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CANADA POST

Mr. Jamie Nicholls (Vaudreuil—Soulanges, NDP): Mr. Speaker, the Minister of State for Transport avoided the question yesterday when asked about cuts to Canada Post in Quebec. Perhaps if I ask the question in English, he might understand the question better. Cuts elsewhere were between 4% and 8%. In Quebec, it chose to cut an alarming 53%.

What is the minister doing to stop these unfair and unbalanced cuts that target just one province?

Hon. Steven Fletcher (Minister of State (Transport), CPC): Mr. Speaker, what I say is true in English and true in French.

All permanent jobs at Canada Post are protected. Our government is committed to ensuring high quality mail service to all Canadians and businesses. Operating decisions at Canada Post are made by Canada Post.

I hope this member will appreciate Canada Post and not get into mudslinging. It is beneath him really.

[*Translation*]

Mr. Jamie Nicholls (Vaudreuil—Soulanges, NDP): Mr. Speaker, the minister's vague answers show us at least one thing: he has no argument to justify the unfair treatment of Quebec. Postal service is essential across the country. There is no justification for treating a province this way. I repeat: the cuts in Quebec are 53%. Elsewhere in the country the cuts range between 4% and 8%.

Does the minister not think that every province is entitled to the same service from Canada Post?

Oral Questions

•(1445)

[English]

Hon. Steven Fletcher (Minister of State (Transport), CPC): Mr. Speaker, I agree with the member when he says postal services are essential to Canada. That is why I was very concerned when his party, last spring, went to all sorts of effort to prevent Canada Post from allowing Canadians to receive the mail. The member and his party created a historic filibuster to support their big union bosses to prevent Canadians from getting the mail.

Really, Canada Post is essential. I wish the hon. member would help ensure that Canada Post and all Canadians can reach their full potential.

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*[Translation]***ATLANTIC CANADA OPPORTUNITIES AGENCY**

Ms. Megan Leslie (Halifax, NDP): Mr. Speaker, the Prime Minister is continuing his attack on Atlantic Canadian families. First he made cuts to search and rescue, then to Fisheries and Oceans Canada.

Yesterday we learned that the axe will fall on the Atlantic Canada Opportunities Agency. Atlantic Canadian families count on ACOA.

Why is this government punishing the Atlantic region?

Hon. Bernard Valcourt (Minister of State (Atlantic Canada Opportunities Agency) (La Francophonie), CPC): Mr. Speaker, the Atlantic Canada Opportunities Agency announced that 42 positions would be eliminated, but small businesses and communities in the Atlantic will not be the least bit affected in terms of the programs and services they receive. It will have no impact on them, nor on the extraordinary opportunity announced yesterday that will see thousands of jobs created in the Atlantic region and across Canada through our naval strategy.

[English]

Mr. Jack Harris (St. John's East, NDP): Mr. Speaker, ACOA serves four provinces in Atlantic Canada, and 100 of the 800 positions at the Atlantic Canada Opportunities Agency are being eliminated, the latest victims of the government's approach to job 100.

Since 2006, Conservatives have cut ACOA's budget by a whopping 30%. ACOA is vital to economic development and job creation in Atlantic Canada, and cutting it will kill jobs.

Why are the Conservatives jeopardizing the future of our region with these reckless cuts to ACOA, which helps job creation?

Hon. Bernard Valcourt (Minister of State (Atlantic Canada Opportunities Agency) (La Francophonie), CPC): Mr. Speaker, these are not reckless cuts. This is streamlining the operation to give better service and better programs to Atlantic Canadians out of the Atlantic Canada Opportunities Agency.

These 42 positions that will be eliminated will not take away from the services being provided to entrepreneurs and communities in Atlantic Canada, nor will they take away from the extraordinary opportunities that we got yesterday out of the Conservative government's naval strategy.

PORT OF CHURCHILL

Mr. Merv Tweed (Brandon—Souris, CPC): Mr. Speaker, yesterday we witnessed a bizarre spectacle in the House when the NDP member for Churchill spoke out against the positive announcements our government made for the Port of Churchill in her riding.

Unlike that member, our government understands the importance of the Port of Churchill as a valuable asset. Despite the NDP, the Port of Churchill will remain the Prairies-Arctic gateway to the world.

Would the Minister of Agriculture please outline the help that the NDP member for Churchill is opposed to her constituents receiving?

Hon. Gerry Ritz (Minister of Agriculture and Agri-Food and Minister for the Canadian Wheat Board, CPC): Mr. Speaker, I know the member for Brandon—Souris is supportive of the actions our government continues to take to help northern Manitoba.

This government will continue to support Churchill. Building on the \$38 million this government committed in previous budgets, we at Agriculture Canada will provide \$5 million per year, for the next five years, to incent more than just Wheat Board grains moving up the railway to Churchill. That is a great initiative. Transport Canada will provide an additional \$4 million, over three years, to strengthen the infrastructure at the port.

The people of Churchill are hoping that their NDP member does not vote no again.

* * *

•(1450)

*[Translation]***THE ECONOMY**

Ms. Peggy Nash (Parkdale—High Park, NDP): Mr. Speaker, the Canadian index of well-being, published by the University of Waterloo, shows increasing inequality in Canada under this government. The benefits of economic growth are not evenly distributed. The top 1% of income earners benefited from 30% of the economic growth and Canadian families have a higher level of debt than ever before.

Why are the Conservatives offering such generous tax breaks to the banks, while leaving Canadian families to fend for themselves?

[English]

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, unlike the NDP opposition, we believe the best social program is a job. Canadian families want jobs, not higher taxes that kill jobs, like the \$10 billion tax increase that was in the NDP platform in the last election.

We have created about 650,000 net new jobs in Canada since the end of the recession, 90% being full-time jobs and almost 80% in the private sector. Those jobs support employment in our country which supports the quality of life of Canadian families.

Ms. Peggy Nash (Parkdale—High Park, NDP): Mr. Speaker, once again, that is cold Conservative comfort for Canadians. It is not much of an answer.

Oral Questions

The Conservatives' stubborn insistence on slashing taxes for profitable corporations is just another gift to wealthy CEOs and shareholders. It increases inequality and does nothing to help the 99%. Experts keep telling the government that there is no economic logic to such a policy.

Will the minister please explain to struggling Canadian families why CEOs come before them?

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, would the NDP please explain to the Canadian people why it voted against the working income tax benefit to help people get off social assistance and get jobs in this country?

This is a very important social reform in our budget that the NDP voted against. It is a reform that is looked upon by experts across this country as the most important initiative that has been taken in Canada to help people get off welfare and social assistance, and get jobs to support their families.

The NDP members come here and rail against corporations. They do not care about the poor people in this country. When we actually bring something to this House, they vote against it.

* * *

TAXATION

Mr. Hoang Mai (Brossard—La Prairie, NDP): Mr. Speaker, the American government should be congratulated for going after offshore tax dodgers. However, our own government's feeble attempt pales by comparison. Unfortunately, thousands of law-abiding Canadians are now being unnecessarily harassed by the IRS using laws intended to catch U.S. tax cheats.

Has the government negotiated a true amnesty to protect law-abiding Canadians?

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, it is the sovereign right of the U.S. government to impose tax rules on American citizens. This is a question where it is unfair to some with dual citizenship because they have had no income earned in the United States for a long time, many of whom were unaware of their obligation to file tax returns in the United States, and there are some penalties that can be attached.

We have had discussions with the American treasury authorities. We have heard already from the American ambassador in Canada on the subject and from the treasury in the United States to the effect that they are looking at being more reasonable with respect to the punitive penalties that are possible by the IRS under the legislation. We see some progress there.

[Translation]

Mr. Hoang Mai (Brossard—La Prairie, NDP): Mr. Speaker, Canadians who have not received any income or had any assets in the United States for years are suddenly being threatened with enormous fines for not filing their tax returns. Consider the case of a woman who has been living and working in Canada since 1968 who might have to pay \$70,000. Several of the Canadians in question are seniors and their retirement incomes are now in jeopardy.

Will the government negotiate a tax return amnesty for these Canadian citizens?

[English]

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, as I said a moment ago to the member opposite, it is the right of Canada to impose tax obligations on our citizens. It is the right of the United States to do the same thing. These are people who are American citizens and they choose to maintain their American citizenship. If they do that, they are subject to some rules.

The difficulty is, as the member has mentioned, many of these individuals have not lived in the United States, have not filed in the United States, have not earned any income in the United States, and were unaware of their obligation. It is for those people that we are trying to get some co-operation, leniency quite frankly, with respect to penalties from the American authorities. As I said a moment ago, we are making some progress.

* * *

• (1455)

THE ENVIRONMENT

Ms. Kirsty Duncan (Etobicoke North, Lib.): Mr. Speaker, the prestigious journal *Nature* announced the discovery of an Arctic ozone hole 18 days ago. Journalists sought interviews with the Environment Canada co-author on that paper, Dr. Tarasick. An email from the environment minister's spokesperson told a well-respected science reporter that an interview could not be granted.

Will the government finally let Dr. Tarasick speak freely and ensure that scientists are never muzzled again?

Ms. Michelle Rempel (Parliamentary Secretary to the Minister of the Environment, CPC): Mr. Speaker, as I have said many times in the House, our government is very proud of the scientists at Environment Canada and the work they do.

Our government has taken concrete action over and over again to protect Canada's environment. We have protected record amounts of parkland. We have assessed hundreds of new and existing substances for potential risks to human health through chemical management. We have developed a new air quality management system to reduce the costs of the environment.

We are focused on delivering tangible results, including the area of ozone management.

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ATLANTIC CANADA OPPORTUNITIES AGENCY

Hon. Mark Eyking (Sydney—Victoria, Lib.): Mr. Speaker, the House is well aware of the cuts the government has made to Atlantic Canada: first search and rescue, second Service Canada, third DFO and now ACOA. The shocking news is even worse. ACOA has become a dumping ground for a number of failed Conservative candidates and to make room for this bunch, it is firing hard-working employees at ACOA.

Oral Questions

Why the cushy jobs for failed Conservative candidates and pink slips for hard-working maritimers?

Hon. Bernard Valcourt (Minister of State (Atlantic Canada Opportunities Agency) (La Francophonie), CPC): Mr. Speaker, I would have thought the hon. member would know better. ACOA is not—

Some hon. members: Oh, oh!

The Speaker: Order, please. The member for Sydney—Victoria has asked a question and the House wants to hear the answer.

The hon. minister of state.

Hon. Bernard Valcourt: Mr. Speaker, the hon. member should know that ACOA has in no way taken part in the hiring of any persons other than ACOA employees. I want to reiterate that the positions that have been eliminated will not affect the level of services to Atlantic Canadians from the Atlantic Canada Opportunities Agency. Do I need—

The Speaker: Unfortunately, the minister is out of time.

The hon. member for Rosemont—La Petite-Patrie.

* * *

[Translation]

G8 SUMMIT

Mr. Alexandre Boulerice (Rosemont—La Petite-Patrie, NDP): Mr. Speaker, the President of Treasury Board has quite the sense of humour. Today, he talked about open government. He was very open with the G8 funds—he turned on the taps for the projects of his friends, the mayor of Huntsville and the hotel manager. Unfortunately, as is often the case with the Conservative government, there is a double standard. It was not as open during the Auditor General's investigation.

He is clearly not forthcoming with the public when he refuses to explain himself. But now, with these announcements, will he finally post the documents he kept from us on the Open Government website, www.open.gc.ca?

[English]

Hon. John Baird (Minister of Foreign Affairs, CPC): Mr. Speaker, the member opposite speaks about the sense of humour of the President of the Treasury Board. That is rather interesting.

Infrastructure Canada co-operated fully with the auditor general. The auditor general did a thorough review of this issue. She made a number of observations and recommendations, which this government completely accepted, on how we could be even more open and more transparent to the House of Commons.

Mr. Charlie Angus (Timmins—James Bay, NDP): Mr. Speaker, the government has a credibility problem. Asking a Muskoka maverick to sell open government is like asking Homer Simpson to promote nuclear safety. It is now 133 days since he went AWOL from accountability and it is contagious. We now know he runs from the media when he does presentations.

What part of openness includes hiding documents from the auditor general or running a slush fund from a BlackBerry? When will the government get open with the Canadian people and hold this rogue minister accountable?

Hon. John Baird (Minister of Foreign Affairs, CPC): Mr. Speaker, we approved some 23,000 infrastructure programs in every corner of the country. We gave every province its full per capita share. We worked with NDP, Liberal and Conservative governments from coast to coast to coast. We were able to deliver a lot of new jobs. In doing so, on 32 of those 23,000 projects, the auditor general levelled some serious observations. We fully accepted those observations, and we will do an even better job next time.

* * *

• (1500)

INTERNATIONAL CO-OPERATION

Mrs. Nina Grewal (Fleetwood—Port Kells, CPC): Mr. Speaker, this summer the world faced the worst humanitarian crisis 60 years. In East Africa, 30 million people are impacted by conflict, drought and famine. The government has been responding to help meet the needs of the victims and refugees.

The Minister of International Co-operation travelled to the region and witnessed the tragic effects of this crisis. Could the minister please update the House on the government's response to this crisis?

Hon. Bev Oda (Minister of International Cooperation, CPC): Mr. Speaker, Canada is doing its part. Our government's initial \$72 million support has helped provide food to 11.5 million people and nutrition, clean water and medical care to over 2 million people in the region. Matching the generosity of Canadians, I am happy to report an additional \$70.5 million will be put into the famine relief fund to support ongoing aid relief.

Recently, humanitarian workers have been targeted and kidnapped in the region. I call on all parties to allow for safe humanitarian access.

* * *

VETERANS AFFAIRS

Ms. Judy Foote (Random—Burin—St. George's, Lib.): Mr. Speaker, I have written to the government requesting that the October 31 deadline for the Canadian Forces appreciation fare on *Marine Atlantic* and the quota system be removed.

One of my constituents, who recently returned from Afghanistan, inquired about the fare and was told the crossing he wanted to take had its quota of veterans and that he would have to pay. That is some appreciation.

Over 30,000 trips have been taken by veterans since the start of the program. Clearly the need exists. Will the minister commit today to extend the program, eliminate the quota and honour all our veterans who give so much to our country?

*Oral Questions**[Translation]*

Hon. Steven Blaney (Minister of Veterans Affairs, CPC): Mr. Speaker, I thank the hon. member for her question. Veterans and their families are our government's priority. They are the focus of our actions. I invite my colleague to forward her concern to me and we will look at the situation.

* * *

HEALTH

Ms. Anne Minh-Thu Quach (Beauharnois—Salaberry, NDP): Mr. Speaker, this week, 118 countries are meeting in Brazil to develop an action plan on the social determinants of health. Nevertheless, this government did not feel it was necessary to send representatives. In Canada, 20% of health care expenditures are related to social issues such as homelessness and unemployment.

The World Health Organization recognizes that social inequality leads to health inequities. The costs are astronomical.

Can the Minister of Health explain why she is not participating in this important international meeting?

[English]

Hon. Leona Aglukkaq (Minister of Health and Minister of the Canadian Northern Economic Development Agency, CPC): Mr. Speaker, we do participate in a number of conferences internationally. Most recently, we were at a conference in New York, at the United Nations, on the declaration around poverty reduction initiatives across countries.

Our government has worked hard to protect and promote the health and safety of all Canadians who make huge investments internationally, as well as in Canada.

* * *

PAN AMERICAN AND PARAPAN AMERICAN GAMES

Mr. Kyle Seeback (Brampton West, CPC): Mr. Speaker, over the next two weeks, athletes representing 44 countries will compete in the 2011 Pan American Games and later, the Parapan American Games in Guadalajara, Mexico. Among these athletes is our very own Team Canada.

Could the Minister of State for Sport tell us how we are supporting our athletes in Guadalajara and how Canada is preparing to host the games in 2015?

Hon. Bal Gosal (Minister of State (Sport), CPC): Mr. Speaker, the member for Brampton West is an Olympian as well.

Last week, I travelled to Guadalajara, Mexico to support our athletes at the 2011 Pan American Games. I am proud to announce that so far Canada has won 33 medals.

The government is proud to support Team Canada through funding to the Canadian Olympic and Paralympic committees and national sports organizations. As a proud supporter of the upcoming 2015 games in Toronto, we have committed funding to sports infrastructure, legacy and essential federal services. We look forward to welcoming these games to Canada.

*[Translation]***HUMAN RIGHTS**

Mr. Dany Morin (Chicoutimi—Le Fjord, NDP): Mr. Speaker, today is Spirit Day. By wearing purple, we show our support for LGBT teens who are the victims of bullying.

The tragic suicide of Jamie Hubley, a 15-year old who took his life in Ottawa last Saturday after being bullied because of his sexual orientation, shows to what extent gay, lesbian, bisexual and transsexual teens are crying out for help. It is high time we demonstrated leadership to protect our young people.

Can the government tell us how it plans to address the bullying and harassment our young people are experiencing?

● (1505)

[English]

Hon. John Baird (Minister of Foreign Affairs, CPC): Mr. Speaker, I know I would speak for all members of the House to offer our sincere condolences to the family of Jamie Hubley. Bullying, homophobia, intolerance and incivility have no place in our schools. It underlies the real challenge of depression and mental health, especially among young people.

Let us resolve, as a society, to promote tolerance and acceptance of each and every one of our fellow citizens.

* * *

*[Translation]***JUSTICE**

Mr. André Bellavance (Richmond—Arthabaska, BQ): Mr. Speaker, blinded by ideology, the Conservatives refuse to believe the statistics, refuse to listen to the Quebec bar and refuse to heed the warnings from places like Texas that have tried this approach and rejected it. Today, Quebec's National Assembly passed a unanimous motion demanding "the withdrawal of the provisions of federal Bill C-10 that go against the interests of Québec and Québec values as regards justice, including those concerning the treatment of young offenders."

Will the minister continue to impose his approach, a major failure, or will he listen to Quebec and its National Assembly?

[English]

Hon. Rob Nicholson (Minister of Justice and Attorney General of Canada, CPC): Mr. Speaker, I know anything about the fight of crime always upsets what is left of the Bloc Québécois.

The parts of the bill that we have before Parliament have been reviewed by my provincial counterparts over the years, and I am appreciative of their support.

Canadians elected us on this mandate to move forward to get tough on crime. That is why we are here and that is what we will continue to do.

*Oral Questions***PRESENCE IN GALLERY**

The Speaker: I would like to draw the attention of hon. members to the presence in the gallery of the honourable Kathleen Casey, Speaker of the Legislative Assembly of Prince Edward Island.

Some hon. members: Hear, hear!

The Speaker: I believe the hon. member for Windsor—Tecumseh may wish to pose his inaugural Thursday question.

I see some members standing on points of order. We will do the Thursday question first, and then we will deal with any points of order that may have arisen out of question period.

* * *

[English]

BUSINESS OF THE HOUSE

Mr. Joe Comartin (Windsor—Tecumseh, NDP): Mr. Speaker, I was hoping you would go ahead with the point of order so that when I made my points it would be somewhat quieter in the room.

It is my first question as the House leader for the official opposition. I want to thank the leader of the New Democratic Party of Canada for placing her confidence in me to take on this role.

I would also like to note that as the deputy House leader, I had the opportunity to sit in many meetings with the current government House leader and the current House leader of the Liberal Party. From those experiences, I expect that we will work out a co-operative, collegial relationship. We will not always agree, but I believe we will attempt our best to make this Parliament work for all Canadians.

[Translation]

I would like to ask the Leader of the Government in the House of Commons about his plans for next week. We know that the government has decided to cut off debate on Bill C-18 on Monday and that there will be an NDP opposition day on Tuesday. What other bills does the government intend to have us debate for the rest of the week?

[English]

Hon. Peter Van Loan (Leader of the Government in the House of Commons, CPC): Mr. Speaker, I welcome the new official opposition House leader. I had a surprisingly positive and constructive relationship with his predecessor. I say “surprisingly” because some people were skeptical that we would work well together, but indeed we did so in a very genuine way. I am very optimistic that the same will continue with the new official opposition House leader. He has proven himself always to be an individual of very fine comportment so I have great optimism about that.

I would like to thank the member for Windsor—Tecumseh for his question, and now in response to his question, I would point out that the government's top priority continues to be creating jobs and economic growth.

● (1510)

[Translation]

In that regard, I am pleased to say that we have had a productive week so far in the House. On Monday, we passed the Keeping Canada's Economy and Jobs Growing Act and sent it to committee.

[English]

This very important bill includes vital measures that Canadians need and expect our government to implement, including a tax credit for small businesses that create jobs, extension of the accelerated capital cost allowance for businesses that invest in manufacturing equipment, and much, much more.

Unfortunately, I was surprised that the opposition voted against these positive economic measures. However, we can hope for better in the future.

[Translation]

Then, on Tuesday, we began debate on the Copyright Modernization Act, an important and long-needed bill that will boost Canada's cultural and digital economies.

[English]

Unfortunately, members opposite unveiled tactics to delay this bill and the important benefits it would bring to Canada's economy.

In the previous Parliament, that bill had passed second reading after just under seven hours of debate. I hope the opposition will reconsider and allow that to happen this time around.

[Translation]

Nevertheless, tomorrow the House resumes debate on Bill C-11. As I already mentioned, hopefully the opposition will see the wisdom in letting the bill get back to a committee for study and clause-by-clause review.

[English]

Yesterday, we began debate on the marketing freedom for grain farmers bill. Again, this is a bill that will have real economic benefits for Canada, especially for the economy of western Canada. It is also a bill which offers members a clear-cut choice, either for marketing freedom or for the continuation of the seven decade monopoly. We are looking forward to a good focused debate on this important platform commitment of ours.

Again, however, we are surprised that we are seeing efforts to prevent this bill from moving forward with a motion to adjourn the debate. We heard some bells yesterday.

We will continue debating the bill this afternoon. The third and final day of debate on the bill, following the motion adopted by the House this morning, will be Monday, October 25.

[Translation]

The next allotted day will be Tuesday, October 26. For the business of the House beyond next Tuesday, I will apprise my counterparts at the earliest opportunity.

*Government Orders***GOVERNMENT ORDERS**

[English]

POINTS OF ORDER

ORAL QUESTIONS

Hon. Mark Eyking (Sydney—Victoria, Lib.): Mr. Speaker, in response to a question I asked in question period, the minister made note that no defeated Conservative candidates have been hired by ACOA. To that end, could I ask the minister to table a list of persons hired by ACOA and ECBC since the Conservatives came to power?

The Speaker: That is not a point of order. There are ways for members to ask the government to provide information such as through questions on the order paper. I do not believe that is a point of order in this fashion.

Mr. David Anderson (Parliamentary Secretary to the Minister of Natural Resources and for the Canadian Wheat Board, CPC): Mr. Speaker, in reference to the question asked by the member for Guelph, I just wanted to point out he quoted me as saying yesterday, “we want to provide the same freedom for farmers right across the country.” I did in fact say that, but I followed that by saying:

It is the 21st century, people spend, as I have said, hundreds of thousands of dollars on their own operations. They have to pay their expenses. After growing their own crop, harvesting it, buying the bins and the machinery to do that, they should be able to market that product themselves as well.

Perhaps the Liberals' research department is as poor as it seems to be, but if misquoting members and smearing other members is their new strategy, they should perhaps consider a different one.

The Speaker: I am afraid question period is over. If members have these types of points to make, the proper place to do it is either through questions and answers or during debate on legislation, but not through points of order.

DECORUM IN THE CHAMBER

Ms. Elizabeth May (Saanich—Gulf Islands, GP): Mr. Speaker, I am making a point of order I have made before, but it seems particularly poignant today when we are wearing purple and observing Spirit Day on which we are supposed to be assisting lesbian, gay, bisexual and transgendered youth oppose bullying behaviour.

The point of order I wish to make relates to Standing Order 16, that when a member is speaking, no member shall interrupt him or her, and Standing Order 18, that no member shall use offensive words against other members.

I would just ask members to consider what kind of behaviour we are modelling. I know question period is seen to be a blood sport. I know you, Mr. Speaker, would appreciate more decorum.

From the bottom of my heart, as a mother who does not like to see bullying, I would like us to consider our own behaviour.

• (1515)

The Speaker: I thank the hon. member for the intervention. We will move on now.

[English]

MARKETING FREEDOM FOR GRAIN FARMERS ACT

The House resumed consideration of the motion that Bill C-18, An Act to reorganize the Canadian Wheat Board and to make consequential and related amendments to certain Acts, be read the second time and referred to a committee, and of the amendment.

The Speaker: The hon. member has six minutes left to conclude his remarks.

Mr. Earl Dreeshen (Red Deer, CPC): Mr. Speaker, before question period we were talking about issues that were going to have to take place during transition. The first was on the Canadian Wheat Board's access. The second was on producer cars.

I had just indicated the third where these changes would not change the Canadian Grain Commission's role in assuring the world-renowned quality of Canada's grain. The Canadian Grain Commission will continue to provide its services regardless of who is marketing the grain.

Fourth, on the issue of the future funding of wheat and barley research and market development, a deduction from producers' sales will be established to continue the same level of funding by farmers to these activities. These funds will support the great work that is being done by the Western Grains Research Foundation, the Canadian International Grains Institute and the Canadian Malting Barley Technical Centre.

The deduction will be mandated by government for the transition period. In the meantime, we are discussing with industry a long-term mechanism to support research and market development in order to keep our great industry moving forward.

As Keith Degenhardt, chairman of the Western Grains Research Foundation, wrote to the Minister of Agriculture and Agri-Food, “The Canadian Wheat Board method of collecting the check-off is certainly not the only method of collecting wheat and barley check-offs”.

Many have expressed concerns about the future of the port of Churchill which depends upon Canadian Wheat Board shipments for the majority of its business. Our government knows how important the port of Churchill is to the strength and growth of our northern economy. The port is part of the government's overall northern strategy, setting out a vibrant vision for the north and it will remain the Prairies' Arctic gateway to the world.

Over the past four years, we have invested close to \$40 million, \$37.4 million to be exact, to improve the port's facilities, including rail and air access. We are backing up that commitment with a concrete plan to support a strong future for the port following the introduction of marketing freedom for western grain and barley growers.

Government Orders

As the first phase, we are investing federal funds to provide timely support for Churchill. For the second phase, once we know better the impact of marketing freedom on the port, we will decide what new initiatives will be needed to drive a bright future for the port. We will continue to work with all stakeholders to explore new opportunities for this vital northern asset.

We are also very encouraged by the willingness and positive outlook of owners OmniTRAX, the largest privately held rail service in North America, to sit down with us to develop a business plan and chart a way forward for Canada's only major northern seaport.

As for grain industry jobs, while we will see some job losses at the Canadian Wheat Board initially, we expect private grain marketers and processors to expand and start up new businesses in Canada. In fact, Milton Boyd, a professor and economist at the University of Manitoba, believes, "Just as creation of the Board in the 1930s shifted some jobs away from the private grain firms, removal of the board's monopoly in 2012 would shift some jobs back to the private grain firms."

Milling firms will be able to purchase directly from the farmer of their choice at whatever price they negotiate. Entrepreneurs will have the option of starting up their own small specialty flour mills, malting and pasta plants.

As Brian Otto, president of the Western Barley Growers Association, said, "Canadian millers will have the opportunity to develop niche contracting programs to satisfy needs for specific traits". He also believes, "Minor classes of wheat will find new, robust markets that were ignored under the single desk because they were too small".

The future of our agriculture industry is bright. We have seen tremendous growth in value-added opportunities for oats, pulses and canola across the Prairies over the past 20 years. We will see these same opportunities open up for wheat and barley as we implement marketing freedom, just as we saw in Saskatchewan a few weeks ago.

We will work with farmers and industry to attract investment, encourage innovation, create value-added jobs and build a stronger economy. By taking this historic and decisive action to ensure certainty and clarity for producers who will soon be entering into forward contracts for their 2012 crop, this will create opportunities in the grain market and respect western wheat and barley farmers' property rights, rights upon which our nation was built.

I urge opposition members of the House to support the bill. Its timely passage will give farmers the certainty they need to plan their business decisions for the coming year. We will free farmers to feed families around the world with the safe, high quality wheat and barley they are so proud of.

• (1520)

Mr. Frank Valeriote (Guelph, Lib.): Mr. Speaker, the member for Red Deer is aware of a recent article in *The Wall Street Journal* that lauded the Wheat Board's demise because of the increased profits for grain companies, yet an article in *The Economist* warns of the tragedy that would prevail in western provinces with the closure of small farms and the negative impact that it would have on small farming communities.

Why is the member prepared to sacrifice the well-being of so many for the well-being and profits of so few?

Mr. Earl Dreeshen: Mr. Speaker, I am thankful that the member for Guelph has asked me that question, because he is talking to a farmer from western Canada who has a family farm that has been there since 1903.

There were types of things we were forced to do when we were told that we would not be able to market the wheat and barley that we produced. It pushed us into producing flax and canola in order to get some cash flow. When farmers produce their crop and then find out they are not going to get paid for it for 18 months and then are subject to all of the different things that are happening because of the Canadian Wheat Board, these are the kinds of changes that we believe are going to increase the family farm. This is the reason we will be able to ask our sons and daughters to come back and create the family farm that we all have dreamed of.

Mr. David Anderson (Parliamentary Secretary to the Minister of Natural Resources and for the Canadian Wheat Board, CPC): Mr. Speaker, I want to follow up on the comment the member just made, because he is educating the folks across the way.

We farm as well. Two years ago, we had durum in our bin. The Wheat Board said it would contract 60% of it. The person who was farming our land had found a market for the other 40% in the United States. When he went to the Wheat Board and said he would like to do a buy-back, meaning we would have to buy our own grain back to sell it, the Wheat Board told him "absolutely not". When he asked why, the Wheat Board said it was not contracting the other 40%, so he could not sell it. When he asked what he was supposed to do, he was told to leave that 40% of the crop in the bin until next year and the Wheat Board would see if it would deal with it then.

Has the member had that type of experience in dealing with the Canadian Wheat Board when trying to market his grain? The question directly relates to having to grow canola and flax and those kinds of crops in order to have cash flow on a farm. I would be interested in hearing if the member has any of those stories or experiences as well.

Mr. Earl Dreeshen: Mr. Speaker, I would like to thank the member for that question as well as for all the work he has done to help give marketing freedom for farmers.

I can think back to the different operations involved on our farm. I started farming 40 years ago, so I have been filling out a Canadian Wheat Board permit for the last 40 years and I know the types of things that have happened and the concerns we have in central Alberta.

Government Orders

First, farmers are not able to get delivery contracts when they require them. Second, when the Canadian Wheat Board decides it wants to move some of our grain, a lot of the time we find that it happens to be when the road bans are on. If that does not work, then it says we had better have it delivered while we are trying to put our crops in. Finally, sometime in the summer we are able to get that pushed in there because we have to ensure it is done before July 31. Those are just part of the concerns that one has.

Then when we take a look at the dollars being returned to the Canadian farmer compared to the dollars we find elsewhere, we can see it is one of the reasons that the family farm has the problems it has now.

These are some of the things we have to consider.

• (1525)

Hon. Ralph Goodale (Wascana, Lib.): Mr. Speaker, it is a pleasure to take part in this debate. It is obviously a debate that provokes a great deal of emotion, and I suppose that is understandable.

The grain industry in western Canada has always been a source of considerable controversy. That is because it is a multi-billion dollar industry. It has huge importance to the livelihoods and way of life of many prairie families.

Its structure is also significant, with tens of thousands of individual farmers on one side, most of them in family farm operations, and then a few large corporations on the other side, namely the railways and grain companies—many of them foreign-controlled—that run the grain handling and transportation system.

It is an inherently uneven playing field, and farmers, sadly, are positioned to get the short end of the stick. Down through the years, various attempts have been made by producers, communities, farm organizations, governments and others to correct or at least to try to offset that imbalance. The strongest effort, and certainly the most successful, has come through the Canadian Wheat Board.

After a number of dubious experiences with previous open markets and many failed experiments with voluntary pooling over the years, the Wheat Board was first created—by a Conservative government, incidentally—in 1935. It was given many of its essential single desk characteristics by a Liberal government in 1943.

It is interesting to note that for several decades after 1943, the board's existence was actually considered to be temporary, and it had to have its powers renewed by Parliament by a vote in this House every few years.

They were, of course, renewed year after year, decade after decade, because those powers exercised by the Canadian Wheat Board had proven to be effective. Farmers over those years effectively wanted and supported the board. Successive federal governments, both Liberal and Conservative, acted on the farmers' opinion that the Canadian Wheat Board's mandate should be renewed.

The last major revision of the Wheat Board's structure came in 1997. As the minister at that time, I knew our government had four

primary objectives in the legislation that it introduced in 1997. That legislation came into effect on January 1, 1998.

The first objective was to make the Canadian Wheat Board a truly producer-controlled operation. It is, as a result of that legislation, no longer a crown corporation. It is not a government entity run by five hand-picked servants of the government beholden only to the government. Instead it is a modern marketing organization controlled and operated by farmers themselves. That was the first objective of that legislation 13 years ago.

Second, we needed to make that producer control legitimate and accountable by making the Canadian Wheat Board fully democratic. Farmers themselves now elect the overwhelming majority of the board of directors of the Canadian Wheat Board, which is an innovation that has existed in the law only since 1998. Farmers elect 10 of the 15 directors on the Canadian Wheat Board. Obviously, if the farmers do not like what those directors do, they can be voted out of office. The elections occur every two years on a rotating basis.

It is interesting to note that down through the years since 1998, 80% of the farmers elected, re-elected and then re-elected, in some cases, by their peers to serve on the Canadian Wheat Board's board of directors have been strong supporters of the single desk system. That is like a referendum that happens every two years, and the single desk side in that vote wins 80% of the time.

That was the second objective: to make the Canadian Wheat Board not only producer-controlled, but democratic in its operations.

• (1530)

Third, these directors were given the scope, the mandate and the power to innovate, to change, to be flexible, to provide prairie producers with an unprecedented range of options and alternatives in how grain is marketed and how farmers are paid for their grain, and the board has delivered on that mandate over the last number of years by introducing a number of groundbreaking innovations in the board's operations.

As this debate has raged over the last number of weeks and months, I have heard a number of farmers make the point that in many ways the criticisms we hear these days about the board's operations are really about the old board, the way it used to exist before 1998, before democratic producer control took over. That old board was gone more than a decade ago. Since then, there has obviously been a dramatic improvement.

Principle number one was producer control. Principle number two was democratic operations. Principle number three was flexibility, innovation and accountability. Principle number four was this: for the future, we built into the law a clear provision to put the ultimate fate of the Canadian Wheat Board in the hands of farmers themselves.

Government Orders

Section 47.1 of the existing act does not prohibit changes to the single desk. It does not prohibit even the elimination of the single desk. However, it makes it clear that the decision is one for farmers to take. It is not for politicians or bureaucrats, but for farmers themselves. Section 47.1 embeds in the law the principle that there ought to be a plebiscite, a vote, held among prairie farmers to determine whether or not the nature of the single desk ought to be changed.

Before legislation like Bill C-18 can be legally introduced in this House, the government is obliged to consult with the Canadian Wheat Board's board of directors, and it is obliged to hold a vote among farmers on the specific changes it is proposing to make.

No such vote has been held by the government prior to introducing Bill C-18.

The minister says he is not obliged to have a vote because he is not making any kind of technical change to the single desk. He is not making small modifications to the way the single desk operates. He says that if he were making changes of that kind, then in fact he would be obliged to come to farmers through a vote or a plebiscite to get the farmers' opinions on what he is proposing to do.

The minister says that he is not obliged to do that in this case because he is not making smaller technical changes to the single desk: he is simply abolishing it altogether.

Let us think about that logic. It is like the doctor saying, as the patient being wheeled into surgery, "Well, if I am just going to take out your tonsils, I will do you the courtesy of asking for your opinions, but if what I have in mind is euthanasia, killing you altogether, I will not bother to ask for your advice".

Obviously the government's position is ludicrous on that point. The legislation has the effect of destroying the single desk, and accordingly section 47.1 obliges the government to get the opinion of farmers before they take that step. The government has not done so, and therefore, in our opinion, this legislation is not proceeding properly at this time.

Liberals in Parliament will not support this legislation, Bill C-18, to kill the single desk marketing system for the Canadian Wheat Board for at least four strong reasons.

The first one has to do with process. The CWB is now democratically controlled and operated by western Canadian grain producers. Today's legislation eliminates that democratic producer control, and it replaces it with direct and complete government control. The elected producer directors will be gone, and instead the board will be run only by five people appointed by the government.

The Conservatives are also disenfranchising farmers by ignoring their legal obligation as it exists today to hold a producer plebiscite before introducing any legislation that has the effect of destroying the single desk. That is our first reason for opposing this legislation: the attack on democracy, the attack on proper process, the ignoring of the right of farmers to vote.

• (1535)

Our second reason is one of cost. By killing the single desk operation, the government is effectively reducing the value of

Canadian wheat and barley in global markets by as much as \$400 million to \$600 million per year. That is the typical price premium that the Canadian Wheat Board is able to gain every year for western farmers and bring into the Canadian economy because of its ability to price discriminate.

The ability to price discriminate depends exclusively upon the existence of the single desk operation. If we have a single desk operation, we can go to each individual grain market in the world and extract the highest price available in that market. Obviously, the higher priced markets in Europe such as the high scale department stores and food stores in London, England, will pay a higher price than will Yap Milling in Indonesia. They are two entirely different markets. If we have a single desk operation, we can distinguish between those markets. We can get the top price in London and the top price in Indonesia and they are not the same price.

If there is leakage everywhere because there is no single desk operation, we will then be competing for the bottom price. It would be a race for the bottom price. We will end up with the lowest price rather than the top price available in each individual market.

Without the single desk operation we will lose the ability to price discriminate. According to many experts in the industry, the cost of that will be roughly \$400 billion to \$600 billion a year depending on the marketing year. Without the single desk operation, the ability and the clout to price discriminate will be gone.

The third reason is that the government's new legislation will also reduce farmers' clout here at home.

There will be a lot of collateral damage with the loss of the Wheat Board. For example, the producers' right to load their own rail cars as a safety valve against commercial exploitation will technically remain in the wording of the Canada Grain Act. However, without the Canadian Wheat Board to give producer car shipments logistical priority that right will be largely meaningless.

I note that the report the government commissioned on so-called marketing freedom which was published a few weeks ago clearly makes the point that the right to access producer cars, not actually the effective functioning of producer cars but just the access to producer cars, will continue in the Canada Grain Act. However, that report specifically states they would not be given any priority in the system. Therefore, we can order our producer car and we might get it three years from now if there happens to be nothing else happening at the time. It is a right without any meaningful application unless we have someone who is managing the logistics of the system and will give the producer car some priority.

Similarly, producer-owned grain terminals and short-line rail operations will be at the mercy of large grain companies and the railways. The grain companies and the railways have always opposed the existence of the producer-owned grain terminals and short-line rail operations because it means that grain goes around their system, it provides competition and they do not get the tariffs and the fees. Obviously, they are not going to be conducive to allowing those innovations to continue to be used in the system.

What is most important in terms of collateral damage is there will be no player in the western grain handling and transportation system with the clout and the will to stand up for farmers and to take on entities like the railways when their services fail, which happens about 50% of the time according to the government's own rail service review, or when the railways attempt to extract excessive freight rates.

That is the third reason why we cannot support the legislation.

● (1540)

Finally, the Conservative government is about to hand to the United States a huge trade freebie.

The elimination of the Canadian Wheat Board has been the Americans' number one trade objective in North America for the past 20 to 25 years. Courtesy of the Conservative government, the U.S. is about to receive its fondest wish and Canada will get absolutely nothing in return.

The Canadian Wheat Board's single desk system as well as its clout and ability to outdo the American grain marketing system will be gone but Canada will have no better access to the U.S. market. Country of origin labelling discrimination against Canada will continue. The buy America trade discrimination against Canada will continue. The new U.S. marine tax discrimination against Canada will go on. Border thickening will continue. U.S. discrimination against Canadians working in the defence industry will continue. The U.S. attack on Canadian softwood lumber will continue. U.S. authorities will continue to close the border to Canadian wheat and other products whenever it suits them. Thus, Canada has gained absolutely nothing from its unilateral disarmament in the grain trade.

I reiterate that there will be a failure to apply due process and recognize the producer democratic control of the Canadian Wheat Board. There will be an imposition of new costs on farmers and a loss of value to the tune of \$400 million to \$600 million a year in terms of price premiums left on the table and not captured for western Canadian producers. As well, there will be a loss of clout in terms of dealing with other aspects of the grain handling and transportation system, especially regarding the ability to take on the railways when necessary.

I would note on that last point, that on at least two occasions in the last few years the Canadian Wheat Board has taken the railways to the Canadian Transportation Agency. As a result of those proceedings, it won the farmers something in the order of \$200 million in excess freight charges. That was money that was taken out of farmers' pockets. The Wheat Board put that money back into farmers' pockets. The bill will remove that authority, that ability and that clout.

Government Orders

This is a unilateral disarmament of the Canadian farmer. The Americans are giving up absolutely nothing and will not even guarantee absolute access to the U.S. grain market. However, the Canadian Wheat Board, a pillar of the system in Canada, will be gone.

For all of those reasons we oppose the bill.

We propose an amendment to the motion that is presently before the House.

I move:

That the amendment be amended by adding after the words "70 years" the following:

“, including specifically the elimination of the Canadian Wheat Board's role in managing transportation logistics and thereby leaving farmers without an effective voice with respect to rail service levels and freight rates; and (d) breaches section 47.1 of the Canadian Wheat Board Act”.

The Acting Speaker (Mr. Barry Devolin): The subamendment to the motion is receivable.

Hon. Rob Merrifield (Yellowhead, CPC): Mr. Speaker, I listened to my hon. colleague intently. In response to the kind of issues he put forward with regard to the Wheat Board I would use a term that he has used many times in the House, “total horse feathers”.

As a farmer I understand full well exactly what he is talking about. I was the minister in charge of railways and I am aware of the issues regarding rail and the rail service review. It has been announced that legislation is coming with regard to the protection of railways. However, that is not the gist of my question.

My hon. colleague said that the Wheat Board is actually capitalizing on a better price for wheat for farmers in western Canada. If there was a shred of evidence of that being true, then farmers in Saskatchewan and Alberta would not be loading their grain cars and trying to run the border to get across to the other side to get a better price for their product, especially when they will be thrown in jail by that government for that act. The opposite would be happening. Americans would be loading their grain cars trying to rush the northern border to capitalize on a better rate through the Wheat Board. That is just the logic of it.

The real question is how much it is costing farmers in western Canada at the farm gate to support and subsidize the Wheat Board because that is what is happening.

● (1545)

Hon. Ralph Goodale: Mr. Speaker, the hon. gentleman and I will simply have to agree to disagree on that point. I support my side of the argument. A number of studies done by both the Wheat Board and independent organizations have analyzed this issue of the price premium that is available in the world. For some marketing years price premiums are hard to get, but when they are available they are captured uniquely by the Canadian Wheat Board system. On average, the calculation in terms of the value of price discrimination in the marketplace over the years is in the range of \$500 million. That money was brought into western Canada and distributed among western Canadian farmers. It would not have been there if the single desk system did not exist.

Government Orders

On the other side of the equation in terms of cost, the total administrative costs of the Canadian Wheat Board, including everything from the cost of sending salespeople on missions around the world to paying for the pens, paper, pencils and the office in Winnipeg, works out to about 7¢ to 9¢ per bushel. That arithmetic has been verified by the Auditor General of Canada. Compared to the administrative expenses incurred in organizations like Cargill, Bunge and other international grain companies, that is an extremely favourable cost. As well, the administrative expense of running the grain system will undoubtedly go up without the Canadian Wheat Board in that system.

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, would the member reflect on what the prairie farmers have to say? Time after time Conservative members of Parliament have said the farmers want to get rid of the Canadian Wheat Board. However, 62% of prairie grain farmers actually want to keep it. That is the vast majority in my books. Could the member comment on that?

Hon. Ralph Goodale: Mr. Speaker, it is an important point. Granted an exact assessment of producer opinion at any given moment in time is a difficult thing to accomplish whatever side of the debate one happens to be on.

The fact that the government is reluctant to hold a plebiscite is a very telling point. If a plebiscite were properly held, with a clear question, an independent administration and scrutinized by independent farm organizations so that it would be completely above reproach in every way, shape or form, making it a valid reflection of producer opinion, I suspect the results would be similar to the results of the one conducted by the Canadian Wheat Board this past summer. Those results indicated that in the case of wheat something like 62% of prairie producers said they would prefer the single desk operation and in the case of barley it was 51%. Both of those results indicate a majority of producers are in favour of the single desk system.

Mr. Randall Garrison (Esquimalt—Juan de Fuca, NDP): Mr. Speaker, I know some members will wonder why someone from Vancouver would rise to speak on the Canadian Wheat Board. However, there is one wheat farmer in my constituency, in Metchosin. She is Sharon Rempel of the Vancouver Island heritage wheat project.

An hon. member: Is that outside the Wheat Board area?

Mr. Randall Garrison: It is outside the Wheat Board area, but I actually know someone who is growing wheat.

Her concern is with regard to the decline of heritage wheat varieties that will take place in an open market. She is also concerned with the continuing decline of family farms. In 1931, about a third of Canadians lived on family farms. That number is now down to 1 in 50.

I ask the hon. member what effect does he think the elimination of the Wheat Board would have in terms of the heritage varieties of wheat from the Vancouver Island perspective and also from the family farm perspective?

• (1550)

Hon. Ralph Goodale: Mr. Speaker, the quality control system that Canada has developed through 100 years of experience is highly

respected and admired around the world. It has a number of players. The most fundamental player is the Canadian farmer who is a superb producer on par and I would argue above par in comparison to any other grain-producing group found anywhere on the face of the earth. Canadian farmers are absolutely excellent at what they do. However, they are assisted in that process by the Canadian Grain Commission, the Canadian International Grains Institute as well as a number of other agencies that research and work on new plant varieties and in some cases attempt to resurrect historic varieties such as the one the hon. gentleman referred to.

It is an integrated system. All of the pieces fit together. The Canadian Wheat Board has been an integral piece in that puzzle. Therefore, if we remove the board we will in fact put a number of the other pieces in jeopardy, which by implication the government's announcement actually admits.

Mr. David Anderson (Parliamentary Secretary to the Minister of Natural Resources and for the Canadian Wheat Board, CPC): Mr. Speaker, actually, I have to thank the member opposite. One of the main reasons I am involved in politics, one of the reasons I am here, is because of him. His rule as the agriculture minister and as the minister in charge of the Canadian Wheat Board convinced me I needed to get off my farm and needed to do something more to protect my own farm interests and the interests of my neighbours.

I guess the Crow rate would have to be his biggest legacy, which was of course the promise from the government that it would pay farmers a subsidization in return for the Crow rate being removed. His government completely removed that subsidy from farmers and basically devastated Western Canada. When the Liberals did that, he was the minister in charge.

The second legacy he leaves behind is the CWB and his treatment of farmers. He has just talked about western Canadian farmers being superb producers, but that they cannot be trusted to market their own grain. It was a decade ago that 13 farmers went to jail because the member and his government refused to give them any freedom to market or export their grain.

My question to him today is, does he ever wake up at night and regret having locked western Canadian farmers in jail just because they wanted to market their grain, and has he realized since then how important marketing freedom is to western Canadian farmers?

Hon. Ralph Goodale: Mr. Speaker, no one likes legal proceedings of the kind that the hon. gentleman has referred to, but in fact, when there is the risk of smuggling, of border running, and other behaviour on the part of a very tiny minority that is risking the reality of the U.S. market being shut down, closed off, the border closed, for 50,000 other farmers across the west, it is a serious matter that has to be treated seriously. The appropriate action was taken at the time

Government Orders

What has also happened in the intervening 10 years is the democratization of the Canadian Wheat Board, the introduction of producer control, more flexibility and innovation in the operation of the board than ever before, and the right of farmers themselves to determine their marketing future. Through that whole period of time, every public analysis that has been undertaken has indicated that when the choice is offered to farmers in clear term, the result coming back in relation to wheat is two to one in favour of the Canadian Wheat Board.

Hon. Rob Merrifield (Yellowhead, CPC): Mr. Speaker, I would like to split my time with the hon. member for Medicine Hat.

This is an important issue that is near and dear to my heart, and the comments I am going to make this afternoon are biased, I admit. I am going to fess up right off the bat that I am a farmer. My son is actually the fourth generation on our farm so agriculture goes back a long way in our family. I have produced wheat and barley every year for the last 30 to 40 years, and my comments are biased because I will do and say anything I possibly can to support the farm family and agriculture in western Canada.

When my son wanted to take over the family farm, I tried to discourage him because I knew how difficult agriculture is. It is a very demanding occupation. So I told him to go and get a business education and I would teach him how to farm. So he got a business education and now he is teaching me how to farm. It is amazing what our young entrepreneurs in agriculture are doing and can accomplish. It is phenomenal to see how the industry has developed and is unbelievably engaging.

It is interesting to look at the trumped-up survey from this summer that the opposition members refer to so often. Believe me, farmers have been voting loud and clear and not just because of the 52 out of 56 seats that were won in the May election. They were voting with their seed drills and they have been doing it for a decade or more every spring when they grow products such as canola that are outside the Wheat Board.

Canola has outstripped wheat as the number one commodity in Canada and that is not an accident but it is because the farmers are getting the world price for their canola. They are not getting the world price for their wheat. Because of canola being outside the Wheat Board, farmers have the flexibility to manage and market and get those dollars into their pocket to handle the farm income in a way that enables them to handle the risks of their business. This is important.

The other thing about the survey and why I say it is trumped up is I have been farming for 40-plus years, all my life, growing barley or wheat every year and I never got a survey. I never had a chance to vote in this trumped-up survey. If farmers are missed like me in this survey and then those numbers are used to wail about what farmers really think, then the opposition has to soberly consider what it is doing and who it is representing.

It is not by accident that in the May election only four out of the fifty six seats in Manitoba, Saskatchewan and Alberta, provinces controlled by the Wheat Board, did not go to the Conservative government. Where were those four seats? Two of them were in downtown Winnipeg, one in downtown Regina and one in

downtown Edmonton. I have not seen a combine or a kernel of wheat or barley in any one of those ridings ever.

So when members look at this piece of legislation, they should put aside ideology and do the right thing for agriculture and for farmers. Let us just for a second assume that the monopoly of the Wheat Board, if it is dual-marketed, is going to compromise the value at the farm gate. Then they would never have to worry about it because every farmer is astute enough to market their grain where they will get the best value for it. If that is the Wheat Board, that is where they will go. If that happens, nothing will change.

However, all this bill would do is allow farmers the opportunity to market their grain where they feel they can get better value for that dollar. If they can get a better value for the bushel of wheat or barley in an independent way by another avenue, then the question has to be asked how that can possibly be when the Wheat Board has a monopoly and has the inside track on getting the best value for farmers.

As I said a few minutes ago, if it were true that farmers were getting the best value for their wheat and barley, American farmers would be bringing their wheat here to capitalize on that marketing opportunity. That is not the case. The opposite is the case and there is a reason for it and it is that farmers are astute enough to understand their business plan and understand what is in their best interests as they move forward.

● (1555)

It is very important to say that this has to happen in conjunction with what was announced by our government on rail freight and transportation. The success of our country is really going to depend upon how well we can access international markets, how well and how fast we can get our canolas, wheats and barleys, our products and commodities to markets overseas. That is really where the growth lies.

As a government we put \$3.6 billion-plus into the Asia-Pacific gateway so that we can streamline that transportation system. We have seen in our a government a change in the way that railways have actually treated agriculture. Their on-car deliveries this last year was up to over 90% compared to the year before, where it was down to about 50%.

Why is that changing? It is because of the rail freight service review. We have actually forced the railways to have a service agreement with those industries and farmers who have producer cars and so on, and who are shipping their products.

It has to go hand in glove because the railways win when shippers win, and when shippers and railways both win then Canada wins. It is very important that we make certain to streamline that system, so that the system will be able to handle the kinds of demands and opportunities that are there.

Government Orders

It is interesting, when we look at agriculture, just how big it is. It has changed so much. Since the 1950s it has gone up 300%, the productivity level in agriculture. That is what we are actually doing on the farm.

Seventy six per cent of those young farmers, in this survey that is being referred to, said that they wanted to break the monopoly. They wanted to have the opportunity to capitalize on markets other than the monopoly of the Wheat Board. Even using this survey, when we start looking into the future of where we are going to go, that is really the question, where do we go from here? What is it going to look like after we have dual marketing?

We have lost productivity or opportunity for our world share in wheat. It has fallen 42% in the last 50 years. We have lost 42% in the ability to capture those markets. When it comes to barley, the numbers are even worse. It is two-thirds, 66% since the 1980s that we have lost in the ability to capitalize on those international markets.

Where does the future lie? The population of the world right now is about 6.9 billion, 7 billion. What is it going to be in 2020? It is expected to be 7.6 billion. That is 68 million more people to feed, every year in this world. Where is agriculture going to be? It is not the same today as it was in the 1930s, when the Wheat Board was first brought in by a Conservative government, and it was voluntary, not forced, not a monopoly.

We are saying we should break the monopoly and allow the opportunity to see if the Wheat Board actually can do the job for the farmers or not.

We are saying that we have grown in opportunity for agricultural exports, but not because of the Wheat Board. It is in spite of the Wheat Board. It was \$39 billion that was traded in 2010. We are in the top five agricultural exporters in the world. That is something to be proud of. It is because of the quality of the product that it is in such demand around the world.

The price is not realized. We are not getting world prices for wheat. We are here to protect our farmers. We have to actually ensure we have the farmers' interests in mind as we stand and speak on this piece of legislation. This is a very important piece of legislation that we are committed to for our electorate.

Speaking of that, I get this all the time. The opposition is saying that farmers think this and farmers think that. Well, I happen to be one of those farmers. So I have to ask, is it just me or do I represent my riding? I have yet to have a piece of mail or a phone call from anyone in my riding, although I am sure there are some people out there, that supports the monopoly.

I have yet to have one of those people call my office and say, "Can you phone me back and explain why you are doing what you are doing?" All of them are saying, "We want freedom. We want choice".

That is where we need to go with this piece of legislation. It is an unbelievable opportunity that we have before us for agriculture in this country, for the family farm in this country, but more than that as we grow this country and capitalize on those international markets that are ripe for the taking.

We look forward to this bill passing. We encourage everyone in this House to consider their support as we come down to the vote on this.

• (1600)

[*Translation*]

Mr. Pierre-Luc Dusseault (Sherbrooke, NDP): Mr. Speaker, the hon. member told us that he used to be a farmer and never had a chance to respond to the Canadian Wheat Board survey he referred to. Like his Conservative colleagues, he seems very sure that all farmers in the west are against this board.

Since he is so sure, I would like to know—and I would like him to answer yes or no—whether he would be prepared to hold a referendum to ask farmers, so that they can have the choice and not have this imposed on them by the government. Would he be prepared to hold a referendum, yes or no?

• (1605)

[*English*]

Hon. Rob Merrifield: Mr. Speaker, I would love to answer that one.

We have had a number. We had one in May, which was an election for 56 potential seats. There was a platform before them to breaking the monopoly and 52 of the 56 voted expected the government to follow through on the obligation in that platform. From one perspective, that is a very strong mandate to ensure that we do the right thing for agriculture and for the prairie farmer.

More than that, just look at what the farmers themselves have been doing. Every spring they go out and decide what to grow, whether it be wheat, canola, lentils or peas. That is what those who are outside the board are growing. Why are they growing this? Because the opportunities to capitalize on world prices is there. If they were getting the best price in the world, they would be growing more wheat and barley, but they are not.

It is unfortunate that we do not have the same opportunity in the prairies that they do in the rest of the country. All we are saying is that there should be an opportunity for a fair and open system. We look forward to that opportunity for western farmers, the same as Ontario farmers and east of Ontario.

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, Conservative member after Conservative member have stood and said that they are grain farmers and that this is a good thing that will happen. Yet we know full well that a legitimate plebiscite was conducted by the Canadian Wheat Board. Members laugh, but I would love to see the government have the political courage to conduct its own plebiscite.

The reality is a credible plebiscite was done. The vast majority of those grain farmers, unlike the Conservative farmers here it appears, said that they wanted to retain the Wheat Board.

If the Conservative members who represent the prairies are so convinced that their arguments are so sound, why do they not then take the challenge in the form of a plebiscite, argue it among the grain farmers and ensure that there is, according to the government, a legitimate plebiscite on the issue?

Government Orders

If the government is not prepared to do that, at the very least respect that independent plebiscite that was conducted through the Canadian Wheat Board.

Hon. Rob Merrifield: Mr. Speaker, what we want to do is respect the farmer in western Canada. When it comes to that independent survey, as a farmer for 40 years who did not even get an opportunity to vote or take part in it, that tells us a bit about the credibility of that survey.

Nonetheless, it is absolutely critical that we move forward on this. Farmers are speaking loud and clear with their seed drills and voting patterns to make certain that happens.

To answer the member's question in a more direct way, right now it is absolutely imperative that we get this legislation through as fast as we can to have certainty for farmers so they can determine what kind of chemicals and fertilizers to use this fall based on the kind of products they will grow come spring seeding.

This is all about planning and being an entrepreneur on the farm. There is no way the House should hold that up for anything more than what we already know is in the best interests of farmers. We look forward to the legislation passing very soon.

The Acting Speaker (Mr. Barry Devolin): It is my duty pursuant to Standing Order 38 to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Vancouver Quadra, Health; the hon. member for Scarborough—Guildwood, National Defence.

Resuming debate, the hon. member for Medicine Hat.

Mr. LaVar Payne (Medicine Hat, CPC): Mr. Speaker, I am very privileged to stand in the House and talk about the marketing freedom for grain farmers act for western Canadians. I would also like to thank my colleague, the member for Yellowhead, for sharing his time with me today.

Marketing freedom is very good news for farmers in Alberta and for our economy. The wheat and barley business in Alberta is a major driver of our economy, bringing \$1.3 billion to the farm gate. We are confident we can grow that business even more under marketing choice.

The government is committed to bringing marketing freedom to western Canadian wheat and barley farmers. Under the strong leadership of our Prime Minister, our government continues to fight for farmers' freedom. Giving farmers the freedom to choose to whom they sell their products is the right thing to do.

Farmers in the west have been waiting for a long time for this change. In fact, one farmer in my riding believed so strongly that he should be able to market his own grain that he tried to do that. What was his reward? This western Canadian farmer was put in jail for trying to sell his own grain, the grain that he grew on his own land and harvested himself with his own machinery. That was a travesty. Our Minister of Agriculture and our Prime Minister have said that they will not let that happen again. That is one more reason we are bringing marketing freedom to western Canadian farmers.

As the hon. Minister of Agriculture has said, entrepreneurs, including farmers, need as many options as possible to market and

sell their goods. This has never been more true than in today's uncertain economy.

In Alberta there are currently several grain processors in the malting and milling sector. Business savvy farmers deserve the ability to add value to their crops and capture more profits from the farm gate by delivering the specific quality for which a processor is looking. They deserve to make their own business decisions and have the opportunity to seek out the best possible return for their wheat and barley, just as they would with canola, or pulse crops, or cattle, or any number of other farm products from across the country.

Henry Vos, an elected director of the Canadian Wheat Board, agrees that farmers are business savvy. He said, "Similarly to how they can market their canola, peas and forage seed. Some farmers want to market it to the company that will pay the most for it".

Farmers are the ones who take all the risks and make all the investments, and the government is committed to providing them with the marketing freedom they want and deserve.

I would like to take a minute to explain some of the history of the Canadian Wheat Board.

The monopoly was first imposed on western Canadian farmers on October 12, 1943. That was during World War II, when Canada was committed to supplying wheat to Great Britain. The monopoly came in by order-in-council. Producers were not consulted. It was done with the intention of aiding the war effort, not with any pretence that it would get the best returns for farmers.

Even Lorne Gunter, a columnist with the *National Post*, recognizes this. He says:

This is a free country. If farmers do not want to use the board to market the grain they grow on their own land, using seed, fertilizers and pesticides they paid for themselves, with equipment that belongs to them, then they shouldn't have to, no matter what their neighbours want.

Today, western Canadian farmers deserve the right to choose how to market their wheat and barley, just as they do with their other crops, such as canola, pulses and oats. The world has moved away from the state trading commodity procurement approach, which some countries used in the past, and has adopted an open market, a free enterprise system in which multiple buyers select a range of quality attributes for particular market segments. Buyers want high quality products, which Canadians produce, but they want them delivered at a certain time, in a certain way, in a manner that often farmers are best able to meet.

● (1610)

Farmers are looking for new value-added revenue streams and greater marketing flexibility. We are listening to farmers and want to help them succeed.

Government Orders

Currently, by law, western Canadian wheat, durum and barley growers do not have the same rights as the producers in the rest of the country as to where they are to sell their products and they do not have the rights they enjoy with other crops. The best people to decide the production and marketing options for their farms are the farmers, as they take the risks and live with the consequences.

That is what marketing choice will deliver. We will not rest until that is achieved. We live in a free and democratic country. Farmers want marketing choice and our government is committed to delivering what prairie farmers want. We will not stand idle, while western Canadian farmers are shortchanged by an out-of-date act of Parliament. We have made our intentions clear and we encourage the Canadian Wheat Board to work in the best interests of western grain farmers to remain a viable marketing option for those farmers who want to continue to use it.

At the end of the day, it is all about the farmers. It is about an open-market system. Greg Porozni, chairman of the Alberta Grains Council, has said that a deregulated grain market will be a boon for a savvy farmer.

The government wants to ensure that western Canadian wheat and barley farmers have the same rights and privileges as other Canadian farmers. It is all about fairness. It is all about looking to the future, not continuing to rely upon an outdated system that was developed nearly seven decades ago. I invite my hon. colleagues to join this government in supporting freedom for wheat and barley farmers.

We look forward to continuing to work with the men and women responsible for growing Canada's grain to ensure that, above all else, they have the greatest say in making decisions that affect their own livelihood.

I hope all members of the House will stand to support the bill and give it the speedy passage it deserves in order to give farmers the business certainty they need.

• (1615)

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, my question is with respect to a story that was printed in publication the member would be familiar with called *The Economist*. It is published by a fairly well-respected world news organization. I would like to quote directly from it, as I did earlier today in question period. It states:

Smaller producers, faced with mounting marketing costs, will inevitably have to sell their farms to bigger rivals or agribusiness companies. Eventually, this should lead to consolidation and fewer, bigger farms—making Canada a more competitive wheat producer, but devastating small prairie towns, whose economies depend on individual farmers with disposable income.

There is a valid argument to be made that the government, by killing the Wheat Board, is going to be destroying family farms, that it is going to be making it that much more difficult for some of those rural communities to survive.

Would the member not agree that there is some merit to what has been printed in this story, as story published by a news organization that is known throughout the world and is fairly well-respected?

Mr. LaVar Payne: Mr. Speaker, my hon. colleague talks about *The Economist* being a credible organization and magazine. In terms

of being credible, he is probably when it called his former prime minister “Mr. Dithers”.

Canadian farmers and people on the Prairies are resilient. Communities are resilient. They in fact are determined that freedom for their wheat and barley will produce much greater benefits for themselves and the communities in which they live.

Mr. Chris Warkentin (Peace River, CPC): Mr. Speaker, I could not help but take the opportunity to stand in my place because it is the younger people I represent in my constituency, the young people who are trying to build a better future for their families on the farm, who very desperately want the option to market their grain so that they can get the best value for their wheat and barley.

What they currently find disturbing is that past governments have treated them so paternalistically. Past governments have said farmers in some parts of Canada might be smart enough to market their own grain, but not the farmers in western Canada. They could not possibly understand how to do something like that.

Young farmers have been even more disturbed these last number of months over plans unveiled at the Canadian Wheat Board just after an election of directors, when no discussions of the purchase of \$65 million of shipping equipment took place. That issue could have been discussed and debated, but it was not. It was never discussed. Young farmers were never given an opportunity to provide their input on the purchase. This paternalistic organization determined that it would use those young farmers' money to buy \$65 million worth of ships, which many farmers are convinced would never carry a bit of western Canadian grain.

I wonder if the hon. member for Medicine Hat would comment with regard to the concern that many young farmers have in my constituency with regard to the paternalistic attitude of past governments, as well as the organization itself.

• (1620)

Mr. LaVar Payne: Mr. Speaker, that was a long question.

In fact, yes, there are farmers in my riding who have asked me about freedom for their wheat and barley. I have also talked to a lot of the pro-Wheat Board people.

It is interesting that when I told them about the potential for the Wheat Board to evolve and that they would still have the opportunity to sell their wheat and barley through the Canadian Wheat Board, a number of them said they would not do that. I said, “What? You want the Wheat Board, so why would you not sell it?” They replied that their farms were their businesses, so they would not sell it through the Wheat Board.

Government Orders

[Translation]

Mrs. Sadia Groguhé (Saint-Lambert, NDP): Mr. Speaker, first, I would like to inform you that I will share my time with the member for Charlesbourg—Haute-Saint-Charles.

To be able to truly have a thorough debate on Bill C-18 and the negative implications it will have on prairie farmers, we must first answer some initial questions to learn about the history of the institution at the heart of Bill C-18. Where did the Canadian Wheat Board come from? What was behind its creation? What role did it play in the past in the lives of farmers? What role does it play today in the economy and lives of prairie farmers?

The Canadian Wheat Board, whose future is at stake in Bill C-18, is an organization that markets wheat, durum and barley for prairie farmers. Recognized as the largest and most successful grain marketing organization in the world, the Canadian Wheat Board, which is what Bill C-18 is all about, was created in the 1920s, when farmers in western Canada started to join together to get the best price on the wheat market.

It reminds us of the farmers' fight to protect their interests against powerful foreign companies that tried to crush and destroy them. In 1943, continuing that fight, farmers in western Canada opened a single desk that allowed them to sell their wheat through the board. The pooled sales that began through this single desk gave farmers a powerful voice in grain handling and transportation as well as international trade policy.

The board ensures that farmers get the highest overall returns as they have an effective monopoly on wheat sales since there are no competing sellers of western Canadian wheat. The single desk structure provided financial stability, prudent risk management and certainty of grain supply. In other words, the single desk contributed to progressive marketing of wheat in the interests of farmers, not of large American or other foreign companies.

The single desk continues to play the same role today, as the board is controlled, directed and funded by farmers. It is not a burden on the state and it is not government-funded. It was in this spirit that the act to create the Canadian Wheat Board gave the board the mandate to generate the best possible returns for farmers by taking advantage of the powers given to this single desk.

This organization continues to play an important role for farmers as well as for the economy in the Prairies. It sells grain all around the world and arranges for its transportation from thousands of farms to customers in 70 countries. About 21 million tonnes of wheat and barley are marketed by the Canadian Wheat Board each year. Given that 80% of the wheat grown in western Canada each year is exported overseas, it is easy to understand the major role that the Canadian Wheat Board plays. Yet the Conservatives want to dismantle it to benefit private companies that are more concerned about profit than about farmers, who create jobs for a large number of Canadians. Acting as a marketing agent for farmers, the Canadian Wheat Board negotiates international sales and passes the returns back to farmers, who spend them in Canada.

Clearly, the Canadian Wheat Board has real, tangible benefits for the economy of the Prairies. The Conservatives are attacking those benefits with Bill C-18. I find this completely unbelievable. What is

the purpose of Bill C-18, which the Conservatives have brought before this Parliament? Bill C-18 proposes dismantling the Canadian Wheat Board; putting an end to the single-desk marketing of wheat and barley; replacing the board with an interim structure with voluntary membership; and privatizing it or dissolving it completely if, in the coming years, it is not profitable for any private firms.

Bill C-18 is a reflection of the neo-liberalism that underlies economic policy. Dismantling the Canadian Wheat Board would have a devastating effect on prairie farmers.

• (1625)

At a time when the Canadian economy needs measures to get unemployed Canadians back to work, the idea of doing away with the Canadian Wheat Board seems ridiculous and irresponsible.

That is why when prairie farmers—who would be the most affected—were called upon to vote on this government initiative on September 12, 2011, they rejected the idea, even though the government likes to tell anyone who will listen that dismantling the Canadian Wheat Board would be good for farmers. A majority of farmers voted in favour of maintaining the Canadian Wheat Board. Of a total of 38,261 farmers who voted, 62% voted to maintain a single desk for the marketing of wheat and 51% voted for the same for barley. Acting against the will of the majority is undemocratic and we will not accept it.

The NDP believes that in the current sluggish economic context, the dismantling of the Canadian Wheat Board would have an incalculable impact on the lives of farmers as well as on the economy of the Prairies, given the role that the Canadian Wheat Board has played and continues to play. Passed without any clear analysis of the repercussions it could have on farmers in western Canada, the measure to dismantle the Canadian Wheat Board will be ruinous for them. The bill serves the interests of major American grain companies by allowing them to lower the market price for wheat and undermine the security of our own farmers.

If the Canadian Wheat Board is dismantled, Prairie farmers will sell as individuals, which could result in some farmers losing their farms to huge foreign companies.

Government Orders

Western Canadian farmers might experience the same fate their Australian counterparts did when they lost their single desk. Right now, the price of Australian wheat, which once commanded \$99 a tonne over American wheat, has dropped, in just three years, to \$27 a tonne below U.S. wheat. As a result, 40,000 Australian farmers who were running their own grain marketing system became customers of one of the largest agribusiness corporations, which is privately owned and based in the United States. Since 2006, Australia's national wheat sales have dropped from 100% to 23%. Meanwhile, 25 other corporations are competing to see how to make a profit on the discrepancy between buying and selling prices.

Let us make responsible decisions. Let us avoid putting our western Canadian farmers in a situation similar to that of their Australian counterparts.

I would like to remind the House that the Canadian Wheat Board sells Canadian farmers' grain products in 70 countries. All the profits from these sales—between \$4 billion and \$7 billion per year—go to the farmers. In 2009-10, the Wheat Board's revenue was estimated at approximately \$5.2 billion and its administrative costs were approximately \$75 million.

This is revenue that we will lose if we dismantle the Canadian Wheat Board. By reducing the benefits that farmers receive from the Wheat Board by virtue of the fact that it is the sole seller of western Canadian wheat and barley, the Wheat Board's demise will no doubt affect the Port of Churchill and the farmers who deliver grain through the port, because the Wheat Board is the primary user of this port. Generally speaking, Wheat Board shipments account for 95% of the cargo that goes through the port. In a free market, private grain companies will have no incentive to use the Port of Churchill, since they have port facilities on the west coast, in Thunder Bay and along the St. Lawrence.

The demise of the Wheat Board will also affect producer car shippers and short-line railways in that farmers who load their own cars will save from \$1,000 to \$1,500 in preparation and cleaning fees per car that is shipped.

The demise of the Wheat Board will also have financial repercussions on Winnipeg and Manitoba. In fact, studies have shown that the Wheat Board contributes \$94.6 million to Winnipeg's gross output.

In conclusion, dismantling such an institution in the name of blind neo-liberalism means sacrificing prairie Canadians to benefit foreign grain companies. We cannot support such a bill, which would mean supporting government control over the Canadian Wheat Board.

• (1630)

[English]

Mr. Leon Benoit (Vegreville—Wainwright, CPC): Mr. Speaker, the member's main argument was given at the end of her presentation when she said that because of the 400 jobs, some of which could be lost in Winnipeg, she could not support the legislation. I would like her to think about why she would place such a high importance on the jobs of people working at the Wheat Board and ignore the people who will clearly benefit from this change, who are the farmers. There are tens of thousands of farmers across the west who would benefit.

For example, I have farm land in Alberta and Saskatchewan. Seven farmers are renting land from me. Every single one of them is excited about what is happening with the Wheat Board as we remove the monopoly. Every single one of them has been waiting for years to have this happen. They often ask me when we are going to get it done. We are going to get it done now.

Why does the member place such a high importance on the jobs with the Wheat Board? I, too, am sorry that those jobs will be lost, but why does she place little importance on the farmers who are the people who produce this commodity and really should benefit from it and market it in the way they see fit?

[Translation]

Mrs. Sadia Groguhé: Mr. Speaker, I thank the hon. member for the question. I would simply like to tell him that my comments cannot be summarized by just the end of my presentation. I clearly stressed the essential role of the Canadian Wheat Board, which is a vital component of the prairie economy, and the fact that dismantling it would be ruinous for farmers. We are in a very critical time, given our current economic situation, and I think dismantling it would be truly ruinous for all farmers.

[English]

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, the prairie grain farmers are intelligent individuals and they have had ample opportunity over the last number of months and years to get a very good assessment of what the Canadian Wheat Board is all about, the pros and the cons. The Wheat Board is there first and foremost to serve farmers and to try to maximize the return to farmers. Through that we are assisting the economy of Canada and we are feeding the world. Sixty-two per cent of farmers have indicated they want to retain the Wheat Board. The government seems to be determined to discredit the plebiscite. It does not like the results of the plebiscite and therefore it is saying it was flawed.

I wonder if my New Democratic colleague would provide some comment on the attitude of the government with regard to the plebiscite.

• (1635)

[Translation]

Mrs. Sadia Groguhé: Mr. Speaker, I thank the hon. member for the question. I think the government is continuing to ignore the very people most affected by this. This reminds me of Bill C-11, where the people most concerned are being completely ignored. The same thing is happening with Bill C-18. The people most affected are being ignored.

The Conservatives think they are the only ones who can speak for all farmers, and that is simply not true. The fact that they are ignoring the plebiscite that was held proves that they are not listening to all farmers.

Government Orders

Mrs. Anne-Marie Day (Charlesbourg—Haute-Saint-Charles, NDP): Mr. Speaker, today I will speak to Bill C-18. I wish to support the coherent views on this bill brilliantly expressed by my colleagues and stand up for the farming families in western Canada who, in these tough economic times, must fight not only global economic instability, but also the destructive actions taken by their own government.

Bill C-18, as proposed by the government, quite simply must be scrapped because the provisions of this new legislation jeopardize the financial stability of western wheat farmers and of all families associated with the sector.

By attacking the Canadian Wheat Board without just cause, the government is conducting a political and ideological crusade because of the supposed benefits of the open market. However, our national economy needs to be protected and supported more than ever. The Canadian Wheat Board is a long-standing organization that has proven itself and been a powerful force through the years and the economic downturns that have occurred since it was established in the 1920s.

It is also imperative to remind Canadians that the board was created by farmers for farmers, that it is managed solely by farmers, and that it is funded entirely by farmers. No taxpayer money is given to this organization, which is not a crown corporation.

The first question that Canadians are entitled to ask is the following: what is the government doing? Once again, this is poorly-disguised political interference for the purpose of increasing the Conservatives' control over self-managed organizations that are necessary and work well, all in the name of market liberalization.

Canadians are not fools. They know that this politically motivated gesture will ultimately weaken Canadian wheat production and benefit big international grain companies that will be happy to snatch up Canadian grain at lower prices. Without the board's negotiating power, individual farmers will lose their voice and the guarantee of the best price for their crop on the world market. In this dark hour when an unprecedented recession is hanging over our heads like the sword of Damocles, the government should be focusing on protecting our economy instead of lining the pockets of big multinational grain companies to the detriment of all western Canadian families.

Is this government so out of touch with reality that it forgets to listen to its people, who are demonstrating in the streets right now for economic action and a more equitable distribution of wealth? Before it leads the Canadian nation into the abyss, even going so far as endangering the country's food sovereignty, the government ought to hear what western farmers want and then respect their choice.

Canadians also need to know that the Canadian Wheat Board generates between \$4 billion and \$7 billion a year in revenue. In 2009-10, the Wheat Board recorded profits of \$5.2 billion and had operating costs of just \$75 million—I am talking about net profit. In total, over 21 million tonnes of wheat and barley are sold each year at the best possible price on the world market as a result of the Wheat Board's marketing ability and its negotiating power.

The Wheat Board is also a single desk that facilitates access to the world market for farmers who do not necessarily have all the

resources they need to reach their buyers. The Wheat Board is also a marketing agent that does not keep any profit; rather, it returns all its revenue to the 75,000 farmers that it represents who, thanks to the Wheat Board, are able to sell their grain in 70 countries. Above all, the Wheat Board is a strong and unique voice that is well represented on the world grain markets, a voice that the Prime Minister's government stubbornly refuses to hear.

What Canadians understand about Bill C-18 is that the measures proposed by the government will be extremely harmful to our economy.

• (1640)

The dismantling of the Canadian Wheat Board would weaken our farmers' bargaining power with their buyers, since these farmers would have to fight alone to get the best selling price and they would be competing with their neighbours.

Ultimately, lower selling prices for grain will cost farmers hundreds of millions of dollars. Instead of going into the pockets of our Canadian families, these millions of dollars will go into the pockets of grain conglomerates, which will have the final say on the purchase price of our wheat and barley. Obviously, the government would rather satisfy big multinational corporations instead of the Canadian people.

In the long term, we can expect that, as a result of these measures, a number of family farms will shut down once they are no longer profitable, which will in turn increase the vulnerability of families in the west.

Why would the government want to jeopardize the existence of an organization that is not losing jobs, that earns profits for our farmers, that is managed well and that, at the end of the day, has nothing but positive effects on our economy? If this organization were to disappear, there would be all kinds of negative effects on the entire community.

The government claims that it wants to allow farmers to choose whether they market their crops with or without the board. With the potential dismantling of the board, the government is not giving western farmers any choice. There have been no studies of the impact of this decision. I remain convinced that the farmers concerned are particularly shocked to see that the government is taking big risks with their income and their retirement without bothering to do its homework.

Canadians have had enough of a government that does not listen to their needs, that is completely out of touch, and that dares to lie to them at will.

The government tells anyone who will listen and believe that it is keeping its election promises. How is this possible when it promised to broadly consult farmers before last May's election? A few days after May 2, the government announced that there would be no plebiscite on the Canadian Wheat Board.

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In the speech he gave yesterday, the Parliamentary Secretary to the Minister of Natural Resources and for the Canadian Wheat Board, with the support of his Prime Minister, embellished the lie by arguing that these new measures will give farmers more freedom and choice. However Canadians are well aware that, in this rather scandalous matter, there is no freedom or choice for the 62% majority who said they were in favour of keeping this single desk. No freedom, no choice, not even the right to speak and be heard.

The government's lack of respect for western farmers gets worse. In its own press release, it dares to state that it consulted with stakeholders from across the value chain before making a decision. Does this mean that farmers—including the 62% who want to keep the board—are not part of the value chain for their own products, since they were not consulted?

I am sure that western farmers will be shocked to hear that this government has excluded them altogether from the value chain for products—

[English]

The Acting Speaker (Mr. Barry Devolin): Excuse me, I understand there is no translation.

• (1645)

[Translation]

It does not work if I speak French.

[English]

Now it is working. Continue, please.

[Translation]

Mrs. Anne-Marie Day: I am certain that western farmers will be shocked to hear that this government has excluded them altogether from the value chain for the products that they have produced by the sweat of their brow.

[English]

Mr. James Bezan (Selkirk—Interlake, CPC): Mr. Speaker, I hear the NDP using the Wheat Board's talking points, in particular the 62%. The 62% plebiscite was a flawed process.

First, the Canadian Wheat Board selected who did and did not get ballots. Not all farmers were allowed to participate in the plebiscite. A good example is my father and brother. They are organic farmers who want to grow organic wheat, but one of the reasons they do not is that it is so difficult to be involved with the Wheat Board. They would get less money for their wheat because it gets pooled with all the other wheat, and they would not get the premiums that organic wheat brings in the marketplace. They do not grow organic wheat and they never got the chance to vote in that plebiscite.

The other issue is that the plebiscite never asked if farmers wanted a voluntary wheat board. They were only given two choices: a wheat board or no board, a monopoly or no monopoly. There was no in between.

What we are offering through this legislation is a strong voluntary wheat board. If 62% of producers who were selected to get ballots in the mail from the Wheat Board support the wheat board, that is a great endorsement. They should be able to easily survive as a voluntary organization. They do not need 100% of the acres grown,

they do not need 100% of the grain that is grown, they do not need to sell every bushel. A committed group of people, 62% of grain farmers, will support a voluntary wheat board. It may even be higher than that if they are given the chance to compete in the marketplace.

[Translation]

Mrs. Anne-Marie Day: Mr. Speaker, I am not sure that I heard a question, unless there was a mistake in the interpretation.

When one is part of an association or a group, there is always a membership. Obviously, one needs to be a member and there are rules. Yesterday, I went to a meeting of an association that has to do with Europe but, since I had not gotten my membership card seven days in advance, I could not participate.

Western wheat and barley farmers make up the majority of this board, which works and is profitable. Why dismantle something that is profitable? We are in an economic race, which the Conservatives are always talking about. This board represents jobs for families and it is profitable. Let us keep it.

[English]

Mr. Bev Shipley (Lambton—Kent—Middlesex, CPC): Mr. Speaker, I am from Ontario and the hon. member is from Quebec. Farmers in Quebec, by the way, in case she does not know, have the same opportunities that the western farmers are now going to have, which is choice of marketing.

I wonder if she had many farmers come to her before she was elected to say that they did not want the choice of marketing for their products.

[Translation]

Mrs. Anne-Marie Day: Mr. Speaker, I must say that, geographically, the riding of Charlesbourg—Haute-Saint-Charles is very far from western Canada. The agricultural reality in Quebec is very different and, in Charlesbourg—Haute-Saint-Charles, there is no agriculture at all. The people in my riding therefore have not come to me to talk about agriculture.

In matters of health, medicine and surgery, does one have to have had a heart attack in order to be a cardiologist and perform surgery? No. And so, I will speak on the subject of the Wheat Board. If we listened to the Conservatives, we would replace all of this with free trade and free zones. It is becoming a way of doing things. It goes without saying that small farming families who can now put their products on the market will be eliminated.

• (1650)

[English]

Mr. Chris Warkentin (Peace River, CPC): Mr. Speaker, I will be splitting my time with the member for Palliser.

Government Orders

I appreciate this opportunity to rise and support this piece of legislation, because I believe it is going to provide western Canadian wheat and barley farmers with the freedom that they have long desired: the ability to market their own grain and to make their own business decisions.

Our government's top priority is the economy, and in my part of the world and in every part of Canada, agriculture is a significant portion of our economy. To quote an old saying, "If you ate today, thank a farmer". I represent a lot of farmers in my constituency, and let me thank each and every one of them not only for feeding us but for driving our economy forward.

Our government has taken concrete action when it comes to the agriculture sector. Over the past six years, our ministers have driven the issue of agriculture forward in unprecedented ways. As our current minister is fond of saying, "We are putting farmers first".

I and many of my caucus colleagues come from rural roots. On this side of the House we understand the important issues relating to agriculture and we know that it is an important portion of our economy. We understand the issues that are actually facing people in the agricultural industry.

Our hon. Minister of Agriculture continues to do his work to open additional markets around the world and has come back with real results for our farmers and our food processors.

We are moving forward with a number of free trade agreements with important markets for our grains and our agricultural products as well. We have Colombia out the door and we are working on a number of other markets, including the European Union. We are pressing for an ambitious outcome at the WTO for the benefit of Canada's entire agricultural sector. We continue to stand up for our industry to ensure that trade is grounded on fair rules and sound science.

Here at home, Canada's economic action plan is helping the grain industry take a more strategic approach to marketing grain.

As Canada positions itself for future growth, we need a strong and profitable agricultural industry now more than ever.

Research is key in keeping our grain sector strong and competitive. That is why our government has invested significantly in research to benefit grain farmers in western Canada. Budget 2010 provided \$51.7 million over two years to support the operations of the Canadian Grain Commission. We have invested over \$11 million to help the Canadian International Grains Institute open new doors in international markets. Almost \$30 million has been allocated to support research clusters for wheat, barley, pulses and canola.

With these investments, we are putting farmers first, creating more jobs for Canadians and positioning our economy for future growth.

When we look at the tremendous accomplishments of our Canadian agriculture industry over the past 100 years, we see that the Canadian grains sector stands out as a great success story in its own right. Today, Canadian wheat, barley and other grains are known by our customers all over the world for their outstanding quality, consistency, cleanliness and innovation.

Each year Canada's grain industry does \$16 billion worth of business here in Canada and around the world. Those dollars drive the economies of both rural and urban Canada. They create and sustain jobs right through the grain production chain, from farm input suppliers to elevators to farm families to transporters and processors. These dollars create jobs and prosperity for Canadians here at home and support our rural communities, communities that contribute much to the Canadian economy.

Canadian grain growers sustain our health and the well-being of Canadians by putting bread on our tables, and that we must never forget.

But with all of this success, one has to wonder why Canada's share of the overall wheat exports continues to fall, while growth in canola and pulses expands at an increasing rate. The share of area seeded accounted for by the Canadian Wheat Board or board grains in western Canada has decreased dramatically over the past 25 years, from an average of about 85% to approximately 54% of the acreage that is seeded in western Canada.

• (1655)

The shift into canola represents the single biggest factor for this reduction. Why are farmers shifting to canola? Stu Innes, a farmer in Saskatchewan, says that for five years farmers "have rid themselves of the Wheat Board in the only way that they could—by not growing wheat or barley".

We know that by providing marketing freedom for farmers, wheat and barley can once again have a strong position in our country. When western Canadian grain farmers have the freedom to make their own business decisions and sell their grain to the buyer of their choice, they will be able to capture new opportunities. In fact, Curt Vossen, the president of Richardson International Ltd., believes the end of the Canadian Wheat Board monopoly "...is going to open up 20 to 25 million new tonnes of marketing opportunities for companies inside and outside Canada".

Today our customers continue to choose Canadian grain over the competition, not because of the Canadian Wheat Board but because of the relentless commitment to quality by all parts of the value chain, including, and first and foremost, the farmer. When Canada's global customers purchase Canadian grain for processing, they can count on getting the consistent quality and cleanliness that they have come to expect, load after load.

I would remind members that the Canadian Wheat Board is an administrator. It is not a decision maker on varieties registered for production here in Canada, and neither are grain companies. It is the Canadian Food Inspection Agency that oversees the registration of wheat varieties and it is the mandate of the Canadian Grain Commission to ensure Canada's high quality standards are maintained. Under marketing freedom, both agencies would continue that important work.

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Our government knows that innovation drives competitiveness in agriculture. We are keeping our wheat producers on the leading edge of innovation through investments in the wheat genome and fusarium-resistant varieties. We are helping our scientists deliver new solutions to our growers, as they did over a century ago. We will ensure that the great work done by the Western Grains Research Foundation, the Canadian International Grains Institute and the Canadian Malting Barley Technical Centre continue to keep Canada out in front.

Forward thinking, not fearmongering, made Canada the world's supplier of choice for wheat. As was the case a century ago, marketing freedom would breathe new life into our grain industry. It would open the window to new investment in innovation and value-added potential on the prairie soil. Farmers would be able to contract directly with processors to deliver the consistency and quality customers demand.

The grain industry is changing, and the legislative tools required to keep the industry competitive need to change accordingly. There has been a lot of emphasis on a broader range of crops in western Canada, on identity preservation, on niche marketing and on processing of grains in Canada. The biofuels industry, supported by initiatives put into place by this government, has become a major customer for grains. The reform of the Western Grain Transportation Act in the mid-1990s triggered wholesale diversification as producers opted to market their grains through livestock or switched to other crops such as oilseeds, pulses or horticultural crops.

Today wheat is one of many crops on the Prairies. In the 1950s, three-quarters of the land was wheat; that is not the case today.

Likewise, marketing structures are evolving. The Canadian Wheat Board monopoly on wheat and barley was imposed by Parliament as a war measures act to supply cheap wheat to Britain 70 years ago during World War II. The system was essentially designed to collect the grain produced by thousands of small farmers at a small country elevator, market it around the world as a uniform commodity and divide the returns from this process among all the producers who delivered the grain. Today those dynamics have changed, and our approaches and structures need to change with them.

• (1700)

The idea of simply selling one uniform commodity made sense in the days when few countries dominated the grain export market and quasi-government buyers negotiated long-term supply contracts on a national level. Today, that is not the case and the Canadian Wheat Board needs to change because farmers have changed and the world has changed.

[*Translation*]

Mr. Pierre-Luc Dusseault (Sherbrooke, NDP): Mr. Speaker, I would like to ask almost the same question that I asked another member earlier because I did not receive a very clear or convincing answer.

Members of the government seem very confident in the fact that the decision they are making to dismantle the Canadian Wheat Board is well founded and that they have the support of all farmers, of all western Canadian farmers. I would like to know whether the Conservative member and the government would be prepared to

hold a referendum on this issue so that farmers themselves can say what they really think.

I do not want him to give me the same response as before, in other words, that they have so many members in western Canada or that the survey that was conducted was not well founded. I would like a yes or no answer as to whether they would be prepared to hold a referendum to ask farmers what they really think about the Canadian Wheat Board.

[*English*]

Mr. Chris Warkentin: Mr. Speaker, I am convinced that the farmers I represent, especially young farmers who are excited about new opportunities and hoping for change, are as smart as the farmers who are in Quebec and Ontario, the farmers that the member may represent. I believe my farmers have the same capacity to market their product and they need to have the same opportunity as the farmers in Ontario and Quebec.

I hope the hon. member believes that the farmers that I represent can do the same thing that the farmers in his communities and his province can do. I believe they are smart enough and I hope he does too, and will support our legislation.

Hon. Laurie Hawn (Edmonton Centre, CPC): Mr. Speaker, I am wondering what my colleague thinks of the Liberal supported treatment of a Canadian farmer from Quebec selling his own product to someone in Vermont, compared to the Liberal supported treatment of a Canadian farmer from Alberta selling his own products to someone in Montana.

Mr. Chris Warkentin: Mr. Speaker, it is a very timely question. It is a disturbing reality when we look at the numbers out today what the price is that farmers in western Canada are being offered by the Canadian Wheat Board. Today, the fixed price is \$7.52. The pool outlook is \$9.47. If I had the freedom and my brother had the freedom to sell grain in North Dakota today, we would be getting \$12.47. Those are the opportunities that are given to people who live in Quebec and in Ontario. I believe the people that I represent should have that same opportunity to get true value for the quality products that they produce.

Ms. Elizabeth May (Saanich—Gulf Islands, GP): Mr. Speaker, my question is for the hon. member for Peace River. I have spoken privately to the hon. member about this very heated debate. Clearly, farmers are on both sides of the issue.

I am quite taken with the fact that a very conservative economic expert publication, *The Economist* magazine, has put forward that removing the Wheat Board, as the government proposes to do, would have a devastating impact “devastating small prairie towns, whose economies depend on individual farmers with disposable income”.

I know that there are sincere differences of opinion in the House, but I would appreciate the hon. member's view of this particular expert opinion.

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Mr. Chris Warkentin: Mr. Speaker, this is an important point. Small farmers in my constituency, especially small farmers who are young, innovative and want to create a unique product, in many cases an organic product, cannot do it under the Canadian Wheat Board. Currently, the Wheat Board takes that quality, unique niche product, that someone has spent a significant portion of time getting their land to organic quality producing an organic wheat, and takes that crop and pools it in with all the other farmers' crops so that farmer has no opportunity to market a quality, unique niche crop.

I would urge the Green Party to consider changing its policy because the Green candidate in my constituency opposed the Canadian Wheat Board monopoly simply for this reason. There were candidates for the Green Party who were opposing the stated position of the Green Party and one was in my constituency because this is an assault on young farmers, including the young farmer who ran against me for the Green Party. If the member wants to support the Green candidate in my constituency, I urge the hon. member to stand in her place and support this legislation.

• (1705)

Mr. Ray Boughen (Palliser, CPC): Mr. Speaker, I am pleased to speak to this bill on the Canadian Wheat Board. Our government is committed to the continued success of Canadian agriculture and because this government believes that western Canadian grain farmers deserve the same marketing freedom and opportunities as other farmers in Canada and around the world.

We want to ensure that Canadian farmers succeed and build a strong future for the sector as a whole. Our government's top priority is the economy in which the agricultural industry plays a key role.

We believe that farmers should be able to position their businesses to capture the market opportunities that are open to them. We put farmers first in every decision we make on agriculture.

We recognize that this is a major change for agriculture in western Canada. That is why we have been consulting extensively with stakeholders from across the supply chain, from the farm to the seaport.

Over the summer a working group comprised of experts in the field consulted with industries and heard a broad range of advice on how the grain marketing and transportation system could transition from the current CWB-run system to an open market that would include voluntary marketing pools.

The working group submitted its report to the hon. Minister of Agriculture. It covers a wide range of issues from transportation to research to elevators, basically the how of moving to an open market. The working group is one of the ways our government sought advice on how to move forward.

Our formula is simple and it works: we listen to farmers, we work with farmers, and then we deliver the practical results farmers need.

Let us take a minute and look at opening world markets that are on the doorstep for Canadian agriculture.

Canadian farmers have proven time and time again that they can compete and succeed in the global marketplace if they have a level playing field. That is why the government has been working very hard to build new opportunities in global markets for our farmers.

We have been on the road a lot and our efforts to build trade relationships are paying off. The hon. Minister of Agriculture has led trade missions to key markets in Europe, Asia, South America, Africa and the Middle East.

Working closely with the industry, we have completed over 30 international trade missions and returned home with some real tangible results for our farmers, producers and processors. Everywhere we go, we are finding new customers who want to buy Canadian good quality foodstuffs.

Together we have been moving a lot of product, and we have delivered some real results to our farmers and processors. The government knows farmers want to make their living in the marketplace and not from the mailbox. That is why we have gotten out on the world stage, whether it is serving up Canadian steak in Brussels or canola oil in Mexico, to ensure our farmers can connect with new customers.

We have reopened and expanded access for Canadian cattle, beef, beef products and bovine genetics in China, Hong Kong, Colombia, Jordan, Saudi Arabia, Russia, Panama, Singapore, Costa Rica, Vietnam and Korea.

We have also reopened and expanded access for Canadian pork and swine in China, Malaysia, Mongolia, Russia, the Philippines, Ukraine, Armenia, Albania, Croatia, Indonesia, Jordan and Thailand.

We have negotiated new duty free access for Canadian hormone-free beef to the European Union, a promising market, estimated to be worth more than \$10 million annually. As of July 2011, industry has shipped approximately 626 tonnes of beef, worth almost \$5 million.

We have developed new opportunities in China for up to \$500 million in sales for pulses and achieved transitional measures that allow access to the Chinese market for Canadian world-class canola, safeguarding a market worth \$1.8 billion.

We have succeeded in agreements and set up relationships with India to find a long-term solution on pulse fumigation while ensuring uninterrupted supply of pulses, safeguarding a market worth \$533 million in 2009. Of course, there is more work to do.

Government Orders

Let us take a minute and look at trade negotiations with the WTO and FTA. Agriculture trade is critical to Canada's economy and prosperity. In 2010 our agriculture and agri-food exports were over \$35 billion. Importantly, Canada's trade in agriculture and agri-food products contributed \$11.1 billion to our trade surplus.

●(1710)

Those dollars mean jobs and livelihoods for Canadians here at home. That is why when we, as a government, take measures to support agricultural trade, we are not just helping farmers, we are helping all Canadians.

Canada hosted the Cairns Group ministerial meeting in Saskatoon in early September to press ahead with a stronger rule-based approach to global agricultural trade. At the WTO, we stand ready to work with our trading partners to define a realistic path forward on the Doha round, which would provide for more open and predictable multilateral trading systems.

Our government is also pursuing an aggressive regional and bilateral trade negotiation agenda. In that regard, we are working toward a comprehensive economic and trade agreement with the European Union.

The EU is Canada's second most important partner for trade and investment with two-way agriculture and seafood trade totalling over \$6 billion in 2010. We want to make that relationship even stronger and more profitable for the benefit of our farmers.

We will also begin free trade negotiations with Morocco in the very near future. Morocco is an important and growing market for our wheat and pulse exports.

We are making important progress in other markets. We have recently implemented a free trade agreement with the European Free Trade Association, Peru and Colombia. The free trade agreement with the EFTA will eliminate or reduce tariffs on certain agricultural products from Canada, including durum wheat, frozen french fries, crude oil, beer and frozen blueberries.

Canadian producers will also benefit from the elimination of tariffs on exports to Peru and Colombia. Many agricultural exports such as beef, pork, wheat, barley and pulses will receive immediate duty free access. Notably, the FTA with Colombia marks a significant opportunity for Canadian exporters to now benefit from the preferential treatment and access as their American competitors.

We have also signed free trade agreements with Jordan, Panama and Honduras. This government is working toward implementation of these free trade agreements as early as possible.

We are hopeful that our ongoing free trade agreements negotiated with South Korea, El Salvador, Guatemala, India, Ukraine and the Caribbean community will also soon create export opportunities for our agricultural producers in these markets. As well, we are looking ahead to export new possibilities with trading partners like Japan and Turkey.

Let us look at the marketing we are currently headed toward.

We want Canadian farmers and processors to get the credit they deserve for the high quality products they are bringing to market.

Our agriculture exporters are innovative and competitive, and we are working with them to expand their markets.

Canada is working on all fronts to boost our agricultural business with the world. We know that buyers and consumers already think highly of Canadians and Canadian products. We want to raise awareness and boost the appetite for our great Canadian agricultural economy. That is why our government is investing \$32 million in the Canada brand initiative to boost the Canada brand in key markets. The goal is to get more consumers putting our great Canadian food products in their grocery carts and on their menus. We have already announced branding strategies in Japan, Mexico and Korea.

These dollars are supporting market research, advertising, store features, culinary tourism, and other promotional activities that bolster of the work being done by the Canadian industry to sell the products. Consumers are looking for variety, quality and safety in their food, and our farmers and processors can deliver. When they think of good food, we want them to think Canadian and then buy Canadian.

The goal of these initiatives is to get more international customers bidding on our great Canadian food and help our farmers make the most of international markets. Opening up the markets for durum wheat and barley farmers will attract investment not only from Canadian companies, but from the international community as well. In fact, the head of Bunge North American division said, "Bunge is absolutely planning to be a part of it" and Bill Jamieson, chairman of the National Cattle Feeders' Association, said, "More access to more markets will create more opportunities and profit for grain producers".

●(1715)

In closing, we believe all Canadian farmers should be able to position their businesses to capture the market opportunities that are open to them. Once passed, this legislation would provide western Canadian grain farmers with endless opportunities for their business. I urge my hon. colleagues to stand up for western Canadian farmers and support the bill.

[*Translation*]

Mrs. Djaouida Sellah (Saint-Bruno—Saint-Hubert, NDP): Mr. Speaker, I listened to all the numbers and all the opportunities referred to by my colleague across the floor. I thank him for his efforts.

Government Orders

However, I have a question about the Canadian Wheat Board. I am not talking about a so-called analysis conducted by a group of non-government workers. I would like to know why the government refuses to take responsibility when it comes to managing taxpayers' money. This is a recurring theme with this government, whether we are talking about the cost of new prisons, F-35 fighter jets or the minister's pet projects in his riding.

Has the government done a cost analysis of the elimination of the Canadian Wheat Board? Yes or no? And if so, what were the results?

[*English*]

Mr. Ray Boughen: Mr. Speaker, I am not sure exactly what the question was, except there was some indication that maybe there was spending of dollars by government around the Wheat Board question which should not have been spent. Let me respond to that by saying we agree. We do not want to spend dollars on a foolish kind of referendum for which we already know the results. People have told us the results.

Our position has been and continues to be one of choice. Farmers do not need to vote one way or the other. We are saying they have a choice. They can go with the private sector. They can go with the other private sector. They can go with the Canadian Wheat Board. They can go with some other grain buyers. That is what is being said. That is what the bill is promoting.

People have not read the bill, obviously, because the bill is in phases over five years for the Canadian Wheat Board to develop its own marketing system. It is not one of hindrance; it is one of acceptance. I cannot understand why people have not picked up on that theme.

Mr. Chris Warkentin (Peace River, CPC): Mr. Speaker, I appreciate the hon. member's contribution to this discussion. I think it is an important discussion. I appreciate the fact that I have been recognized as many of the other folks have on the other side of this chamber who have talked about this being a major issue. I do appreciate the opportunity to interject at this point.

I have heard from countless young members of my farming community who are desperate to see this change. They want to see an innovative market. They want to see a market for their barley and their wheat that drives up their returns. We are looking at the organic farmers. We are looking at the guys who want to create niche markets, who want to be able to containerize their product and send it abroad through producer cars or a whole host of other things.

Would the hon. member talk about the changes in this legislation that would allow more of these guys who are looking for unique ways to market their product? Does he believe there would be support in his community for these changes for the ability to create unique and niche crops and marketing wheat and barley that is grown organically or some other way for specific markets?

• (1720)

Mr. Ray Boughen: Mr. Speaker, in response to the hon. member's question, as the hon. member mentioned earlier, the Canadian Wheat Board is not a facilitating operation in terms of expansion, new ideas and innovative technologies. It is very cut and dried: "Bring your wheat. Here you go. Good-bye. See you."

The new marketing ideas that young people have, the new formulas they have for growing crops, their interest in expanding and their creativity is not facilitated by the Canadian Wheat Board. It never has been and it probably never will be. That is why it is important that we put in place, as a government, an opportunity for young people to expand their expertise, to expand their growing seasons, to do different things with their crop rotation. We want them to be fully-fledged business people marketing their own goods, as they do now in grains such as canola, flax and oats. They market those grains themselves. This is not a new thing for people in the agricultural sector. It is just an expansion of what they are currently doing.

[*Translation*]

Ms. Peggy Nash (Parkdale—High Park, NDP): Mr. Speaker, I am pleased to rise today to speak to Bill C-18 and in support of the Canadian Wheat Board. The board is the largest and most prosperous grain marketing board in the world. It sells grain around the globe. It makes arrangements for shipping grain from thousands of farmers to consumers in over 70 countries. In an average year, the board puts some 21 million tonnes of wheat and barley on the market.

In addition, all profits from these sales, between \$4 million and \$7 million a year, are paid back entirely to farmers. The board does not hold on to any income, apart from what it needs to cover costs and manage the financial risks.

The board mitigates the risks run by farmers, particularly concerning late payments, selling grain to buyers at inappropriate times and shipping the grain to buyers. This is a key problem, considering the large geographic area of the Prairies.

Batch selling has also allowed farmers to have a significant influence on the handling and shipping of grain, and on international trade policies. The board works in partnership with the industry and the government to promote policies concerning trade, transport and other areas that benefit wheat and barley farmers in western Canada. The board has defended farmers remarkably well in cases of unfounded trade disputes and has won important victories that resulted in better fees and rail service.

The board's single desk structure has ensured financial stability, sound risk management and secure supply chains, an indisputable advantage for farmers.

[*English*]

Furthermore, the Canadian Wheat Board is not a government-funded agency or a crown corporation. The Canadian Wheat Board is not funded by Canadian taxpayers. Farmers pay for its operations from their grain revenue.

Ten of the 15 members of the board of directors of the Canadian Wheat Board are elected by farmers. Farmers consistently elect a majority of directors who support the single desk structure.

The Conservatives have no mandate to go against the wishes of prairie farmers. The Canadian Wheat Board is controlled, directed and funded by farmers. Farmers should be the ones to decide the future of the marketing organization that they run and they pay for.

Government Orders

They have made their decision clear. The results of the Canadian Wheat Board plebiscite released on September 12 show that a strong majority of farmers want to maintain their ability to market wheat and barley through a single desk system. Sixty-two per cent of respondents voted in favour of retaining the single desk for wheat, and 51% voted to retain it for barley. A total of 38,261 farmers submitted mail-in ballots in the plebiscite, a participation rate of 56%, on par with the last three federal elections and higher than many municipal and provincial elections.

• (1725)

[*Translation*]

Canada runs the risk of losing \$200 million to \$500 million a year in board price premiums.

The board manages a supply chain from gate to plate. It has an enviable international reputation for its quality and uninterrupted supply, its service and superior technical support.

Grain sales made under the exclusive jurisdiction of the board guarantee a secure supply of grain, thus guaranteeing strategic and orderly sales. This gives farmers a competitive advantage in the international grain market. On their own, farmers would have to sell by auction. They would have to decide whether or not to sell depending on the circumstances, a gamble that could cost them their farm.

In fact, many studies carried out by well-known agricultural economists, based on data compiled by the board, concluded that the single desk model allows Prairie farmers to bring in millions of dollars more per year than on the open market.

[*English*]

The dismantling of the single desk system will have a serious impact on communities across the Prairies. A 2005 economic impact analysis by PricewaterhouseCoopers found that the Canadian Wheat Board contributes a gross output of \$94.6 million to the city of Winnipeg. In addition to its more than 400 employees at its head office, PricewaterhouseCoopers calculated spinoff employment from the Canadian Wheat Board to be more than 2,000 jobs, with a total labour force income impact on the city of more than \$66 million. At the provincial level, PricewaterhouseCoopers put the Canadian Wheat Board's gross output contribution at \$323 million with more than 3,000 jobs and a total labour income impact of more than \$140 million.

The Conservatives have argued that the Ontario experience with removing the single desk can be applied to western farmers, but one cannot compare apples to oranges. The examples are completely different. Ontario wheat farmers produce wheat for pastries, cookies and cakes. They have a ready market available locally. In contrast, prairie wheat farmers produce hard red spring wheat which does not have an extensive local market. Ontario wheat farmers sell about 90% of their product within Canada and the northern U.S., but 80% of the wheat grown in western Canada each year is exported overseas. That means while Ontario farmers have low transportation distances and costs, prairie wheat farmers must pay freight costs to transport grain long distances to inland terminals and to port.

Of course, the other crucial difference between the Ontario experience and the measure being discussed here is Ontario wheat

farmers ended their single desk system through a farmer-led democratic process. Prairie farmers have voted in favour of keeping the Canadian Wheat Board and face having it taken away against their will.

A better comparison can be found in Australia. Western grain farmers can look to Australia to know what is in store for them when the single desk is eradicated, and it is not pretty. When the Australian wheat board had its single desk power, wheat could command a premium of over \$99 a tonne over the American wheat, but by December 2008, it had dropped to a discount of \$27 a tonne below U.S. wheat. In three short years Australia's 40,000 wheat farmers went from running their own grain marketing system, virtually all of Australia's wheat, which was 12% of the world's wheat production worth \$5 billion, selling it on their own behalf, to being mere customers of Cargill, one of the world's largest agribusiness corporations, which is privately owned and based in the United States.

• (1730)

[*Translation*]

Before making any changes to the board, the government must study the impact of its dismantling and analyze the effects this would have on Canadian grain farmers. Otherwise, it is playing Russian roulette with the Prairie economy and with the revenue sources of western farmers.

Allen Orberg, a farmer and chair of the Canadian Wheat Board's board of directors, has said that this government's imprudent approach will derail the Canadian grain industry. It threatens the future of a sector with \$5 billion in exports every year. It will take money out of the pockets of Canadian farmers and give it to American corporations.

[*English*]

In closing, the important thing is to give farmers a say. They have voted. They want to keep the Wheat Board. It is incomprehensible that the government would override the democratic will of farmers and dismantle the Canadian Wheat Board.

Mr. Kyle Seebach (Brampton West, CPC): Madam Speaker, I do not come from a riding that has a great deal of farms. I come from an Ontario riding, so I do not necessarily understand the nuances or intricacies of the Wheat Board. What I do understand is basic economics. We continually hear from the members on the other side of the chamber that the Wheat Board is the greatest thing since sliced bread. If it is so great, then when it becomes optional for western farmers, there is going to be a stampede to stay with the Canadian Wheat Board.

Government Orders

I do not understand the logic that by making the best thing in the world optional is somehow going to lead to its demise. Perhaps the member opposite could correct me on how that logic is not correct.

Ms. Peggy Nash: Madam Speaker, it is simple. Democracy is the greatest thing since sliced bread and the democratic will of prairie farmers has not been respected, as it must be by law. The government is riding roughshod over a decision taken by prairie farmers who want to keep their Wheat Board. The government is saying that they are not going to have that option. The dismantling of the Wheat Board will have huge ramifications in terms of prices and the impact on our overall economy, but especially on prairie farmers. It is incomprehensible why the government would not abide by the law, respect the will of farmers and allow them to keep the Wheat Board.

[*Translation*]

Mr. Alain Giguère (Marc-Aurèle-Fortin, NDP): Madam Speaker, could my colleague tell us what impact the loss of an institution as important as the Canadian Wheat Board would have on our national sovereignty?

Ms. Peggy Nash: Madam Speaker, I thank my colleague for his question.

When Australia lost its equivalent of the Canadian Wheat Board, farmers lost control over their wheat. They became clients of a large American company. They lost control and became very dependent on that company, which led to loss of revenue and the destruction of that sector.

• (1735)

[*English*]

Mr. David Anderson (Parliamentary Secretary to the Minister of Natural Resources and for the Canadian Wheat Board, CPC): Madam Speaker, I welcome the perspective of the member opposite, who is from downtown Toronto. Perhaps because she is from there, she is not familiar with a couple of the issues.

She referred to the survey that was taken by the Wheat Board. She probably does not know that there has been great discussion about the voters list, which has been polluted for over a decade and has not been cleared up. I would like to give a couple of examples and then ask if she can somehow justify them because she supports the results.

The father of someone close to me died last year and the ballots were sent out a couple of months ago from the Wheat Board. My friend's mother got a ballot in her husband's name and the estate got a ballot as well. One of my colleague's had a little old lady poke him and say that she wanted to talk to him about the Wheat Board. He asked what it was about and she told him that her brother and sister both got ballots and they were both dead. I have two colleagues here who are farmers and landowners who did not get ballots.

How can she and her party justify supporting this charade?

Ms. Peggy Nash: Madam Speaker, I want to inform the member opposite that food security and the well-being of farmers concerns everyone in our country. Farmers feed cities. We rely on farmers.

I have not reviewed the voters list for this plebiscite, but, surely to goodness, if the government is concerned with that list, then it should obey the law, conduct its own vote and let farmers decide the

future of the Wheat Board. It is as simple as that. Why does it not allow the farmers the democratic right to decide whether they will be able to keep the Wheat Board? That is the government's responsibility under the law.

Mr. Leon Benoit (Vegreville—Wainwright, CPC): Madam Speaker, I truly am delighted to take part in this debate. For me personally, this is the beginning of the end of a 40 year struggle. I started 40 years ago to work to try to end the Wheat Board monopoly, but I will talk a bit about that later.

It is the end of a 70 year period during which time the Wheat Board has had a monopoly and farmers have had no choice. Marketing wheat and certain classes of barley had to be done through the board. Other grains were included during part of that time as well.

It is the beginning of the end of an era, and I am proud to be a member of a government that is doing the right thing after all of this time.

I cannot measure exactly what the benefits or the hurt caused by the Wheat Board having its monopoly. What I do know is some of the hurt caused to my father who farmed most of his life. When I was a young boy during the sixties and early seventies, I remember the harvest finally finished when fall arrived. For many of those years, my father had good crops but he could not market them. We were a large family and we did not have a lot of cash flow. I remember my father desperately trying to get money to buy boots for us for the winter. He did not have the money. I remember my father desperately trying to get enough money to pay some of the bills for fertilizer and pesticides and other farm inputs, and he could not do it. He had the grain, but he could not find a market for it. Therefore, he went out to find a market on his own and he found one for his wheat and barley across the border. It was a poor price, but at least it would provide the cash flow to help get the winter clothing for the family and to pay enough of the bills that the suppliers would send again next year.

As a result of the Wheat Board rules, my father could not cross the border to sell the grain when he found one so he could do those things for his family. I am not talking about the border with the United States. Our farm was two miles from the Saskatchewan border on the Alberta side. Because of the laws in place under the Wheat Board legislation, he was not allowed to take his grain across the border, 50 miles away, where he found a market with feeders, people feeding cattle and hogs, because the Wheat Board had to be protected.

That is what I grew up with. My father's opinion of the Wheat Board before that I do not know, but I do know he was frustrated by these restrictions put on him by the board at that time.

I am proud to say that with this legislation one of the many changes that will take place is that farmers will now be allowed to take grain across provincial borders without fear of penalty. That is a step in the right direction.

Government Orders

It has been a 40 year struggle for me. It started when I took agriculture at university. In 1970 I took my first marketing course. I was fortunate enough to have as my instructor Professor Joe Richter. He came into that marketing course the very first day and said that monopolies were always a bad thing, whether they were private or government. He said, furthermore, that this applied to the Canadian Wheat Board.

I admit that a lot of my classmates were not very sure about that. They had been taught by their parents and grandparents that the Wheat Board was something almost sacred. By the end of that course, every one of my colleagues understood why the monopoly simply was not a good thing.

That was the start of my struggle, but I moved on. I went on the advisory committees of the Alberta Wheat Pool, things like that, and then 18 years ago I became involved in politics.

● (1740)

Half of my first speech as a politician was on the Wheat Board and how we had to end the monopoly. I talked about how we had to give farmers the freedom to market their grain in the fashion that they saw fit. It has been 18 years as a member of Parliament. Now, finally, it is the beginning of the end. The monopoly will be removed and we will be on to bigger and better things.

This is a rights issue. I hear all the arguments about plebiscites and other things, whether the board has offered an advantage or not. Personally, I simply do not believe those things are the issues.

The issue is rights and equality. On the equality issue, why should farmers in western Canada be treated differently and given fewer rights and options than farmers in central Canada? There is no good answer for that. No one can come up with a good answer because there is not one.

When it comes to rights, it is property rights issue. Farmers put all of the money into producing their grain. Farmers put all of the work, the sweat, the toil into producing their grain. When it comes time to sell their grain, they simply do not have a basic right that anybody else in any other industry in our country has and, in fact, that anybody else in any democratic country has. That is wrong.

This legislation is about restoring the rights to western Canadian wheat and barley growers and restoring equality so that western farmers are treated equal to eastern farmers.

People ask how we ever got into this mess in the first place. The mess started back in the early 1920s. There was a form of the Wheat Board that was put in place at that time. It was put in place absolutely respecting the rules of co-operatives. One of the basic principles, the key principal of all the co-operatives that helped build the west, was freedom, freedom to either use the co-operative or not, freedom to be a member or not. That is the way the Wheat Board was established. It was voluntary.

Then in 1935, once again, it was established as a voluntary organization. It is exactly what we are asking for right now. Farmers had a right to either market through the Wheat Board, if they chose, or to market through any grain company they wanted, if they chose to do that. That is the way the Wheat Board was established.

It was only in 1943, under the War Measures Act, when the government wanted to get cheap grain for the war effort in Europe, that the monopoly was put in place. It was put in place under the War Measures Act, why to give farmers a better price for their grain? Absolutely not. It was to get cheap grain for the war effort, and that was acceptable. In war we have to do some things we do not like to do. I am not criticizing the government of the day in any fashion.

What I am criticizing governments for is that after the war the monopoly was not removed, and it has not been to this day. That is a basic and unacceptable infringement on basic human rights and, in this case, property rights. It is time this was changed.

It is about that. All of the talk about a vote and plebiscite is not valid, because I would argue that democracy should not be used to remove basic human rights.

To use maybe a poor analogy, and I do not have much time to do it, we were all elected in the House knowing what our salaries would be. What if the Speaker decided that there would be votes in each of our constituencies, but only in the constituencies in central Canada. A vote would be held to have the people determine whether an MP should get paid or the amount an MP should be paid.

There is a vote and democracy takes place. The people decide that maybe MPs should not get paid at all or should get paid much less. It is a vote. It is democracy. That is what the members are arguing for over there. However, is it right? Of course it is not right.

● (1745)

Maybe it is not the best analogy, but whether there is a vote and all of the other arguments made whether the monopoly is good or bad is not the key issue. The key issue is we have to restore the basic right of farmers to sell their property and to do it in any way that they see fit.

[*Translation*]

Mr. Robert Aubin (Trois-Rivières, NDP): Madam Speaker, I listened carefully to the speech by my distinguished colleague, and I would even say that I listened emotionally, since it is clear that this issue is close to his heart. I was very touched by his description of his family and his father, who tried to pay the bills by exporting his grain. His speech gave me the impression that the cooperative movement at the heart of the Canadian Wheat Board also contributed to an increase in revenue for all farmers.

Will the passage of Bill C-18 mean that smaller producers will end up facing the same problems we once managed to get rid of?

Government Orders

[English]

Mr. Leon Benoit: Madam Speaker, in fact, I have absolutely no doubt nor do any of the farmers that are my neighbours and friends. I have farmland in Saskatchewan. I rent land to some. I also have some custom farm for myself, so I have grain to sell too. I know there is always a difficulty in the fall to get the cashflow needed to pay the bills. That is still a problem today, so we are limited to crops like canola to get cashflow in the fall to pay the bills.

For me personally and for my friends and my neighbours, it would be terrific to know that for wheat I grow next year I can contract that right after this legislation passes and I can lock in a price for next fall. I can actually market that wheat early in the fall, so that I have some cashflow to pay my bills and I do not have to rely on selling canola at a time when the price is low. To me this has a personal impact right now as well.

Returning the Wheat Board to what it was, and it was apparently very effective before, that is the right thing to do.

Mr. Frank Valeriote (Guelph, Lib.): Madam Speaker, we are talking about the sales and marketing arm of every wheat farmer out west and I understand that there are some who are going to gain from this. You have made it clear that you and some others will gain from it. Yet, I talk to farmers who do want to get rid of the Wheat Board who have admitted to me that thousands of farms will close because there are farmers who are past the average age of 50 who will not be able to withstand the transition.

As a consequence, those small farms will close. Small economies in rural areas of the western provinces will suffer dramatically. Even they admitted to it. Lo and behold, those very same comments were made in *The Economist*.

I want to know why do you place the needs of a few above the needs and preferences of the many when 62% voted in favour of keeping this board?

• (1750)

The Deputy Speaker: Before I recognize the hon. member, I would like to remind all members, especially in controversial debates, to direct their comments through the Chair.

The hon. member for Vegreville—Wainwright.

Mr. Leon Benoit: Madam Speaker, the member has it so wrong that it is unbelievable. Two years down the road ask farmers what they think of what has happened when they get the freedom to market. The member is right in one regard that there are some farmers who are concerned about losing what they see as protection from the Wheat Board monopoly. But many of them actually believe what we are doing is taking the Wheat Board away entirely which we are not doing. All we are doing is removing the monopoly. The board will still be there. If they want to market through the board, there is no real transition period for them. That is not a problem at all.

If I were allowed to make a wager, two or three years down the road farmers who are concerned about this change would say they were worried about it, but it has been a really good thing and they are glad that someone had the guts to finally do it.

[Translation]

Mr. Robert Aubin (Trois-Rivières, NDP): Madam Speaker, thank you for giving me the floor and allowing me to participate in this debate. This morning, when I was preparing this brief speech, I began with a formal sort of phrase such as “Thank you, it is a pleasure to be taking part in this debate.” When I reread it, it was clear to me that there was a problem because I am not pleased to be taking part in this debate. I am interested in taking part in it, but it brings me no happiness.

I have discovered something else as I write my speeches. All of my colleagues have discovered it, and they have more experience than I. I have begun hearing voices. We hear a lot of voices in the House, and I have a feeling they stick with us when we are sitting in front of a computer. I figured that some people would ask me why a member from the east, a city boy, a new member of Parliament to boot, is talking about a topic that concerns western Canada. They might also wonder what I know about farmers in the west. I admit that I am not sure when we stop being new members; that is something I have yet to learn here on the Hill. Of course, I agree that there are certain subtleties that I do not grasp. But the fact remains that in Quebec, we know about workers' groups and, what is more, we respect them.

For example, we need only think of the creation, development and growth of co-operative movements, such as the Mouvement des caisses populaires Desjardins, which enabled a number of workers in many different sectors to be able to grow together without leaving anyone behind. There are also agricultural co-operatives. We have some co-operative agricultural movements back home in Quebec. I could talk about investment funds like the FTQ, which was created by workers who invest in businesses. That is another co-operative movement that is an extraordinary jewel in Quebec and that, as I was saying earlier, attempts to give the workers it represents—and for whom it works—the means to grow without leaving the smallest ones behind.

I can say that for Quebecers, myself included, being sensitive to the cause of workers in every sector, including agriculture, is probably part of our genes. We are listening sympathetically and we care about the legitimate concerns of the western farmers.

In the few hours and days that I have been listening to the debate on Bill C-18, it has become increasingly clear that this is essentially an ideological debate, in which the sacrosanct ideology of free enterprise is being pitted against the willingness of workers to organize themselves and grow together. It has also become clear that it is important to try to clear up some rather off-putting myths that some people have been spreading here on the Hill for months.

Private Members' Business

Here is one. Since the debate began on Bill C-18, I keep hearing people talk about western farmers as though they were one homogeneous group. I think the reality is quite different. Now is the time to put our democratic rules into practice, the very rules that epitomize the society in which we live. Since September of this year, I have been living in a strange world, one where the basic democratic rules that I taught for such a long time seem to have been rewritten. I used to teach my students that the free and democratic expression of a vote was, in most cases, 50% of the votes plus one, except in some cases of associations or constitutions that require two-thirds of all votes. However, 50% plus one, I think, was a clear enough agreement for everyone. However, since May 2011, my colleagues across the floor have been trying to convince me that 39% of the votes is a strong mandate.

• (1755)

I have heard it enough times that it has started to stick. I am not saying that I agree, but I hear it a lot. I still have a hard time with this concept, but I do hear it.

In reading the results of the referendum of western farmers, I thought to myself that if 39% is considered a strong mandate, then how would we describe 62%? The word that came to mind was “colossal”. It seems as though western farmers, although they were probably not unanimous, gave a colossal mandate to their association to do everything possible to protect and safeguard the Canadian Wheat Board. Furthermore, when an institution belongs to the farmers, is managed by the farmers and is funded by the farmers, I seems to me that the decision should, at the end of the day, be theirs to make.

When I agreed to become a member of Parliament on May 2, I knew that part of my job would be to help draft, introduce and vote on legislation that would guide our way of life, but little did I know that, as legislators in this House, we could somehow be exempt from the law when we felt like it.

That is what I understand from the attitude of the government which, according to the act, has an obligation to consult by referendum or plebiscite but has decided to try to get around this obligation and is refusing to recognize the very referendum conducted by farmers. Does this mean I have to go back and teach my students something even worse? The act requires a referendum for any major change. Does that mean that dismantling the Canadian Wheat Board does not constitute a significant change in its development?

A certain number of factors also lead me to believe that we could consider a mixed model under which the majority would keep the Canadian Wheat Board while those who are not interested could suggest another model. That is what the government also seems to be proposing in its bill. I am reluctant for one simple reason: although the model is interesting theoretically and looks good on paper, in reality, it does not work. In fact, without the Canadian Wheat Board, farmers will be in competition with each other rather than working together as a single major player that is able to compete with the large, multinational agribusinesses of the world.

The smallest farmers will struggle to save their family businesses, to the advantage of the largest producers who will have the means to buy them up. Clearly, we would be making the economy of many

agricultural regions in western Canada more fragile. Dramatic drops in price and loss of revenue would be unavoidable since the rule of the competition would now be every man for himself. In this regard, it seems to me that Australia's experience should serve as a warning and that we could learn from their experience.

In addition, have we truly considered the social consequences of shutting down the Wheat Board? Of course, it is not just about money, but the Wheat Board does allow for marketing in 70 countries. I would like the government to name me one farmer who could do that without selling his grain to a large multinational company.

The Wheat Board puts \$4 billion to \$7 billion back into farmers' pockets each year and it has many advantages.

In closing, I would like to ask a very quick question. Why does the government not want to hear western farmers' clear and democratic statement?

• (1800)

The Deputy Speaker: The hon. member will have five minutes for questions and comments the next time this bill is called for debate.

It being 6 p.m., the House will now proceed to the consideration of private members' business as listed on today's order paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

IMPORTATION OF INTOXICATING LIQUORS ACT

Mr. Dan Albas (Okanagan—Coquihalla, CPC) moved that Bill C-311, An Act to amend the Importation of Intoxicating Liquors Act (interprovincial importation of wine for personal use), be read the second time and referred to a committee.

He said: Madam Speaker, it is with a tremendous amount of pleasure that I rise in the House today to kick off the first hour of debate at second reading of Bill C-311, An Act to amend the Importation of Intoxicating Liquors Act (interprovincial importation of wine for personal use).

I would first like to recognize the work of my colleague from Kelowna—Lake Country. Members will know he has done a great deal to move this important issue forward and to help an important Canadian industry grow and prosper.

I would like to share with all members of the House why I believe this bill is important.

Twenty years ago in the province of British Columbia there were roughly 15 wineries. Today the number is closer to 200 growing close to 10,000 acres of grapes, with a crop yield in excess of \$40 million annually. More importantly, this has created an industry that provides thousands of jobs, even spinoff industries, such as, barrel making, stainless steel tanks and fabrication, laboratories, bottle and label making, marketing, and agri-tourism.

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The economic benefits of the wine industry are far reaching. It is a clean industry that does not pollute our skies or rivers and is something at which many families can prosper, including first nation communities. That is correct. In the riding of British Columbia Southern Interior is Canada's first aboriginal owned winery. It makes great wines. In my riding of Okanagan—Coquihalla, much like the ridings of Kelowna—Lake Country and British Columbia Southern Interior, we know first-hand the significant value and economic benefits of the wine industry.

Here is something very exciting. Nova Scotia is an emerging wine region. In fact, I have learned that Nova Scotia has discovered a great varietal called the l'Acadie grape which is well suited to the local climate and produces great wine. Today, as an emerging wine region, there are roughly 15 wineries in Nova Scotia, exactly where British Columbia was 20 years ago. Let us not forget that today B.C. has close to 200 wineries. That is great growth and prosperity for the B.C. wine industry and holds great potential for the province of Nova Scotia.

It does not end there. I have also learned that in the province of Quebec there are now five different wine regions and within those five regions are some 50 Quebec wineries that also produce some great wine. In Ontario the number grows to close to 140 wineries with roughly 16,000 acres planted in grapes. In fact, there is now a winery in every province of this great country. That is why we must not overlook the importance of supporting the Canadian wine industry, but there is a challenge.

Some 83 years ago during the prohibition era, a law was passed to make it illegal for everyday citizens to transport or ship wine across provincial borders. It is, for all intents and purposes, an interprovincial trade barrier, meaning that a winery in Quebec cannot legally send a bottle of wine to a customer in Alberta. Here is where it gets more redundant. That same Quebec winery that cannot legally send a bottle of wine to Alberta can send that exact same bottle of wine to Texas. Many small Canadian wineries can access markets outside our borders more easily than they can inside our own great country.

Canadians have proven that they can produce some of the best wine in the world and yet they cannot sell the wine directly to consumers in other Canadian provinces. We, as members of Parliament, have an opportunity to work together to change that by supporting Bill C-311.

Imagine if cars built in Ontario could not be sold in British Columbia. What if prized Nova Scotia lobster could not be sent directly to all households across Canada? This is the reality for many of the small Canadian wine producers. Those in the wine industry have been battling this unjust prohibition era legislation for many years, but collectively they have been the underdog. For a small family winery, as the vast majority of them are, without sufficient volume and financial resources, selling through large-scale provincial liquor distribution is very costly. That is why this prohibition era legislation is particularly harmful, because it restricts any marketplace alternative.

• (1805)

I am not a wine drinker, but I do appreciate that all across Canada from coast to coast we have families who work very hard to grow

grapes. They invest their life savings into their vineyards and turn those grapes into a value-added commodity that helps drive our regional economies and puts people to work. However, an 83-year-old prohibition law essentially denies these same Canadian wine producers the ability to access the Canadian marketplace like every other Canadian producer can.

I will talk about how the bill hopes to rectify this situation, but first I will provide some background for the benefit of members.

The Importation of Intoxicating Liquors Act controls the importation of intoxicating liquors into Canada and between provinces. Ultimately, the Canada Revenue Agency is responsible for the Importation of Intoxicating Liquors Act, typically referred to as the IILA. At the border, this is administered by the Canada Border Services Agency. However, neither the CRA nor the CBSA administers or enforces the IILA in respect of interprovincial transactions.

Currently, the IILA dictates that all imports of wine from one province into another must be made solely by the provincial liquor board or a private corporation designated by that province. This prevents wine to be brought in or to be shipped by an individual from one province to another. This is why Canada Post and other shipping companies will not allow a citizen or a winery to directly send wine across a provincial territory. It is also why it is illegal for citizens to transport wine in person across provincial borders. That means if someone travels to Gatineau and purchases wine, the moment it is brought back to Ottawa, the person has broken a federal law according to the IILA.

Bill C-311 would amend the IILA to allow Canadians to purchase wine while visiting another province and then bring that wine back home into their own province. Bill C-311 would also amend the IILA to allow for domestic wineries to market and sell their products directly to consumers from other regions of the country.

To be clear, the purpose of the exemption is solely for personal use and not for commercial purposes. The personal exemption quantity limit is established individually by each province in question. To date, both Alberta and Ontario have developed a personal exemption policy for a provincial exemption definition. Other provinces have declined to develop a personal exemption on account of the IILA making the personal importation of wine illegal. That is why it is so important that we take action to create this personal exemption.

I would like to take a moment to share with the House that this proposal has generated a great deal of support from across Canada. In fact, even today I received a letter from Federal Express Canada in support of this bill. The Canadian Vintners Association and the Canadian Chamber of Commerce are in support of a personal exemption for the delivery of wine directly to consumers from outside their home province.

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When reading the newspapers recently, I was pleased to learn that the Liberal finance and revenue critic, the member for Kings—Hants, supports the idea of reforming the IILA. The leader of the B.C. NDP agrees and last week stated that the B.C. NDP is advocating for an industry that employs a lot of people, is of huge value and is a cultural symbol in the Okanagan and a lot of other regions as well. I would also note that our NDP colleague, the member for British Columbia Southern Interior, has also made it clear to the Minister of Agriculture and Agri-Food via correspondence that he would like to see changes to the IILA on behalf of his constituents.

Before I close I would like to share with the House the reality of a small family-run winery in my riding.

A typical 15-acre vineyard can yield roughly 40 tonnes of grapes per year. Those 40 tonnes of grapes, all going well, would then produce just 2,500 cases of wine. To sell through the large-scale liquor distribution system is very costly for a small winery. In my province, a small family winery is potentially looking at costs of 60% to sell through the liquor distribution branch, LDB, bureaucracy. That means of the 2,500 cases of wine, the first 1,500 cases are sacrificed solely to pay for the overhead of selling through a government corporate structure. That leaves just 1,000 cases of wine for a small family winery to try to pay the bills, provide jobs, pay taxes and make a living.

The reality for small wineries is that they cannot afford those kinds of costs. That is why opening up the Canadian marketplace is of such critical importance to the wine industry.

• (1810)

This week a small winery owner told me that this IILA exemption could increase his business by a potential 10%. That means more capital would be available for him to invest into expanding his winery. When I asked the winery owner what he would do with that added revenue, he was very quick to respond. He needs to build another 2,500 square foot building. That new building would house some new stainless steel fermentation tanks that would also need to be purchased. That creates jobs and supports our economy.

I would like to thank my colleagues for listening to my comments today. I am hopeful they will join me in supporting this bill and the Canadian wine industry.

[*Translation*]

Mr. Hoang Mai (Brossard—La Prairie, NDP): Madam Speaker, I would like to thank the hon. member for his speech.

I have a question for him about Bill C-311. Currently, certain governments that do not use an exemption collect revenue on wine imported from other provinces. I would like my colleague to give me some reassurance.

[*English*]

Could the member explain to me if this bill would prevent a provincial government from collecting revenue from a wine imported by an individual from another province? Basically, would the province that wishes to continue to get revenue from those be allowed to do that?

Mr. Dan Albas: Madam Speaker, there is no question that Bill C-311, if passed, would result in increased wine sales. Currently all of Canada's major wine-producing regions have the HST that is applicable on the sale of wine, regardless of where that wine is sold across Canada. Increased sales would mean more HST revenue both to the federal and respective provincial governments. There is also HST on shipping so, again, we would see a net taxation gain for many of the provinces that have these wineries.

• (1815)

Ms. Elizabeth May (Saanich—Gulf Islands, GP): Madam Speaker, I rise with pleasure to assure the hon. member for Okanagan—Coquihalla of the complete support of the Green Party caucus for this long overdue reform. In Saanich—Gulf Islands, we also have numerous wineries. I could name them but it would seem to be pandering to my constituents who run the Muse Winery, the Garry Oaks Winery, the Church & State winery, Salt Spring Vineyards, and I could go on.

I commend the member for bringing this bill forward. I will do everything in my power to help it pass. I hope all members in this House will ensure this legislation passes.

Mr. Dan Albas: Madam Speaker, I appreciate my colleague's support.

Many of the winery owners I have spoken to have suggested a sales volume increase in their business of at least 5% and close to 10% due to this change. In the case of every winery owner I have spoken with, increased revenues will be directly and immediately reinvested into the local economy, something I am sure the member's riding would be supportive of due to her riding's involvement in the industry.

Mr. Mark Adler (York Centre, CPC): Madam Speaker, I would like to congratulate my hon. friend for righting an age-old wrong and getting rid of an old anachronism that does not really apply in our time.

In 1988 we saw the opposition parties, both the Liberals and the NDP, oppose the Canada-U.S. free trade agreement. We have seen them oppose a number of free trade agreements. They are never supportive of releasing the barriers to trade and creating more opportunities for business.

Has it not been proven that once Canadians are allowed to compete on the world stage, we can prosper? The member's bill is a great example of allowing Canadians to act freely on the world stage.

Mr. Dan Albas: Madam Speaker, there is no doubt that Canada is a trading nation and we benefit from trade. One of the reasons we will hopefully see all-party support for this bill is the fact that public opinion is far ahead of us. This is simply a catch-up to right a policy that is no longer held in public opinion as being a good one. We could allow those small family wineries to prosper and take control of their own destiny. I think that is something all members of this House want to see. We want to see jobs and growth in our ridings.

Hon. Scott Brison (Kings—Hants, Lib.): Madam Speaker, I support this legislation wholeheartedly and intend to be one of the seconders of the legislation.

In my riding of Kings—Hants, we have seen tremendous growth in the wine industry. In fact, on our property we raise L'Acadie grapes ourselves. Those L'Acadie grapes resulted from research at the Kentville research station.

Does the member agree that the government must invest in regional local research in these research stations across Canada and that local research is fundamental to growing—

The Deputy Speaker: The hon. member for Okanagan—Coquihalla has 20 seconds to respond.

Mr. Dan Albas: I will be as quick as I can, Madam Speaker.

In my own riding we have the Pacific agri-research station. The Ambrosia apple came from that, so yes, I absolutely believe that we have a role to play in research and innovation. It helps our farmers to stay competitive internationally and provides jobs in the economy of the future, not just in traditional industries.

[Translation]

Mr. Hoang Mai (Brossard—La Prairie, NDP): Madam Speaker, I rise today to say that I am in favour of sending this bill to be studied in committee. The question is not so much about governments losing revenue as it is about helping small business and small producers. My colleague was right to say that many provinces, Quebec included, have small wineries, and this bill would allow them to increase production as well as trade between provinces.

In this case, it should be made clear that the bill is specifically about individuals. It says:

...the importation of wine from a province by an individual, if the individual brings the wine or causes it to be brought into another province, in quantities and as permitted by the laws of the latter province, for his or her personal consumption, and not for resale or other commercial use.

It is important to examine this in committee in order to understand the potential repercussions of this bill in terms of loss of revenues for a government. Certain points need to be studied. For instance, since the Province of Quebec does not allow individuals to import wine and there is no exemption for this, that province could suffer losses. This risk exists for other provinces, too. On the other hand, this bill would stimulate the economy, which is good. It would help small businesses, especially at a time when economic uncertainty is at our door. This bill could really be beneficial for small businesses that really need help right now.

Thus, it is important to look at all aspects affected by this bill. I know many people support it, like my colleague. At first glance, we can see the benefits this bill could have in terms of job creation and assistance to small wine producers.

However, I would like to add that, at this stage, it is difficult to really assess its impact. One study said:

• (1820)

[English]

It is not possible to determine the impact of Bill C-311 on stakeholders, such as wine producers and provincial/territorial governments, in part due to differences among the provincial and territorial liquor-related statutes and exemptions contained in those statutes. In addition, prohibitions regarding the interprovincial/interterritorial importation of wine are not enforced consistently in respect of consumers and wine producers. Wine producers are unable to ship orders directly to individuals across

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provincial/territorial borders; however, individuals who transport wine from one province/territory to another on their person are rarely charged with an offence.

[Translation]

That is from a report submitted as part of the prebudget consultations for budget 2011.

[English]

The activity that would appear to be most affected by the bill would be the direct shipment of wine to individuals across provincial borders.

For wine producers, a beneficial effect of the bill would likely be an expanded market for Canadian wineries, resulting in higher sales, more jobs, and increased investment in winery equipment and infrastructure; the provinces would thereby benefit from additional income tax revenue.

[Translation]

There are obviously benefits in this regard. The bill would allow more production and more trade between the provinces. Wine lovers, especially individuals, would be able to go to another province and bring back wine to their province without necessarily breaking the law. However, what is important once again is to look at the limits imposed by the provinces. The report also states:

[English]

However, any increase in wine demand could be limited by any personal exemption provided by the provinces or territories, which for most is no more than 1.5 litres of wine.

[Translation]

There already are some restrictions and exemptions. For example, in Ontario, there is a nine-litre exemption. Thus, someone who buys wine outside the province can bring back up to nine litres.

• (1825)

[English]

For provinces and territories that have a personal consumption exemption, the effect of Bill C-311 on provincial/territorial revenues could be zero, assuming that individuals would not exceed the amounts allowed in the exemption. If individuals order amounts that exceed the personal consumption exemptions, then provincial/territorial liquor authorities would decide how to enforce the exemption amounts.

For provinces/territorial that do not have an exemption, the primary impact of the bill could be a decrease in provincial/territorial revenues in the event that individuals who would normally order wine from other provinces/territories through their provincial/territorial liquor board, commission or corporation would perhaps instead order directly from the winery.

[Translation]

Some of the repercussions must be analyzed. Let us take a look at what happened in the United States.

[English]

A U.S. study examining interstate wine shipments found that, when a similar prohibition on interstate alcohol importations was lifted in the United States in 2005, interstate sales of wine increased by 11.5% between 2005 and 2008; however, wine sales that did not have tax deducted by either the shipping state or the receiving state, whether due to wine producers not charging taxes consistently or due to tax evasion by consumers, increased by 9.6% over the period.

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These data could suggest that a loss of tax revenue might occur with increased accessibility to direct wine shipments in Canada. However, other sources have argued that wine sales directly to individuals in Canada represent an estimated 1% of the Vintners Quality Alliance 100% Canadian wine sales; thus, the bill's impact on liquor board, commission or corporation revenues could be limited.

That comes from the House of Commons Standing Committee on Finance pre-budget consultation in 2011.

The issue here is to really look at what the impacts are and what the benefit will be, obviously for the wine producers but also for all the other producers or makers who are related to wine as well. My colleague did mention that there are a lot of people involved in that industry, so it could be beneficial.

I think Canadians will strongly benefit from a greater selection of wine, especially from the smaller wineries across Canada. We need to really look at the options and what this will bring to the economy.

In terms of analyzing, as I mentioned before, it is really difficult for us to know exactly how loss will occur due to the loss of revenue for provincial governments. We should sit down and look at it. That is why it is important for the Standing Committee on Finance to look at all the options and all the benefits that would bring.

There are some issues with the bill, but when we look at the benefits, especially right now in terms of the economy, helping our wineries, especially the small wineries, could be very beneficial. It is something we have to look at.

Hon. Scott Brison (Kings—Hants, Lib.): Madam Speaker, it is a pleasure to rise today to speak to Bill C-311, An Act to amend the Importation of Intoxicating Liquors Act (interprovincial importation of wine for personal use). As the law stands today, it is illegal to purchase wine from a winery in one province and then bring it home.

In Canada a consumer cannot purchase a bottle of wine in one province and then transport it across a provincial border. One cannot purchase wine online or have it sent by mail if the wine is coming from a different province. I use these examples because simply laying out the facts as the law stands now, it seems difficult for people to believe we have a law in place that is this nonsensical and anachronistic.

The reality is it is easier today for a consumer to import wine from another country than to import wine from another province. There are more trade barriers between New Brunswick and Nova Scotia than there are between Canada and Chile, as an example. This ridiculous situation needs to be addressed and this legislation is a big help in addressing it.

As an example, if people from New Brunswick make the very short trip to visit a winery in the Annapolis Valley of Nova Scotia, they cannot even bring wine home with them. It is against the law. There are both federal and provincial laws that make this activity illegal. Most of these rules date back to the prohibition era. They are outdated and they needlessly cost Canadian jobs. We need to get rid of them.

That is why I am proud not only to support but also to second Bill C-311. The bill would get rid of the federal rule against importing wine from one province to another as long as that wine would be for personal use and not for commercial purposes. It would amend Canada's Importation of Intoxicating Liquors Act to create an

exception for personal use. I would argue that we ought to go further to include the restaurant industry and commercial use as well. That is a discussion for another day and also engagement with provincial governments.

The legislation would not get rid of the problem entirely. Most provinces will still not allow wine to be imported from another province, but Bill C-311 sends the right signal and provides some federal leadership by removing the federal obstacle. That is a step in the right direction.

Thankfully, the Province of Ontario is already moving in that direction on the provincial side. This past summer the LCBO changed its rules to allow individuals to bring with them up to nine litres of wine from another province. It makes me wonder why they would choose nine litres when wine comes in cases, of course. However, sometimes the bureaucracy does things that we cannot understand. It is like buying cars that never seem to take whole containers of antifreeze. Anyway, that is another discussion.

In any case, it is a step in the right direction. I commend the Ontario government for taking that step. We need every province to make these kinds of changes.

The member for York Centre referred to the Liberal Party's aversion to free trade. In fact, the Liberal Party, with the exception of one election in 1988, has always been the party of freer trade. In fact, if we look from an economic perspective, liberalized trade is something that is key to the Liberal Party and core to our beliefs on the economy.

In order to keep Canada's wine industry, including our wineries in Nova Scotia competitive, it is essential that we break down these barriers on the federal side and on the provincial side. In terms of Nova Scotia's wine industry, when I was first elected 14 years ago, there was one winery operating in my riding of Kings—Hants. As of 2010, there are now 17 farm wineries and 30 grape growers operating vineyards. It is a \$10 million a year industry.

The hon. member referred to the fact that today the Annapolis Valley in Nova Scotia is perhaps where the B.C. industry in the Okanagan Valley was 20 years ago. That is quite right. It would be helpful for us to look at what lessons we can learn from what has occurred in the Okanagan Valley and in the Niagara region. We should also look at the genesis of the wine industry in the Napa Valley, the Sonoma Valley and central coast. We should be looking at these and determining best practice on a local level.

● (1830)

In any case, the success of these wineries in my riding has created huge spinoffs for restaurants and tourism, and the whole foodie-type tourism which is growing. It is a remarkably valuable resource and an enhancement to the quality of life for people who live in the Annapolis Valley of Nova Scotia.

In my riding of Kings—Hants we can now boast nine wineries: L'Acadie Vineyards in Gaspereau, operated by Bruce Ewert; Avondale Sky Winery in Newport Landing, operated by Ben Swetnam; Benjamin Bridge Vineyards in Gaspereau, operated by Gerry McConnell and his family; Blomidon Estate Winery in Canning, managed by Greg Benjamin; Domaine De Grand Pré in Grand Pré, managed by Hanspeter Stutz, winemaker Jurg Stutz; Gaspereau Vineyards in Gaspereau, managed by Dan Burns, winemaker, Gina Haverstock; Luckett Vineyards in Wolfville, operated by that great Nova Scotian entrepreneur Pete Luckett; Muir Murray Estate Winery outside of Wolfville, operated by Dr. Jonathan Murray; and Sainte-Famille Wines in Falmouth, operated by Suzanne Corkum.

In terms of recognition, people are taking notice of the wines in Nova Scotia. Many of these wineries are now winning awards. As an example, at last year's Canadian Wine Awards, Bruce Ewert of L'Acadie Vineyards received a gold medal for his 2007 Prestige Brut. Nova Scotia is excited to host this year's awards in November 2011.

A recent *Globe and Mail* article on Benjamin Bridge Brut Reserve was titled, "Surprise! One of Canada's best wines is from Nova Scotia".

It said:

I'll say it straight. One of the best Canadian wines I've tasted comes from Nova Scotia. I'm only surprised that it didn't come from the Champagne region of France. It's called Benjamin Bridge Brut Reserve...

The sparkling wine industry is evolving successfully in Nova Scotia as well as the ice wine industry. The success is also enhancing our orchard industry and value-added industry related to the orchards and the emerging cider industry. There are a lot of spinoffs.

This is probably a bad sign for any industry, when politicians start to enter it, but a couple of years ago we planted a vineyard on our property on the shores of the Minas Basin. We have a wonderful south-facing slope on the shores of the Minas Basin. We planted L'Acadie vines and we are intending on expanding that this year. In my line of work, it is always good to have a backup plan.

The wineries in our region are drawing tourists from throughout the country and around the world. Tourists are touring the wineries, eating at our restaurants, staying at the inns, the bed and breakfasts, and hotels, supporting the local economy.

What is really crazy is that in many cases people from other parts of Canada, after sampling the excellent local wines, cannot buy a case to take it home with them. That is nuts.

I remember in the 1990s, I lived in New York and travelled throughout the U.S. doing business. I remember spending a weekend in Napa Valley. We bought cases of wine and had them shipped back to us in New York. It was great. That is the way it should be. It is not only good for the local economy, but it is civilized.

The idea that we cannot transport wine across a provincial border is so nonsensical and damaging to the development and the evolution of businesses, wineries and restaurants. It makes no sense whatsoever.

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In terms of the future growth of Nova Scotia wine, more and more Nova Scotians are discovering and supporting local wineries. In fact, last year the Nova Scotia Liquor Commission sold \$109 million of worth of wine. Of that, almost 6% of that was local wine from Nova Scotia.

Even in terms of our own province, it is growing. The key, the way to grow our markets, is to actually expand so that we can sell wine across Canada.

Nova Scotia has a population of less than a million people, so our market is too small to sustain the kind of growth that we are able to achieve in our industry. We need to remove these needless interprovincial trade barriers and open up our markets so that local businesses can create jobs and grow the economy.

I know I am delving into areas of provincial jurisdiction which is always a mistake for a federal politician, but nevertheless.

● (1835)

I am a citizen of Nova Scotia. I did not relinquish my citizenship to become a federal politician. As such, I do have opinions and one of those opinions is that neither the provincial liquor commission in Nova Scotia nor the provincial government need be in the liquor business to begin with. Last year the liquor commission made \$230 million and was run by bureaucrats. Imagine how much it would be worth if it were run by retailers who understood the markets. We could privatize that and take \$3 billion or \$4 billion off the provincial debt.

Mr. Scott Reid (Lanark—Frontenac—Lennox and Addington, CPC): Madam Speaker, I agree with much of what is being said today, particularly by the sponsor of the bill, the member for Okanagan—Coquihalla. He is a well informed advocate on behalf of the wine producers of his region as is the member for Kelowna—Lake Country, who was the sponsor of this legislation in the last Parliament.

I am supporting this bill in part because of what it would do for the wine industry and also because of what it potentially would do as a model for all of our value-added agricultural products, for which wine is the template model.

We have an agricultural industry which ultimately goes in one of two directions. It can either produce on a mass scale some kind of modified product, and there is nothing wrong with doing that and doing it effectively, but that naturally assumes economies of scale and the end of the family-operated farm or agricultural producer, or it can produce a value-added quality product which has a clear line of sight between the producer and the consumer, so that the consumer can identify that he or she really likes a certain product and then chooses to seek out that product either through a retailer or through direct purchase from the producer.

That is what we are trying to cause to happen with this legislation, to allow individuals to visit a winery in whatever province it happens to be, find a product they like, and arrange to have it shipped back to them. This is something which I have done myself within my own province.

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A few years back my wife and I visited the Niagara Peninsula and arranged to have a couple of bottles of wine every month sent from Andrew Peller Estates to our house in Lanark County. That is possible because they are both in the same province. If there were an intervening provincial boundary, we would be out of luck and the winery would be out of luck, and that potential relationship would be severed. Again, we are not commodity consumers of wine my wife and I. We are not volume consumers, but we are willing to spend more to get a better product to make our evenings and meals more enjoyable.

I think that reflects many consumers of wine and of other products that are of a similar nature, such as cider, craft root beer, various maple products, various types of cheese, and so on. All of these can follow potentially the model that is presented by wine, and which if we think about it, is an agricultural product. It is nothing more than grape juice that has been fermented a certain way. The grapes are certainly fermented a certain way, preserved a certain way either in oak barrels or in bottles, and then sent off to the consumer. As a result of the magic that happens in between, it becomes a potentially valuable product and it allows the creation of a robust, rural economy.

Many links have already been pointed out. Agri-tourism results from a prosperous wine growing region. I am an enthusiastic agri-tourist myself, and particularly the various wine trails. I am just going to give a small and partial list of some of the wine trails I have been on to make the point because they are models of what can happen when producers can establish that link with consumers and start shipping products to those who like what they taste.

I have been on the wine trail and have visited vineyards in, among other places, California, New York State, and Massachusetts of all places. I was on a tour in New Zealand along with several other MPs and we went to some of the wineries there. I have also been to five different Australian states, every Australian state except Queensland, which is too warm to grow a decent wine. I could go on.

I have visited wineries in a number of provinces, but I have never been able to legally import that wine. I was on the wine trail in the Saint-Jean region of Quebec. I was on the wine trail from Nova Scotia back to Ontario. I inadvertently, and unknowingly illegally, brought back some Quebec wine. I did not know there was Quebec wine until I went to language training in Saint-Jean and discovered SAQ, bought a bunch of it, brought it back, again breaking the law unknowingly. I am no longer in contravention of the law because the wine is now gone. That should not have happened.

● (1840)

Had I actually known that I was doing this and said that I liked this stuff and wanted to buy some more, they would have told me I could not do that. That is a problem that should be corrected. One of the reasons why it should be corrected and why this rule change is beneficial in Canada in a way that would not conflict with jurisdictions is that our wine industry is not based on the kind of mass production in some other jurisdictions. In parts of South America such as Chile, Argentina or in Spain there are entire landscapes which have rows and rows as far as the eye can see of grapevines producing massive quantities of what is largely a commodity product.

Canada's wine production is based on microproduction, microclimates, and small areas. In Quebec, for example, the wine areas were located and identified largely by Swiss investors who were familiar with growing on south-facing hillsides in their own country and identified using satellite images of soil temperature, areas that would successfully have microclimates. When there is a microclimate in a small area to work with, there has to be a certain type of production which is all about quality rather than quantity.

That means it is linked into agri-tourism, visiting people from other provinces, people who are going to establish a taste for the wine which is already a premium product and arrange to ship it back. That is the kind of market that naturally will benefit from a widespread market, a market that is thin in terms of the number of people in any given part of the country who like the product, but broad in terms of the coverage.

Speaking of another illegal wine drinking experience I had at one point, some friends went to Nova Scotia, brought back sparkling wine my colleague talked about a minute ago from Jost. We enjoyed it together in Ontario illegally and unknowingly. I could not go to the Jost website to order some for my personal consumption. I could visit Nova Scotia, but realistically developing a market through the Internet is not an option that is available to me as it would be, ironically, if I were returning home from Nova Scotia to my home in the State of Maine. That definitely is a particular aspect that needs to be emphasized.

We are trying to get rid for the sake of prosperity of various trade barriers. On the international level we are doing a better and better job as a country. We established the North American Free Trade Agreement. We have negotiated trade agreements with countries as small and remote as Colombia and Jordan, and with various European countries. We are now working on removing trade barriers with the EU as a whole, also India. There are a lot of exciting things going on and some of the provinces, to their credit, are trying to get rid of their own trade barriers. British Columbia and Alberta negotiated a trade agreement which was called TILMA and I think Saskatchewan has joined in, and that is good.

This, however, through an artifact of history, is a federally created trade barrier. This is a step we as federal politicians, federal statesmen let us say, can take to get rid of an unnecessary impediment to the prosperity of our rural areas, to the cultural well-being of our consumers, and to the general betterment of the kind of rural areas that people like me represent.

In my riding we have two wineries at this point. Again, most of the riding is far too cold, but on the north shore of Lake Ontario in Lennox Addington County there is an area where it is possible to grow wine in small quantities, but it is very good wine. Two wineries, Bergeron and 33 Vines, are in many respects typical of the kinds of vineyards that are across the country in many provinces that deserve to have the ability to sell across provincial lines to the willing and enthusiastic customers who are out there hoping to sample their excellent product.

Private Members' Business

• (1845)

Mr. Randall Garrison (Esquimalt—Juan de Fuca, NDP): Madam Speaker, I am very happy to rise to speak in favour of Bill C-311, An Act to amend the Importation of Intoxicating Liquors Act (interprovincial importation of wine for personal use), an act from 1928.

As a bit of a digression, there was a time in 1928 when these kinds of prohibitions created some opportunities in the area in which I live. The ship named *Malahat* was built in Victoria in 1917. It was a five-masted schooner nearly 80 metres long, which carried 60,000 cases of rum down to California. It would sit in international waters and then have small boats run through the American prohibition. We are talking about a law that dates from an era that is obviously a long time ago and a very different situation, a law which no longer serves a useful purpose and in fact inhibits the development of many small wineries around the country.

On Vancouver Island there are now 26 wineries operating. In order for those wineries to operate, they buy lots of things locally. They buy all of their agricultural equipment, fertilizers and marketing goods and they employ people to build websites. It is a very important link to a lot of small businesses in my riding in particular and around Vancouver Island.

It is also very important, as many have mentioned, to the tourism industry. People who come to visit my riding could start at Starling Lane Winery on West Saanich Road, cross over to Salt Spring Island, as my friend from Saanich—Gulf Islands said, cross back to Cherry Point Vineyards in Cobble Hill, Yellowpoint Vineyard in Ladysmith, Blue Grouse Vineyards & Winery in Duncan and come to the largest winery on Vancouver Island, Averill Creek Vineyards in Duncan. All of these are family-owned enterprises and small businesses.

As many have already mentioned, the peculiar thing is if people from British Columbia have a designated driver and sample the wines at each of the vineyards, they can take a case with them or order one shipped to their homes. However, people from Alberta or Quebec cannot have wine shipped to them or take it with them as they drive across the country. This is completely non-productive, which is the nicest word I can think of to use, for economic growth and development in all of these regions, particularly for small businesses that face the challenge of high costs these days.

One thing that is particularly difficult for wineries on Vancouver Island and in the Okanagan are the increasing land costs. When a small winery is established, wants to expand and buy more land, it is very difficult, so it needs to make use of whatever revenue sources it can to develop its business further. If wineries were able to run online businesses and ship across the country, it would be important revenue generation, which would add very little in terms of costs to their operations. It might be the difference between wineries being able to survive as a family-supporting business and not being able to survive in the future. The damage the existence of this law has done is quite serious for small businesses and may become more serious as time goes on.

In contrast to the hon. member for Okanagan—Coquihalla who is not a wine drinker, I will join the others who have confessed to being wine drinkers. My partner and I like to go on wine tours in the Okanagan. We have done it on several occasions, taking turns being

the designated driver each day and stuffing the car full of bottles when we drive home. However, if we lived in Alberta, we could not stuff the car full of bottles.

On our last tour, some people I know who run a winery, one of my favourites, Road 13 in Oliver, asked me if they could ship me a case. I replied that as a newly-elected MP I would love to have a case shipped to me so I could entertain members with fine B.C. wine. They said that I could not do that. They said that they could not sell it to me, I could not advertise for them or promote the industry because of the existing very archaic law.

We drove across the country this summer through the Okanagan. If we had managed to stuff wine under the seats of our car, or put a few in the back seat next to the dogs and delivered it here, I would be unable to invite members for a drink later for two reasons: first, there might not be any left; and second, I would not have done that because it would be illegal for me to do so.

• (1850)

I make light of this because it is an absurd situation we are in, where small businesses that are doing very well in developing very high quality wines cannot market those to other Canadians in other provinces.

I look forward to this going to committee. I look forward to the debate on it. I look forward to the day when I can invite members around to my office to sample some of the great wines from British Columbia, but that will not be tonight.

• (1855)

Mr. Peter Braid (Kitchener—Waterloo, CPC): Madam Speaker, it is with a great deal of pleasure that I rise in the House today to speak to Bill C-311, an act to amend the Importation of Intoxicating Liquors Act (interprovincial importation of wine for personal use).

I will begin by recognizing the work of my colleague from Kelowna—Lake Country on this file and congratulate him on his very important work. Members will know he has done a great deal to move this file forward and I am sure we will continue to work together to address this issue in order to help Canadians improve their ability to have greater control over the wine they choose and help an important Canadian industry to grow and prosper.

As background, for the benefit of all members, the Importation of Intoxicating Liquors Act, or the IILA, controls the importation of intoxicating liquors into Canada and between provinces, as we have been discussing. The Canada Revenue Agency is responsible for the IILA, as it interacts with the Excise Act and the Excise Act 2001. Canada Border Services Agency administers the IILA at the border. However, neither agency administers or enforces the IILA in respect of interprovincial transactions.

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Since 1928, the act has legally restricted the movement of wine across provincial borders. While this may have responded to the needs of the day, Canada did not even have a wine industry at the time. However, today fantastic wineries can be found in provinces from coast to coast. Vineyards are a fast growing and increasingly important part of our agricultural sector and they could be growing even faster.

Many of Canada's innovative vintners have earned worldwide recognition for their outstanding products. Indeed, Canadian wines are frequently the recipients of international prizes. These award-winning wines are in demand around the world.

Despite this progress and success, Canadian wineries find themselves in contravention of federal law if they respond to requests for their products from consumers in neighbouring provinces. That is because the IILA makes it a crime for consumers to purchase wine directly from vintners beyond their provincial borders.

Not only does the legislation penalize consumers by limiting choice and their access to Canadian wine products, it also hurts the culinary and wine tourism industry, an important sector of our economy in my home province of Ontario and in beautiful British Columbia due to the increasingly popular tourist wine regions in these areas. Wine tasting tours in areas like the Niagara region of Ontario and the Okanagan or Fraser Valley in the B.C. Interior are tremendously popular with domestic tourists and visitors from around the globe.

More important, this outdated aspect of the legislation limits wineries' sales of their products across Canada. This is particularly the case for small and medium-sized wineries that are just getting their business off the ground. Many wineries complain that the process of applying to provincial liquor boards to have their products put on the store shelves can be lengthy and costly. The last thing these vintners need is 83-year-old legislation that hinders job creation and stifles economic growth.

•(1900)

The Deputy Speaker: Order. The hon. member will have approximately four minutes when the bill returns on the agenda.

[*Translation*]

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.

ADJOURNMENT PROCEEDINGS

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

[*English*]

HEALTH

Ms. Joyce Murray (Vancouver Quadra, Lib.): Madam Speaker, I am here to discuss a question I asked the Minister of Health on September 30 when the good news was received throughout Canada

that the Supreme Court of Canada had ruled that Insite, the safe injection site in Vancouver, cannot be shut down by the Conservative government because it saves lives.

I asked the Minister of Health if she would accept the ruling of the Supreme Court and commit to stopping the government's attack on Insite. She responded that she would be reviewing the decision. I am now hoping that the decision has been reviewed, accepted and will now be followed by the government.

There is no question that drug addiction remains a major health problem in Canada. It costs Canada approximately \$5 billion annually in economic costs including health care, lost productivity, property crime and enforcement. For example, in Vancouver an estimated 70% of criminal activity is associated with illicit drugs and roughly 63% of federal offenders have drug abuse problems. It is a major problem.

It is also a health problem. We are beginning to understand the neuroscience of addiction. We now know that drugs actually change the neural pathways in the brain making it difficult for addicts to cease using drugs permanently. As is the case with other neurological disorders, it causes changes in the brain and is actually a health problem.

The public wants the government to assist in the humanitarian effort to save lives. It wants the government to take the social objective of reducing drug addiction and the crimes associated with it seriously. It would also like government to pay attention to fiscal concerns and the responsible spending of tax dollars in doing so. In terms of those issues, I would contend that the Conservative government is working against the priorities of Canadians and not getting the job done.

The science is in on saving lives: Insite saves lives. There have been well over 20 peer-reviewed studies showing that. In one year there have been zero cases of overdoses among the drug users who have been supervised at Insite compared to over 200 overdose-related deaths on the streets of Vancouver's Downtown Eastside. Therefore, Insite does save lives.

In terms of reducing drug addiction and crime, it is becoming increasingly clear that treatment is a more effective and less expensive method. We see legislators in Texas wagging their fingers at the Canadian government because they believe our approach is wrong.

I heard in committee two weeks ago that the government has spent \$122 million in increased security costs to prevent drugs from getting into prisons but at the same time it has reduced treatment program availability to addicted inmates by \$2 million. Why would it reduce the treatment programs when treatment is the most effective method of dealing with that crime? For example, \$1 spent on treatment will achieve the same reduction in the flow of cocaine as will over \$7 spent on enforcement. The government has it backwards.

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It is not getting the job done and is spending more tax dollars on its failed corrections policies and its failed tough-on-drugs approach. Fighting against Insite, which the government has done for the last few years, is just a testament to its approach, which is ideology over evidence.

• (1905)

The Deputy Speaker: Order. I must interrupt the hon. member. However, she will have one minute later in reply.

The hon. Parliamentary Secretary to the Minister of Health.

Mr. Colin Carrie (Parliamentary Secretary to the Minister of Health, CPC): Madam Speaker, I appreciate the opportunity to comment on this important issue. The Supreme Court of Canada has made its decision and although we are disappointed we are complying with the court's decision.

Our government is committed to addressing the issues related to illicit drug use here in Canada. A key pillar of our national anti-drug strategy is prevention and treatment for those with drug dependencies. Our government believes that spending money on treatment and support to help get people off drugs is the best investment we can make.

Since 2007, the health portfolio has invested \$577 million over the five years of the strategy's prevention, treatment and enforcement activities. As part of the strategy, we have made significant investments to strengthen existing treatment efforts through the treatment action plan.

For example, we have invested \$30 million over five years in a targeted mass media campaign. It raises awareness among parents and youth between the ages of 13 and 15 about the dangers of illicit drugs. Studies show that it is important to get those messages through to youth at that age.

Right now the youth campaign TV ads are on the air from October 3 to 30, and will run again from November 7 to December 11. The mass media campaign has seen impressive results. For example, 25% of parents who saw one of our TV ads have taken action by engaging in discussions with their children about drugs. That is great. There has also been an increase in the proportion of youth who say they know about the potential effects of illicit drug use on relationships with family and friends.

Under the prevention action plan, our government also funds health promotion and prevention projects for youth through the drug strategy community initiative fund. Since the announcement of the national anti-drug strategy in 2007, 103 such projects have been approved across Canada. This represents approximately \$40 million in multi-year community-based investments.

If we are able to save one child or one family from the negative impacts of drugs it will be money well spent.

I will conclude by stating our government is aware of the complex challenges faced by people addicted to drugs and the impact those drugs have on Canadian communities. We remain committed to working with our provincial, territorial and municipal partners to address the issues related to illicit drug use across Canada.

Ms. Joyce Murray: Madam Speaker, the member opposite is expressing a commitment by the government that if it can save one child from the negative impacts of drugs it would do so.

I would invite the parliamentary secretary to reflect upon the fact that those people in Vancouver's Downtown Eastside who are addicted to drugs are someone's child. They are the very people who are dying of overdoses. However, that is not the case when they are treated at Insite where there has been zero overdose-related deaths.

Those vulnerable people who are addicted and who have this health problem are getting infected with AIDS which unfortunately can lead to a premature death. They are someone's child who could possibly die from the negative impacts of drug use. With Insite, that transmission is reduced if not eliminated because it prevents needle sharing.

• (1910)

Mr. Colin Carrie: Madam Speaker, the Supreme Court of Canada has made its decision and again I will state that although we are disappointed we will comply with the decision.

Our government believes that spending money on treatment and support to help people get off drugs is the best investment that we can make. This is the most effective way of building safe and healthy communities.

The health portfolio alone has invested \$577 million over five years for its prevention, treatment and enforcement activities. This represents an unprecedented level of funding for anti-drug initiatives by our government and reflects our commitment to the individuals, families and communities affected by drug use.

We will also continue to work with our provincial, territorial and municipal partners to address the use of drugs in the Downtown Eastside of Vancouver and across Canada. I think everyone knows that prevention is the best strategy.

NATIONAL DEFENCE

Hon. John McKay (Scarborough—Guildwood, Lib.): Madam Speaker, I appreciate the opportunity to speak on the reply that I received to a fairly simple question. It had to do with the F-35s and the government's maintaining that the price per plane is \$75 million. It is clearly a preposterous position to take. I want to ask the Minister of National Defence whether he continues to adhere to that position.

I received one of the more lame responses that I have received to a question in question period for a long time. He said that the government budgeted \$9 billion and that it has a strong mandate to obtain the plane. It seems that the minister wishes to interpret his mandate as a mandate to blow money.

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The government's position is that the cost of the plane is \$75 million per plane. The U.S. Congressional Budget Office, on the other hand, said it is more likely to cost \$133 million to get the plane. Our own Parliamentary Budget Officer said it is closer to \$150 million, which is virtually twice the cost that the government maintains, in spite of this great pile-up of facts to the contrary. We have to keep in mind that whatever price the U.S. pays is the price we will pay.

In the United States people are very skeptical of the numbers being put out by Lockheed Martin with respect to this airplane. Of course, it is based upon the assumption that 3,000, or 4,000, or 5,000 planes will actually be bought by the U.S., its various branches of the military, and the allies. If the orders are up, the price will go down, but if the orders are down, the price will go up. It is an inevitable fact of economics.

Based upon the best information available, the PBO and the U.S. Congressional Budget Office are saying that the cost at a very minimum will be \$133 million to \$150 million per plane. That is just the acquisition cost. In addition, there are all the back costs, which I am not going to get into.

As I said, if the orders are down, the price will be up. What does the current evidence say?

Turkey has already bailed on the program, so there goes quite a number of planes out the door.

Italy will not be able to afford anything. In fact, I doubt that Italy will be able to afford Cessnas, for goodness' sake, let alone these very sophisticated jets.

Denmark is holding an open competition. We in the Liberal Party have suggested for months if not years to the government that it can walk away at any given time from the commitment the previous government made to this process. Denmark is doing just that. It is walking away from whatever financial commitments it has made and it is holding an open competition.

Australia has given quite a strong indication that it, too, will bail on the program.

Japan, like Denmark, and as we should, is holding an open competition to get the best value for taxpayer dollars.

The U.K., Norway, and the Netherlands are stretching out their order purchases. Frequently, when a purchaser buys anything, let alone a jet plane, and stretches out the acquisition time period, it is usually an indication that maybe it is not quite so firm on the acquisition. The U.K., of course, is extremely important to this entire program because it is the next largest buyer after the U.S.

Of course, the U.S. itself is facing financial difficulties which are extraordinary and likely to make the acquisition of this plane very difficult.

• (1915)

Mr. Colin Carrie (Parliamentary Secretary to the Minister of Health, CPC): Madam Speaker, I would like to thank the hon. member for Scarborough—Guildwood for his question and the opportunity to answer it here in the House.

First, let me start by saying that in today's uncertain world, we cannot know all of the potential threats that Canada may face in the future. However, as we outlined in the Canada first defence strategy in 2008, the Royal Canadian Air Force requires a next generation fighter to carry out its core missions of defending Canadian sovereign airspace, defending North America as a partner in NORAD, and providing this country with an effective and modern capability for international operations.

The joint strike fighter is an advanced, adaptable and sustainable multi-role platform that will defend against those threats we can foresee today and those that we may encounter in the coming decades.

The F-35 is the only fighter aircraft available that meets the Canadian Forces' requirements. I should remind the member opposite that this aircraft was selected after an extensive and rigorous competitive process conducted by a partnership that the Liberal government joined.

The commitment to purchase next generation fighter aircraft was clearly spelled out in the Canada first defence strategy.

This commitment was made following a thorough analysis of the current and perceived roles and core missions that this fighter would be responsible for. The conclusion was that a fleet of next generation fighters will be required to successfully carry out Canada's obligations both at home and abroad.

More important, Canadian participation in the joint strike fighter program will bring high-value jobs and other economic benefits to our country for decades to come.

Canadian companies will have access to billions of dollars' worth of subcontracts for the entire production run of more than 3,000 joint strike fighters being purchased by partner nations under the JSF memorandum of understanding, as well as for the many potential additional aircraft that are expected to be acquired by non-partner nations.

This government remains on track to acquire these aircraft for the amount we have budgeted. These costs are based on actual detailed estimates calculated by the multinational joint strike fighter program office on an evolving basis and are validated through independent analysis.

Canada is purchasing the least costly variant of the aircraft at the most cost effective point of production.

Canada is contributing a fixed amount to the development of the F-35 program.

The cost of the procurement as well as the sustainment of the F-35 fleet is fully funded through the Canada first defence strategy and the national defence investment plan.

While the Liberal members in the House have cold feet about the program they started, we remain steadfast in our support to the needs of the military and providing the resources it needs so that our troops can continue to do the important work that is asked of them.

Hon. John McKay: Madam Speaker, I thank the hon. Parliamentary Secretary to the Minister of Health for reading the notes of the Parliamentary Secretary to the Minister of National Defence. I can see that he too has been taken in by the blandishments of the Minister of National Defence.

I do agree on one point, namely that we do live in uncertain days. However, there are certain certainties in these uncertain days, and the certain certainties are that the U.S. is under extraordinary financial pressure, and the EU is under extraordinary financial pressure, all of which will make it very difficult for any government, whether it is in North America or in the European Union, to actually sustain a multi-billion dollar purchase of these airplanes, the consequence of which is, as I said earlier, that orders are actually down and countries are bailing on these purchases. The consequence of that is inevitably the price will go up and the costs—

● (1920)

The Deputy Speaker: The hon. parliamentary secretary.

Mr. Colin Carrie: Madam Speaker, one thing we can be sure of is that the Liberals are experts at bailing out. I think that was the issue with the helicopters that the armed forces did need.

The F-35 will help the Canadian Forces defend the sovereignty of Canadian airspace, remain a strong and reliable partner in the

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defence of North America, and provide Canada with an effective and modern capability for international operations.

This government is fully committed to delivering a modern, multi-role, combat capable Canadian Forces in a sustainable and affordable way. We are taking steps to improve efficiency and effectiveness at defence to be able to do just that.

The investments that this government committed to in the Canada first defence strategy will enhance the readiness and capabilities of the Canadian Forces. These investments will improve and increase training for personnel and make more equipment available for both training and operations.

Even as the government fulfills these commitments, we will also ensure that all programs and initiatives will make the best and most efficient use of taxpayers' dollars.

That is our commitment.

The Deputy Speaker: The motion to adjourn the House is now deemed to have been adopted. Accordingly, the House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 7:21 p.m.)

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