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HOUSE OF COMMONS

Tuesday, April 24, 2001

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

• (1000)

[English]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Derek Lee (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, pursuant to Standing Order 36 I have the honour to table, in both official languages, the government's response to six petitions.

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TOBACCO TAX AMENDMENTS ACT, 2001

Hon. David Kilgour (for the Minister of Finance) moved for leave to introduce Bill C-26, an act to amend the Customs Act, the Customs Tariff, the Excise Act, the Excise Tax Act and the Income Tax Act in respect of tobacco.

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

* * *

OUESTIONS ON THE ORDER PAPER

Mr. Derek Lee (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, the following questions will be answered today: Nos. 8, 10 and 11.

[Text]

Question No. 8- Mr. John Duncan:

How much was paid by the government to defend itself in the Right Hon. Brian Mulroney's lawsuit over the Airbus affair, including payments to private lawyers and agents retained by the government and the estimated salary and expenses of lawyers and other staff employed by the government, based on the hours they devoted to the file and their hourly rate of pay?

Mr. Derek Lee (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): I am informed as follows:

The sum of \$1,237,944.51 was paid to private lawyers and agents. In addition, the sum of \$252,807.00 plus 41,269 Swiss francs was spent on disbursements including experts.

Eight lawyers with the Department of Justice worked on the file as part of their regular duties at one time or another. A number of support personnel also worked on the file as part of their duties.

The justice lawyers did not keep hourly dockets at the time. An estimate of the cost of their work on the file can be arrived at using their salary ranges at the time for their respective levels and an estimate of time spent on the file. These estimates are as follows:

Lawyer	Title	Salary Range	Time Spent on File	Period
Me. Côté	LA3B	\$95,000 to \$115,900	40%	Throughout
Me. Van Erum	LA2A	\$60,200 to \$84,300	70%	Throughout
Me. Latulippe	LA1A	\$42,000 to \$60,200	10%	Throughout
Mr. Thompson	LA3C	\$105,700 to \$128,900	20%	Until 05/96
Mr. Edge	LA2B	\$76,400 to \$93,200	66%	05/95 to 06/96
Mr. Saunders	LA3A	\$82,800 to \$105,000	33%	From 01/96
Mr. McCowan	LA1A	\$42,400 to \$60,200	33%	From 01/96
Mr. Scott	LA2A	\$60,200 to \$84,300	30%	Throughout

One lawyer from the Department of the Solicitor General, assisted by administrative support, worked on this file as a part of a regularly assigned workload.

During the period in question, lawyers working for the Department of the Solicitor General did not keep hourly dockets as part of their regular duties. An estimated cost of the department's work on file can be arrived at by using the lawyer's salary scale in effect at the time, as well as the estimated hours spent working on the file.

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The lawyer, Mr. Dubrule, was classified as an LA2B with a salary range of \$76,400 to \$93,200 and the time spent working on the case is as follows:

October 1996 to June 1997—40% July 1997 to December 1997—25% January 1998 to December 1998—25%

No outside legal services, agents or experts were hired by the department on this matter.

Question No. 10-Mr. Ted White:

With respect to Alberta Court of Queen's Bench File No. 00-19047 and Supreme Court of Canada File No. 0001-09477: (*a*) what is the total cost incurred by the government to date, whether already paid or under commitment, in connection with these files, including but not limited to legal fees billed by Fraser, Milner, Casgrain, the Department of Justice in Winnipeg and Edmonton, and/or other legal advisers, as well as travel and administrative costs associated with the court actions and filings; and (*b*) what amount has the government budgeted to cover all costs until the cases are closed, including all appeal options?

Mr. John Maloney (Parliamentary Secretary to minister of Justice and Attorney General of Canada, Lib.): (a) The total cost incurred on this case to March 7, 2001, is \$525,716.13. In addition to the costs at trial, this figure includes the costs of the interlocutory appeal to the Alberta Court of Appeal and to the Supreme Court of Canada where the interlocutory injunction was set aside. The sum also includes costs for expert evidence used at trial.

(b) As of March 7, the judgment of the Alberta Court of Queen's Bench was still on reserve. Whether further costs will be incurred, and the extent of these costs, will depend on the order and the reasons issued by the trial court, as well as decisions taken as a result by either of the parties to appeal or not to appeal that judgement in whole or in part.

Question No. 11-Mr. Svend Robinson:

Regarding the military contract worth 6.5 million announced by Vector Aerospace Corporation of St. John's, Newfoundland, on January 26, 2001, with the government of Colombia: (*a*) was an export permit for strategic goods issued for this contract, and if not, why not; (*b*) with which branches of the Colombian military was this contract arranged; (*c*) does the work of this contract involve servicing or repairing any equipment provided to Colombia by the government of the United States for the counter-narcotics batallions established under plan Colombia, and if so, which specific equipment will be serviced; (*d*) if not, which equipment and units of the Colombian forces will be serviced by this contract; and (*e*) what guarantees does Canada have that the equipment being serviced will not be used in operations which violate human rights or international humanitarian law?

Mr. Denis Paradis (Parliamentary Secretary to Minister of Foreign Affairs, Lib.): (a) No permit has been granted, the contract does not involve the export of controlled goods or technology from Canada.

(b) We have no information about these matters.

(c) We have no information about these matters.

(d) We have no information about these matters.

(e) as the goods are not subject to export control we are not in a position to seek any such end use assurances.

GOVERNMENT ORDERS

• (1005)

[Translation]

SUPPLY

ALLOTTED DAY-FREE TRADE AREA OF THE AMERICAS

Mr. Pierre Paquette (Joliette, BQ) moved:

That the government put in place an open and ongoing process to keep Parliament informed of negotiations to establish a Free Trade Area of the Americas so as to allow parliamentarians to debate it and civil society to be consulted before Parliament approves it.

Mr. Michel Guimond: Madam Speaker, I would like to inform you, and our excellent clerks at the table, that for the duration of the allotted day, that is until private members' business, the members of the Bloc Quebecois will be dividing their time into two ten-minute speeches.

Mr. Pierre Paquette: Madam Speaker, I believe everyone will agree that to build a free trade area of the Americas, which will be at the service of the peoples of the Americas, the wall of distrust must be broken down.

Obviously, this past weekend in Quebec City the 34 heads of state did not succeed in breaking down that wall. Why? Because, in my opinion, despite the extremely significant efforts made in recent weeks to appear more transparent, the process of negotiation remains insufficiently so.

That is the reasoning behind the motion I am introducing this morning on behalf of the Bloc Quebecois. It is intended to remedy some of the democratic deficit and lend greater transparency to the entire process. I will reread it to the House if I may.

That the government put in place an open and ongoing process to keep Parliament informed of negotiations to establish a Free Trade Area of the Americas so as to allow parliamentarians to debate it and civil society to be consulted before Parliament approves it.

As I was saying, the process of negotiating the free trade area of the Americas has so far lacked transparency. I will give just a few examples of this.

We were promised documents after the meeting of the international trade ministers at Buenos Aires in early April. The promised documents have still not been made public and, in this connection, we would like to know sometime today when the Minister for International Trade plans to do so.

There is no guarantee either that we will regularly get these documents, especially since, as we know, these texts will change with time, before ministerial meetings, so we can judge the fairness of the Government of Canada's position.

We do not know Canada's position at four of the five sectoral tables. We do not know its positions on such important issues as investment, investment protection, services, dispute resolution and intellectual property. This too is a source of confusion and concern. It was apparent in the hours following the end of the Quebec City summit.

On the subject of investments, for example, we know for a fact that the Minister for International Trade said on several occasions, including before the Standing Committee on Foreign Affairs and International Trade, that there was no question of copying chapter 11 of NAFTA on the protection of investments, because there was in fact an imbalance between the rights of investors and the rights of governments to protect public health and public services the population wanted.

The Minister for International Trade therefore intimated clearly that chapter 11 of NAFTA was not a valid basis for negotiation in the context of the free trade area of the Americas. So, a few hours after the conclusion of the Quebec City summit, the Prime Minister of Canada announced that chapter 11 presented no problem for him and that it might be an interesting basis for negotiations on the free trade area of the Americas.

The websites of the Government of Canada and the Minister for International Trade indicate that the main problem with investments is the conflict resolution mechanism.

• (1010)

When I look at all these contradictory and confusing positions, it seems extremely important to me to raise the issue of transparency, and to have the government quickly state its positions in the House and make them public.

These two elements I just mentioned cause confusion and show that the process still lacks transparency. This lack of transparency and democracy is primarily due to the fact that parliamentarians and civil society are still not closely associated, on an ongoing basis, with the negotiations on the free trade area of the Americas.

Two days ago, the Prime Minister said that opponents to the current negotiations on the proposed free trade area of the Americas simply had to get elected to have an opportunity to express their point of view. We members of this House were elected, but we cannot express our point of view, even though we want to.

On February 15, I tabled a motion in the House asking that any final agreement on the free trade area of the Americas be brought

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before the House to allow parliamentarians to debate it and to vote on it. That motion had the support of all the opposition parties, but was rejected by the Liberals.

That was before the Quebec City summit, before the 34 heads of state made a formal commitment to strengthen representative democracy. The government and the party in office must now accept the obvious and agree that in order to strengthen representative democracy in Canada, we must begin by allowing members of the House of Commons to debate any agreement on a free trade area of the Americas and to vote on it before it is ratified by the executive branch.

Besides, Canada can draw from other countries where parliaments are playing an active role in the approval of international treaties, and British tradition parliaments like ours. In Great Britain and in Australia, when an international treaty agreement is signed, it has to be approved by parliament and then ratified by the executive.

My motion today seeks to ensure that this also be the approach of Canada, the House of Commons and the Government of Canada with respect to the free trade area of the Americas.

I am still a bit anxious because in the final declaration signed by the 34 heads of state, there is no mention of the role of parliamentarians in the process of negotiating the free trade area of the Americas. To me it is an inconceivable oversight, especially since reference was made repeatedly, and rightly so, to consultation and inclusion of civil society in the negotiating process. I entirely agree with all that. However, I have a hard time understanding why nothing is being said about the role of parliamentarians, who are the elected representatives of the people.

One might argue that parliamentarians are mentioned in the action plan, but not in relation to the negotiating process. We are talking about parliamentarians participating in an exchange process, a co-operative approach to democratic processes. It comes under transparency and good governance, but it is far from being enough.

Canada must set an example by having parliamentarians play an active role in the whole negotiating process, and this is precisely the purpose of this motion; it asks that the government put in place an open and ongoing process.

Incidentally, something else seems unacceptable, and raises some doubts in my mind about the good faith of the government. In the final statement by the 34 heads of state, there is only one reference to a parliamentary association, the interparliamentary forum of the Americas, FIPA. There was never any reference to the conference of parliamentarians of the Americas, COPA.

I find this a little strange as FIPA was established only a month ago, a few countries met here in March to establish it, and it represents only national parliaments, while COPA, created in 1997,

represents all parliaments, whether they are national, provincial, federated, regional or subregional.

I hope that this omission of the conference of parliamentarians of the Americas will not prevent the heads of state from calling upon it because this forum is extremely rich, independent and pluralist.

As I said, parliamentarians must have an active role to play in the decision, as I think everyone will agree, and the motion includes this, because we are accountable to the people.

• (1015)

Civil society must also be involved, before a decision is made, by contributing to the debate and informing parliamentarians before they make a decision. Civil society must also be involved after the decision is made in order to implement it.

I think the leader of the Bloc Quebecois, at the forum of parliamentarians that took place within the people's summit, described the process very well. I invite all members of the House to take note of his contribution at this forum. The roles of the different players are thus very clear, but they are complementary and necessary.

In conclusion, I will say that besides transparency, two other elements, and we will have the opportunity to get back to this because the negotiations will end by 2005, are required to ensure that the free trade area of the Americas meets Quebecers' expectations. First, Quebec must be part of Canadian negotiating teams. It must have a say on all its jurisdictions, whether they are shared or exclusive. Second, in the agreement on the free trade area of the Americas, a specific reference must be made to the protection of fundamental rights, whether they are human rights, labour rights or environmental rights.

Thus, I invite all members of the House to agree to the motion that I just brought forward on behalf of the Bloc Quebecois. It seems to me that, if the motion is agreed to, this would demonstrate the willingness of parliamentarians to play their role effectively, that is as representatives of the population and advocates of the public interest.

[English]

Mr. Bill Blaikie (Winnipeg—Transcona, NDP): Madam Speaker, I have a question for the hon. member, not having to do with the motion as much as with what is not in the motion.

The motion is very much concerned with process and seems to assume that the conclusion of a free trade agreement of the Americas is at some level a good idea but it has to be done properly. It has to be done with the inclusion of civil society and with parliament playing a proper role, et cetera. There is nothing in the motion that indicates any substantive opposition whatsoever to the free trade model or the free trade paradigm that is on the table at the FTAA, that is already enshrined in NAFTA, and that we find also at the WTO and in the MAI.

Could the member indicate what the Bloc's position is not with respect to process, not to how we come to a free trade agreement, but on whether we should come to a free trade agreement? The position of the Quebec government seems to be very much pro-free trade. That is consistent with the position of Quebec governments in the past, both sovereignist and non-sovereignist.

Given the thousands of Quebecers who were on the streets last weekend making up a large portion of the march against free trade, would he say whether or not they still find themselves in the position of not having a single Quebec MP who is willing to stand and say that he or she is against free trade as it is now understood in the FTA, NAFTA, WTO, et cetera? What is the position of the Bloc?

[Translation]

Mr. Pierre Paquette: Madam Speaker, it is really a shame to still hear such prejudice against the position of the Bloc Quebecois, the Quebec government and a good part of Quebec's civil society.

Mrs. Beaudoin said it in Washington, we are in favour of free trade but not at the expense of losing our soul. This is the position of the Bloc Quebecois and of the Regroupement québécois sur l'intégration continentale. We agree on opening up the markets to improve, I would say, commercial transactions, but neither at the expense of losing our sovereignty, and in Quebec's case we wish to gain it, nor at the expense of having rights trampled on.

It is clear that the proposal I have put forward deals with the process to allow debate here in the House on the various concepts of open markets we have.

• (1020)

I know that the NDP often refers to fair trade. Let us talk about it. I think its position is very close to that of the Bloc Quebecois, which wants to see included in the trade agreement some reference to fundamental rights that must be respected so that we can reap the benefits of the agreement. If those fundamental rights are not respected, we are not part of the free trade agreement as such.

Clearly, we must hold that debate. We must have the texts to be able to do so but we must have the opportunity to hold that debate. We still do not have them.

By bringing forward the motion for the Bloc Quebecois, we are taking advantage of the momentum created at the summit of the Americas, where the heads of state said that their main concern was to reinforce democracy, to ask the Canadian government to take some real measures in favour of representative democracy by giving parliamentarians the possibility to debate these negotiations regularly and to give their approval before the government ratified the resulting document.

I am ready to discuss with the member the whole process, but we must have an opportunity to do so. I know that in the motion the accent is more on process than on content, but I am also very eager to debate content. I am not sure we will agree on everything, but I think that members' views will converge on some extremely important points and that will contribute to improved negotiations and perhaps to an improved final agreement.

I can assure the member that if we do not find the elements we are seeking in this agreement, the Bloc Quebecois will oppose it.

That being said, I do not want to prejudge the outcome; I want us to have all the necessary tools for the democratic debate to be held and I want us to have all the opportunities to bring about an agreement that will promote co-operation among the countries of the Americas, which in turn will promote the betterment of all peoples of the Americas.

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Madam Speaker, my question is for the member. I want to congratulate him for his decision to initiate this debate.

[English]

It is a very important debate. Unfortunately we did not have an opportunity to do this in advance of the meeting in Quebec City. However, when one looks historically at these types of agreements in the past and at the original debates, one sees that we did have an opportunity not only to debate it in the House but to actually have an election on the issue, it was of such great importance.

Is it not fair to say that the position of the Bloc is one of concern that is consistent with other Canadians, that we want to know in advance, in a transparent way, the position the government is taking on a whole array of issues: environmental issues, trade issues and civil rights issues? We want to know prior to the government signing these agreements.

It is ironic to note that if this were held in Quebec City in 1988 the government would have been on the other side of the fence. Would the member agree with that comment?

[Translation]

The Acting Speaker (Ms. Bakopanos): The hon. member for Joliette really has almost no time but, if he wishes to reply or to allow his colleague to reply after his speech, that would be acceptable.

Mr. Pierre Paquette: Madam Speaker, I wish to reply to the question. What I mean is that it is in the interest of all parties and members present in this House that this motion be adopted so that

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the people of Canada and of Quebec not only have the impression, but truly feel that their elected representatives are playing the role they are supposed to play, which is to defend the general interests of Canadians and Quebecers.

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Madam Speaker, I am very pleased to take part in this morning's debate, which was initiated by the hon. member for Joliette, whom I congratulate, by the way, on his excellent work in connection with the whole FTAA issue.

I will begin by saying that I have some questions regarding the NDP member's criticism of all forms of free trade.

I have trouble understanding how the NDP, which claims to be progressive and to want to improve the general lot of the peoples of the three Americas, can object for even one instant to our being able to sign a co-operation agreement, a free trade agreement which, along with the appropriate mechanisms, social clauses, and policies for redistributing resources among the less fortunate countries, could improve people's living conditions.

I have never understood why the NDP was so opposed to the idea of free trade and misrepresented what Quebecers and Canadians really thought.

• (1025)

We are in favour of free trade but not under just any conditions. We are opposed to free trade, for example, if it is going to favour only major transnational companies. We are in favour of free trade because we are convinced that, at the end of the day, if the job is done well, if the government is able to show some openness, transparency and intelligence in its negotiations, everyone stands to gain.

So far, however, we have remained dissatisfied. Why so? Because we do not know what is going on with these negotiations. That is the purpose of the motion by my hon. colleague from Joliette.

The government must give us parliamentarians access. We are not elected without a purpose. If we are, it ought to shut down. Let it shut down parliament. If we are serving no purpose as parliamentarians, as representatives of the people, let it shut down this parliament. It is no longer appropriate, perhaps, in the context of globalization and the requirement for supranational forums.

Until we have proof to the contrary, however, parliamentarians are necessary. They are the representatives of the people. We cannot allow negotiations to be held on free trade agreements or the WTO multilateral plan without the public being brought into the process, without it being consulted, and without the elected

representatives of the public being brought into the process to analyze the draft agreements and to authorize ratification by the government at the end of these negotiations.

I would like to return to a point raised by my colleague from Joliette on investments, on chapter 11. Of course, this is something one could hardly be against. Yesterday, I heard the Minister for International Trade say "We stood up for investors, in order to protect investments". We never said we opposed protecting investments, but there must be conditions for protecting investments.

Chapter 11 in NAFTA could well be recycled in the agreement on the free trade area of the three Americas. It is a very dangerous business, given the governments' capacity to intervene in certain sectors. It is very dangerous as well because complaints could be lodged with the governments of the 34 countries when the free trade area of the three Americas is established, by major corporations. Under chapter 11 of NAFTA and their narrow interpretation of it, they could find a way to obtain compensation in the government's coffers, paid out of the taxes of the people of Quebec, Canada and the United States, as well. They find a way to get compensation for the potential profits they say they would have enjoyed had the government not been present in the market they wished to operate in.

It is serious enough to have raised some doubt in the mind of the Minister for International Trade, of the chief negotiator and of most experts who considered the question. So great is the concern that, not too long ago, the Minister for International Trade said that he would not sign an FTAA agreement if it contained provisions similar to those in NAFTA's chapter 11, which is already causing problems for the Canadian government. The problems are not insubstantial and I will come back to this in the final minutes of my speech.

Seventeen companies have already filed complaints under the environmental protection laws and are jointly claiming several billions of dollars in compensation from the Canadian government, based on a very broad interpretation of chapter 11 in connection with expropriation and unrealized potential profits.

On December 13 of last year, not ten years, but a few months ago, the Minister for International Trade said:

[English]

I will not sign a deal if it includes a chapter 11 equivalent. That is my position. I am very preoccupied with this.

[Translation]

He said he would not sign an FTAA agreement containing provisions equivalent to those in chapter 11.

The day before yesterday, at the end of the summit of the Americas, the Prime Minister said that he had no problem with chapter 11, despite the fact that 17 large corporations have filed suits against the Canadian government for compensation on the basis of a narrow interpretation of chapter 11. The Prime Minister did not see a problem. As we know only too well, this is not his money; it is taxpayers' money. The government is currently being sued for several billions of dollars. It is not concerned about how chapter 11 is being interpreted.

• (1030)

Yesterday, the Minister for International Trade gave us another interpretation. He said there was no problem with the wording, but that there could be some problems with the implementation.

We do not know where the government stands. In fact, there is a fourth position within the Canadian government. That position is stated on the Internet site and reads as follows:

Canada is not advocating the replication of NAFTA investor-state rules in the FTAA and has not supported the proposals made so far by other FTAA countries to include such a type of dispute settlement mechanism.

This is from the government's Internet site. Therefore I will repeat my question to the government. There are four government positions on chapter 11 on investment. Which is the right one?

Is it that of the Minister for International Trade, who said that he would not sign any free trade agreement involving the three Americas if it includes provisions similar to those found in chapter 11?

Is it the Prime Minister's position, who says there is no problem with chapter 11? According to him, there is no problem with that chapter but taxpayers could run into problems. Also the governments' ability to get involved in economic, social and cultural sectors, and even in health, could be compromised because of chapter 11. However the Prime Minister says there is no problem.

Is it the position stated on the Internet site? Is that the government's position, or is it the latest find of the Minister for International Trade? It is important to know that. This is why we need transparency. This is why we need to know.

For example, could the narrow definition found in chapter 11, which could be replicated in the FTAA, allow an American investor who is currently investing in health, because the private sector plays a significant role in health in the United States, to demand that governments withdraw from health, or that he be compensated, given that the profits which he could potentially make would be jeopardized because of a provision such as the one in chapter 11?

The free trade agreement between the United States, Canada and Mexico has only been in effect for three years and 17 complaints have already been filed. Seventeen court actions have been taken by major companies against the federal government, and this could end up costing Quebec and Canadian taxpayers billions of dollars.

Is this going to be extended to all 34 countries in the free trade area of the Americas? Is that what they have in mind? With an agreement covering three countries there have already been 17 suits by Canadian businesses against the federal government. When there are 34 countries, the potential number of businesses that could be launching suits against the state coffers, which could demand compensation, will be multiplied with such a limited definition.

Will the government presence in certain sectors also be at risk? Just taking the example of the Caisse de dépôt et de placement, could the Chase Manhattan Bank come along some day and say that the Caisse de dépôt et de placement, a semi-governmental body governed by Government of Quebec regulations and a statute, is preventing the bank from making a profit in the Canadian market? It could go as far as that.

Certain companies are involved in suits. For example, Ethyl is suing the Canadian government for \$250 million, Metalclad, for \$150 million. In all, when all the companies are combined, the figure is \$17 billion.

We must question the capacity of the government to provide us with real information, to take a real position on fundamental questions, if only on this single issue which lays open to question the integrity of governmental tax bases and their ability to fund such areas as health. The lack of transparency must be challenged. This transparency must be demanded.

I propose an amendment to my colleague's motion:

That the motion be amended by deleting all the words after the word "consulted" and substituting the following thereof: "before official ratification by the government, authorized by Parliament".

I hope all my colleagues will support this motion which is so important for democracy, the future of parliamentarians and the well-being of civil society.

The Acting Speaker (Ms. Bakopanos): I declare the amendment is in order.

• (1035)

[English]

Mr. Bill Blaikie (Winnipeg—Transcona, NDP): Madam Speaker, I wish to pursue the debate with my Bloc colleagues. I congratulate the member for bringing forth the motion and for providing us with an opportunity to talk about the FTAA and the process that attends it.

However, in the response to me earlier and in the remarks of the hon. member who just finished, the Bloc says that it does want to prejudge the outcome. Members already know what the outcome is

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in the sense that we know what NAFTA is. NAFTA is not something that one has to prejudge. NAFTA is something that we have had since 1993.

The member does not have to prejudge the FTAA. He can judge NAFTA, not in a prejudging way but on the basis of eight years of experience with various things like chapter 11, about which the member spoke very eloquently and thoroughly. These are things that are part of the agreement now and they are intended to be part of any future agreement. That is one of the reasons the NDP is against these agreements.

Could the member tell the House what the position of the Bloc is with respect to the North American Free Trade Agreement? I cannot understand why people who are concerned about issues of sovereignty cannot see that in these agreements there is a real and serious threat to the sovereignty of democratically elected legislatures and parliaments. There is a threat to the sovereignty of the Quebec National Assembly, whether it continues to be a provincial assembly or whether some day, as my Bloc colleagues hope, it may become a national parliament.

Regardless, there is a question of sovereignty here. Many other people have made the judgment that these agreements affect the sovereignty of these particular legislatures, not to mention the FTQ, which was out marching alongside the NDP in Quebec City on the weekend.

Are they wrong? Have they prejudged the FTAA or is there something in the nature of these agreements that no amount of good process and no amount of openness can fix, because the underlying agenda of these agreements as they are now understood is in fact to replace democratic rule with corporate rule?

[Translation]

Mr. Yvan Loubier: Madam Speaker, I do not understand the NDP members' insistence on opposing something they are not familiar with.

It seems to me the first logical thing to ask for is what we are asking for and that is to see what is being negotiated and how. Is there a way to improve things so that these agreements play a redistributive role somewhere? We do not want to end up in a situation in which people are denied a better standard of living. I am not speaking here of a few millionaires or of a few transnationals worth billions, but of people in general. Is there a way to provide for mechanisms that would ensure fair treatment and the possibility of a better standard of living for workers in Mexico, as has been the case in other countries?

Since 1957, since the Treaty of Rome, they have been building Europe, and the standard of living has increased. Even the small countries that were having difficulties, such as Portugal or Greece, can become partners in this great body. People's wealth has

increased, not just that of multinational or transnational companies. Can they understand that on the other side?

We cannot be closed and not demand that members of parliament have a role. We must demand that this government open its books. We must take our responsibilities as parliamentarians, something which Liberal members opposite are not doing. We must demand to see the documents and take part in the ratification process on behalf of the people, as did the 30,000 who rallied in Quebec City.

The Bloc Quebecois was there and it was even among the organizers of the summit for parliamentarians. These 30,000 people, who represented the public, along with parliamentarians, must feel comfortable with any agreement. They must not be ashamed of it. They must feel that their leaders are serving them well, unlike the Prime Minister, who looked condescendingly and contemptuously on them at the end of the summit and said "Get elected if you want to oppose or debate the FTAA".

We were elected, and we did not even have a say in the drafting of the basic texts. We do not even have a say in the ratification process. What is the use of this parliament? Members opposite should ask themselves such questions. Why are they here?

• (1040)

[English]

Mr. Pat O'Brien (Parliamentary Secretary to Minister for International Trade, Lib.): Madam Speaker, the member who just spoke had a number of comments to make, and rather loudly at that. This is the latest in several opportunities that members of parliament have had to discuss the FTAA. I will be splitting my time with my colleague, the hon. member for Scarborough East.

I would like to address the great success of the Quebec summit. I would also like to indicate how consultations with Canadians contributed to that success. I was very honoured as Parliamentary Secretary to the Minister for International Trade to be present, along with some other colleagues on our side as well as the other side, to meet with parliamentarians and leaders from a number of countries and to talk with some of the peaceful protesters.

During Canada's chairmanship of the FTAA negotiations from May 1998 until November 1999 it was instrumental in establishing the committee of government representatives on the participation of civil society. This committee meets regularly as a consultative body in the negotiations and serves as a forum for input from citizen based groups, the business community and NGOs. It is an unprecedented step in international negotiations.

The motion calls for transparency and I would indicate that there has never been a more transparent trade negotiation process in history. A lot of what the member calls for has already been done.

As host of the FTAA ministerial that took place in Toronto in November 1999, Canada supported a civil society forum. It was organized by hemispheric organizations to parallel the American business forum. As my colleague opposite knows, a record 22 FTAA ministers and country representatives were present to hear civil society's views and recommendations on trade investment, labour standards and the reduction of poverty.

As the House knows, at the recent trade ministerial in Buenos Aires the Minister for International Trade took the lead, as he has for months, and was able to convince his counterparts to release the draft text of the FTAA agreement. It was agreed that soon after the conclusion of the summit these texts would be released. They are in translation now. The summit only concluded on Sunday, and today is Tuesday. The texts will be released in the near future, as was agreed to through the outstanding leadership of the Minister for International Trade.

I have heard the Prime Minister state in the House that he would very happily release the texts, but he was not prepared to do so unilaterally until there was an agreement. That agreement was achieved through the efforts of the Minister for International Trade.

I saw, as Canadians saw, the Prime Minister doing an outstanding job in chairing this very important multilateral meeting in Quebec City. We can all be very proud of the efforts that were made by the government, by civil society and by the peaceful demonstrators who expressed their views in Quebec City.

At the summit of the Americas this past weekend the government provided some \$300,000 in funding to help the parallel summit take place. Labour leaders in my own city have said that the government has no interest in civil society and that it will not listen to them. That is just ludicrous when the government has put forth taxpayer money to help the very people who are levelling that criticism participate in a parallel summit. It cannot be both ways.

There were some 20 countries and five international institutions that met on the weekend with more than 60 representatives of civil society networks, groups and associations. These representatives who have been closely involved in the development of the summit's action plan came from across Canada and the hemisphere.

The Quebec City summit was a resounding success. In signing the declaration, the 34 leaders committed themselves to furthering democracy and to making democracy an essential condition for participation in the FTAA process.

• (1045)

This is a quantum leap forward from the few short years ago when a lot of the leaders of this meeting, if it had taken place, would have marched in in jackboots, epaulettes and military gear because they were dictators. We ought not to dismiss so lightly the tremendous progress that has been made in this hemisphere toward democracy. Many experts would say that the democratic election of the Mexican president, Vicente Fox, is in no small part due to the liberalization of that society, which is also signified and enhanced by its participation in NAFTA.

In the same spirit, the leaders made a commitment to more specific support for the efforts being made by Haiti towards democracy through the good offices of the OAS and the CARI-COM. There is great concern about Haiti. The Prime Minister and the other leaders have indicated that they want to do everything possible to support that society on its path to democracy.

During the summit the leaders decided, in order to ensure equitable distribution of the benefits and prosperity resulting from economic growth, to pursue discussions on the economic integration of the Americas and to continue negotiations to create a free trade area of the Americas, the world's largest free trade area, by the end of 2005.

The leaders also approved a series of measures to promote participation by citizens in the social, economic and political life of their countries in order to fully realize their human potential. This inclusive plan of action is targeted at everyone, including groups that all too often find themselves on the margins of society such as youth, seniors, women, persons with disabilities and aboriginal people, and ensures a full and fair opportunity to be properly included in the process.

The leaders went on to reach an agreement on a declaration of connectivity, which is a clear statement of their political intent to bridge the digital gap, and on the use of information and communications technology to achieve the summit's objectives.

Canada again showing its leadership also announced the establishment of an institute for connectivity in the Americas which would make it possible for us as Canadians to share our world renown expertise in this field with other poorer countries of the Americas, which simply have to be given the wherewithal to fairly participate in this FTAA. Canada is quite prepared to do everything to make that possible.

The government, supported by the multilateral development banks and other international institutions, satisfied itself that the necessary resources were available to support the objectives set by the leaders.

Those who participated in the summit in a violent way, and unfortunately some small minority did, created quite a bit of tension and damage to the beautiful city of Quebec. However they knew nothing about democracy nor did those who condoned such

Supply

violent actions. It simply was not necessary for that to take place. There has never been a more transparent trade negotiation that Canada has been involved in. There has never been such a wide consultation for months and months and which will continue.

What the member's motion calls for is being done now, has been done for many months and will continue to be done as we move up to the conclusion of this treaty in 2005.

The Quebec City summit also provided an unprecedented opportunity for people right across Canada to be involved. I believe what the peaceful demonstrators helped to do was focus attention on the summit. Unfortunately, I suppose some would say that was achieved really by the violent demonstrations. I regret that that view exists because all it did was detract from the very real and important debate that was taking place in Quebec City.

I would like to just conclude by indicating that I would be remiss in not saying that the Minister for International Trade worked diligently on this file. Indeed the member from Joliette has shown consistent interest in the file. I know that. I worked with him at committee and we debated in the House. I believe this is his second motion already as a new member on a very important topic in the House. I do not know how it could be said that there was not been ample opportunity for members to be involved.

• (1050)

There have been a lot of opportunities. No, the texts are not yet public. However, through the leadership of the Minister for International Trade and the Prime Minister, an agreement was reached that they would be made public in the very near future. I await that with alacrity, as I know the whole House does.

[Translation]

Mr. Pierre Paquette (Joliette, BQ): Madam Speaker, the parliamentary secretary said that the process was the most transparent ever seen. It may be so but I do not know, because I am not an expert on that issue.

However, I find it difficult to understand how the process can be considered to be transparent when members of parliament cannot have their say on the issue. This is why I hope the government will support the motion I have introduced, as well as the amendment.

I would also remind the government that members of parliament have a role to play, which they have played, though, unfortunately, within the limits imposed upon them.

With regard to what I call the basic texts issue, I remind the parliamentary secretary that, at first, it was almost suggested to us that those texts did not exist. We were referred to the website on the Canadian government's negotiating positions. Then, the govern-

ment admitted that those texts existed. Later on, under the pressure of the opposition parties and the questions asked, the Minister for International Trade promised to ask his counterparts to make those texts public. To his own surprise, the other parties accepted.

Had the House not played its role, I am convinced that the Minister for International Trade would not have played his own role within that forum. It is, therefore, of the outmost importance that all members of parliament be involved in the negotiating process, to ensure that the goals are being met.

What I want to know very precisely is whether, in Buenos Aires, the international trade ministers agreed that the texts of what has come to be known as the draft agreement be regularly made public before ministerial meetings. I insist on the phrase "before ministerial meetings".

[English]

Mr. Pat O'Brien: Madam Speaker, first I would like to address some of my colleague's comments.

He talked about the transparency of this process. He may have been present when I repeatedly put the question to expert witnesses at committee. I put the question to the NDP party, the only party in the House speaking against this, to give us just one example of any trade negotiation that was even anywhere close to as transparent to this one. Nobody replied. So there was an acknowledgement by their silence that this was certainly been the most open and transparent trade process to date. The government is working very hard to make it become more transparent.

On the hon. member's point that parliamentarians have not had an opportunity to participate, quite frankly I do not know how he draws that conclusion. As I said, this is the second motion that he has put in the House causing a full day of debate, a very important and useful debate, and I congratulate him for it. However he must realize by having this debate today he is having some of the participation which he says he was denied. I do not understand the logic there.

The member well knows that the Standing Committee on Foreign Affairs and International Trade has held extensive hearings on the FTAA and on the summit process. Before the last election it held hearings it. Those hearings were resumed after the election and started to include more and more of the summit process.

There is a subcommittee on trade which is specifically tasked to deal with this issue and other trade issues.

In this very Chamber I and I believe the hon. member opposite and other members participated in FIPA, the first forum of the interparliamentarians of the Americas. It was a very useful and extensive discussion. There have been repeated opportunities for parliamentarians to be involved.

He spoke about our negotiating position. For weeks and weeks five of our nine positions were available on the website. Many Canadians visited that website to see what our position was.

I challenge the member to go back some weeks and look up the comments of the right hon. the Prime Minister in the House of Commons. He said he would be very happy to release the text but he was not going to do so unilaterally. The for Joliette knows full well, because I asked him that at committee, that he agreed it should not be done unilaterally.

In Buenos Aires the Minister for International Trade showed his outstanding leadership in convincing the other ministers to release the text, which was supported by the Prime Minister. That is the kind of leadership that has made this transparency become even greater and that will continue in the future.

• (1055)

On the specific question that the member asked, I was not present in Buenos Aires so I cannot speak to the specificity of what the Minister for International Trade and his colleagues decided on what text would be released. We know it is the negotiating text. The timetable of which I am aware is as soon as possible after the Quebec summit. That will be honoured.

Mr. John McKay (Scarborough East, Lib.): Madam Speaker, I am somewhat hesitant to engage in this debate as it seems to be something of a daunting task.

Like most members, I do not have any professional expertise in the area and I have not studied trade issues at a university. Frankly, at times my understanding of these issues is something of a newspaper understanding, but like many Canadians I can get myself exercised about countervails, softwood lumber, P.E.I. potatoes and rail against American protectionism.

I can work myself up into quite a lather about American trading practices. I could even give a bit of an historical view on how trade has affected this nation.

Nothing seems to animate Canadians more than debate about trade. Going back to Prime Minister Macdonald, he had quite some trade debates in his time, as did Laurier, Mackenzie and Prime Minister Mulroney. Even our current Prime Minister has a few political scars about the issues of trade in this country.

Why do Canadians get so animated about trade debates? I would suggest that trade is in some respects more than merely economic relations that it goes to the very essence and viability of our nation. No country in the world is more dependent upon trade than we are. Something in the order of 40% of our gross domestic product is directly related to trade. Compare that with our major trading partner, the Americans, where 20% of their gross domestic product is related to trade. Our trade with the U.S. is a billion dollars a day, and 80% of all our trade is with the U.S. The old saying goes that when America catches a cold we get pneumonia. Seemingly try as we might to diversify, we still seem to go to our old trading partners, particularly the United States.

Canadians are uniquely positioned to know how vulnerable we are on trade. Therefore our trade vulnerability makes our sovereignty vulnerability even more open to us. Sovereignty vulnerability in my view goes to the essence of who we are as a nation. The irony is that the more we trade, the more we plant our flag worldwide and the more Canadian we feel. Is that not an unique irony? Ironically, in some respects we also give up a great deal of our sovereignty.

What is it that Chris Hadfield is doing as we speak? He is planting a Canadian on the next frontier, the Canadarm. How did he get there? He got there basically because of a trade deal. Canadians in the family of nations are responsible for 2% to 3% of the overall cost of putting up the space station. As a result we get to play in our area of expertise. Our area of expertise is robotics and in some respects it is a quintessential Canadian trade deal. We establish a niche, make it very important and expand from there. Meanwhile we brand our product so that literally everyone in the universe knows that the Canadian astronaut up there is exercising Canadian expertise and planting it in the best advertising position in the world.

It is a Canadian style trade deal because we are not big enough to do a meaningful space program on our own. We end up giving away some of our sovereignty, our means to be independent and on our own, in order to take part in something that is larger and that we could not do on our own.

• (1100)

I submit that the summit of the Americas reflects that kind of tradeoff. At one level it is merely a trade deal. I have it, someone wants it, what is the price? At a more profound level it is a sovereignty tradeoff. What level of national sovereignty are we prepared to give away in order to get a trade deal from someone else?

I do not think my speech is the most insightful in the world but generally they do not turn the lights out on me at the same time.

Chapter 11 is at its essence a simple tradeoff. If I, the hated multinational corporation, for which, by the way, all our sons and daughters want to work at very good rates of salary, am to invest \$100 million in a country I want to know what its rules and laws and regulations are. I do not want Mr. or Mrs. sovereign nation to change its rules or laws after the fact to make my investment worthless. At its core chapter 11 is that simple.

Supply

How much sovereignty is a nation prepared to give up? How much sovereignty, i.e. the right to make rules, regulations and laws unilaterally within a jurisdiction, is Canada or any other nation prepared to accede to a trade panel or to courts in a foreign jurisdiction? The answer is a lot and nothing, simultaneously in contradiction.

There is a rule in tax law that the taxpayer is expected to arrange his or her affairs to maximize the benefit to himself or herself and to minimize his or her tax liability. The courts recognize that rule. Revenue Canada has volumes of rules and regulations that would choke a horse in order to minimize that taxpayer intent.

When a sovereign nation enters into a trade deal the question is: What is it losing? If a nation is powerful like the U.S. and gets to change the rules ex post facto, the answer is not much. For a large nation such as Japan which can culturally frustrate virtually any trade deal, the answer again is not much. However leaders like Mr. Fox from Mexico or the prime minister of Costa Rica or Chile must make a bit of a Faustian bargain and hope the access they secure to the market is worth the sovereignty they must inevitably give up.

The lights have gone on so my speech must be very insightful at this point.

This is where it gets tricky because smaller nations, even nations such as Canada, have a lot of sovereignty to lose. I sometimes wonder whether those from the so-called civil society have appreciated that the more elements which are raised, i.e. environment, labour, working conditions, et cetera, the more difficult the equation becomes. It is particularly difficult if, as with many small nations with minimal democratic traditions, one has virtually nothing to give.

The commitment by the 34 leaders in the hemisphere to strengthen democracy has significance beyond the appreciation of both sides of the debate. It is something of a Trojan horse clause. Can one imagine APEC entering into a similar clause? Virtually half the nations in APEC are dictatorships or quasi-dictatorships. The situation is similar for the Organization of African States. I cannot imagine that hemisphere entering into an agreement where a democracy clause is a significant part of the deal.

Trade deals only work in democracies where the rule of law prevails. Therein lies the irony. As nations mature in their democracy, trade increases. When trade increases and democracy matures, sovereignty is a fact. It is quite ironic that Canadians have become a nation of flag wavers in lockstep with trade deals which apparently devolve significant elements of their sovereignty.

It is clear to me that the status quo will not prevail. A deal or deals will be made, be they bilateral or multilateral. The process contemplated by the motion will happen regardless of the will of government. The genie is out of the bottle and cannot be put back in. My only hesitation is that the debate should be informed and

that government should reserve unto itself some strategic room to negotiate in the best interests of the nation.

• (1105)

Some interests will be contradictory, such as softwood. The Atlantic position is different from B.C.'s position, B.C.'s position is different from Quebec's position, and Quebec's position is different from Ontario's position. If we go into negotiations divided we will get the worst of all possible worlds.

It has been said that heaven is British government and French food. If this debate is poorly managed we might well get the reverse, French government and British food, and that would just be hell.

Ms. Alexa McDonough (Halifax, NDP): Madam Speaker, I listened with a great deal of interest and I thought it was very interesting that the member who just spoke on the government benches reduced the debate around the FTAA to one simple question: How much sovereignty are we willing to give up to enter into a trade deal? I think *Hansard* will show that is what the member said.

I have a question for the hon. member. I will take a moment to outline the flip-flops that have occurred. The trade minister created some optimism when he said that by endorsing chapter 11 of NAFTA we would give up too much sovereignty. He is on record as saying we would not sign such a provision in the FTAA agreement or in any other agreement. He said that a year ago. We have seen a flip-flop on that.

The Prime Minister has said that chapter 11 of NAFTA is working well and that we may review it, change it or even sign on to it in the year 2005. What level of sovereignty are we willing to give up to enter into a trade deal? Does he feel chapter 11 of NAFTA would give up too much sovereignty? If so, does he share the concern of growing numbers of Canadians with respect to the most recent flip-flop on the issue by his own government?

Mr. John McKay: Madam Speaker, the question by the hon. member is well taken. Chapter 11 has been somewhat problematic in both the FTAA and the NAFTA. Sovereign nations are starting to face the reality of the sovereignty they gave up to get that deal. The Prime Minister has acknowledged that chapter 11 is somewhat problematic for us. In the event a free trade agreement is entered into in the hemisphere, chapter 11 or the successor version of it will likely get a great deal more attention from the government.

One of the major frustrations in dealing with the Americans is that their trade rules apply for the initial period of the trade dispute and then we go to a dispute resolution mechanism, which is where we all wanted to be in the first place. However the result of that mechanism is like an interim injunction. It is all over once we have our interim injunction and the permanent injunction is somewhat useless after the fact. I therefore agree in some respects with the hon. member that the clause must be looked at carefully and that other mechanisms can be used. I look forward to her contribution in that respect.

[Translation]

Mr. Robert Lanctôt (Châteauguay, BQ): Madam Speaker, I have heard government members talk about space. I think they are way up in the clouds, and so much so that they do not see things clearly. Actually, they do not see a thing. They have shown a lack of respect for the Quebec government. This is a breach of the integrity and sovereignty of Quebec's jurisdictions.

Will they allow Quebec to participate in the negotiation tables, in all the sectoral groups so that, at last, areas under exclusive provincial jurisdiction can be really represented, and their interests really looked after? They are showing us that the only way for Quebec, as well as Canada, to have international negotiations is for Quebec to achieve sovereignty.

• (1110)

[English]

Mr. John McKay: Madam Speaker, Mr. Hadfield is up beyond the clouds where transparency is as good as it ever gets for any of us. I listened to the transmission this morning on the CBC and he was looking down on Earth while fixing the Canadarm. He could see an amazing distance, clouds or no clouds.

As to the issue of Quebec being at the table, Quebec is necessarily at every table because it is well represented by the federal government. We are a sovereign nation. We have 10 provinces as far as I know. Every debate about sovereignty has been lost by the side opposite. Quebec will be represented there by the federal government and seems to be doing very well, thank you very much.

Mr. Gary Lunn (Saanich—Gulf Islands, Canadian Alliance): Madam Speaker, I notice that members have been talking about Colonel Hadfield and his mission to space, although I did not really follow why.

I had the opportunity last week to be in Cape Canaveral for the launch. It was an extremely proud day for Canada. I understand Colonel Hadfield has just completed his second space walk. On behalf of all parliamentarians and people in my riding, I wish him great success. We are extremely proud of his accomplishments. I will leave my comments to that with respect to our astronaut currently looking down upon us.

Let me read the Bloc supply day motion so I can frame the debate.

That the government put in place an open and ongoing process to keep Parliament informed of negotiations to establish a Free Trade Area of the Americas so as to allow parliamentarians to debate it and civil society to be consulted before Parliament approves it. I will be recommending that my colleagues support the motion, although I believe there will probably be an amendment. In general I agree with the process. Parliament should be consulted. We should have an opportunity to debate the agreement here and strengthen it. Canadians across Canada should be consulted before it is approved.

I will talk about three or four things during my 10 minutes. I will talk about free trade agreements in general. I will talk a bit about NAFTA and transparency and I will conclude by talking about the Quebec—

The Acting Speaker (Ms. Bakopanos): Is the hon. member sharing his time?

Mr. Gary Lunn: Madam Speaker, yes, I believe I am. I will talk a bit about the Quebec summit and the security that was there, as I had an opportunity to witness it firsthand.

Let me talk first about free trade agreements in general. I and my party believe free trade has been very good for Canada. Under NAFTA, our trade surplus with the United States has been \$95 billion. Despite some problems, our trade surplus has been skyrocketing under free trade. I looked at some numbers yesterday. I do not have them in front of me, but our trade surplus has gone up from 1995 to \$110 billion or \$115 billion. A trade surplus of that magnitude is almost unheard of.

I had an opportunity in Quebec to talk with trade ministers from 34 countries in the hemisphere. They are very excited about embarking upon free trade. It will open up new markets for their small economies. They will have access to the United States, Mexico, Brazil and other larger markets. That is very exciting for them.

President Bush and the Prime Minister said that free trade would bring democracy and greater human rights to these areas. I do not think free trade in itself will bring these things but it will provide us the opportunity to attain them. It will be up to us as parliamentarians to seize that opportunity. The heads of state from these 34 nations have democracy and human rights very much on their minds. As we negotiate these free trade agreements it will be incumbent upon us to ensure we seize the opportunity.

• (1115)

I really do believe all the players will benefit. The global economic borders are now evaporating before our eyes. We are seeing that in the European Union as their trade barriers are evaporating. It is important that we participate in this process and create a larger trading block in our hemisphere.

I cannot emphasize enough that the smaller economies, the smaller countries in the Caribbean community and Central and South America, will greatly benefit from this. In fact, they will probably benefit most.

Supply

I would argue that our experience with free trade has been very positive. I know that some of my colleagues in the NDP have raised concerns and they do not believe in free trade. Yes, there have been a few cases under chapter 11 on the investment protection measures. There need to be some measures. We can debate that. We can have that ongoing public debate. It would be very positive for Canada.

Let me talk a little about transparency. The Bloc motion is really focused on the transparency issue. I argued with the minister and I was with him in Buenos Aires when we were successful in getting the text of the FTAA released. We should be proud of what we are doing. We should not be afraid. If we do not release it then some of the anti forces we saw in Quebec will be out there spinning it, turning it and not giving out the real information.

Our job as parliamentarians is to make sure we get the text out to the public, and in regard to the parts we do not agree with, to engage in that debate and put forward constructive solutions.

It is very important that it be ongoing as negotiations progress in the next four or five years. It is very important that this transparency not be just a one-off right now. It is important that we get updates as negotiators scrap parts of the text and bring in new parts, because it will change very much as it evolves over the four or five years. It is important that we engage the civil society in that open and public debate. It would be very positive for all of the countries and would definitely result in a much more positive free trade agreement.

I want to talk a little about what I observed in Quebec. This needs to be said. I had the opportunity to be in Quebec City for the summit. I had an opportunity to speak with a lot of people. I had dinner with Don Evans, the U.S. secretary of commerce. I had some very positive discussions.

I watched the media all weekend long and all I saw were the protesters and demonstrators. I first want to say that on Saturday in Quebec City I had a meeting outside of the security area. When we came back in we were caught up in literally tens of thousands of demonstrators. They were demonstrating very peacefully. They were marching and expressing themselves in a very peaceful manner. There were masses of people.

The picture painted of the protesters was that they were violent. Some were very violent and I will get to that in a minute. However, 98% or even more were demonstrating in a very responsible and peaceful manner, as they should in Canada and as they have a right to do. We not only accept that, we encourage it, because that is how we get feedback. These people are part of civil society. We had part of the business community giving input as well as the demonstrators. That was not said at all. I was right in the middle of it. They were having parades far away, and some quite close, but in a very peaceful manner.

I will now talk about the 2%. They were absolutely crazy. I have no problem in saying that. They were insane. I watched them. These people threw bricks, bottles and everything imaginable at the police. The restraint shown by the police was phenomenal. I absolutely applaud the security.

Some are trying to turn the summit security into a political matter. My colleague for Burnaby—Douglas is calling for an inquiry. I do not support that at all and I want to be on the record as saying that. Security is not a political decision. Security is something we should leave to the experts and the police forces. The RCMP, the provincial police in Quebec, the military and the municipal police force from Quebec City were working together. They took proactive measures.

• (1120)

They did a very good job. We felt very safe, secure and comfortable walking around inside the perimeter. These people took abuse in a few areas from about 500 or 1,000 incredibly violent people who were absolutely crazy. That is not acceptable in our country.

Our police should have taken action. They should have taken the measures they did. I watched them from a few blocks away as we went into the convention centre. I want to be on the record as saying that they did an outstanding job. It was very impressive and I support their efforts.

I will conclude by saying I support the Bloc motion. It is very important that parliament engage in this debate, that this is open and transparent and that we be proud of the agreement. We need to engage in a positive dialogue in regard to the parts we do not like and we need to offer constructive solutions. It is most important that the transparency and openness be ongoing. It is most important to ensure that as negotiations move forward in the next three, four and five years, leading up to 2005, we keep this engagement and engage the business community, the NGOs, the civil society, all the people involved in this, and most important, the elected representatives of the people. We need to listen to their concerns.

Ms. Libby Davies (Vancouver East, NDP): Madam Speaker, so much for the official opposition. After hearing the comments of the hon. member from the Canadian Alliance in the debate today, I must say that the difference between the positions of the so-called official opposition and the government is indistinguishable.

It is very interesting and ironic to note that both the government and the opposition are now hiding behind saying "This is good for you. This is good for democracy. This is good for the environment. This is good for education, health care and our water". In actual fact, just the opposite is true. It is astounding to hear the line being peddled today by the government and the opposition, which is that the FTAA is so good for us. In a column that the leader of the Alliance wrote just a couple of days ago, he actually had the audacity to say that the FTAA also means good health, education, a clean environment, good working conditions, justice and human rights.

Where have these people been? What have they been reading? Any objective analysis tells us that the FTAA is about transferring rights to fewer and more powerful corporations. It is not about the distribution of wealth among people. It is not about a clean environment or labour standards or protecting our public services.

I would like to ask the member to explain to the Canadian public how his leader and his party can come to the astounding conclusion that somehow the FTAA is going to improve working conditions when there is nothing in the agreement that will actually lay out standards to ensure that workers' rights are respected in any of the countries that are now part of this agreement. It seems to me that this line being peddled is exactly the same line the government is using and that the government and the official opposition are in cahoots on this agreement.

Mr. Gary Lunn: Madam Speaker, let me start by saying that we just need to look at the record of NAFTA. It has been very positive for Canada. We have a trade surplus of over \$100 billion each year with the United States. Mexico's economy is growing even more rapidly than Canada's. Mexico started much further behind, but as a result of NAFTA the Mexican economy is growing incredibly rapidly. Literally tens of thousands of jobs are being created in Mexico and people's livelihoods are improving. Along with that comes health care and education.

We can talk about the rhetoric of the NDP member. We live in a democracy. We in the Canadian Alliance are very proud that we have been promoting free trade since the beginning of the Reform Party all the way through to today. We are very proud of that and people elect us on the platforms for which we stand. We stand in the House with 66 seats. I would remind the hon. member that her party has 12.

Ms. Libby Davies: Thirteen.

Mr. Gary Lunn: Thirteen. I apologize. She is correct.

I would also like to remind the hon. member that her NDP cousins in British Columbia are in the middle of a provincial election campaign. The election will be held on May 16. Let us see how her NDP cousins make out in British Columbia on May 16, because they are standing on these policies and the people get to decide.

• (1125)

I am very proud to stand up and say that I believe free trade is great for Canada. It will create meaningful, lasting jobs. I think it

will help our people; I really do. I applaud the Bloc Quebecois for bringing the motion forward, because openness and transparency are needed. This has not been open and transparent up to now. I appreciate that the text is about to be released, but it is very important that openness and transparency are ongoing. We have nothing to hide. There is no veil to hide behind. I believe this is very good for Canada and Canadians. The record speaks for itself.

We hear the rhetoric that comes from the New Democratic Party. It is just fearmongering, based on no facts at all. Again, I will very proudly stand up in the next election and campaign by supporting the free trade agreement of the Americas, as the heads of state of all 34 countries are engaging in these discussions. They are all engaging in the discussions and are all very positive that this would support their countries. They have all been democratically elected. It is very encouraging to me.

Mr. Lynn Myers (Parliamentary Secretary to Solicitor General of Canada, Lib.): Madam Speaker, I want to ask the member why, in their election campaign, the reformed Alliance people had absolutely zero in their platform. What they did have was in section 96 of their leaked document, the leaked document to candidates, which was a so-called secret document. They had some reference with respect to free trade in the Americas, but they had nothing, diddly-squat, in the election platform itself. I wonder why they did that. Is that typical of their modus operandi?

Mr. Gary Lunn: Madam Speaker, the way the question is framed and the language that is used is very indicative of how the member wants to play partisan politics. I am trying to put forward constructive solutions. Again, I emphasize that both the Reform Party and the Canadian Alliance have been some of the first people out there supporting free trade. We are very proud of it. We will continue to do so for all Canadians.

Mr. Deepak Obhrai (Calgary East, Canadian Alliance): Madam Speaker, it is a pleasure for me to rise to speak to this bill.

I would like to tell the member from the opposite side who just got up that if he had some intelligence he could read the blues and everything and he would probably find out what our position was, which we articulated very well in the last session.

On rising here I do not know who to take to task, the government or the NDP. However, I will make my points and try to debate this issue more intelligently than has been done here with the rhetoric that has been going on.

Globalization is here to stay. It does not have to be a case of winners and losers. I believe it can make winners of all of us, but for that to happen, our government, all the groups and all the

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international agencies must recognize their responsibility to educate and inform the public.

While the motion talks about free trade of the Americas, the protests and the issues raised in Quebec City touched on the broader issue of globalization. A lot of people were protesting and, I must say, protesting peacefully. I will address my remarks to the issues of those who were protesting peacefully. They brought forth the concerns of globalization, which are part and parcel of the creation of a free trade zone. They tried to lump everything under a trade agreement. They felt all the concerns they had, created by globalization, should be addressed under a trade issue. That is where we differ and that is where we feel the approach they have taken is not the right approach.

• (1130)

Globalization is here to stay. Groups and governments must recognize their responsibility to educate and inform the public. This world of information left by our governments, international organizations and business leaders have given footholds to nongovernmental organizations and other organizations.

These groups have banded together and have called themselves the civil society. They have gained tremendous influence in the last decade. The problem is that these are unelected, unaccountable and self-interest groups that have successfully tapped into the fields brought about by the uncertainty of global trade or globalization.

An example of the power of the so-called civil society is the government's \$300,000 donation to the people's summit, the gathering of civil society to protest negotiations in Quebec City. Similarly, the publicity given to protesters in Seattle, which I witnessed firsthand, demonstrates the powers of this organization. I feel many of these organizations have legitimate concerns. I would even agree that the NDP may at times have some legitimate concerns. However, in general, where they are trying to address this issue under trade agreements is not the right approach.

I attended the WTO summit in Seattle in December and recently, with the Canadian parliamentary delegation, I spent many hours with international organizations in Geneva. I met with officials from the ILO, the WTO, the United Nations Commission on Human Rights and the United Nations Commission for Refugees.

At this time I must say that I was a little disappointed with our representative in Geneva, Ambassador Sergio Marchi, who, in obtaining the position of ambassador, is supposed to be non-partisan. I found him to be the most partisan ambassador I have ever encountered in my meetings with officials. I feel it is disgraceful to be partisan when one is in that position.

Nevertheless, in my meetings with the United Nations' officials, and especially the international labour organizations, I came back

with a very disturbing observation. These are international organizations that have been mandated to address the issues of labour, environment and human rights and, in talking with them, my conclusion was that these organizations were 10 years behind what is going on in the streets of Seattle, Quebec City and anywhere. They are not even addressing the issues of labour standards, the issues of environment or any other issues.

Because the government has failed to hold these international agencies accountable, it has led to the rise of groups, which want to address these issues, taking these issues to trade tribunals and clouding the importance of the issue of free trade. Free trade has been in the world for a long time. We have been trading with everyone and we will continue trading. Nothing will stop us.

We keep hearing our colleagues in the NDP say that they do not mind trade but then they suddenly do mind all the other issues. I say that they do not go hand in hand. The labour issue needs to be addressed but they should campaign other bodies that will address those issues. Instead they try to put the burden onto one body, which has become a successful body. If they do have questions they should hold the United Nations and those types of organizations accountable. They should ask them to address the issues that need to be addressed and that they have been talking about.

I want to talk for a second about the FTAA and the failure of the government to communicate what the FTAA is all about. The debate we have had in the House has been nothing but huffs and puffs, where we stand up, we talk about it and the parliamentary secretary listens to it but no one cares. The chairman of the foreign affairs committee, under whom I work, has held FTAA hearings and even WTO hearings. We have listened to the groups. The Minister for International Trade said that he has listened. However we know on this side who has been talking about these issues. The Liberals have not listened. They only allow others to huff and puff to let off steam. The protests we have had are a message that something is seriously wrong.

• (1135)

Before the government signs the FTAA agreement will it bring the agreement into the House so parliamentarians can discuss it and ratify it, and not just sign it and say that the deal is done? It should bring the agreement into parliament and let the elected officials, those who are the actual voices of Canadians, talk about it, debate the issues that are important and then say that we agree or do not agree with the agreement. That is the commitment we want from the government.

If the government believes in transparency, it will bring the agreement to parliament and allow parliamentarians to discuss it before it is ratified. Mr. Lynn Myers (Parliamentary Secretary to Solicitor General of Canada, Lib.): Madam Speaker, I listened with some interest to the hon. member for Calgary East. He of course challenged my intelligence, which I always find interesting. Those are the kinds of extremist views and mud slinging that those reformed Alliance are prepared to stoop to.

That aside, he admonished me for not checking the blues with respect to what the reformed Alliance people have been talking about on international trade. I would like to inform him that I have in fact checked the blues. In the recent history of this parliament, the only reference to international trade came from the trade critic, the hon. member for Saanich—Gulf Islands, on April 2 of this year. He said:

Is the government prepared to tell the Americans that our co-operation with respect to energy and on a pipeline from Alaska to the lower 48th state depends on a positive resolution of the softwood lumber issue?

My question to the hon. member for Calgary East is simple. Is he, along with his colleague, prepared to gamble away oil in this country and tie it strictly and solely to softwood lumber? He represents Alberta. More to the point, he represents Calgary East. Is he prepared to stand today and say that he is in agreement with the trade critic in linking those two issues in that kind of fashion?

I would like to hear his response because these reformed Alliance people always go on about how they think they know what negotiations are all about, how they think they know what trade is all about and how they think they know what is good for business. Let us see whether or not they have the kind of acumen that justifies that kind of statement.

The only reference in the last little while was on April 2 of this year, and he says, "Oh, we have been on record for quite a while saying all kinds of things". I would like to ask him and challenge him, does he, representing Calgary East, agree with the hon. member for Saanich—Gulf Islands that softwood lumber and oil should be intricately linked in that kind of fashion?

Mr. Deepak Obhrai: Madam Speaker, what I said was that the hon. member should be listening at what has been said. It would be my pleasure to say to the hon. member what I said publicly about trade when I was the international trade critic. It would be a nice debate over here.

What the hon. member said shows his ignorance. We have discussed and talked about trade in the House. He finds it difficult to even know what the Alliance has said. We know from the past how partisan he is. I do not think I want to debate with this fellow.

Ms. Alexa McDonough (Halifax, NDP): Madam Speaker, I noted with interest that the hon. member for Calgary East, who represents the Alliance Party, referred to and visited the WTO, and

in fact talked with Sergio Marchi at the WTO, who is Canada's representative and the former trade minister for the Liberal government. Mr. Marchi, interestingly I think in the context of this debate around FTAA, said that we should forget any opposition to MAI, the multilateral agreement on investment, which had Draconian measures in it, because "the train has already left the station". In other words, he said that it is too late, that the MAI was going through no matter what and that we should just forget it.

• (1140)

It of course did not. I suppose the view of the four other political parties in this House is that the FTAA is a fait accompli, the train has already left the station. We cannot do anything about it anyway so why are we so concerned.

I would like to ask the member for Calgary East whether he had a chance to ask Sergio Marchi whether the statement made by the former director general of the WTO, which has sent shock waves through the veins of all people in this world that care about democracy, remains the kind of watchword and the driving force of the WTO.

Here of course is that infamous quote "There is a surplus of democracy in the world which is interfering with the free movement of capital investment."

Could the member for Calgary East indicate whether he had a chance to discuss that with Sergio Marchi and whether he is concerned about the fact that these trade deals are being negotiated under that kind of thinking?

Mr. Deepak Obhrai: Madam Speaker, I would like to thank the leader of the NDP for asking that question.

As I alluded to in my statement, our ambassador at the WTO, who was a former international trade minister, is absolutely partisan. Therefore, he will be holding the views of the government and is not over there as an ambassador listening to everyone else's views, including the NDP.

We must understand that the members of the NDP are elected. They are in the House and are representing some portion of Canadian views that the ambassador should as well be addressing.

With reference to what the leader has said about the statement made by the WTO regarding the democracy issue out there, I would say that there are many issues, such as democracy and health care issues, that have been brought to the table. I agree that those issues should be discussed and addressed but I disagree with the NDP's approach that this should be addressed through the WTO and trade tribunals. That is not where it should be addressed. There are other international organizations, such as the ILO and UNEP, that should be held accountable to address them.

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Ms. Alexa McDonough (Halifax, NDP): Madam Speaker, I will be sharing my time with my colleague from Winnipeg—Transcona.

I congratulate the Bloc on bringing forward, in its first opposition day, a motion concerning the Quebec summit so that we can deal further with the issues that are very much on the table with respect to the FTAA.

I have read the motion very carefully and have listened to the comments made by members of the Bloc. I have to say that I think the motion is eminently supportable. It probably reflects the absolute bare minimum of the notion of what a democracy should be and why it is so reasonable for there to be a responsibility on the part of the government to bring it to parliament for full and open debate, what its position is on behalf of Canada, to share that with Canadians widely and for there to be no possibility of signing on to any such deal until there has been that kind of input.

The one thing that causes some concern but also tells us something about where the Bloc really is on the issues of free trade and fair trade, is that the final four words of that opposition motion, which calls for openness and keeping parliamentarians and civil society informed, goes on to say in its conclusion "before parliament approves it", that is, before parliament approves the free trade area of the Americas agreement. I believe that is probably an honest expression of where the Bloc stands.

• (1145)

We heard with my own ears last week in Quebec City the leader of the Bloc saying quite proudly that nobody should question where the Bloc stood on NAFTA or the FTAA because if it were not for the Bloc we would not have NAFTA in the first place.

The Liberals were opposed to it, at least they said they were until they had the reins of power and then they reversed themselves. And, as the leader of the Bloc said in Quebec last week, it was basically the provincial governments of Quebec and Alberta that made it possible for the NAFTA to go ahead. One would have to say that they made it possible for the Liberals to flipflop on their previous anti-free trade position. I guess that is an honest admission.

What I find distressing and puzzling is how members of the Bloc, who, to their credit, took a major initiative, for which I congratulate them, and brought parliamentarians together from throughout the Americas on the eve of the Quebec summit, could not understand how flawed the trade agreements are? How could they have met and talked with those parliamentarians from many of those other countries in the Americas, go to sessions of the people's summit and not understand how fundamentally flawed NAFTA and the FTAA are?

We have now lived with NAFTA for seven years. What we know for a fact from NAFTA is that we cannot take a leap of faith and say that it is hoped that people will be better off if they go with this trade model. We know the outcome. Despite the sort of vague notion that the people of Mexico would be better off under NAFTA and the FTAA, the reality is that seven years after NAFTA three-quarters of the people of Mexico continue to live in poverty. The real wages of workers in that country are lower than they ever were. Unemployment is rising and environmental degradation is totally horrifying.

Given all of those conditions, instead of NAFTA doing something to assist in raising standards, it has actually had the effect of lowering the standards to the absolute bottom of the barrel.

I congratulate the Bloc for giving members the opportunity to put their positions forward. I want to say that the New Democratic Party takes seriously the commitment that we made when we went to the people's summit as a full caucus, all 13 of us, to participate in the people's march. That commitment was that we would take the concerns that were expressed in Quebec City at the forums and on the streets, and that we would bring them back to parliament. We would continue to push, not for unfettered free trade, which is what these trade deals are based on, but for fair trade. We ran our campaign against the FTAA on that very concept, fair trade not free trade. There is a world of difference.

We need to put forward very clearly that the our position is not one that is anti-trade and pro-protectionism. It is not a position that is anti-internationalism and somehow pro-isolationism. Nothing could be further from the truth. That is why we welcome the opportunity to put our own position forward, not to have it distorted and represented by others as being somehow anti-trade. That is ridiculous. We know that trade is a critical part of our economy and that trade is a reality.

Our position is one that rejects fundamentally the economic model under which these trade deals are being negotiated. It rejects fundamentally the notion that we should make subservient to trade deals the democratic powers that we need to address the fundamental problems, the biggest problems that we face as a society and that every nation faces, and that is how to develop economies that are based on the notion of sustainability and how to develop economies that put trade, commerce and economic development at the service of people and that recognizes that trade is an instrument to achieve genuine human progress and social development.

• (1150)

We are absolutely unapologetic and resolute in continuing to represent the widely shared concerns that growing numbers of people throughout Canada and the hemisphere have about the model for trade deals that is being embraced so uncritically by the government. The estimate of the numbers of people who made it to Quebec City, and many more would have been there had the opportunity been available to them, is 68,000 people. The overwhelming majority of those people recognize the importance of trade but want to see a fundamentally different approach. They do not want to see a model that says, based on the astounding description by one of the government members earlier, it is just a deal, that we give up a bunch of sovereignty and then hope that things will be better. That is not the price we should pay to enter into a trade deal.

Our party is categorically opposed to what is now contained in chapter 11 of NAFTA although it seems to be quite all right with the government. The Prime Minister said earlier this week that chapter 11 is working well and that maybe the government would look at it and maybe it would not. It may be in the final FTAA agreement as far as the government is concerned.

This represents an unprecedented transfer of power to multinational corporations that already have astounding power and particularly worrisome astounding amounts of power in developing countries. The poorer countries of America need to be able to use democratic instruments to make progress and to raise their standards.

That is why this has become a discussion about democracy itself. One does not give up democratic powers that one needs to deal with things as fundamental as acting in the public interest when it comes to the environment, health, education and so on. Our party will continue to represent those concerns.

Let me sum up by quoting the Canadian Council for International Cooperation:

The world needs new rules to trade by, rules that reflect common concerns for the welfare of all the people and the sustainability of development and the environment. We are all impoverished if many of us are hungrier and poorer after trade liberalization than we were beforehand.

Mr. Bill Graham (Toronto Centre—Rosedale, Lib.): Madam Speaker, I thank the member for Halifax for her interesting comments. We are here today discussing the issue of our role as parliamentarians in the trade process and I would like to ask the member a question, given the fact that she is aware of the work that the foreign affairs and international trade standing committee has done in this area.

We have been working on exactly what she says, putting trade in the service of people. Our reports speak of the need to relate trade to the environment, to human rights, and to building democracy. All of us in the House are seeking the best way to achieve those goals. It may be that we differ in our direction in terms of the specifics but the goals remain the same.

Instead of criticizing the summit process she should be saying that the Quebec summit was the first time that we had an opportunity in the Americas to address the very issues that she is raising here. We got a declaration out of there that talks about a democracy clause. We have a plan of action that talks about building health in the Americas and of financing it. Finally we have concrete proposals that look at issues of labour and the environment, and we are getting some real concrete action in this regard.

• (1155)

Why does the member not come forward and say that there is good being done? Why does the member not admit that the government has done great things here? More needs to be done. It always does. Why do we not get some recognition for the positive steps being made?

Most of the members sitting on this side of the House say that the government did a remarkable job of bringing together NGOs, civil society and parliamentarians to come up with an excellent result this time. Why can we not work together to make that result better rather than being critical all the time?

Ms. Alexa McDonough: Madam Speaker, we accept that challenge. That is why we are working with progressive parliamentarians and progressive representatives from civil society in Canada and across the hemisphere to look for a better approach, to search for a better model and to work together to try to achieve it.

I wish to be very clear regarding some of the things that were announced. Perhaps it was to provide sugar coating, to engage in PR, or to pave the way for the FTAA come hell or high water. I did not hear much at the summit about the actual instruments to do something about addressing the issues affecting the environment or the problems of the growing gap between the rich and poor. I heard a lot of lofty objectives and that is fine. However we cannot allow for the provisions of a trade deal to strip away the ability of democratic governments to raise standards to deal with these things.

It is not about lofty objectives and it is not about giving corporations rights. It is clear that is part of the deal. It also has to be about enforceable provisions to deal with the things that matter to people most in their daily lives. People sit around the kitchen table and talk about real concerns such as their standard of living, their wage levels, their working conditions and whether they have clean air and safe water to drink. People are concerned about whether they have education and health care for their families.

Nothing in the model of free trade being pursued does anything to address the issue of ensuring that existing standards remain, and that those standards would be raised. That is why we keep looking to the European example and we wish the government would pay attention to it. It is based on a democratic process, through a parliament, that sets standards and ensures that trade deals do not erode those standards but in fact are based on the opposite concept.

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[Translation]

Mr. Pierre Paquette (Joliette, BQ): Madam Speaker, a quick answer is that the goal of this proposal is to create a democratic forum for all our discussions. This is quite acceptable.

To be frank, the NPD position seems to be overly simplistic to me. It is the very opposite of the position held by those who think free trade will solve all our problems. Not all the problems we have in our society are caused by the opening up of markets, something that is happening anyway.

Let me conclude by asking a question of the NPD leader. Did she not also conclude from the COPA meeting that parliamentarians, while extremely critical of the current process, should co-operate with governments in order to influence the choices that will be made? Does she agree with such a co-operative approach, even if she is extremely critical of the current process?

Ms. Alexa McDonough: Madam Speaker, once again I would like to congratulate the Bloc Quebecois for facilitating the debate and the discussions among the parliamentarians of the Americas. I think it is a very good idea, as well as an important concept of co-operation.

However, we have to recognize that many of these parliamentarians have raised numerous problems with the free trade model put forward by the Liberals and by the other governments of the Americas. To me, a very important co-operation is the one we have embraced, that is the co-operation between the progressive forces in the Americas.

• (1200)

[English]

Mr. Bill Blaikie (Winnipeg—Transcona, NDP): Madam Speaker, I am very pleased to be able to participate in the debate today, because as some members will know I was up earlier asking questions of members of the Bloc.

I want to explore the theme of democracy which we find in the motion in terms of trying to set out appropriate process and which we find in the ongoing nature of the debate. The member for Toronto Centre—Rosedale just mentioned the democracy clause.

The debate today is all about democracy. The democracy clause that was adopted in Quebec City, and which has been put forward as such a great accomplishment, is at a certain conceptual level a genuine accomplishment.

There is nothing wrong with the United States of America and for all the countries of the FTAA area to say that they want all the countries who come to the table to be democratically elected. But the absence of military dictatorships is not a guarantee in itself of

authentic democracy. It is a bit simplistic, while at the same time being important, to say if they are not a democracy they cannot be at the table.

Our claim is a much different and deeper claim about democracy. This is what I would like to try to explain and which other New Democrats have tried to explain over and over again. It is not enough to just have elected democratic governments. Those democratic governments must have a full range of choices available to them in terms of how they organize their own national economies, how they provide services to their citizens and what kind of demands they can put on foreign investors who are investing in their countries in terms of job performance or environmental regulations.

There is a variety of things that democracies have had at their disposal traditionally, which if these free trade agreements are adopted, as some have already been, this range of options will not be available to these democracies. We say that is not democracy.

One of the reasons there is this tolerance for democracy by the Americans in Central America and South America now is because they have the prospect of free trade agreements and because the free trade ideology has been generally accepted.

When they used to have to have an authoritarian right wing government in order to achieve, they can now do through a free trade agreement. The world is now not safe for democracy, the world is now safe from democracy.

We can have all the elected democracies we like because these free trade agreements have drawn an ideological perimeter around what these governments are able to do. What can they not do? They cannot get in the way of the patent rights of giant multinational drug manufacturers. They cannot get in the way of the producers of various toxic additives to gasoline.

• (1205)

They cannot get in the way of American media interests that do not like the way Canada has subsidized its cultural industries, in particular its magazines.

They cannot get in the way of the freedom of multinational courier companies to make profits. In other words, they cannot do what Canada has done for years, which is to have a public monopoly of the post office and have that public monopoly subsidize other activities of that same post office.

They cannot get in the way of the ability of multinational corporations and others to exploit certain resources, whether they be energy or water.

It is all fine and dandy to have democracies, but if these democracies have to behave in a certain way, and in a certain way only, and if they do not behave in that way they come up against sanctions built into the agreements either by virtue of chapter 11 mechanisms whereby the democracies that do not want to behave in an ideologically correct way are sued or they are challenged in some other way by the agreements, then what is the point of democracy? What is the point of democracy if the only thing we can do is what the corporations want us to do anyway?

I suppose it is better on some level than not having a democracy but it is a pretty limited democracy. That is our point and I think the point of so many demonstrators who were in Quebec City last weekend.

It is not enough just to have elected democracies. If those elected democracies are generally bought and paid for by big corporate donors in their respective countries, as is the case in this country and so many other places, and if even then they have to live by a certain set of rules set down by the corporations that are on the inside of the negotiations and have a very powerful say in what the trade agreements look like, then what kind of democracy is that?

It is almost a ruse. It becomes a kind of sham democracy because so many of the public policy options which were available to governments in the past, and which Canadian governments used in the past to build what most Canadians consider very important to the country, will not be available to the new democracies.

The public policy options that have been established, which are contrary to the ideological correctness built into the agreements, subsequently will be whittled away. They will be challenged through chapter 11. They will be eaten away at through various other forms of harmonization.

That is our contention. I would challenge Liberals to get up and say that they think that is okay. Do they think that the threat to these public policy instruments that Liberal governments used in the past to regulate foreign investment, media and culture and now the emerging threat to our publicly owned health care system and our publicly funded education system, are acceptable?

Is this really what they call democracy, or does democracy really mean having a much greater range of choice when it comes to policies than what the free trade agreements will permit when they are entrenched and what the ones that are already entrenched permit at the moment?

We hear a lot of talk about choice. My Alliance colleagues are always going on about choice, yet they are willing to support free trade agreements which almost eliminate choice; choice for everyone else except government and choice for everyone else except democracies.

Democratically elected governments will have about this much room to operate because everything else will be prohibited by the free trade agreements. I do not call that a democracy. **Mr. John McKay (Scarborough East, Lib.):** Mr. Speaker, I do not take issue with the hon. member's speech in some respects. I appreciate that he has identified some of the frustrations around chapter 11 and around recognition of the devolution of sovereignty in terms of going to free trade panels or some other dispute resolution mechanisms.

• (1210)

What he has not addressed is the central issue of large multinational corporations investing in nations and then having the rules, laws and regulations changed after the fact. This could be any corporation or business, large or small, that has invested in a nation be it Canada or any other nation in the hemisphere. They recognize there is some vulnerability in this investment and some form of legal regime, rules, laws and regulations.

Could the hon. member address the issue of how a capital investment, large or small, could be brought into one of these agreements whereby there would be some comfort to the investor, yet still address some of the issues that he has legitimately raised?

Mr. Bill Blaikie: Mr. Speaker, the hon. member raises a good point that goes to the heart of the matter in some ways.

What we are being asked to do in Canada is, in the name of protecting Canadian investors who are investing in other countries and that may run up against the very same public policy instruments that Canada has used in the past and in some sense is still using them to further the national interest or act in the public interest or in the interest of the common good, give up those public policy instruments so that Canadian companies will not run into those same instruments in other countries.

This specifically applies when it comes to GATS and health care. In order to make it possible for multinational health care corporations, some of which may be based in Canada, to have access to what are essentially private health care systems in other countries we are being asked to give up our ability to protect our publicly owned health care system.

I say there has to be a way to have the rule of law in these countries, so that people do not get swindled and have their investments disappear overnight by virtue of some government fiat or arbitrary change in the rules or whatever. There has to be a way to do that so it does not destroy the ability of a democratic country like Canada to employ the kind of public policy instruments which we have employed in the past and which we still employ. To me that is a challenge that can be met.

Instead, under cover of protecting investors' rights in other countries we are being subjected to an ideological battle here at home whereby a lot of the things that people have always been

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against they are now getting to eliminate under cover of protecting investors' rights in some other country.

[Translation]

Mr. Antoine Dubé (Lévis-et-Chutes-de-la-Chaudière, BQ): Mr. Speaker, I have listened with interest to my NDP colleague's comments, particularly to his reservations regarding democracy. I think he has raised very relevant questions in that respect.

I will ask a question that might seem off topic, but two years ago, in August, I attended the New Democratic Party Convention. There I witnessed the adoption of a resolution about democracy, recognizing the Quebec people and their right to self-determination.

In contrast, I have also seen many of his NDP colleagues, except for two, support Bill C-20, a government bill which in fact did not recognize the right of the Quebec people to self-determination.

I would like my colleague to explain this contradiction.

[English]

Mr. Bill Blaikie: Mr. Speaker, I will make this short and sweet. We have a fundamental disagreement with the member with respect to Bill C-20. We did not think that Bill C-20 violated the rights of Quebec to self-determination. If we thought that we would not have voted for it.

Instead what we thought it did was set out the process by which the Quebec people could in fact separate from Canada in a way that was fair both to the people of Quebec and to the rest of the people of Canada with whom they had this relationship with for so long.

For us it is a false accusation. We alone for many years, as a political party and long before the Bloc Quebecois came along, were defending the right of Quebec to self-determination. That does not mean it happens in a vacuum. It does not mean it happens without rules. It has to happen in a certain way, and that was our understanding of what Bill C-20 set out.

• (1215)

Mr. Gerald Keddy (South Shore, PC): Mr. Speaker, before I begin debate, I would like you to know that I am planning to share my time with the hon. member for St. John's West.

It is a pleasure to stand today to speak to the Bloc Quebecois opposition motion that the government implement a continuous and transparent process by which parliament would be informed of the negotiations taking place with respect to the creation of a free trade agreement of the Americas, the FTAA, so that parliamentarians may debate and civil society may be consulted previous to its adoption by parliament.

Certainly this is a motion the Progressive Conservative Party supports. I would expect it is a motion that all parliamentarians in

the House would support. It calls for an open and transparent process in all debate going on around and about the FTAA, and it asks that we in this place, as elected members of all the regions of Canada, be able to debate this issue. We would have not just a parliamentary committee looking at it, but we would actually be able to debate it and bring all points to the table. Everyone would be represented.

There is no steel link fence several kilometres long around the Parliament of Canada yet, so surely in this place, if nowhere else in the country, we can have free and open debate. Surely in this place we should be able to do that.

As I said, the Progressive Conservative Party of Canada fully supports the Bloc opposition motion. The Liberals' transparency on trade issues has been completely non-existent in the last few years. The secrecy of the government, along with its avoidance of parliament on the issue, illustrates a demoralizing trend, which aids and abets the negative view Canadians have of government in general and, I would say, aids and abets the groups opposed to the free trade of the Americas who were in Quebec City, because they do not feel they have enough information before them to speak to this issue. They do not see any format or any vehicle through which to express their thoughts, and that is the sole responsibility of the Government of Canada. It has not provided an alternative vehicle for opposition to the FTAA.

This should not be any surprise, because the government has completely avoided any controversial issue. It does not have open debate. It does not have parliamentary committees that speak to the important issues in this country and that are actually able to come up with some concrete agreement among all the parties, between the government and all the opposition parties, which actually affects the direction the government takes.

It is also very much part of another statement. Where are the new ideas from the present Government of Canada? Where are the new ventures? Where are the bold initiatives that have been taken in this country since 1993? I would challenge the government to stand up and name them.

There will be a period at the end of my 10 minutes for questions and answers, and I would be very happy to hear about the new and bold initiatives the government has taken to assure democracy in this country, to show what it has done on the trade front and to show us examples of where the government has not only shown an understanding of the issue but has taken a leadership position on the issue.

The Quebec summit ended Sunday with 34 hemispheric leaders agreeing to pursue further free trade talks while agreeing to co-operate on a host of other issues. Those are very small steps, but I and most members of the Conservative Party think those are important steps. Yes, we need to be better briefed. Yes, we need to have this debate in parliament. Yes, there are things wrong with the free trade agreement which we can stand to take another look at. However, those issues are the responsibility of the government.

• (1220)

It is the responsibility of an opposition party to continue to point them out, which we do on a daily, weekly and monthly basis, but it is for the government to respond. If we cannot get the government to move, it is very difficult to formulate new positions and for the government to take on new initiatives.

We have to ask ourselves what was accomplished at the summit of the Americas in Quebec City. There were some small things accomplished, but without question the debate here should centre around what was not accomplished. What were Canada's expectations going into the summit and what did we get accomplished coming out of the summit? That is a fair question. I would like to hear the government tell us what was accomplished at the summit.

What was accomplished for P.E.I. farmers? We know that P.E.I. farmers have not been able to ship table potatoes since October. This is fairly simple math. October shipments of potatoes from P.E.I. were stopped. In November there were no shipments, in December there were no shipments, in January there were no shipments, in February there were no shipments and in March there were no shipments. April will pass and there will be no shipments. It is unbelievable that we can take six or seven months out of an economy that is very dependent on the potato crop.

I am talking about the economy of P.E.I. We have four Liberal members of parliament. Where have they been and what have they done to promote the interests of P.E.I. and P.E.I. farmers on the potato issue? The minister of agriculture was not even able to get into the summit. We have asked questions and they have been real questions, unlike those of some of the members from the government side. He was not even able to get into the summit.

The Minister for International Trade had a meeting with the secretary of state responsible for agriculture in the United States, but the minister of agriculture for Canada could not get security clearance. That begs another question. A minister of the crown, a minister of the state in this country, cannot get into the summit of the Americas held in Quebec City. I am astounded and disgusted. It is absolutely not acceptable. It is not an acceptable practice on behalf of the government and it is not an acceptable practice in regard to the responsibility of the minister of agriculture who is in charge of agriculture and hopefully in touch with the export problems facing agriculture in this nation.

That was one issue. No headway was made on it. The Prime Minister's blatant and ineffectual reference to patates au gratin is an insult to P.E.I. potato farmers and to Canadians and parliamentarians in general.

Where was the issue of water? What discussion occurred on water? The Prime Minister made a reference to water and hydroelectric power and said there would be more energy available for the United States. Immediately following the Prime Minister's statement, the premier of Newfoundland said it would not be happening, that the negotiations had not reached that point yet and that there is no agreement with Quebec to transport power through Quebec. This was phenomenal.

With respect to softwood lumber, the maritime accord was not recognized by the government. It allowed a five year agreement to lapse and did not do any work to prevent the lapse of that agreement. What work the government did do was too little too late and ineffectual. Now we are facing countervail charges nationwide, excluding the maritimes. We are facing anti-dumping charges nationwide. We will see some Canadian mills facing anti-dumping charges, with the extreme risk of complete bankruptcy. This is not an issue that the government can afford to look the other way on. This is not an issue that the government can say free trade will deal with. This is an issue that we should have been talking about with the Americans two years ago.

• (1225)

The present government feels it does not have a government in the United States that it can deal with constructively on most issues, but that is no excuse for not dealing with the issue. One deals with whoever is in power in a democratically elected country.

Where is our agreement on energy? Where is our agreement on water? What pressure did we put on the United States to meet its commitments at Kyoto? We have a huge and complicated issue on free trade of the Americas.

I am sharing my time with the hon. member for St. John's West. I appreciate the opportunity to speak on this.

Mr. Pat O'Brien (Parliamentary Secretary to Minister for International Trade, Lib.): Mr. Speaker, the hon. member issued a challenge to our side that I would just love to take up. He asked the government side to respond with one thing that the government had done to show any leadership in trying to bring more transparency to this process.

It was the Minister for International Trade of Canada who led the way in convincing his counterpart ministers from the other countries, at Buenos Aires, to agree to release the text. That is leadership. That is the first answer to his challenge.

The Government of Canada provided \$300,000 of taxpayers' money to help fund a parallel summit to involve civil society groups to create more transparency. There is more leadership.

Supply

There has never been a trade deal where there has been greater transparency. I issue a challenge to the hon. member. I would like him to stand in his place and tell us one international trade negotiation that Canada has been involved in that has been as transparent as the current one. We will be very interested in his specific answer.

There have been very wide consultations. There have been hearings with the standing committee on trade. There have been subcommittee hearings. There was a meeting in this Chamber, at which I did not see the hon. member, where the parliamentarians of the Americas were here to speak about this trade deal. I was here.

The hon. member talks about P.E.I. potatoes and softwood lumber. All of those issues were raised by the minister of trade and the Prime Minister.

Perhaps if the hon. member's leader had been there to support the minister and the Prime Minister, he would be aware. He is obviously very ill-informed.

Mr. Gerald Keddy: Mr. Speaker, I do not know if I am able to say this, but I think the hon. member gives hypocrisy a whole new meaning. We have gone beyond what debate in this place is about.

If you want to look at our leader being there, our critic for international trade could not get in. He asked long ago to be allowed into the summit in order to be an observer and to participate in the meetings that would be held around the issues. He was not allowed in.

Mr. Pat O'Brien: Why wasn't Joe there?

Mr. Gerald Keddy: How much more petty can you guys get? You cannot get any more petty than that.

Mr. Pat O'Brien: Answer my question.

The Deputy Speaker: Let me remind hon. members on both sides of the House that, first, the question or questions have been asked and I will hear the answers, but I want the answers to be directed through the Chair, not directly across the floor.

Mr. Gerald Keddy: Mr. Speaker, you are absolutely right. Through you, I will answer the hon. member's questions.

The question was about the Minister for International Trade. The only thing I have seen the Minister for International Trade do is contradict the Prime Minister. Then the Prime Minister comes back and contradicts the Minister for International Trade. We do not know if we have an agreement on water. We do not know if we are going to sign Kyoto. We do not know if we have a softwood lumber agreement. We do not know if the maritime accord will be left out. The government of this country does not know where it is headed.

I will tell the hon. member about transparency. Transparency was a Government of Canada that brought in the free trade agreement and that fought an election on it. Those sitting government members fought tooth and nail to the bitter end and made a tremendous statement that they would not support free trade. They ran an election on it. They completely forgot their election promises.

Now that is about transparency. That is about going to the polls in this country. That free trade agreement the Conservative government brought in is the reason that we have the economy we have today. If we want to look at the benefits of that and at the benefits from a Conservative government that brought in free trade, let us look at what happened provincially.

• (1230)

We saw an increase of 65% in exports for Newfoundland. We saw an increase of 445% for P.E.I. That was before the government refused to work on P.E.I. potatoes and bring in an agreement so farmers could do the job they do best, that is grow potatoes and have a market for them. We saw an increase of 116% in exports for Nova Scotia, 149% for New Brunswick and 209% for Quebec. I could go on and on.

Those are the benefits of free trade. That is democracy in place. That was, without question, a clear and open process that we fought an election on in Canada. The guys who were lucky enough to win in that election, who deluded the Canadian public, have not kept their promises.

Mr. Loyola Hearn (St. John's West, PC): Mr. Speaker, I thank my hon. colleague for sharing his time with me on this extremely important topic.

The last Liberal member who spoke indicated his government's position on this issue. Undoubtedly those members are very much in favour of the resolution. He talked about transparency and continuous information which he feels the government has been giving. There is no doubt about the fact that the party opposite as well as a couple of other parties on this side of the House, along with ourselves, will be supporting the resolution.

If all of us think that the government has been doing such a wonderful job, why is it that the resolution was brought forth? We do have some concerns. Perhaps in its disillusionment the government has lost sight of the fact that what it thinks is clear, continuous and transparent is not clear, continuous and transparent to the public.

We just witnessed a very interesting weekend. People who watched the happenings in Quebec looked at them from two different points of view. Maybe I should say they looked at them from three different points of view.

One group looked at the deliberations that were under way among the leaders of the various democratic countries in the western hemisphere, realizing that if there is agreement in the next four to five years for free trade among all the countries all of us will benefit.

Our party is not one to decry free trade. We were the party that introduced free trade, as my colleague mentioned, much to the chagrin of the present governing party that opposed it to the point where it convinced the people of Canada to defeat the Tory government and pass the reigns of power over to it because it was against free trade.

However we all know and history will show what happened when the Liberals took over. It was the same as when they defeated the Clark government because they did not agree with the gas tax. They failed to say that they did not agree with the amount of tax placed on gas. When they got in power they tripled the amount the Tories had suggested. Consequently they again fooled the people but were in power.

It is irrelevant where they stood at the time. Right now they are supporting free trade and pushing for an agreement with more countries than we presently deal with. That is good for us and good for my province of Newfoundland. As the statistics quoted by my colleague show, we have benefited greatly from free trade.

We sometimes wonder if in pressing for free trade we overlook some of its implications. If we asked government or many of us in the House about free trade, we would say that it eliminates a lot of barriers and creates a better economy in many of the countries involved.

• (1235)

That is the aim of governments such as ours. The aim of politicians such as us is to try to create a better environment in which our people should live, a better environment economically but also a better environment socially, environmentally and in every other way.

Perhaps we dwell on the economic side too much because many of the people who are heavily involved in free trade are people who benefit directly, the large conglomerates, et cetera. There is nothing wrong with that because these are the people who invest and generate dollars that improve the economy generally.

It is government's role to make sure that the economic stimulations that occur from trade benefit the other sectors we talk about in society. In Canada we have done very well, even though there are pockets throughout the country that certainly need more assistance from a social perspective, our health care, education and social needs. This is not because our economy is such that we cannot address these needs. This is because the policies of the government opposite, the lack of foresight, and the lack of ability and will to address the social concerns allow these problems to exist in society.

In the countries that are less well off than we are, where we see great social needs, free trade hopefully will generate the fiscal capacity of many of these governments to address the problems that must be met. As they speak in the House these problems perhaps will be accentuated by members of the NDP who are against free trade because they think it is a negative toward helping people.

It is great to be idealistic socially. It is great to talk about all we have to do for our people, but to be able to do anything for our people we must have the fiscal ability to be able to do so. In order to spend money on health care, education and social problems, social needs, we must generate the dollars first. We must make before we spend unless we do like NDP does quite often, which is spend and then let someone else pick up the pieces afterward.

That is not the way we operate and certainly I have to say not the way the government is operating. If in their policies, if in their moves toward a free trade state in North America they would be open and transparent, all the players could be involved. We could pass along our ideas and suggestions for improvement to the government. They will be talking to the various sectors, not only the huge conglomerates, the multinational corporations, but to the average person in the country, many of whom have some tremendous ideas.

If that had happened prior to Quebec we would not have seen what we did. I said there were three different ways of looking at what happened in Quebec. One is the from the business perspective. Another is from the social perspective as the NDP and many other concerned groups across the country would look at it. I respect their right to have concerns. We also had people who just saw what nobody wanted to see: people throwing Molotov cocktails at police, throwing bricks, throwing chunks of pavement, acting disorderly, breaking windows, tearing shutters from windows and just making a nuisance of themselves.

These were far and few between but unfortunately these things make the headlines. These are the things people saw flashed around the world. Canada is known as a tremendous country where we live together in peace and harmony and show leadership. If I were outside the country looking at what we saw on television, I would be asking if this was Canada, this running from police and throwing rocks at police, et cetera. Let me say again for the record that I thought the police did a magnificent job over the weekend.

• (1240)

If the government had shown leadership in the beginning, had been transparent and awake enough to know that some local issues like softwood lumber and potatoes could be addressed at the conference if we had the right people there, it would not be running at the last minute to try to get the Minister of Agriculture and Agri-Food through security. It should have been taken care of. There was a lack of foresight and vision.

Supply

That is why we are asking that in the future everything it does be transparent and clear so that all of us will know what is going on. If all of us in the country knew what was going on, surely if it is good for the country it is good for the people and most of us would support it. We would not need to have a fence around our leader.

"Elect me so that you can fence me off because I am afraid of you". There is something wrong with that picture. Leaders of this country or any country should be able to walk among the people they serve, and if the people knew what they stood for they would be able to do so.

My time is up. There is much more I would like to say but hopefully in the future we will have learned from the mistakes of the past.

Mr. Lynn Myers (Parliamentary Secretary to Solicitor General of Canada, Lib.): Mr. Speaker, I listened with some interest to the member but what I want to do right now is review the facts.

In January of this year, 21,000 new jobs resulted from trade. Let us look at the emphasis we placed on team Canada missions and what that produced. We have gone from trading and exporting 30% up to 43% as a result of the good work of the government, the Prime Minister, the Minister for International Trade and the whole caucus in terms of where we are going.

Let us look at two years ago. In 1999 there was \$36 billion of direct investment into Canada as a result of trade. We are proactive and we have signed trade agreements with Pacific rim countries, with Central and Latin America, and with places in the Middle East. We are proactive and have the best interests of Canada at heart in this very important issue. This underscores the ability of the government to put the economic fundamentals in place.

I remind the hon. member opposite that while we balanced the budget the Tories left us with a legacy of a debt of \$42 billion. When we had unemployment of 6.9%, they had 11.4%. The debt and deficit they left us were outrageous. There were 37 tax increases from 1985 to 1993. What have we done? We have reduced taxes.

Those tiny Tories opposite are the last to lecture us about how to put the economic fundamentals in place. They are the last to lecture us about how to create a vibrant economy.

I found it objectionable the way the hon. member talked about the leadership somehow not being there and as a result there was hooliganism and anarchy. That is a terrible tie and I will explain why. One cannot make those connections.

We had an obligation to provide peace and order. We had an obligation to protect 34 members and heads of state from around the Americas. We had an obligation to ensure that those kinds of measures were taken.

Why would the member make that kind of tie? More to the point, where was his leader when he should have been there in the forefront doing what was best for Canada? Instead, he was out gallivanting around the country.

Mr. Loyola Hearn: Mr. Speaker, I must say I am not surprised at the type of question from the hon. member because he is very supportive of the party in which he sits. I respect that, as he should be.

Some people go overboard and the hon. member certainly has. I agree with him that free trade has been very good for the country and the world. The government is continuously taking new initiatives, which is good. However it is so caught up in patting itself of the back that it is forgetting what to do with the benefits derived from free trade.

This concern has been expressed by all the rest of us because with leadership we could have the best of both worlds in Canada.

• (1245)

Let me comment on the member's statement about the budget. I remind the hon. member that when the Tories took over from the previous Liberal government they were saddled with a huge debt. They had two choices. One was to throw up their hands, ask what they could do about it and make cuts to social programs to balance the budget. That was not done. They made sure social programs were not only continued but enhanced.

However a plan needed to be put in place to address the deficit. What was the plan? The plan was the hated GST, which the hon. member's party campaigned against, won an election on and then moved in and took all the benefits.

The second thing was free trade, which we are talking about here. The member and his party were against free trade. Free trade and the GST, good Tory policies, generated the profits for the Liberal government which helped it balance its budget.

What was the other way the Liberals balanced the budget and added to the surplus? They cut the guts out of health, social and post-secondary education costs.

Two good Tory policies and one terrible Liberal policy helped the government balance its budget. It is in the black today, thanks to the foresight of the Tories.

[Translation]

Mrs. Suzanne Tremblay (Rimouski-Neigette-et-la Mitis, BQ): Mr. Speaker, I am glad to take part today in the debate on the motion moved by the Bloc and amended by my colleague from Saint-Hyacinthe—Bagot. The amended motion reads as follows:

That the government put in place an open and ongoing process to keep Parliament informed of negotiations to establish a Free Trade Area of the Americas so as to allow

parliamentarians to debate it and civil society to be consulted before Parliament approves it.

While the Prime Minister would have us believe that he is a champion of democracy and transparency in America because of his democracy clause and his promise to make public the texts of the FTAA, he forgets to walk the talk. He should not be surprised then if we have serious doubts about his concern for transparency and democracy. When he has proven to us that he is a real democrat, we will consider taking seriously the transparency and democracy that he claims to promote.

Let us look at a few facts which speak for themselves. The Minister for International Trade brags about his government obtaining from the countries of the three Americas in Buenos Aires a formal commitment to share the texts of the FTAA. We have been asking him to do so since January 29, but he always answered that Canada could not make the texts public because the other countries did not want to. Now, the other countries have agreed, but we have yet to see the texts.

Of what is the minister proud? Of once again talking, but not following up with action? These people are all talk and no action. We are still waiting for the texts. Worse yet, we have absolutely no guarantee that parliamentarians will receive them or be informed of what is going on until it is too late. We have no guarantee whatsoever.

The Prime Minister tends to forget that 60% of the population is not behind him. He continues to govern Canada by polls. He refuses to look at the facts.

This morning, I received an e-mail from a young CEGEP student in my riding who was quite simply fed up with the Prime Minister's refusal to listen.

He was in Quebec City on the weekend. He took part in the people's march. This was not a mock march. It was a real march. Here is what he wrote me:

Mrs. Tremblay,

As you know, the people's march against the FTAA this weekend was both a success and a failure. It was a success because between 30,000 and 60,000 marchers turned out to say no to the FTAA; it was a failure because—

Pardon me, but I am reading from the text.

Jean Chrétien once again turned a deaf ear.

The Deputy Speaker: I simply wish to remind members that they may not do indirectly what they would not do directly. I am certain that the member will be able to adapt what she is saying.

Mrs. Suzanne Tremblay: I will therefore amend the text, Mr. Speaker. I am sorry to amend your text, René, but the House requires it.

^{• (1250)}

If the government does not have a mandate to negotiate the FTAA, it has to obtain one, either by calling an election or by organizing a referendum. There are not many ways of going about it, unless the new leader of the party could decide otherwise.

I will therefore continue:

—the Prime Minister of Canada once again turned a deaf ear. After several people spoke to me about this, I decided to launch a petition . . .If the government of the member for Saint-Maurice—

Once again, I apologize for amending your text, René.

—is so fond of democracy, it should prove that it is; and if, as it says, 54% of Quebecers "somewhat" agree with the FTAA, then it should organise its own referendum.

This letter is from a young man who is not yet 20 years old and who is aware of the importance of the ongoing debate about the FTAA. For us from Quebec, for us sovereignists, apart from the fact that the most important thing is to attain sovereignty, the second most important thing is the debate presently going on, the negotiations concerning the free trade area, of which we would like to be an integral part.

The Prime Minister prevents Canadian members of parliament from playing a relevant role in the FTAA adoption process. He does not want to allow the members of this House to hold a debate, with the proper documents, before the agreement is ratified by Canada. Once again, the Liberal government is preparing to put us in a position where we will be wasting our time by allowing us to hold a debate about the FTAA only after ratification. Its best policy could be summed up this way "Say whatever you want, we will do whatever we want".

The Prime Minister does not even want to hear about a referendum on the FTAA, while he is one of the least legitimate western statesmen, since he was chosen by less than one out of four eligible voters. The government has no mandate—

An hon. member: Oh, oh.

Mrs. Suzanne Tremblay: Usually, the truth is hard to take, Mr. Minister.

The government has no mandate whatsoever from the people of Canada to move forward with the FTAA project. In the last election, as was the case in each previous election, its platform was set out in its red book, which is getting thinner and thinner as time goes by the way. The red books have become thinner and thinner with time; there are fewer and fewer programs, less and less work in the House and more and more international meetings to negotiate a free trade area while refusing to involve us.

Why did the government not have the courage of Brian Mulroney who in 1988 called an election to ask Canadians if they wanted him to sign the free trade agreement? This government, which today is trying to negotiate a free trade area, was against Brian Mulroney's proposal. The people were for it, and thanks to the people and not to the Liberals, we were able to progress. Now, week after week, they are literally reaping the benefits of the free trade agreement. They crow over that as if it were their doing.

• (1255)

Our current Prime Minister stubbornly continues to refuse Quebec and the other provinces a formal place in the process of negotiating and adopting the FTAA, at least within the areas under their jurisdiction.

It is somewhat disturbing to learn that the Prime Minister described the march as "blah, blah, blah". The marchers and those who held forums just involved in blah, blah, blah. It is somewhat disturbing to see these peaceful demonstrators dismissed in this way.

Another thing that is disturbing, in the government statement over his signature, is that they want to make more investments in order to have better educational policies.

This is the government that has, over thirty years, allocated the least to education and cut the most from transfer payments to the provinces, making the objective of improved educational policies difficult to achieve. It will do this without involving Quebec or the provinces, while education is a totally provincial jurisdiction, in the main.

With this experience of the summit, we have unfortunately been given a fine demonstration of the lack of democracy in our country. Where democracy is concerned, if the Prime Minister is incapable of demonstrating to us with concrete actions that he is a democrat, there being several questions still up in the air in this regard, how is he going to keep his promises?

[English]

Mr. Pat O'Brien (Parliamentary Secretary to Minister for International Trade, Lib.): Mr. Speaker, I listened very carefully to the points made by my hon. colleague. She suggested that the government has not yet released the text. That was the subject of much discussion in the House of Commons before the recent break.

The Minister for International Trade showed great leadership. The Prime Minister was on record weeks ago in the House of Commons saying he would happily release the text but was not prepared to do so unilaterally. Through the leadership of the Minister for International Trade in Buenos Aires we were able to secure a full commitment of the 34 leaders to release the text shortly after the summit's conclusion. The summit concluded on Sunday. This is just Tuesday, so perhaps the member could show a little more patience. The text will be released in due course.

I do not know what polls the member has been looking at. The vast majority of polls in Canada suggest that two-thirds of Canadians support our efforts in negotiating the FTAA.

The hon. member says MPs have not been able to participate. There has in fact been very wide consultation. There have been hearings at the Standing Committee on Foreign Affairs and International Trade. There is a special subcommittee on trade. Three hundred thousand dollars was given to the parallel summit. There were the FIPA meetings of parliamentarians of the Americas, including Canada, right here in the Chamber.

The member says there is no mandate for the government to negotiate the FTAA. Is the member unaware that we had a federal election in November? The FTAA has been in process for several years and yet the government was overwhelmingly re-elected. It even increased its seats and support in the province of Quebec, an increase we know will continue over time.

Is the member unaware that the FTAA was not even an issue in the election? The government was re-elected with a very strong mandate even though Canadians were fully aware that the FTAA talks had been under way for years.

[Translation]

Mrs. Suzanne Tremblay: Mr. Speaker, it is pretty discouraging to hear the hon. member say he listened to my speech. He understood nothing.

He should first work on his terminology skills. I said "We do not have the texts. We want them before, not after, before". That is clear. We do not have the texts. He says they will be out in a few days. We have absolutely no interest in the texts that come after. We want those that come before.

We want to know what the government is negotiating on our behalf. We want to express our opinion on the content of the negotiations so parliament may give the ministers a mandate, since they have no mandate to negotiate from the public. We are the 301 representatives of the people. The only way to legitimize the FTAA negotiating process is to have parliament vote.

• (1300)

There are no other solutions. We want the texts ahead of time so we can tell the government that we agree with this, but we do not agree with that, so it really knows it alone cannot decide in secret on behalf of the people of Canada.

The Liberal government may well have got more seats. It did not even get 40% of the vote across Canada. It better not try to tell us it is representative. That makes no sense. The government has no mandate to negotiate that. This was never an issue during the election campaign. There is not a word about this in the red book. The government party keeps saying "I got elected on the red book. Everyone will know what it is". We know one thing about this government and that is it has never kept its promises, never.

When negotiations on the free trade area of the Americas began in 1994 in Miami, President Clinton decided he would Americanize the governments of America. We are following his plan, and the government has no mandate for that. It is shameful to stand up and claim that we are the ones not understanding anything.

Get with it, Liberals, find out what the words mean. Consultation means consult, not inform. They simply informed the governments, they never consulted them. They have to find a way to stop saying that.

Mr. Antoine Dubé (Lévis-et-Chutes-de-la-Chaudière, BQ): Mr. Speaker, it will be hard for me to do better than the member for Rimouski—Neigette-et-la Mitis, but I will certainly say what I can.

First, I wish to thank and congratulate the member for Joliette for his work and particularly for the motion he moved today, which all parties said they appreciated the opportunity to discuss, particularly just a few days after the Quebec summit was over.

I also wish to remind the House that it was the member for Joliette who, on behalf of the Bloc Quebecois, asked the government to hold a take note debate in the House, which we were finally granted. Because of his leadership and initiative, there was an opposition day, in the course of which we asked for the documents related to the negotiations. I also wish to congratulate the member on his involvement in the peoples' summit, particularly that portion of it having to do with the parliamentarians' summit.

Obviously, this all required teamwork. Many members of the Bloc Quebecois got together. Each week we met in committee in the morning to discuss all of this, to consider all the issues, every aspect.

Personally, I am most concerned about the human rights aspect, since I represent the Bloc Quebecois on the foreign affairs subcommittee on human rights. Because of this special interest, I took part in the people's summit and in last Saturday's march, for which between 30,000 and 60,000 people turned out, which admittedly was for those opposed to the FTAA. There were also people in favour of the FTAA, but on certain conditions. I fall into this category.

It is difficult to be against free trade, and I find somewhat simplistic the definition given by NDP members, who are completely opposed to it and who say that it means trade without any constraints. This is not what anybody wants. In fact, the purpose of NAFTA, the agreement now in force between the United States, Canada and Mexico, is to place restrictions on free trade. The best proof of this is that not all sectors are subject to free trade. This is the case for shipbuilding and shipping. Personally, I do not agree with this. Why? Because the United States wants to maintain protectionist measures for certain sectors of activity. We are also having problems with softwood lumber.

• (1305)

What the Bloc Quebecois is asking as a minimum is that existing free trade provisions in NAFTA be applied to lumber. We are not asking the government to negotiate new agreements that would weaken the free trade agreement in that respect.

In the shipbuilding sector, Quebec and Canada are currently faced with an almost impossible situation. Some countries work as partners and they endorse and respect the OECD's view against subsidizing the industry. However, the United States has a somewhat different and very protectionist policy.

It must be understood that when people are opposed to a free trade area, if the existing situation is not changed, that situation will prevail. What is the current situation? When each country's trade is not free, what is it subjected to? We must ask ourselves that question, always keeping human rights in mind.

We must not exclude from the outset any possibility of negotiating a free trade area, because this is indeed an opportunity to deal with human rights, along with the 34 countries involved in this free trade area of the three Americas.

The more I read on this issue, the more I realize that a number of countries do not respect the declaration of human rights and the various conventions on human rights. However we must seize every opportunity. These issues should be included in trade negotiations with other countries.

Let us take, for instance, the democracy clause with regard to Haiti. We saw, during the weekend, that the president of Haiti had to answer some questions. He was questioned by other leaders. So this is a way to influence him.

He apparently has asked for help in order to implement some clauses because sometimes, if only in terms of the justice system, there is a need for courts. There are costs involved and some situations are not easily managed.

For instance, during the people's summit, representations were made to me by the Dominican Republic and Haiti regarding 500,000 Haitians who presently work in the Dominican Republic but have no legal status there. Because these people have no passport nor any official document, they have no rights. The only

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right they have is the right to live, but they live in utterly deplorable conditions.

Of course, the two countries agree that they must address these problems, but there are often economic issues involved. They need the financial support of developed countries. We should never forget this.

The Canadian government often champions democracy and the implementation of international charters. In this regard, I wish to mention a meeting between senators and members of parliament, which was organized by a committee only five or six weeks ago. They discussed the refugees now living in Canada, ten years after having obtained their citizenship or having been accepted in Canada. Those people have met all the formalities, except the requirement for documentation.

Of course, when people leave their country because of violence, massacres or other emergency situations, it is understandable that they do not always have the time to bring along a passport. This is presently the case for some Canadians.

This issue will possibly lead to amendments to the Immigration Act. Some people live in Canada as refugees but have no Canadian passport. Therefore, they do not dare leave the country.

• (1310)

We must see to it that this country, namely Canada, does correctly what it is asking of other countries. This motion is about democracy.

Why did so many people take part in the march on Saturday? Because they wanted to know more. They wanted their parliamentarians to be informed of the issues.

However, as we are debating this motion today, we still do not have the texts used in the negotiations. We have absolutely no guarantee that any agreement will be submitted to parliamentarians, before it is ratified. However, in other countries, including our neighbour, the United States, things are quite different. The U.S. president may not have mentioned it in Quebec City, but he said on other occasions that he was not be allowed to fast track the process, meaning that he did not have the mandate to negotiate as freely as he would have wanted.

However, if we compare that mandate to the one the Prime Minister of Canada says he has, the Prime Minister seems to have a lot more latitude than the president of the United States. People do not realize that. Moreover, the Prime Minister is not elected directly by the people, like the president in the United States. Despite the shortcomings of the American electoral system, which we had the opportunity to see in the last election, the U.S. president has a mandate that was given to him directly by the people. This is not the case in Canada.

Therefore, I enthusiastically support this motion and I urge the Minister for International Trade, who I think is an intelligent man to make the texts available to us and to give us the assurance that any future agreement will be submitted to the Parliament of Canada before it is ratified. He knows the value of words and understands what this means.

[English]

Mr. Pat O'Brien (Parliamentary Secretary to Minister for International Trade, Lib.): Mr. Speaker, it is interesting that the Bloc members have talked about the number of votes the Liberal Party has earned in being re-elected federally. I did not hear the same kind of logic from the Bloc Quebecois members when Mr. Charest earned more votes in the province of Quebec than the péquistes. However, that is a problem they can face with their lack of consistency.

I want to ask the member the following questions. Does he not recognize the unbelievable progress that has been made in the Americas over the past few years? Does he not understand that had such a meeting been convened of the leaders of the Americas some 10 or 15 years ago, we would have had at least half or more of the leaders wearing army uniforms with jackboots? Does he not understand the great progress that has been made toward democracy in the Americas? Does he not understand the support the Canadian government and the Canadian people are giving toward encouraging those fledgling democracies? Does he not see the great value in the democracy clause that all the leaders signed onto in Quebec City?

[Translation]

Mr. Antoine Dubé: Yes, Mr. Speaker, I am willing to acknowledge that. However I am having a bit of trouble with the hon. member's question, because I think he is confusing me with a previous speaker, since I did not talk about the number of votes any party got. It was the previous speaker who did.

That however makes me wonder about the capacity of the Parliamentary Secretary to the Minister for International Trade to really listen, since he is confusing what I have just said in my speech with what a previous speaker had mentioned earlier on. It is doubly troubling since the member for Rimouski-Neigette-et-la Mitis was talking about the lack of attention and the lack of understanding shown by the Parliamentary Secretary for the Minister of International Trade.

I do hope the minister will have a better understanding of what we are saying. It is simple, we want it to be submitted to parliament before it is ratified. It cannot be that hard since the Americans have found a way to do it. U.S. parliamentarians were able to get the texts and the positions of all the parties. However in Canada it is not possible. I find it incredible that Canada is refusing, for instance, to sign or to ratify the Kyoto protocol. Why? Because it is following the example of the U.S. government, which has refused to do so. I find it strange that the Canadian government follows in the steps of the United States when it is wrong, but not when it is since U.S. parliamentarians have access to these documents, but not us. This is an odd situation.

• (1315)

Yes, I am all for progress. I wish that, as far as possible, progress be everywhere in the world and that people enjoy equal quality of life.

The charter of human rights says that it is important to strive to have a better redistribution of wealth and access to education. However, if words really mean something, once their meaning is well understood they have to be acted upon.

I understand those who demonstrated in the streets and said that everybody was talking about democracy. All the heads of state talked about democracy, and I think they talked about it more strongly because of the peaceful mobilization of a very large number of people calling for more openness. These people wish that the civil society and all citizens be as well informed as possible. In the age of Internet, let us make all the documents available, and not just some of them. Let there be real consultation.

To consult does not mean only to inform, as the hon. member for Rimouski-Neigette-et-la Mitis said, it also means to receive advice, to listen and try to implement what is suggested when it makes good sense.

Hon. Pierre Pettigrew (Minister for International Trade, Lib.): Mr. Speaker, I would first like to thank the hon. member for Joliette for having used one of opposition days to speak about one aspect of international trade. I am very happy to see that the Bloc is interested in foreign policy, particularly as far as international trade is concerned.

I want also to thank the hon. member for Joliette for having written his motion in such a way that, and I can see it clearly, it shows he is supporting the policy of the Canadian government.

In fact, we are very conscious of the importance of openness, of the consultation of parliament and the provincial governments, of industry and, obviously, of the interest and lobby groups, those which are called, wrongly I think, the civil society. It is extremely important to go in this direction.

I am all the happier that the Bloc has proposed this motion because it allows us, once again, to show clearly that Canada is the champion of openness. We were the first country to disclose the preliminary negotiating position of our government.

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One year ago, we put on the website our position in the negotiations. This was a first in the history of international trade negotiations.

This Canadian position has been the subject of close consultation with this parliament, and particularly with members of the standing committee on foreign affairs and international trade, which I have had the opportunity to meet several times and which I greatly appreciate working with very closely.

I must tell the House that we have the opportunity today to recognize the originality of the Canadian voice in the community of nations. We have just lived a Quebec summit where the Canadian voice has once again demonstrated its leadership by obtaining the democracy clause. Thus, we are making a remarkable progress towards openness, transparency and consultation, and this is thanks mostly to Canada's leadership and diplomacy.

In the last year, thousands of Canadians have been visiting the Web site to verify the Canadian government's position. Some countries have followed the way of transparency that we have opened.

For months, the opposition has been blaming me for not releasing public texts that belonged to all the ministers of the hemisphere. We went to Buenos Aires and Canadian diplomacy, thanks to the credibility of our foreign policy and to Canada's credibility in the hemispheres, has made a historical breakthrough.

[English]

We have been able to convince our colleagues that the draft free trade agreement should be made public. The opposition cannot believe that we would succeed in making those texts public. I am extremely proud that we have succeeded in what I consider to be an historical breakthrough.

• (1320)

[Translation]

This historical breakthrough should have an influence on all other trade negotiations.

However another historical breakthrough took place in Buenos Aires. We have institutionalized a dialogue with hemispheric interest groups and pressure groups.

As we know several countries of our hemisphere were saying "Each country will take care of its consultations with its own civil society". Canada said "No, on the contrary, we will choose an approach focused on the hemisphere, the civil society". As I was saying, I think this expression is false since we are the civil society. There is no better representation of the civil society than all of us here in the parliament of Canada.

They speak about interest groups and lobbies. We have chosen this consultation and we also obtained the consent of our col-

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leagues to institutionalize this dialogue with interest groups and lobby groups and we are proud of that. No other country was taking the leadership Canada did within the hemisphere.

Someone said earlier that the provinces were not consulted. It is totally unbelievable. Every week, every day almost, officials of my department or my negotiators communicate with provincial officials.

On February 5th, before the Buenos Aires meeting, I brought together all the provincial ministers of trade. Quebec was represented.

At the very beginning of the meeting, the Quebec minister told me that Quebec considered the gathering to be an information briefing and not a consultation. I replied that the minister could be assured that the meeting was meant to be a consultation and that any difference of opinion, any perspective on any subject he would want to bring to our attention would be most welcome.

We established our agenda and we talked about all the elements of the Canadian trade policy and there were very few disagreements.

The Quebec government agreed so completely with Canadian trade policy that the meeting was concluded one hour early. Basically, the Quebec government supported Canadian policy on every point, on softwood lumber or our current process on the FTAA, so much so that they want to take some of the credit for having the agreement documents made public. They are trying to say that the Canadian government succeeded in Buenos Aires because the Quebec government wanted the documents made public.

How can one say that one is not being consulted and, at the same time, take credit for some of the success of the Canadian government at the ministerial meeting in Buenos Aires and of the Prime Minister at the Quebec summit? We have held and are holding real consultations at the negotiators level and the ministerial level. I am always available to meet with ministers who want to draw my attention to particular points.

I am very happy to stand here today and say that the FTAA has been subjected to the most comprehensive and extensive consultation process ever in free trade negotiations. We are very happy with the progress being made.

Obviously, we realize that citizens are increasingly interested in international trade. I see it as an opportunity, not as a threat.

We have nothing to hide. On the contrary, we wish to have in depth debates and discussions because, in the end, they will contribute to improving the agreements we reach.

[English]

The Canadian leadership, both in Quebec City and in Buenos Aires, was wonderful. I do not know how many ministers, heads of

governments and heads of state told me how pleased they were to see Canada as part of the Americas. They said that it has been far too long since Canada was involved in the Americas. Now they were hearing the Canadian voice and they were respecting it. It was because of the Canadian leadership toward transparency that they were trusting our instincts and they would consent to what Canada was proposing regarding transparency.

• (1325)

That is what Canada is all about. That is why I am so pleased with the motion that the hon. member for Joliette has tabled in the House.

[Translation]

I am very glad that the hon. member for Joliette assured us today that he too holds openness and transparency very dear. These are already values of the Canadian government.

[English]

I am pleased to inform the House that we are pleased to support the motion, although we cannot support the amendment. The government will not abandon its responsibility to negotiate and conclude treaties in the best interest of all Canadians.

[Translation]

We will support the main motion because we are profoundly committed to consultation, we respect parliament and we are interested in knowing what parliament and the parliamentary committee want, which is close consultations on an extremely important subject.

I honestly think that the motion by the hon. member for Joliette is an opportunity to celebrate the great progress the American hemisphere has made under Canadian leadership, progress that will also impact on the other trade negotiations at the WTO.

Mr. Pierre Paquette (Joliette, BQ): Mr. Speaker, I would like to tell the Minister for International Trade that I am pleased we are able to start debating this whole matter today. We are always focussing just on the process and I am anxious to see us touch on substantive issues.

That said, the opposition has not waited for government permission to call for the texts to be made public, as hon. members will recall. I believe the Minister for International Trade was surprised by his colleagues' response, the proof being that the French translation of the texts was not available. If the federal government had really thought the response would be positive, it would have started getting its texts translated before receiving the response.

I have been interested in the debates on the free trade area of the Americas for 15 years now. I have seen that the process has in fact

become increasingly transparent as the result of social pressure, pressures from parliaments and parliamentarians. As far as the free trade agreement with the United States was concerned, and that was a relatively non-transparent negotiation, there was no desire to address trade issues.

When NAFTA was negotiated, there was a little more openness, but not a lot. It was the American government, at the urging of President Clinton, that finally forced Canada and Mexico to have two parallel agreements on the environment and on labour.

Now we are at another stage, the free trade area of the Americas. I willingly admit that there has been some progress as far as transparency is concerned, but not enough. It seems to me that we have reached the stage where parliamentarians need to be involved on an ongoing basis, and to have the opportunity to give their approval of any potential free trade area of the Americas agreement before government ratification of it.

It could very easily work this way: the government signs an agreement, submits it to the House, which holds a debate on it, the House approves it and then the executive ratifies it. That is the way it is done in Great Britain and in Australia, and how it will also be done in the Quebec national assembly. The premier of Quebec has in fact announced that the national assembly would vote on the agreement before the government signs it.

I believe we have got to this stage and I would have liked to have seen the government party support the amendment, which seems to me to be the stage we have reached at this time, as far as transparency and democracy in Canada and in Quebec are concerned.

Hon. Pierre Pettigrew: Mr. Speaker, I know that the hon. member for Joliette has taken an interest in this issue for a long time. In fact, we can feel his influence on the Bloc Quebecois, which has traditionally been supportive of free trade agreements.

The Bloc Quebecois and the PQ in Quebec have generally been supportive of trade liberalization. The hon. member's influence is such that since his election to this House, there has been a complete distrust of what we are trying to accomplish in international trade.

Contrary to what the head office, the boss, the Quebec government is trying to do, being supportive of free trade—

An hon. member: Oh, oh.

Hon. Pierre Pettigrew: I hear the member for Quebec, who is also extremely suspicious of trade. They always have a problem with the improvements that we are trying to bring about to liberalize trade.

• (1330)

It is somewhat ironic is this distrust by a few parliamentarians is changing an attitude that had so far been relatively open.

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The vast majority of our fellow citizens is very aware of international trade issues. Our economy has made tremendous progress since we signed the free trade agreement with the United States and Mexico.

I remind the hon. member that it is not the U.S. presidency that changed Canada's approach on NAFTA and produced two side agreements on labour standards and the environment. These changes occurred because there was, at the same time, a change of Government in Canada. It is when the Liberal Party took office in 1993, at the same time that Mr. Clinton became president of the United States, that we, as a government, chose to add side agreements to NAFTA. We are the ones who took the initiative of proposing an improvement to what had been negotiated by the previous government. We are the ones who negotiated with Chile side agreements similar to those that we developed for the free trade agreement.

I should point out that yesterday morning, when I signed the bilateral free trade agreement with Costa Rica, my colleagues, the Minister of Labour and the Minister of the Environment, also signed side agreements.

It is from this side that leadership and innovation in international trade made its way to Buenos Aires. Any minister who took part in the meeting in Buenos Aires will confirm that had it not been for Canada's leadership the texts of the preliminary agreement would not be in the process of being released.

[English]

Mr. Deepak Obhrai (Calgary East, Canadian Alliance): Mr. Speaker, I listened with interest to the minister talking about transparency and how open his government has been. I can tell the House that when he talks about transparency it is restricted to government officials and ministers.

I have just returned from Geneva where there are many issues dealing with labour. Why is his government not tackling those issues by getting the Minister of Labour and the Minister of the Environment involved in order to open the process so that we do not have the protests that we had in Quebec City and in Seattle? Those protests symbolized that transparency is not there despite what he is saying. Would the minister please comment on that?

Hon. Pierre Pettigrew: Mr. Speaker, the people who came to demonstrate in Quebec City or who demonstrated in Seattle did not do so because there was no transparency. They came because they did not like what we were trying to do. They were opposed to trade liberalization and the sort of improvements that we were trying to make to the international trade system. I find that very unfortunate.

I heard President Fox of Mexico, President Lagos of Chile and other leaders of smaller economies tell us that what they needed was trade and access to our markets. That is development that will help them strengthen their democracies. I beg those who object

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with what we are trying to do to pay attention. We will pay a great deal of attention to what they have to say.

I have met with many round table pressure groups but they should also listen to what 33 leaders of the Americas have come to tell us. They have said to give them trade.

Mr. Steve Mahoney (Mississauga West, Lib.): Mr. Speaker, I congratulate the minister who has shown tremendous leadership in taking Canada down an inevitable path that we must seriously explore.

Imagine our country having any kind of serious negotiations with 33 other countries and not having some form of protest. I cannot imagine it. It is what makes Canada the most democratic and freest country in the world.

There was much noise made by people who were opposed to free trade about the security fence that was put up around the perimeter. Imagine the scenario if that particular defensive action was not undertaken by our government.

I recall when some students in Vancouver, who broke through at the APEC conference, were pepper sprayed. That led to a multimillion dollar inquiry into how the RCMP behaved and acted. There were all kinds of legal fees, allegations, counterallegations and charges. It was because some students had broken through a fence, perhaps not the same kind of fence as in Quebec City, in a violent way to try to force their views on the security people. It was not tolerated and the actions led to an inquiry.

• (1335)

What would have happened in Quebec City? We know that some people were arrested because they were carrying explosive devices and potential means of destruction into the country. Those weapons were confiscated. We saw it on television. What would have happened if there was not the level of security and those people had come through and somehow managed to detonate an explosive device and perhaps seriously injure, maim or even kill some of the participants?

Every member opposite in the House would be on their feet screaming indignation, calling for the government to resign, calling for the people involved in security, the solicitor general and others to resign their seat because they were unable to provide the necessary security for an international meeting to take place.

Canadians would agree that the images we saw were not what we expect to see in a Canadian city at any given time. The reality is that we live in a world that is full of people who would purport to put their views forward using means that are unacceptable to the vast majority of Canadians.

I wish to speak about that vast majority in terms of the demonstrators. Most of the demonstrators were there to peacefully

put their viewpoints across. They held a very successful people's summit. I take some exception with that, but that is all right. I do not have a problem with that.

They put their counterviews on the table and they discussed them. They passed resolutions and developed strategies. There were people from the labour movement who were concerned about labour standards. There were people from the civil society who were concerned about sovereignty, culture and protection of our natural resources. The government does not have a problem with any of those issues being put forward.

I would argue that the protesters drove the agenda with some success. I am not convinced that six months ago when the planning began for this conference the first and most significant clause to come out of Quebec City would have been the democracy clause. The engagement of the public has led the leaders of all those countries to decide that a common bond, a common principle of any agreement on free trade must include an adherence to the democratic principles that Canadians hold so dear.

What this means is elections. That is why Cuba was not invited or allowed to participate. Anyone who has been to Cuba would realize that the people, on the surface, seem to have everything that they need. They seem to have their health care and their education provided for. They seem to have certain basic things like food and shelter. However, in Cuba they do not have the most fundamental basic human right, that is the right to dissent, the right to demonstrate, the right to hold a differing opinion, and the right to express that opinion. It is clear that in terms of this agreement, with the democracy clause, that they simply cannot be part of that.

One of the issues that will be looked at is the situation in Haiti. There will be a group travelling to Port-au-Prince to meet with government officials to ensure that true democracy and not some kind of military dominance is in place in Haiti.

The countries that are signatories to this agreement, and I do not know of any other agreement where this kind of a clause has been put in place, will have the right to expel a particular country from membership and disallow it from taking part in the particular benefits of free trade if in fact it violates the democracy clause. What we see could only occur in Canada. We need to deal with the possibilities if we can.

• (1340)

The member for Burnaby—Douglas claims he was shot by a rubber bullet, although he is not sure, but he and the leader of the NDP want to force an inquiry. These are mere tactics in an attempt to derail and stop the progress of negotiating a free trade agreement.

Who would benefit if we were to expand our markets? This country has done remarkably well. Our next census will show our population to be somewhere around 31 million people. If we

compare that to our neighbour to the south, which has 10 times our population and the clout and economic ability to trade, it is quite remarkable that our growth rate is higher than the United States, 2.4% versus 1.7%. Our inflation rate is lower, our unemployment rate is comparable and our economy is very strong on its own.

Could we do that if we were to shrink wrap our borders and shrink wrap this country? I do not think we could. However, should we be looking at other markets? Do we want to tie ourselves to the will of the United States when the economy does take a downturn or do we want to have alternatives?

We want to ensure that our sovereignty is protected. I have no doubt about that. Every member in this place would agree with that. We want to ensure that our natural resources and renewable resources are protected and, where feasible, are marketed where opportunities arise.

The intent of the motion put on the floor by the Bloc is to ensure that there is transparency in the negotiations. Many of the meetings were on television. The media had complete access and the people's summit had terrific input into the process that went on. The transparency is there.

The fact that we are on our feet today is another example of how parliament can play a role in shaping the future. We should work with the minister and the government to ensure that we negotiate a free trade agreement of the Americas that will not only benefit Canada but benefit many of the poorer countries that could use assistance in terms of science and technology, our exports, our expertise and our capabilities, and that could perhaps use some help in the area of democratization.

We are on the edge of a tremendous opportunity to expand the horizons of this country. Instead of dwelling on the negative, the demonstrators and the rock throwers, we should acknowledge the fact that there is healthy dissent. It is truly Canadian and the Canadian way to negotiate. This is an opportunity we should seize. We should move forward and develop an agreement with the Americas that makes sense for the prosperity of this entire hemisphere.

I am confident that with the leadership of the minister and the Prime Minister, and the work of all the people involved, we will indeed have an agreement for which our children will say well done.

Mr. Deepak Obhrai (Calgary East, Canadian Alliance): Mr. Speaker, it is always interesting to listen to the member from Mississauga. There are times when I do not agree with him but this time, concerning the benefits of the FTAA, I have no problem agreeing with him. The benefits of the FTAA, if handled properly, will bring prosperity. However, if it is not handled properly, it will raise doubts and create the same thing that we had with the MAI. The government's inability to communicate the benefits of the MAI resulted in its failure. If the government continues on that

path and does not allow more transparency in the FTAA we may face the same problem, which would be detrimental to our country and to prosperity in the hemisphere.

• (1345)

There have been voices out there in Quebec City. The minister rightly responded that a number of people there were totally opposed to the FTAA and not to the transparency of the system. I agree with him in that respect.

The other point is that a lot of protesters said that they wanted to ensure that prosperity was spread globally and that they had a voice in the process. The member said that parliament has been discussing this, but if it were really discussing the issue there would not be so much protest.

Does the hon. member not think it important that the final draft of the FTAA be brought into parliament for an open debate and ratification by parliamentarians? Would he not agree to that?

Mr. Steve Mahoney: Mr. Speaker, the hon. member earlier expressed an odd concern for a member of the Alliance Party, a concern one would sooner expect to hear from the NDP. He asked about labour standards and how they might be applied.

How could anyone in this place suggest that we impose our labour standards unilaterally or even bilaterally on countries within the free trade zone of the Americas? How can we ensure that labour standards regarding health and safety, minimum wage, procurement, fair wage and other issues are brought to bear in the countries with which we are negotiating if we do not negotiate with them?

We cannot have too many cooks in the kitchen or we will spoil the broth. We all know that. There is a job to be done. The negotiating team has work to do. The leaders of the countries have started the ball rolling with the meetings in Quebec.

Yes, we should work toward standardized labour protection in these countries. However, any member here who has travelled through the Americas knows that the labour conditions in many of the countries, notwithstanding the democracy clause that was passed, are atrocious and unacceptable.

We must work on a continual basis with these countries to show them the benefits of having a high quality, highly paid and highly skilled labour force. We can achieve this through negotiation and education. The FTAA is just one of many tools that can ensure prosperity is spread throughout the Americas.

[Translation]

Ms. Christiane Gagnon (Québec, BQ): Mr. Speaker, I am looking forward to taking part in this debate today.

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It holds a particular interest for me, as the member for Quebec, the riding which hosted the summit of the Americas, as well as the people's summit. There has been much discussion about violence and tear gas, but today let us come back to the discussion by the entire spectrum of civil society, by these groups speaking for civil society, on the impact of the FTAA on people's daily life.

The discussion started a long time ago and resulted in the resolutions and the strong commitments made by the groups representing civil society.

Today I wish to congratulate the organizers of the people's summit on the quality of the contributions made by ordinary people on education, labour, agriculture, communications, human rights, environment, health and the status of women. What would the impact of the FTAA be on all these areas, if it were concluded, as there is every indication it will be?

These working groups noted the ever increasing gap between the rich and the poor.

• (1350)

This is an issue very close to my heart since I have worked on EI reform. We are aware of the gap between the rich and the poor. When businesses and plants close down and workers can no longer rely on insurance benefits to get the money they need between jobs, they can quickly and easily be forced into various levels of poverty and even utter poverty.

When I hear the Minister for International Trade say that he is very happy, very glad and very pleased, I cannot help but remember that he said the exact same thing when asked about the concerns raised by the EI reform. The minister is now sitting at the FTAA negotiating table and is saying that he is very confident and also glad to be able to meet with the public and various interest groups and to listen to them. However is there not a difference between listening to the people and following up on their concerns?

The Bloc Quebecois is very active on this issue and we have brought forward many motions in the House and also in the various committees dealing with the free trade area of the Americas. Today, what we are trying to do is to move the debate forward a bit.

Before the summit of the Americas, our colleague from Joliette proposed a motion to allow us to talk about what is at stake in these negotiations and to ensure greater transparency. We know what came out of that: nothing. It was too late, the texts could not be made available and they could not be translated into all the required languages. We cannot say it was a very transparent exercise, especially after learning, because of an open microphone, that certain clauses of particular interest to the opposition parties, in this case the Bloc Quebecois, and to civil society would be included in this FTAA agreement.

S. O. 31

Personally, I am more concerned when I see the minister rejoice and say, as he always does, that everything is fine. In this motion, we are calling on the government to allow parliamentarians to debate this process and to allow civil society to be consulted not after an agreement has been signed, but before ratification is approved by parliament.

This concern and this desire were also expressed at the people's summit, during the plenary session of the last conference. It was requested that people be informed of all the issues related to the free trade area of the Americas and of the impact it could have on our lives if, for example, we adopted chapter 11, which gives businesses a special charter that would allow them to sue governments for loss of profits because these governments have put in place standards and safeguards in all areas, social, environmental, cultural and so on.

So this is why the Bloc Quebecois is concerned about how things are going and will act as watchdog so the people will know just what exactly is happening in the negotiations on the free trade area of the Americas. We know that this weekend nothing was signed. However in the coming years there will be a whole process where things will be thought out. We will therefore act as intermediary between public concerns and what is being concocted often behind closed doors.

When we talk about globalization with certain people, they say "Yes, there are political aspects to globalization. It means openness to the world, much better prices, the expansion of businesses and the export of goods and services". When we talk to them about the real issues of the free trade area of the Americas, we are a little more reserved about the first interpretation of globalization. not

• (1355)

When we point out all the aspects of the free trade area of the Americas, including chapter 11, and some of the changes it could mean in the case of job security, for example, it makes them think. They wondered if it would bother certain businesses to have a government adopt labour or environmental standards or social conditions, because businesses' profits would be reduced in such cases. When people are faced with this sort of provision, they say "That could penalize us too and even lead to exclusion, impover-ishment, a greater gap between the rich and the poor, a loss of gains, manipulation and especially to a loss of control and of choice".

There is therefore a double standard. When all the stakes are made clear, other questions come to mind. They are also worried when we tell them, for instance, why groups representing civil society were not invited to make their concerns known to the 34 heads of state. They are worried when we tell them, for instance, that the forum of business people can, however, be heard.

Another irritant, a second obstacle, is the manner in which all the discussions can be interpreted. When it is said that the same people are both judge and judged, when one owns a business one will definitely look out for one's own interests.

Groups, civil society and elected representatives who are accountable to the public are also worried when, for example, there is a desire to create this link with civil society.

As I said earlier, the gap between the rich and the poor was one of the first observations of the people's summit. We are therefore concerned that there would be a charter for businesses setting out their right to set up operations in certain locations. For instance, we were told that because a business had been unable to expand as much as it would have liked in Mexico, it sued the government for lost profits.

Where will all this lead? We are right to be concerned. Instead of saying that everything is fine and that we are very enthusiastic, we must look carefully at where we are headed.

The people's summit was a reflection on our future, and there are many possible solutions. One of the most interesting things about the people's summit being held in Quebec City is that all Quebecers felt concerned. Social groups had an opportunity to speak with the public and made known their concerns.

I therefore hope the motion moved today by the member for Joliette will be adopted, as amended. I hope there will be support for our request that there be official ratification by the government, authorized by parliament, and that the public be consulted before this official ratification by parliament, by the government.

Elected representatives must take note, because we are accountable to the public for decisions taken by the government, particularly when it comes to something as precious as people's quality of life, because the FTAA is very much tied up with that quality of life.

STATEMENTS BY MEMBERS

[English]

SPACE EXPLORATION

Mr. Roger Gallaway (Sarnia—Lambton, Lib.): Mr. Speaker, today two Canadian technological models operate in outer space. The first is Canadarm2, the product of the Canadian Space Agency and an integral part of the international space station. The second is Chris Hadfield, a Canadian pilot, a colonel in our armed forces, a fighter pilot, engineer, father, husband and son, but above all a role

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model and ambassador for those serving in our armed forces and those who would consider enlisting.

As Colonel Hadfield takes his second walk in space in three days, residents of the city of Sarnia in my riding are paying particularly close attention to our astronaut and to Canadarm2. Students at King George IV School, which Sarnia born Chris Hadfield attended, have studied space travel. The Sarnia airport has been renamed Chris Hadfield Airport. In addition, Mac Evans, the president of the Canadian Space Agency, is Sarnia born and educated.

• (1400)

On behalf of the residents of Sarnia, I congratulate, somewhere here on earth, President Mac Evans of the Canadian Space Agency and, somewhere in the vacuum of space, Colonel Chris Hadfield for their out of this world achievements.

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BILL C-331

Mr. Inky Mark (Dauphin—Swan River, Canadian Alliance): Mr. Speaker, I rise today to call on the Liberal government to recognize the injustices that were done to the Canadians of Ukrainian descent and other Europeans who were interned at the time of the first great war. Over 5,000 were interned in 24 detention camps throughout Canada.

My private member's bill, Bill C-331, cited as the Ukrainian Canadian Restitution Act, calls for a final resolution to this bleak moment in Canadian history.

Former Prime Minister Brian Mulroney made vague promises of support in the 1980s. The current Prime Minister also promised to deal fairly with the requests for acknowledgement and redress should he become Prime Minister in 1993. That promise has not been carried out.

Today there are over one million Canadians of Ukrainian descent. Many have made outstanding contributions to Canada in all areas of society. Canadians want to learn from their history. It is time for the government to do the right thing and bring this issue to a close.

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SPACE EXPLORATION

Mr. Janko Peric (Cambridge, Lib.): Mr. Speaker, this past weekend Chris Hadfield became the first Canadian astronaut to walk in space. Hadfield's thrilling spacewalk entered the history books as he installed Canadarm2, the centrepiece of Canada's contribution to the international space station.

A little piece of Conestoga College also went along for Hadfield's historic voyage. Cynthia DeWitt, a second year graphic

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design student at Conestoga College, created the patch worn on Hadfield's flight suit. Seventeen Conestoga College students were finalists in a contest that drew over 120 entries from across Canada.

I join all members of the House in congratulating astronaut Chris Hadfield on his momentous walk and Cynthia, her classmates and staff at the graphic design program of Conestoga College. I wish to extend congratulations to all.

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VETERANS

Ms. Anita Neville (Winnipeg South Centre, Lib.): Mr. Speaker, I remind members of the House that 50 years ago today the soldiers of the Second Battalion Princess Patricia's Canadian Light Infantry held off Chinese forces in the Kapyong Valley in Korea. For its actions, the whole of the 2-PPCLI was awarded the United States presidential citation.

On Saturday, May 21, I, along with the minister of immigration, the member for Ottawa West—Nepean and the member for Markham, had the privilege to attend a dinner in Seoul hosted by the Korean War Veterans Association.

This dinner marked the 50th anniversary of the Korean war period, a time when over 20,000 Canadian Armed Forces personnel saw action overseas. Sixty-one Canadian veterans of this conflict were able to return to Korea for the event. It was a profoundly moving and memorable occasion.

I am dually honoured by these events: to have had the experience in Korea at the dinner and to have had such a distinguished unit stationed in my constituency, their barracks named after the historic Kapyong battle.

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[Translation]

MINING INDUSTRY

Mr. Guy St-Julien (Abitibi—Baie-James—Nunavik, Lib.): Mr. Speaker, on April 18, 2001, the Liberal member for Outremont and minister responsible for the Economic Development Agency of Canada for the Regions of Quebec announced a total of \$1.1 million in Government of Canada funding to Quebec's mining industry, specifically to Corem and to the Quebec Mining Association.

The initiative provides Corem with considerable hope for the future and dovetails perfectly with the objectives of the Government of Canada: the creation of quality jobs and of an economy focussed on state of the art technology and export markets. As for the mining association, it will use the funding in 2001 and 2002 for a travelling exhibit on the mining industry called "From Ore to Metal".

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Through this contribution we wish to help the industry set up a project to raise public awareness of the importance and diversity of minerals in our lives and of the economic spinoffs of mining activities that respect the ecology and environmental standards.

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[English]

SUMMIT OF THE AMERICAS

Mr. James Moore (Port Moody—Coquitlam—Port Coquitlam, Canadian Alliance): Mr. Speaker, at this weekend's summit of the Americas, antagonists of disorder were frequently heard saying that all they want is democracy. This is an odd refrain to hear uttered from the oddities that did so.

It is odd indeed for union bosses to say that all they want is democracy and openness when most of them do not allow secret balloting within their own organizations and they conduct their negotiations behind closed doors.

It is also odd for members of the fourth party in the House to claim that all it wants is more democracy. If that is so, then why has it been so consistently advocating on behalf of the least democratic nation in this hemisphere, which is floating off the coast of Florida?

• (1405)

It is also odd for people to claim to be advocating for democracy when they march shoulder to shoulder with thugs sporting scarves emblazoned with the hammer and sickle insignia of one of the most murderous and totalitarian regimes in the history of civilization.

Democracy is among the greatest of man's implemented inventions. Its spokesmen should be only those who adhere to its tenets, not poseurs and pretenders.

* * *

FIREFIGHTERS

Mr. Gurbax Malhi (Bramalea—Gore—Malton—Springdale, Lib.): Mr. Speaker, firefighters risk their safety in service to all Canadians. In 1998 the average age of firefighters who died from injuries received in the line of duty was 43 years.

The establishment of a federally funded public safety officer compensation fund would allow Canada to acknowledge the sacrifice made by firefighters who are killed or permanently injured in the line of duty, regardless of the jurisdiction in which they worked.

I encourage all members of the House to consider this proposal in the name of fairness for Canada's firefighters. [Translation]

SYNCHRO CANADA

Mr. Robert Lanctôt (Châteauguay, BQ): Mr. Speaker, the Bloc Quebecois wishes to draw attention to the courage of Raymond Côté, the president of Sports Quebec, whose resignation from the appeal committee looking into the conflict between Synchro Canada and Synchro Quebec has focussed attention on the lack of openness at Synchro Canada.

Synchro Canada has long refused to hand over certain documents relating to the dispute, despite repeated requests from the committee investigating the situation.

With his resignation, Mr. Côté is pointing a finger at Synchro Canada's lack of flexibility and its categorical refusal to take into account the input of Quebec athletes in the process of selecting the new training centre. We hope his action will result in concrete steps being taken to put an end to discrimination toward Quebec athletes.

The Bloc Quebecois hopes this decision will make other Canadian sports organizations that continue to systematically ignore the input of Quebec athletes rethink their position. This attitude compromises the future of many Quebec athletes, who have not only to master their discipline but also to cope with the closedmindedness of the federal agencies.

* * *

POETRY

Mrs. Marlene Jennings (Notre-Dame-de-Grâce—Lachine, Lib.): Mr. Speaker, in 1999 the League of Canadian Poets officially decreed April to be National Poetry Month. I would therefore like to take this opportunity to invite the House to celebrate poetry and the role it plays in Canadian culture.

I have the honour to sponsor Bill S-10, which would create the position of parliamentary poet laureate.

This tradition dates back to medieval times. England appointed its first official poet in 1668. This rich tradition moved the United States to follow suit and create the position of official poet in 1936.

To enable Canada to share in this tradition, I encourage my colleagues to support Bill S-10, so it may be examined in committee and ultimately passed by this House.

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[English]

HEROISM

Mr. Chuck Cadman (Surrey North, Canadian Alliance): Mr. Speaker, I pay tribute to three outstanding young men.

On a Friday night a few weeks ago, Mandeep Jaswal, 17, Gurpreet Awla, 18, and Ryan Parmar, 16, were walking in down-town Vancouver when a young man fell to the sidewalk in front of them. Recognizing that 16 year old Jason Knights was in serious trouble, and rather than just ignoring him, they sprang into action. Jason had been stabbed in the chest.

While Mandeep called 911, Ryan and Gurpreet applied pressure to the wound and administered mouth to mouth resuscitation. An ambulance rushed Jason to hospital. He is expected to make a full recovery.

The three heroes could have ignored Jason and left him to die in the street. One of their teachers suggested it would be nice if the trio got some press because, in her words "the few rotters get tons of media". I could not agree more.

I invite all members to join me in commending these three young men, Mandeep Jaswal, Gurpreet Awla and Ryan Parmar, not only for their quick action and presence of mind but above all for their compassion toward a fellow human being in his time of need.

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FIREFIGHTERS

Mrs. Judi Longfield (Whitby—Ajax, Lib.): Mr. Speaker, each year members of the House are visited in Ottawa by representatives of the International Association of Fire Fighters. These men and women come to this place to make their concerns known to us. The 10th annual legislative conference is being held this month.

Across Canada our professional firefighters and emergency medical personnel are prepared to put their lives on the line 365 days a year to ensure the safety of our families and our loved ones, but they do so much more. They are also vibrant, caring and active members of our communities, serving in a wide variety of roles such as hockey, ringette, and ball coaches, Big Brothers and Big Sisters and Rotarians, and in fundraisers for local and national charities.

I am honoured and privileged to call so many of these very special people my friends. I ask all members of the House to join me in expressing very public thanks to each and every one of them.

* * *

• (1410)

CRTC

Ms. Wendy Lill (Dartmouth, NDP): Mr. Speaker, there is more to freedom of the press than the freedom to own all the presses and control all the news, and yet it is reported that every morning there is a conference call between newsrooms at Southam and at Global TV to set the day's agenda for Canadians.

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Given these circumstances, I call upon the CRTC to set out strict conditions of licensing on both CTV and Global: to establish only one year renewals; to establish rules preventing the exchange of stories, sources and information between television and print media outlets owned by the same company; to compel the television stations to increase their Canadian programming in prime time; and, most important, to attach significant financial penalties to companies that break the conditions of licensing.

Voluntary commitments will not work. The CRTC has an important decision to make. That decision will either help expand or strangle the oxygen of our democracy, the free flow of ideas for Canadians.

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[Translation]

ARMENIAN PEOPLE

Ms. Madeleine Dalphond-Guiral (Laval Centre, BQ): Mr. Speaker, on April 24, the international community commemorates the Armenian genocide of 1915, which resulted in the death of over one million persons.

On March 24, 1998, Robert Kotcharian, the prime minister of the Republic of Armenia at the time, called for international recognition of the genocide, which was not "the tragedy of the Armenian people only", but a tragedy for "all of humanity and is a heavy burden for the Armenian people because it has gone unpunished and, worse yet, has not been condemned as it ought".

In North America, the Ontario legislature, the Quebec national assembly and the states of California, Delaware, Massachusetts and New York have recognized the Armenian genocide.

The Bloc Quebecois hopes that Canada, in keeping with its values of justice and compassion, will have the courage to adopt the following motion, which I moved in March: "That this House recognize the Armenian genocide of 1915 and condemn this act as a crime against humanity".

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[English]

TOURISM

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, for many years now Canada has been experiencing a growth in its economy and an increase in the number of working Canadians.

Much of this success is a direct result of the significant work of the Canadian tourism industry and its many small businesses. Currently 99.6% of tourism businesses meet the Statistics Canada definition of small or medium size enterprises, based on numbers of businesses. Of these, 97% are small companies.

Over the last decade Canada's tourism sector has outperformed the general economy, both in revenue generated and employment growth. This is a very impressive record.

Today I congratulate the tourism industry for its contribution to the Canadian economy and commend the tourism representatives present in Ottawa today for their strong commitment to the viability and sustainability of this dynamic industry sector.

* * *

AGRICULTURE

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, potato farmers in Prince Edward Island have been waiting since last October for the government to stand up for them.

Neither the Prime Minister, the Minister for International Trade nor the Minister of Agriculture and Agri-Food have been able to get the United States to lift its illegal ban on the export of Island potatoes.

Last weekend the agriculture minister had a perfect opportunity to press the case of P.E.I. potato farmers with U.S. agriculture secretary Ann Veneman, yet he did not know until Friday evening at 8 o'clock that the secretary was going to the summit.

Now the agriculture minister is stating that it is just a matter of time before the border will open. That is not good enough. Island farmers have to make decisions this week if they are to plant a crop. They need to know if they will have a market for their potatoes this fall.

When will the government stand up for the farmers in P.E.I. and give this issue the priority it deserves?

* * *

LANDMINES

Ms. Paddy Torsney (Burlington, Lib.): Mr. Speaker, on April 10 a commitment was made by Greece and Turkey that warrants much celebration. On that day both countries committed to ratifying the Ottawa convention banning anti-personnel landmines.

These bold decisions are huge steps toward lessening the suffering of thousands of civilians and soldiers confronted by the reality of war. These commitments by Turkey and Greece confirm that the anti-mine crusade is an effective way to improve world security and stability.

Greece and Turkey will be tabling the ratification instruments with the general secretariat of the United Nations at the same time.

• (1415)

All Canadians can applaud these commitments and feel confident that the movement that was started here in Canada will one day assure improved opportunities for human security and peace throughout the world.

NATIONAL DEFENCE

Mr. Keith Martin (Esquimalt—Juan de Fuca, Canadian Alliance): Mr. Speaker, my riding of Esquimalt—Juan de Fuca is a home to the Pacific fleet. Let us talk about what is happening to this particular group of military people who fight to defend our best interests.

The government gave them modest raises, which was a good thing, but what has also happened is that it has yanked that money back in terms of raises for the private married quarters under the guise of increasing the rates to say that those homes are the same as what we would find in the public. That is not the case. Those are 50 year old homes that are falling apart and without insulation. I have been in them. I would ask the minister to go in there and look for himself.

Our soldiers are coming back ill and are not receiving the health care they require. Our military hospitals are falling into disrepair. The schools for the children of our military are falling into disrepair and are rotting despite the best efforts of the families.

This is not a way to treat the men and women who give their lives in defence of our country. I would ask that the minister look at this. They are coming back ill, the suicide rates are up and the families are broken down. The minister should deal with this now.

ORAL QUESTION PERIOD

[English]

THE ECONOMY

Mr. Monte Solberg (Medicine Hat, Canadian Alliance): Mr. Speaker, I do not care how many times they ask me, I will not lead the Liberal Party.

The Prime Minister has used the summit of the Americas and the recent signing of the free trade deal with Costa Rica to sell Canadians on the idea of future prosperity and jobs but that will not happen until 2006 at the earliest.

Today we are hearing news of massive potential layoffs at JDS Uniphase. They are talking about 2,500 jobs on the line.

Will the Prime Minister tell us if his government is doing anything now, not five years from now, to secure more jobs and opportunities for all Canadians?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we realize that there are a lot of layoffs in the Alliance Party these days.

Canada's economy is in good shape. Some problems do exist not only in Canada and the United States but around the world. Everyone talks about a soft landing but here in Canada we have

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seen growth in the months of January and February. The situation is as good as any other nation.

However, we should not be too complacent about it. The budget that was introduced in October was a good one. It cut taxes to stimulate the Canadian economy.

Mr. Monte Solberg (Medicine Hat, Canadian Alliance): Mr. Speaker, the people who are being laid off really do not think it is a joking matter. They are pretty concerned about it.

Canadians are also increasingly concerned about our low and sinking dollar. The 2001 Economic Freedom of the World Report found that Canada has fallen from seventh to thirteenth in terms of competitiveness. It is pretty clear that we need some action right away.

The Prime Minister talked a minute ago about tax cuts at some point in the past. I argue that we need tax cuts again.

Why will the Prime Minister not talk today about bringing down a new round of tax cuts and cutting job killing red tape to put Canadians back to work?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the tax cuts that were introduced by the Minister of Finance in October, which came into play in January, are bigger than the tax cuts that will be implemented over 10 years in the United States.

I would like to quote from an April 23 IMF report. It states:

The recently enacted tax reductions, the cut in short-term interest rates, and high levels of employment are expected to help sustain momentum in economic activity in Canada. . ..

The strong policy framework in place has positioned the real and financial economy to cope with any new major economic shock. The Canadian authorities are to be highly commended for their policy accomplishments.

Mr. Monte Solberg (Medicine Hat, Canadian Alliance): Mr. Speaker, it was only a couple of weeks ago when the finance minister was arguing that the slowdown was due to weakness in the American economy. Now he is taking credit for any strength in the Canadian economy because of their policies. This is completely contradictory.

In recent days there has been a contradiction between what the trade minister is saying and the Prime Minister is saying on chapter 11 in NAFTA and the FTAA. The minister appears ready to throw it overboard. The Prime Minister says that it is okay.

My question is simple: Who really speaks for the government on the issue of chapter 11 in the FTAA?

• (1420)

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we speak with one voice. Article 11 is part of the NAFTA agreement and has been in operation for seven years.

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Time will come for negotiation in the next four years with the other nations that are interested in joining us in the FTAA. At that time everything will be discussed. So far chapter 11 is there. We have \$1.3 billion U.S. of trade every day in with the Americans. We have been faced with a few challenges on chapter 11. In fact, one has been won by the Canadian government.

TRADE

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Mr. Deepak Obhrai (Calgary East, Canadian Alliance): Mr. Speaker, despite all the rhetoric about democracy in the aftermath of the Quebec summit, the reality for Canadians is that the process in place for ratifying trade agreements is far from democratic.

The Prime Minister's commitment to democracy stops at allowing parliamentarians a vote on the final version of the FTAA agreement.

Will the Prime Minister commit today to true democracy by allowing the FTAA final agreement to be ratified by a free vote in parliament?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, as I am not absolutely sure that I will be here in 2005, I cannot commit the government to that.

I want the opposition to know that the democratic clause that was introduced over the weekend and accepted by everybody was a big victory for Canadian diplomacy. We should all be proud of that.

Mr. Deepak Obhrai (Calgary East, Canadian Alliance): Mr. Speaker, I agree with the Prime Minister. I hope he is not there and we will be on the other side. We will be on the other side and they will go.

The question of transparency remains and a commitment by the government to say that the free trade agreement should be debated and signed by parliamentarians. Denying parliamentarians a vote means denying Canadians their voice.

Why does the Prime Minister continue to preach democracy in the hemisphere but deny it to the citizens of Canada?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the member of parliament has more or less made a compliment to me in his introduction. I want to repeat to him that what we did over the weekend was extremely important. We are all very confident that in the years to come it will be virtually impossible that democracy will be replaced in the Americas by any military takeover.

[Translation]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, the following statement is found on the Internet site of the

Departments of Foreign Affairs and International Trade "Canada is not advocating the replication of NAFTA investor-state rules in the FTAA".

This weekend, at the summit of the Americas, Canada's position changed drastically with the Prime Minister stating that this chapter is working well.

How can the Prime Minister explain this about-face by his government regarding chapter 11, in the context of a possible agreement on a free trade area of the three Americas?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, chapter 11 is currently in effect. It has been for seven years. We are living with it now.

Of course, it is being reviewed on an ongoing basis to see if it could be improved on. Clearly, there will be discussions on this chapter in the years to come, since the other countries that want to join Canada and Mexico will see the impact of this chapter on their economy.

Considering the level of trade that we have had, chapter 11 has been used only a few times and so far the outcome has been quite positive for Canada.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, this is confusing, to say the least. The Minister for International Trade told us that he was in disagreement with chapter 11.

Then, the Prime Minister told us that this chapter was working well, that he was in agreement with it. Now, the Minister for International Trade has changed his tune and claims to be in agreement with the Prime Minister, while adding that the government has not yet taken a position. Meanwhile, his department's Internet site states that chapter 11 must not be replicated in the FTAA.

Could we know what is the government's position, assuming it has one?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I just explained it clearly, I think. Chapter 11 is currently in effect.

• (1425)

It is obvious that this chapter will be discussed in the negotiations that will take place in the years to come. At that point, we may try, if we deem it necessary, to improve it. To do so, we will need the consent of the other 33 countries.

It will take three or four years to settle this issue. If opposition parties, and even members of my own party, want to make suggestions, we will certainly take them into consideration, review them and attempt to—

The Speaker: The hon. member for Joliette.

Mr. Pierre Paquette (Joliette, BQ): Mr. Speaker, the lawsuits now under way and those that might yet be brought under chapter 11 of the NAFTA agreement could exceed \$2 billion. Clearly, this is no small affair.

How can the Prime Minister and his government be so irresponsible as not to have a clear position on something as basic, both for NAFTA and for the FTAA, as chapter 11, when what is at stake is the very ability of governments to legislate for the common good?

Hon. Pierre Pettigrew (Minister for International Trade, Lib.): Mr. Speaker, I see that the opposition still wants to keep trying to scare people about the great strides we are making with respect to NAFTA and international trade.

I am surprised that the Bloc Quebecois is starting to turn against free trade, when its head office in Quebec City is still in favour of it.

Basically, our government is systematically doing what it is supposed to do. NAFTA provides for mechanisms. These mechanisms allow us to constantly review the work we are doing on this, and we are doing absolutely—

The Speaker: The hon. member for Joliette.

Mr. Pierre Paquette (Joliette, BQ): Mr. Speaker, we agree with free trade but, as the Minister for International Trade said, there is a problem with chapter 11. He admitted it himself. The Prime Minister says the opposite.

What is the government's position? In the face of such an important threat, should the Prime Minister not clarify his position and tell us whether chapter 11 poses a problem for Canadians and Quebecers in the context of NAFTA today?

Hon. Pierre Pettigrew (Minister for International Trade, Lib.): Mr. Speaker, the government believes strongly that chapter 11 is working reasonably well.

Again last week, we won the Pope & Talbot case, and we did so without a hitch. NAFTA provides mechanisms which allow us to have an ongoing dialogue with our partners and to continue to improve the superb agreement which has created two million jobs in the Canadian economy over the last seven years under the leadership of the present government.

[English]

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, yesterday and again this afternoon, the trade minister confirmed the government's flip flop on its commitment not to sign on to any more trade deals that put corporate rights ahead of citizens' rights. The Prime Minister confirmed the same a few minutes ago.

The promise was to get rid of chapter 11 in NAFTA and not sign on to any other trade deals that repeat the same mistake.

My question is for the Prime Minister. Why has the government changed its position?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we have not changed our position. We have signed an agreement on chapter 11. We have explained that when there is \$1.3 billion of trade on a daily basis in American dollars with the United States, the number of cases under chapter 11 is not extravagant. In most cases the government has won.

We will always look at it and improve it if it is in the interest of all partners to do so, but chapter 11 has been there for the past seven years. At this moment there is no likelihood that it will be changed within the next few months.

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, no amount of self-congratulations or blah, blah, blah by the Prime Minister will change the fact that the government has flip-flopped on a very specific commitment it made to get rid of chapter 11 in NAFTA and not repeat the mistake. Yesterday the Prime Minister repeated exactly that mistake further entrenching the chapter 11 NAFTA provision in the latest deal signed with Costa Rica.

Will the Prime Minister explain to Canadians why his government has flip flopped and reversed its—

The Speaker: The right hon. Prime Minister.

• (1430)

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we have not flip-flopped. We have signed the NAFTA and it has been in operation for seven years. As the minister said earlier, it has been very good for Canada. It has helped Canada to create more than 2.1 million jobs since 1994. It is certainly not a bad deal.

What did all the other leaders want to do over the weekend? They just wanted to join us in what we are doing with the Americans and the Mexicans, because they all understand that if there is more trade between the nations there will be more wealth and there will be a better chance to redistribute the wealth.

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NATIONAL DEFENCE

Mr. Greg Thompson (New Brunswick Southwest, PC): Mr. Speaker, Lancaster Aviation received the sole source contract to sell eight DND surplus Challenger jets. These airplanes are well maintained and advertised as being in superior shape by the government but were sold for more than \$25 million below market value.

Could the Minister of National Defence tell the House why Lancaster Aviation received the sole source contract, what it was paid to sell these jets and why the Canadian public, the taxpayer, should be expected to absorb this enormous loss?

Hon. Art Eggleton (Minister of National Defence, Lib.): Mr. Speaker, they were sold at fair market value for what they were worth. We entered into a contract that came out of a competition. It

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was not sole source; it came out of a competition. In fact it was all reasonably handled.

Mr. Greg Thompson (New Brunswick Southwest, PC): Mr. Speaker, the minister is wrong on both counts. The aim of the disposal project was to obtain a maximum return from the sale of these surplus aerospace assets. This obviously did not happen.

Will the Prime Minister confirm that both the Department of Public Works, audit section, and the RCMP are investigating Lancaster Aviation?

Hon. Art Eggleton (Minister of National Defence, Lib.): Mr. Speaker, these were sold for somewhere over \$5 million each. In fact it was fair market value. There was a competition.

There were five other companies that competed because they wanted to be a part of selling these. This was all done within the rules in a reasonable way and it gained fair market value for the used aircraft.

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PRIME MINISTER

Mr. Vic Toews (Provencher, Canadian Alliance): Mr. Speaker, I have reviewed a document that the BDC claims is a forgery regarding the loan to the Auberge Grand-Mère. However, if the document footnote is not a forgery, it appears that \$23,000 of the BDC loan went directly to J&AC, the Prime Minister's own company.

Did the Prime Minister's company receive any part of the loan from the BDC?

Hon. Brian Tobin (Minister of Industry, Lib.): Mr. Speaker, at the rate at which false accusations are being made and being refuted, there is soon to be nobody left on the front bench to ask questions about at all.

This document is a forged document. It has been turned over to the RCMP. The RCMP is doing its job. Members would be wise to respect the process and allow the police to complete its investigations.

Mr. Vic Toews (Provencher, Canadian Alliance): Mr. Speaker, the member and the BDC claim that this footnote is a forgery. No other specific part of the document has been questioned. This state of affairs clearly calls for an independent inquiry.

Rather than threatening to sue Canadians who are concerned about this issue, will the Prime Minister finally agree to open his company books to an independent judicial inquiry?

Hon. Brian Tobin (Minister of Industry, Lib.): Mr. Speaker, I wonder if the member opposite, in the light of what is happening today with respect to parliamentary presence in the House of Commons, has any idea just how surreal that question sounds to most common sense Canadians.

The fact of the matter is that the RCMP, which is independent, is dealing with this matter. When the RCMP is finished its investigation, it will report on this matter. Most Canadians accept the professionalism and the independence of the RCMP, and so should the member.

[Translation]

Mr. Michel Guimond (Beauport—Montmorency—Côte-de-Beaupré—Île-d'Orléans, BQ): Mr. Speaker, the Prime Minister has said in this House that there was no connection between the Grand-Mère golf course and the Auberge Grand-Mère, and that they were instead competitors. He even wrote this to the leader of the Conservatives. However once again new documents have come along to undermine the Prime Minister's credibility.

• (1435)

How can the Prime Minister make such statements when a ten year lease dated 1988 indicates a financial connection between the golf course and the Auberge Grand-Mère?

[English]

Hon. Brian Tobin (Minister of Industry, Lib.): Mr. Speaker, the information just conveyed to the House by the member is false. The member knows it is false.

The real source of investigation here is into who forged this material. That is being handled by the RCMP. I think we should all have confidence in the RCMP.

[Translation]

Mr. Michel Guimond (Beauport—Montmorency—Côte-de-Beaupré—Île-d'Orléans, BQ): Mr. Speaker, I believe the Minister for Industry is referring to the wrong thing. We are not talking of the *National Post* documents but of a lease.

In the Shawinigan property registry there is nothing to indicate that the ten year lease has been cancelled. This means, therefore, that there was a financial connection between the auberge and the golf course when the Prime Minister approached the Business Development Bank of Canada.

Is the Prime Minister going to at last acknowledge that he was in a flagrant conflict of interest situation when he intervened with the bank?

[English]

Hon. Brian Tobin (Minister of Industry, Lib.): Mr. Speaker, the ethics counsellor has reviewed the matter and come to the conclusion there is no conflict. The RCMP, on the request of two party leaders, has reviewed this question and has closed the file.

The blunt reality is that there is no issue of conflict of interest here on the part of the Prime Minister. The blunt reality is that Canadians would like parliament to go back to work on issues of real concern to the people of the country.

* * *

JUSTICE

Mr. Paul Forseth (New Westminster—Coquitlam—Burnaby, Canadian Alliance): Mr. Speaker, my question is for the Minister of Justice. The government said concerning the Divorce Act and children:

"The Government of Canada accepts the committee's recommendations that the terms "custody" and "access" should be replaced. Moreover, the term "shared parenting" has the advantage of placing an emphasis on parental responsibilities rather than on various sets of rights.

Five hundred and twenty witnesses later, 55 hearings and \$500,000 later the minister is consulting again because she did not like the evidence. Will the minister table a bill that reflects all party recommendations in the "For the Sake of the Children" report?

Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, as I explained yesterday, our family law system is a shared jurisdiction between the provinces and the federal government.

In fact, what we are doing right now is working with the provinces. We are holding joint federal and provincial consultations with Canadians all over the country. We are consulting on specific recommendations for reform.

I find it shocking that the party which talks about grassroots participation would not want the federal and provincial governments working together to consult with Canadians on these important matters.

Mr. Paul Forseth (New Westminster—Coquitlam—Burnaby, Canadian Alliance): Mr. Speaker, things are always complex for the minister when she cannot or she will not. The parliamentary evidence has sat on her desk now for two and a half years. Children are suffering greatly while the minister avoids. Parents and relatives are bruised by a family law system that should not further hurt when families turn for help.

When will the minister gather the courage, lead the provinces and give children and families shared parenting, legal protection in family law, the help they so clearly need?

Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, as I have indicated before, I said I would report back to the House not only on the recommendations in the report "For the Sake of the Children", but also on our child support guidelines no later than May 2002.

I come back to the fact that family law is a shared jurisdiction. I find it hard to believe that the Alliance Party would suggest that we in the federal government should do anything in an area of shared jurisdiction without consulting the provinces.

3055

Oral Questions

Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, let me say again that the government responded to the report "For the Sake of the Children".

We indicated that we accept the fact that custody and access are difficult issues for many families who are in the process of separation and divorce. There are not easy solutions to these questions.

The hon. member should understand that the Divorce Act does not even apply upon separation. That is provincial family law. That is why we have to work with the provinces to make sure we continue to have a seamless family law system.

Mr. Grant Hill (Macleod, Canadian Alliance): Mr. Speaker, commentators will note that the minister did not tell us what is her personal position. Interestingly, before coming to parliament the justice minister wrote:

An increasing number of commentators now suggest that joint custody may simply perpetuate the influence and domination of men over women.

Is that the reason the minister will not state her personal position on joint custody?

Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, as I have said, these are complex and difficult issues. What I find very strange is that the Alliance Party does not want federal and provincial governments to consult with Canadians on what they want to see in any changes to our family law system. I will not act without hearing from those Canadians.

* * *

THE ENVIRONMENT

Ms. Judy Sgro (York West, Lib.): Mr. Speaker, given the concerns about international treaties and their possible affects on the environment, could the Minister of the Environment tell the House of Commons what is Canada's progress with regard to the Cartagena protocol on biosafety?

Hon. David Anderson (Minister of the Environment, Lib.): Mr. Speaker, I am happy to report to the House that on last Thursday in New York I signed the Cartagena protocol on biosafety on Canada's behalf.

As members know, this protocol was concluded in Montreal last year. Then Canada played a key role in bridging the differences between the various groups. This protocol is a clear reflection of the government's commitment to reconcile economic policies and trade policies with strong protection of the environment and its concerns.

[Translation]

PRIME MINISTER

Mr. Stéphane Bergeron (Verchères—Les-Patriotes, BQ): Mr. Speaker, yesterday, the Deputy Prime Minister categorically denied that Yvon Duhaime owed the Prime Minister's business money.

Yvon Duhaime's version reported in the *National Post* is rather ambiguous on the subject. The Prime Minister's answers in this matter are contradicted with each new document that becomes available.

Does the Prime Minister not consider that the burden of proof is on him when he denies the existence of Yvon Duhaime's debt with him?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the Deputy Prime Minister said clearly yesterday that there was no debt and that the reference in the document was passed on to the police because it was a fraud.

• (1440)

Mr. Stéphane Bergeron (Verchères—Les-Patriotes, BQ): Mr. Speaker, nevertheless, 56% of people in Quebec believe the Prime Minister is in conflict of interest in the Auberge Grand-Mère affair and the documents that could reveal everything can be released only in a public inquiry.

Is this not additional evidence that things have reached such a point that only a public inquiry will shed light on this nebulous business of the Auberge Grand-Mère?

[English]

Hon. Brian Tobin (Minister of Industry, Lib.): Mr. Speaker, the Prime Minister divested of his shares in the golf course in November 1993. The matter has been looked at by every independent authority that could look at this question.

The simple fact of the matter is this issue is not one that concerns the people of Quebec or the people of Canada. They are more concerned about the economy and the future of the country, and I have great confidence in the leadership the Prime Minister is giving us in that regard.

* * *

JUSTICE

Mr. Grant Hill (Macleod, Canadian Alliance): Mr. Speaker, the justice minister has just become the champion of consultation with the provinces. It is interesting she did not consult very much on gun control with the provinces.

On the issue of joint parenting, this is the opportunity for the minister to stand and say what is her personal position on joint parenting.

NATURAL RESOURCES

Mr. Joe Comartin (Windsor—St. Clair, NDP): Mr. Speaker, after making a commitment on the weekend to give the Americans unconditional access to as much oil and gas as they want, the Prime Minister is now saying that Canada will meet its needs first before meeting U.S. energy demands.

Is the Prime Minister unaware that the trade agreements he has already negotiated would prohibit us from ensuring that Canadian energy needs are met first? Why do we get this doublespeak from the Prime Minister?

Hon. Ralph Goodale (Minister of Natural Resources and Minister responsible for the Canadian Wheat Board, Lib.): Mr. Speaker, the hon. gentleman obviously belongs to a party that believes it is impossible to walk and chew gum at the same time.

The opportunities for Canadians in dealing with the energy supply situation in North America are wonderful. While we pursue those opportunities we will make sure that Canadian needs and priorities are met, that our concerns about jurisdictional prerogatives are satisfied, and that sustainable development will be the principle upon which our resources are developed for the advantage of Canadians.

* * *

• (1445)

TRADE

Ms. Libby Davies (Vancouver East, NDP): Mr. Speaker, Canadians spoke loud and clear in Quebec City in opposition to the FTAA and the corporate power it represents. However it is not just the FTAA that people are worried about. It is also GATS.

The B.C. government has done a critical analysis of GATS showing the very real threat to our public services like health, education, water treatment and electricity. Where is the federal trade minister on this issue? There is no public disclosure and no protection.

Why is the minister not upholding the public interest instead of the interest of his corporate buddies?

Hon. Pierre Pettigrew (Minister for International Trade, Lib.): Mr. Speaker, we have discussed this issue very seriously time and again in the House. We also discussed it at the parliamentary committee.

I have been as clear as I can possibly be that the government will not negotiate our health system or our public education system. We stand for our culture and will continue to promote cultural diversity and the right of government to actually help cultural development.

I hope the NDP can get the message-

The Speaker: The hon. member for Brandon—Souris.

* * *

AGRICULTURE

Mr. Rick Borotsik (Brandon—Souris, PC): Mr. Speaker, in less than a week Prince Edward Island potato farmers have to decide whether or not to put in a crop. Last weekend the minister of agriculture had an opportunity to discuss this with Secretary Veneman but it was a glorious opportunity lost.

He says he is working on the file. Will he stand today and assure P.E.I. producers that this year's crop will be allowed to be sold in the United States?

Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, the hon. member knows that I discussed it with Secretary Veneman. As I said yesterday, officials were in Washington yesterday and are engaged in very serious discussions today, which I hope will solve the problem and make a very clear indication to producers in Prince Edward Island.

* * *

TRADE

Mr. John Herron (Fundy—Royal, PC): Mr. Speaker, the government is not only selling out P.E.I. potato farmers. It is also selling out Canadian dairy farmers. The government freely allows the United States to circumvent Canada's tariff rate quotas by issuing supplemental dairy import permits, losses that equate to 70 Canadian dairy farms.

Why were supplemental permits issued to allow U.S. producers to export cheese sticks into Canada at the expense of Canada's producers? Will the Minister for International Trade take immediate action and restore the integrity of the tariff rate quota regime?

Hon. Pierre Pettigrew (Minister for International Trade, Lib.): Mr. Speaker, I thank the member for this important question which is of much interest to many of our producers. When we give supplementary quotas, it is very often because there are consumers in Canada who ask for a specific product that they need. I will review the situation and review the way we allocate them.

The reclassification the United States has done is for cheese sticks. We have been reviewing the situation. We have raised it in the Canada-United States consultative group on agriculture. We are pursuing the issue with them because we agree that we should restore trade.

* * *

THE ENVIRONMENT

Mr. Brian Pallister (Portage—Lisgar, Canadian Alliance): Mr. Speaker, a leading environmental group has called the harbour in St. John's, Newfoundland, the most polluted in Canada and a national disgrace.

At the recent meeting of the big city mayors in Ottawa, the environment minister told the mayor of St. John's that there was no funding available for harbour clean up. Then in a surprise reversal on April 11 he announced millions of dollars in additional funding to clean up, not the harbour in St. John's but the harbour in his riding.

How could the minister explain the availability of funding for his own riding but not for the most polluted harbour in Canada?

Hon. David Anderson (Minister of the Environment, Lib.): Mr. Speaker, the premise of the hon. member's question is completely false. I did not tell the mayor of St. John's there was no funding. I in fact told him what funding there was and how to access it.

Mr. Brian Pallister (Portage—Lisgar, Canadian Alliance): Not true, Mr. Speaker. Today the mayor of St. John's—

Some hon. members: Oh, oh.

The Speaker: Order, please. The hon. member for Portage— Lisgar has the floor for a supplementary question. We all want to hear it.

• (1450)

Mr. Brian Pallister: Mr. Speaker, today at a press conference the mayor of St. John's, Newfoundland, released a letter to the industry minister declaring the mistruth of what the member opposite just said and asking for the support of the industry minister, something that has not been forthcoming.

The issue of dealing fairly with taxpayer money has to be addressed by members opposite. The issue of patronage and the excessive use of patronage in defiance of the fairness Canadians want has to be addressed by members opposite.

The industry minister went to St. John's, Newfoundland, during the election and claimed that they would get help if they voted Liberal. They did not. They elected PC—

The Speaker: The hon. Minister of the Environment.

Hon. David Anderson (Minister of the Environment, Lib.): Mr. Speaker, we see many things in the House but to see the hon. member launch his leadership campaign before the seat is even cold and to launch it on the basis of sewage are two extraordinary—

The Speaker: The hon. member for Rosemont-Petite-Patrie.

* * *

[Translation]

KYOTO PROTOCOL

Mr. Bernard Bigras (Rosemont—Petite-Patrie, BQ): Mr. Speaker, we recently learned that in early April the U.S. secretary of state sent a memo to U.S. embassies indicating that the United

States would oppose the Kyoto protocol, regardless of the circumstances.

Moreover, the Minister of the Environment stated last week that it will be impossible for Canada to ignore American positions.

Is the minister's decision to align Canada's position with that of the Americans not an illustration of the federal government's refusal to ratify the Kyoto protocol?

[English]

Hon. David Anderson (Minister of the Environment, Lib.): Mr. Speaker, it seems to be my day for getting misinformed members.

What I said was that if the United States is responsible for one-quarter of the world's economy and one-quarter of the emission of greenhouse gases, one cannot ignore the United States when attempting to put together international agreements to reduce greenhouse gases and the effect of global warming.

If he believes one can ignore the world's largest economy in such an exercise, I differ with him.

[Translation]

Mr. Bernard Bigras (Rosemont—Petite-Patrie, BQ): Mr. Speaker, on April 12, the Quebec National Assembly unanimously passed a resolution asking the federal government to ratify the Kyoto protocol.

Does the federal government realize that it is alienating all the other countries by copying the Americans' position? Under what conditions would the minister be prepared to sign the Kyoto protocol?

[English]

Hon. David Anderson (Minister of the Environment, Lib.): Mr. Speaker, one thing a federal government must do when considering the ratification of treaties is to make sure that it knows what it is signing and what the effects will be, particularly when part of the responsibility for the environment and natural resources is in large part in provincial hands.

Is that party and that member suggesting we go ahead and ratify agreements when we do not know how the agreement will be put into effect, even if it adversely affects the interests of provinces? If he is, then perhaps he should leave the party he happens to be sitting with.

* * *

PUBLIC SERVICE

Mr. John Williams (St. Albert, Canadian Alliance): Mr. Speaker, the President of the Treasury Board has announced another reform of the public service over the next 18 months. However we had La Relève which was announced with great fanfare but fizzled out and died. We had a program review that cost

us \$2.5 billion and laid off 50,000 people. Now we are hiring them all back again.

What makes the president think that she can fix the public service problems now in 18 months, when in the last 10 years billions of dollars were wasted, went down the drain and produced nothing?

[Translation]

Hon. Lucienne Robillard (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, I would be very surprised to learn that the chair of the Standing Committee on Public Accounts did not agree with the conclusions of the auditor general, who is asking us to undertake a reform of the entire human resources management system.

That is precisely what we are going to do. We are going to have an action plan, which we will implement over the next 18 months, for the future of the public service, which is so essential in ensuring good services to all Canadians.

[English]

Mr. John Williams (St. Albert, Canadian Alliance): Mr. Speaker, it is not that we disagree with the auditor general. We just question the capacity of the minister to do what she intends to do. The computer systems group recently voted to go on strike and conciliation failed. She is hardly on talking terms with the other unions. She gives the executives 9% raises plus bonuses, but only 2% to the rank and file workers.

I question her capacity to do this in 18 months. This divide and conquer policy will not work. Will beating employees over the heads with these types of policies get the job done?

• (1455)

[Translation]

Hon. Lucienne Robillard (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, this is a firm commitment, one which was included in the Speech from the Throne, by our government, a firm commitment by our Prime Minister to have a public service which is able to meet the challenges of the 21st century in order to continue to ensure top-notch services to Canadians.

So the government's intentions are there. We have a task force in place and in the coming months people will already start seeing changes to the system, which will help us to improve it.

* * *

[English]

SPORTS

Mr. Rodger Cuzner (Bras d'Or—Cape Breton, Lib.): Mr. Speaker, my question is for the Secretary of State for Amateur Sport.

In light of the upcoming national summit on sport being held in Ottawa this weekend, what provisions are being made to ensure that those most impacted, our young developing athletes, will be the benefactors of the new national policy on sport?

Hon. Denis Coderre (Secretary of State (Amateur Sport), Lib.): Mr. Speaker, it is surely a non-partisan issue. I see everybody is applauding our athletes and amateur sport.

I would like to pay tribute to the sports community, to the Canadian people and to the government which considers sport as an investment, not as an expense.

This weekend the Prime Minister will chair an important summit where we will put together an action plan.

[Translation]

This action plan will enable us to ensure that there is leadership, partnership and accountability in sports. Canada will have a sports system.

* * *

[English]

JUSTICE

Mr. Bob Mills (Red Deer, Canadian Alliance): Mr. Speaker, I came to this place to try to make it better for my children and my grandchildren.

It breaks my heart to think of two little girls, five and six years old, in my constituency who are being forced to see their father this Sunday in Bowden prison. This convicted sex offender raped their 15 year old stepsister, who was just one of his victims.

Does the Minister of Justice support these children being forced by the justice system to see this man?

Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I appreciate the fact that the hon. member has written to me about this matter. It is obviously a very difficult and troubling situation. Unfortunately the federal government has no jurisdiction in this matter, at least I do not as Minister of Justice.

I would suggest the hon. member would be better placed to contact my provincial colleague, the minister of justice in the province of Alberta, and bring this to his attention, if that is where these events took place.

Mr. Bob Mills (Red Deer, Canadian Alliance): Mr. Speaker, this is the sort of passing the buck that we hear. He is in a federal prison. He was put there by a federal justice. It is a federal matter.

At the Bowden institution on Sunday, John Schneeberger's former wife, against her deepest feeling as a mother, must bring her young daughters to see this sex offender father, in a prison filled with pedophiles. I asked the minister by letter. I called her office and I have not received any response. If the minister has any compassion, I ask her on behalf of these two little girls to stop this from happening on Sunday.

Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, as I understand it, this was an order of the court. I am somewhat disturbed that the hon. member would suggest that I, as Minister of Justice, would interfere with an order of the court, thereby undermining the independence of the judiciary. Of course, as we have seen, that is a party which has a record of doing that.

* * *

[Translation]

SUMMIT OF THE AMERICAS

Ms. Christiane Gagnon (Québec, BQ): Mr. Speaker, Quebec City business owners incurred considerable losses in connection with the summit of the Americas, both within and outside the security perimeter, and it is our opinion that the federal government must compensate both groups for those losses.

Does the Prime Minister intend to compensate for losses sustained outside the perimeter, as well as for loss of earnings by people unable to work during the summit?

Mr. Denis Paradis (Parliamentary Secretary to Minister of Foreign Affairs, Lib.): Mr. Speaker, the Government of Canada signed a protocol with the government of Quebec on the compensation of potential victims of summit related damages.

There will be a follow-up on this agreement signed with the government of Quebec and a follow-up with the government of Quebec and with Quebec City.

• (1500)

VOLUNTEERISM

Mr. Gérard Binet (Frontenac—Mégantic, Lib.): Mr. Speaker, as this is National Volunteer Week, could the government tell us what it is doing in support of the voluntary sector?

Hon. Lucienne Robillard (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, the Government of Canada considers the voluntary and community sector vital to the social and economic development of our society.

This is why the government intends to sign a formal agreement with the voluntary sector this year, in order to share a common vision and establish a new relationship.

I think this week provides an opportunity for MPs to recognize the work done by the thousands of volunteers in this country who

Oral Questions

help improve the quality of life of our citizens and to encourage even more people to get involved in the voluntary sector.

* * *

[English]

FIREFIGHTERS

Mr. Ken Epp (Elk Island, Canadian Alliance): Mr. Speaker, it has been shown statistically that Canadian firemen, who put their lives on the line to protect our property from fires, and because of various chemicals and things, their lifetimes are shortened.

These members of various fire departments in Canada would like to pay an additional premium in order to get a full pension when they retire because of their shortened expected lifespan. Would the Minister of Finance consider this and actually bring in an amendment so that this could happen?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, I have met and look forward after question period to again meeting with firefighters.

I would also like to inform the hon. member that the possibility does already exist. I am quite prepared, in letters to various pension funds and otherwise, to make it very clear that the right they are seeking exists already.

* * *

[Translation]

PRESENCE IN GALLERY

The Speaker: Order, please. I wish to inform the hon. members of the presence in the public gallery of a group of very special individuals.

[English]

Today in the public gallery we have several members of the Olympian, Paralympian and Special Olympian teams. They are athletes, coaches and guides who participated in the Sydney Games and the world championships held last fall.

[Translation]

Today, I would like to honour and applaud their efforts. We are very proud of you.

Some hon. members: Hear, hear.

[English]

The Speaker: I would also like to draw to the attention of hon. members the presence in the gallery of a delegation from the National Council of the Slovak Republic led by the president of the council, His Excellency Jozef Migas.

Some hon. members: Hear, hear.

GOVERNMENT ORDERS

• (1505)

[Translation]

SUPPLY

ALLOTTED DAY-FREE TRADE AREA OF THE AMERICAS

The House resumed consideration of the motion and of the amendment.

Mr. Bernard Bigras (Rosemont—Petite-Patrie, BQ): Mr. Speaker, I am pleased to speak today on the motion moved by my colleague in the House of Commons—

Mr. Michel Guimond: Mr. Speaker, I rise a point of order. I would not want you to interpret my point of order as a desire to challenge your authority, but it is aimed at allowing our colleague of Rosemont—Petite-Patrie to make a speech in minimum conditions.

Could you maintain order in the House or suspend the sitting for a few minutes, because it is impossible for us, even in the front row, to hear what my colleague of Rosemont—Petite-Patrie is saying?

The Speaker: I was able to hear what the hon. member for Rosemont—Petite-Patrie was saying. That is why I did not interrupt the conversations in the House. However, I hope that all the hon. members who have something to say, and who are not taking part in the debate, will continue their conversations outside the House as of now.

Mr. Bernard Bigras: Mr. Speaker, I want to thank my colleague for his intervention, because even I was having trouble hearing what I was saying. So many people on both sides of the House were talking that I could hardly express the views and the principles I wanted to bring forward.

It is a pleasure to rise in the House to speak to the motion put forward by my hon. colleague from Joliette, on behalf of the Bloc Quebecois, the government to "put in place an open and ongoing process to keep parliament informed of negotiations to establish a free trade area of the Americas so as to allow parliamentarians to debate it and civil society to be consulted before parliament approves it". Of course, I also support the amendment moved by the member for Saint-Hyacinthe—Bagot.

Why are we asking today for a more open negotiating process to establish a free trade area of the Americas?

For many different reasons, because it is quite normal to hope that our fellow citizens and non-governmental organizations will be able to take part in the debate that will help us reach in the future, somewhere around 2005 according to what was agreed upon during the weekend, a free trade deal with a human touch, which will reflect a number of the fundamental principles of our modern societies as well as the consensus developed here, in Canada.

• (1510)

I will deal mainly with the importance of protecting the environment in the context of globalization, free market and free trade, and also of protecting the environment when it comes to the creation of the free trade area of the Americas.

We should think back to the period when NAFTA was negotiated and signed. At the time, it was described as one of the greener international trade agreements.

Environmental clauses in NAFTA were the result of the perseverance, involvement and determination of non-governmental organizations to include a number of clauses to protect the environment. We should recall that back in 1993 NAFTA did include a number of environmental principles and clauses.

Clearly, at the face of the preamble of NAFTA, there is a bias in favour of sustainable development, environmental protection and compliance with environmental standards and regulations.

The NAFTA preamble was clearly pro-environment, and that in itself is significant. Had these principles been stated in an environmental agreement, it would have been understandable, but they were stated in a trade agreement. It was a step in the right direction.

NAFTA contained a number of provisions including one that said environmental standards had to be higher than those recommended by international environmental organizations. This makes it possible for a signatory state that wants to raise its environmental standards above and beyond what had been agreed to internationally to do so. That was very clearly stated in the agreement.

Another aspect was the fact that under NAFTA there would be no lowering of environmental standards to attract investors and investments. Why is that? There was a provision preventing a signatory country from creating, through this free trade agreement, what was called a polluter's paradise, from lowering its environmental standards to attract investors. That was clearly stated in the North American Free Trade Agreement.

Of course, all that added to the North American Agreement on Environmental Cooperation, which created the Commission for Environmental Cooperation, was the culmination of environmental cooperation between Canada, the United States and Mexico.

NAFTA has obvious flaws. We talked about chapter 11, and we must keep talking about it. The Prime Minister and the Minister for International Trade were telling us today that there were very few challenges under chapter 11 of NAFTA, that it is all in the opposition's head.

From an environmental standpoint, it is totally false. Let us consider what happened with Sun Belt Water Inc. This California based company sued the government of British Columbia because it would not allow it to export bulk water from Canada. The Prime Minister and the Minister for International Trade were telling us that there were no problems, but that was one.

• (1515)

Another case in point concerns Ethyl Corporation, a company that got \$30 billion in compensation because the federal government wanted to pass here, in this House, a bill banning the use of a gasoline additive called MMT.

It was not an act that the company was challenging, but rather a bill that was brought before us, the parliamentarians, but had yet to be passed in the House when it was challenged in court. The company received \$30 billion in compensation.

We are told that the chapter 11 investor-state dispute mechanism is not a problem. Quite the opposite, since the situation with the Ethyl Corporation has clearly shown that our law making authority, as parliamentarians, could be limited.

The minister was not clear on the issue. Are we shoving chapter 11 aside? Do we really want to protect the environment? The government will have to answer those questions.

At the summit in Quebec City, we would have liked to see the government make a firm commitment on three or four environmental issues. We would have been pleased with that. First, regarding the environment, that the federal government would not accept anything less that what was agreed upon in NAFTA.

Could the Minister for International Trade take all the necessary steps to assure the House that the Quebec and Canadian environmental legislation will not be challenged in court by large corporations, as was done under the North American Free Trade Agreement?

First and foremost, the Bloc Quebecois wants to ensure that there are provisions preventing large companies from challenging the environmental legislation in court. How ironic that we, in the opposition, are the ones who want to protect the Canadian environmental legislation. The environment minister is letting the international trade minister negotiate an agreement that does not only deal with trade, but also with the environment and public health.

We also would like to have the international agreements on the environment, the Basel convention and the Montreal protocol on the ozone layer be honoured in the free trade area of the Americas and in the agreement likely to be signed in 2005. We will not ask the Government of Canada to have the Kyoto protocol honoured. I

Supply

think that would be a bit much to ask of it, since it did not even deign to ratify it.

So, this is what we expected from this government. Of course, the government decided to exclude the Minister of the Environment from discussions. I could talk about this for a long time yet.

However, what we might have wished from the Minister of the Environment, a few weeks away from the summit of the Americas, was a reiteration before the 34 environment ministers in Montreal of his intention to honour the Kyoto protocol. In meeting with the 34 environment ministers, he refused to sign the Montreal declaration on climate change. That says a mouthful about where we are going in terms of negotiations in 2005 for the free trade area.

We will be watching and will make sure, in the coming weeks and months, that the North American Free Trade Agreement, and especially the free trade area of the Americas, contain provisions on the environment.

• (1520)

[English]

Mr. Pat O'Brien (Parliamentary Secretary to Minister for International Trade, Lib.): Mr. Speaker, I listened carefully to the comments of my colleague opposite. Unfortunately, I am not sure he listened very carefully to the Prime Minister.

The hon. member has mistakenly quoted the Prime Minister as saying that there are no problems with chapter 11. The Prime Minister did not say that. The Prime Minister said that the chapter has worked relatively well but that in a trade relationship with the U.S., which totals \$1.3 billion daily, there are bound to be irritants and rough spots. The Prime Minister did not say there were no problems. He said that the chapter was working relatively well given the size of the relationship.

What the Minister for International Trade has said repeatedly, and he has been crystal clear on this, is that we need to protect investment. He said that was very important but that some rulings by dispute panels had gone beyond the scope of the original signers of the NAFTA. He said that we needed a chapter like chapter 11 but that it needed clarification and tightening up.

Does the hon. member believe in the necessity of protecting investment? Does he not see that without some protection for investment such a treaty will likely bring very few benefits to any of the participating countries?

[Translation]

Mr. Bernard Bigras: Mr. Speaker, this government says that "Chapter 11 works relatively well. There are only minor problems". Need I remind the parliamentary secretary that chapter 11 deals with relations between businesses and the government?

If the parliamentary secretary accepts that, under this chapter, the legislation of his government can be legally challenged, it says a lot about who will protect this trade agreement. The comments made by the parliamentary secretary are totally unacceptable and only seek to protect investors, at the expense of people's health and of their environment.

If the parliamentary secretary thinks there is no problem with the fact that the Canadian legislation can be legally challenged, fine. Personally, I do not think he is in the right place. He should go back to the private sector, because we are here to pass laws that will not be legally challenged by major companies.

If the parliamentary secretary believes what he just said, let him go back to the private sector, because the House of Commons is not where he should be.

[English]

Mr. Pat O'Brien: Mr. Speaker, if the hon. member is going to make personal comments and give me gratuitous advice about where I should go, he ought to do some research and know that I do not come from a business background. The hon. member again shows quite clearly that he is weak in his research.

The fact is, as I, the Prime Minister and the minister have said, the chapter has worked relatively well in a trade agreement with \$1.3 billion daily trade. Yes, there are bound to be problems and there have been problems but not that many. The government has won several of the disputes that have been launched.

Does the hon. member somehow think that companies, whether or not there is a NAFTA chapter 11, cannot sue if they feel their interests have been unfairly prejudiced? What world is he coming from? We cannot stop individuals or corporations from launching lawsuits. They do not even need chapter 11. They have that right under the rule of law in Canada.

[Translation]

Mr. Bernard Bigras: Mr. Speaker, I do not believe I misunderstand my role and that of the other members in the House. We obviously want to increase Canadian investments and facilitate exports. We want a FTAA but not at any cost. Above all our role is to protect the health of the people and our environment.

• (1525)

When the government and the House pass laws to protect our environment and the parliamentary secretary says that there is nothing wrong with legislation that his own government has brought forward being legally challenged, what kind of world are we in?

We are here to facilitate Canada's economic development, but also the protect to health of our people. If the parliamentary secretary is not ready to defend these principles, some day, when he goes on the campaign trail, his constituents will certainly remind him of that.

[English]

Ms. Jean Augustine (Etobicoke—Lakeshore, Lib.): Mr. Speaker, I am pleased to participate in the debate on the motion put forward by the opposition on the free trade agreement of the Americas. I will be sharing my time with the member for Ancaster—Dundas—Flamborough—Aldershot.

At the summit of the Americas this past weekend my constituents and other Canadians witnessed an historic gathering. Thirtyfour heads of state met in Quebec to discuss many issues of mutual interest and to create the largest free trade zone in the hemisphere. Thousands of Canadians, through demonstrations or by other means, have made their opinions known regarding the FTAA negotiations.

Weeks prior to the Quebec summit, I had the opportunity to hear from the people of my riding of Etobicoke—Lakeshore on the issues. I also heard the views of various witnesses who appeared before the Standing Committee on Foreign Affairs and International Trade, of which I am a member.

As a result of the federal government's commitment to ongoing dialogue and public debate on the issue, Canadians have a sense of the FTAA and what it will mean for them. The government is determined to make the FTAA negotiations as open and transparent as possible.

The government knows Canadians have a wide range of views on the issues. Many Canadians come from the regions with which we are looking to participate. Some of them fear their views might not find their way to the negotiating table.

However it is important to the government that its policy course advance the interests of all Canadians and that it hear from Canadians on issues of national interest. That is why the government wants and facilitates an informed public debate. What is happening today is part of that.

Canadians value transparency in government and the federal government would not have it any other way. In developing trade policies and agreements, the government makes every effort to facilitate the participation and input of all Canadians. Through the FTAA process, the federal government has shown its commitment to public discussion on this important issue.

The Minister of Foreign Affairs and the Minister for International Trade have consulted provincial and territorial governments, parliamentarians, civil society, environmental and labour groups, business leaders, academics and other citizens on the FTAA. The federal government has taken a series of steps to facilitate such public involvement, and I will highlight a few of those steps.

The government contributed funding to the people's summit, where Canadian ministers were joined by high level representatives from 20 countries and five international institutions and met with more than 60 representatives of civil society networks, groups and associations. Most of us who watched the people's summit on television know it was successful.

As well, the government has repeatedly answered to parliamentarians through debates on the floor of the House, appearances by ministers before the Standing Committee on Foreign Affairs and International Trade, briefings by officials and co-operation with committees of both Houses of parliament regarding the FTAA and the WTO.

• (1530)

In May 1999 the Department of Foreign Affairs and International Trade established a trade negotiations and agreements website in order to use the Internet as the quickest and most efficient way to give Canadians the information they needed and the information they wanted on trade.

Since December of last year the website has been a valuable resource whereby thousands of Canadians can view Canada's proposal in the FTAA negotiations. Over and over the minister responded in the House that the website was up and running.

Canadians should know that our country was the first in the hemisphere to publicly release Canada's FTAA negotiating position. That happened about a year ago in response to the Standing Committee on Foreign Affairs and International Trade Report on the FTAA.

In doing so, Canada has led the way in citizen engagement and is encouraging FTAA partners to follow suit and make their positions public. Two of our trading partners took us up on this. Chile and the United States have followed Canada's example and released detailed summaries of their negotiating positions on their respective websites.

I am encouraged that Canada is reaching beyond all borders to ensure that the citizens of the hemisphere are also made aware of the FTAA negotiations. This is of particular importance to smaller nations of the hemisphere where there is no comparative advantage in technology.

Technological assistance from Canada in helping them to get their messages across to the people would be useful in ensuring that this dialogue on transparency taking place in the House today can also happen in all other parliaments. In addition to ensuring that those countries can have the benefit of technology in communicating to their citizens, Canada has offered assistance.

Supply

Much has been said in the debates on the FTAA about the text of the negotiations. Canadians wonder if they will ever get to see the text. By their nature, negotiations are formal discussions intending to secure an advantage or a benefit for those involved. Whether it concerns a commercial contract or a peace settlement among nations, negotiations often take place behind closed doors. Releasing the text beforehand is counterproductive to the interests of Canadians and would jeopardize the discussions by undermining the negotiating stands of participants or making available privileged information that could allow some to profit at the expense of others.

We know the House was informed that Canadians will see the text of the negotiations in the next few days once they are available in the four languages of the FTAA: English, French, Portuguese and Spanish.

Thanks to Canada's leadership the negotiations for the FTAA have set new standards for openness and transparency in other ways. The engagement of civil society in the FTAA process is a result of Canada's effort from the very beginning.

I must express thanks to the Minister for International Trade. During his chairmanship of the FTAA negotiations from May 1998 until November 1999, Canada was instrumental in establishing the committee of government representatives on the participation of civil society.

We have worked very hard in several areas to ensure that participation. The committee of government representatives on the participation of civil society meets regularly as a consultative body in the negotiations and serves as a forum for input from citizen based groups, the business community and non-governmental organizations. This is an unprecedented step in international negotiations.

On February 23 of this year Canada's latest proposals were announced to expand and strengthen the mandate of the committee. They were made available on the trade negotiations and agreements website.

The summit itself was widely covered by broadcast media and Canadians were able to see a full session of the debates between the 34 heads of state during the morning of April 21.

These are concrete steps that demonstrate the government's commitment to openness and transparency in the FTAA deliberations.

• (1535)

In closing, let me reiterate that Canada's views on public input into the FTAA from the outset has been and remain in full support of transparency in ways that safeguard Canada's interests and reinforce the confidence in the government's ability to reflect its interests and priorities.

Parliamentarians in civil society play a major role in the process. Having this debate and using the mechanisms at our disposal such as committees ensures that Canadians understand the issues and are able to convey their views to government. The debate today is part of that transparency.

Mr. John Bryden (Ancaster—Dundas—Flamborough—Aldershot, Lib.): Mr. Speaker, I would like to begin by reminding those who are watching the debate of the actual wording of the motion because I think it is important.

The Bloc Quebecois motion says:

That the government put in place an open and ongoing process to keep Parliament informed of negotiations to establish a Free Trade Area of the Americas so as to allow parliamentarians to debate it and civil society to be consulted before Parliament approves it.

This is another example of why the Bloc Quebecois continues to demonstrate that it is probably the best opposition party in the House. I say this in the context of the problems today that have been experienced by the Canadian Alliance with the division within the party. More than that, this is the first time in a very long time that the House has had an opposition motion before it, which I think is a motion of considerable weight and quality and certainly merits the debate it is getting today.

If this were a motion put forward by a private member from the opposition, where we on this side regard all private members' motions and private members' bills as issues of free votes, I do not think there is any question at all that this motion by the Bloc would be supported. The negotiations that went on this last weekend in Quebec and which will continue pertaining to creating a sort of common market of the Americas is an issue of tremendous importance to Canadians and I think is an issue of tremendous importance to the House.

When the Bloc comes forward or anyone in the House comes forward with a motion suggesting that parliament should take these negotiations seriously and should stay abreast of these negotiations as best it can is quite appropriate indeed.

I can tell everyone that I have some sympathy with the protesters that appeared at the summit at Quebec on the past weekend. Of course I am not interested in those people who merely threw rocks and demonstrated for the television cameras. I do not have any respect for any person who considers speech something that requires him or her to wear a mask. When we speak either in the House or in public or even on the streets then we should speak as who we are and be seen. However, the majority of the protesters were seen and they were peaceful protesters. They had an important statement to make because whatever is happening and whatever is the ultimate outcome of these negotiations, there are legitimate concerns about sovereignty. I am not one who puts a lot of credence in the kind of rhetoric that we hear from the Council of Canadians and its leader, but I really believe that when we establish transnational trade agreements and create dependencies among countries there are genuine issues of sovereignty. When we create dependencies, we create situations where we cannot take it back or we have situations where we have lost a certain amount of control as parliamentarians, as governments over our country's destiny because we have transnational agreements in place.

The Bloc during question period raised a number of questions with respect to the so-called chapter 11 in the North American Free Trade Agreement whereby corporations have an opportunity to litigate across the border. That is if a corporation in Mexico feels that a corporation in Canada that is competing unfairly for the same market within the United States, Canada or Mexico, if it feels that it has some unfair advantage in the terminology of the trade agreement, then it can take that corporation to court and possibly win.

• (1540)

There is a genuine problem of sovereignty there. What that really means is that a business enterprise operating in Canada is subject to rules and challenges that exist outside this country. It is very right to be concerned about that.

On the other hand, Mr. Speaker, I believe that the chapter 11 is necessary. However we should debate it, and it is healthy to debate it, because it works. I believe it works in the context that we have it now with the United States and Mexico.

Will it work as well if it is applied in the context of Brazil, Argentina and other countries of Latin America? Will it work when it is applied to 30 countries? I am not so certain. I need to see that debate. When the Bloc Quebecois comes forth with a proposal that says the House should debate that kind of issue, I can only actually support in spirit what the motion is proposing.

I have other concerns with respect to this whole process of a free trade zone of the Americas that again gives me some sympathy for some of the peaceful protesters who were in Quebec. I ask myself questions occasionally, Mr. Speaker, about what does it really mean? What is the real motive behind creating this enormous free trade zone of the western hemisphere when in fact most of the economic activity is occurring in North America? I suppose we could add Brazil and I think we would get probably three-quarters of the economic activity of the western hemisphere. So I ask myself then what is the incentive? Why are we bringing in all those other countries of the western hemisphere?

So far I have not had a really good explanation from watching television because I do not of course have any special access to the negotiations that are going on in Quebec, and nor should I because as the previous government speaker mentioned of course negotiations have to be undertaken behind closed doors. However there does come a point in which we as parliamentarians have to know the content of these negotiations and that is where I find a lot of favour in the motion before the House.

The question is where is it really taking us? Why do we want to make this common market of the Americas? More and more I am coming to the conclusion or coming to the feeling that it is all about creating a sort of firewall, creating an uneconomic entity in the western hemisphere to insulate Canada, the United States, Mexico and the other countries, but probably principally the United States because I think a lot of this is coming from the United States, to insulate the North American economies from what could happen in the Far East or in Europe. The world marketplace is changing dramatically and what has happened is we created huge economic dependencies in the Far East.

Again I come back to the point that this is where there are legitimate questions to be asked about globalization because it creates these enormous dependencies. What will happen, if when we create these expectations and we create these countries that rely on one another for trade, when the resources run out? What happens when an economic giant comes on the scene, like China?

I do not think there has been enough thought and debate in this House about what it is going to mean when the Chinese actually take their place in the world economy. It is an accident of history that the Chinese should be for 50 years under a communist regime, under a controlled economy regime because for thousands of years the Chinese have been the ultimate entrepreneurs. Chinese is the language of commerce in the Far East.

I think we are going to see dramatic economic changes in the Far East which could have an enormous impact on the western hemisphere. So I wonder sometimes whether this whole idea of a free trade zone of the Americas is really about creating some sort of insulation for Canada, the United States, Mexico and the countries of the western hemisphere.

• (1545)

And finally, I would say that with respect to keeping parliament informed, as this motion proposes, the reality is that we in this House cannot have an emergency debate or a debate like this every day or every week, even on an important subject like this.

I would suggest to you, Mr. Speaker, that we make sure that the Senate is paying attention to this motion, because I believe that the senators do, and they have the opportunity in terms of time and expertise to pay attention to this kind of issue and perhaps be the part of parliament that is kept informed as these negotiations are ongoing.

Supply

[Translation]

Mr. Richard Marceau (Charlesbourg—Jacques-Cartier, BQ): Mr. Speaker, it is with great pleasure that I rise today to speak to the motion brought forward by my colleague from Joliette. One word could be used to summarize this motion, the word transparency.

When the issues at stake touch the everyday life of people, what they watch, what they listen to, what they read, what they eat, what they drink, what they use, it is important that people be informed of these issues by those they elected to represent them in this House. That is why this motion is important. I encourage all members of this honourable House to vote in favour of the motion.

I would like to take this opportunity to discuss another aspect of transparency: the role of legislatures, of the parliaments of federated states, such as that of Quebec.

In this House we are regularly told that Canada is one of the most decentralized federations, that it is a model for the world. We pat ourselves on the backs, yet often many, the Minister of Intergovernmental Affairs and the Minister for International Trade in particular, are sorely mistaken.

Let us take a look at what is being done in other parts of the world, at examples of approaches that might differ a bit from what is applied here, and might be far more productive.

Let us take, for example, the European Union, an association of sovereign states. The ministers across the way often try to tell us that the European Union is a model because it is headed toward a federal system. It is not so. The European Union makes far more room for its member states in the discussion and in the negotiations leading to trade treaties.

The main article governing this is article 133 of the treaty on the European Union, which states that when the matters under negotiation fall wholly into areas under EU jurisdiction, it is the European Commission that negotiates on behalf of the EU. That said, all member states have given the commission that mandate. Thus, right from the start, the member states play a far greater role in determining the position of the union, unlike what is done here. Here the provinces are not even consulted, and they are barely kept informed. That is the first point.

Second, it is possible for countries, France being one example, to allow their national assembly a say. For example, even if the topics being discussed are the exclusive preserve of the European Union, the national assembly has given itself the authority, through a constitutional amendment passed by the French in 1992, to use the European position to give its point of view. This is an inquiry. It allows questions to be put to the European Commission so that national elected representatives are not left out of such important negotiations.

The third point I wish to make, still in connection with the European Union, is that increasingly international treaties do not concern trade exclusively.

• (1550)

For example, the treaty between the European Union and Israel, or the free trade agreement between the European Union and Mexico, include issues which are not the exclusive jurisdiction of Europe, with the result that member states must also ratify these treaties.

The European Union therefore ensures that, before its position is finalized, member states also have their say, including during the ratification process itself.

Members opposite say "The European Union is different. It is not a federation, even if that is the direction in which it is headed, other models should be considered". Very well, I say, let us look at two other modern federations. Let us look at Germany, a powerful nation, a member of the G-7, like Canada, a federal state with a number of Länder.

When Germany, in the European context, must decide on a position and it falls within an area which comes predominantly under the jurisdiction of the Länder, the federated states of Germany, it is the Länder which determine Germany's position and, what is more, it is a representative of the Länder who sits down at the international negotiating table, on which are written the words "Allemagne-Germany-Deutschland", and who negotiates on behalf of the federal state.

Federated states, in areas under their jurisdiction, will therefore negotiate in the place of the federal government, something not insignificant. We know very well, obviously, that the best way to be represented internationally is to be independent. In the meantime, however, they better not try to tell us that Canada is the most decentralized federation, because it is not true. We have seen this in the case of Germany.

There is another interesting example worth mentioning, that of Belgium, which applies what I would call a Belgian version of the Gérin-Lajoie doctrine. The Flemish or French communities or Brussels have external jurisdiction over their internal jurisdictions. In their respective areas, the federated states of Belgium, the federated communities of Belgium, speak for Belgium internationally.

These are three examples that indicate Canada is truly a 19th century federal model. It is not a modern federation. In a world increasingly open, increasingly, permit me this tautology, globalized, it is unacceptable that Canada's federated states are not consulted properly, not informed properly and involved in the process before, during and after negotiations. We think it would have been far better, first, to put in place a very formal process to consult with the provinces in order to define Canada's position; second, to ensure that Quebec is part of the binational negotiation team with the federal government; and third, if a much more interesting model were to be used, to ensure that in provincial areas of jurisdiction, Quebec and any other province interested to do so, because there could be some, although I do not think there are any, but there could be, may have a say and speak out for their own interests.

It only makes sense since, at some point in time, the legislation for the implementation of this treaty will have to be passed. It will be possible for a province to say "We differ; we do not want this treaty to be implemented". Common sense would dictate that federated states, the provinces, for instance, be allowed to negotiate on their own behalf within their sphere of jurisdiction, so that, later on, they would be able to say "We negotiated this ourselves; we have no qualms about putting an implementation bill to a vote".

First, we have to realize how important it is to support this motion, because it deals with transparency. Second, we need to stress how much this notion of transparency is misunderstood or ignored by the government. We have to ensure that federated states, and Quebec in particular, with clear cut positions to defend, have their say in the process before, during and after the negotiations.

• (1555)

Members may agree with me that this will have to be done while Quebecers prepare to make the decision that will allow their interests to be protected and promoted at the international level like they deserve to be, that is while they prepare to decide to build their own country.

[English]

Mr. Pat O'Brien (Parliamentary Secretary to Minister for International Trade, Lib.): Mr. Speaker, I wonder if my hon. colleague opposite is really suggesting that the federal government enter into major negotiations on a trade treaty with 10 provincial partners sitting at the same table. What about the three territories of Canada? Should they be there? Would it be undemocratic to leave them out?

Is the hon. member really suggesting that all of the countries proceed like that? We would need an awfully huge negotiating table. Is he serious? Does he believe such a process would be practical? Does he not understand that Canadians have elected the federal government from coast to coast to coast to speak for them and their interests? That includes, of course, the province of Quebec, where the government was re-elected with a higher number of seats. Is the member serious about his suggestion that we take such a large delegation? What is his real problem with understanding that the federal government is the legitimate authority to negotiate on behalf of all Canadians? **Mr. Richard Marceau:** Mr. Speaker, I would remind the parliamentary secretary to the Minister for International Trade that his party has fewer seats from Quebec in this House than the Bloc Quebecois. Therefore, there is a huge problem in the premise of his question. That is my first point.

Second, does he not understand that Quebecers never gave the government the mandate to negotiate on the international stage in areas outside its jurisdiction? Quebecers never gave it such a mandate.

Third, we can talk about details if he wants, I do not mind. I make the following suggestions. First, a Quebec-Canada or Canada-Quebec binational team should be established to defend Quebec's interests pending a yes on sovereignty, which will happen sooner than the member opposite may think.

I see him smile. We need not go to Mars to see examples of how federations work. I named two, Belgium and Germany. In both cases, the federated states were much more involved in areas under their jurisdiction on the international stage. So there is no point in trying to have us believe that Canada is a model for all federations.

We can also look at what is done in the European Union, where the various member countries work together before, during and after negotiations not only so they feel involved, but also so their interests are defended, protected and promoted rather aggressively.

There are different ways of doing this. We are willing to talk about it. In fact, this will also be part of the partnership discussions that will take place after Quebec achieves full independence.

[English]

Mr. Pat O'Brien: Mr. Speaker, surely the hon. member is aware of the extensive consultations between the federal government and all the provinces, including la belle province de Quebec.

Surely the hon. member is aware that in one of the latter meetings between the Quebec minister and the Minister for International Trade the full time that had been set aside by the international trade minister was not even needed, as the Quebec minister had raised his points.

Surely the hon. member is aware that in the EU, which his party likes to quote as an example, those nations in the EU are willingly sacrificing considerable sovereignty to be part of the EU.

I understand that the member is a separatist and that his goal is a separate Quebec. I disagree with him, quite frankly, that it will ever happen, but let us be candid here. He cannot have it both ways. Either he wants sovereignty for Quebec or he understands that in

Supply

the EU he quotes those nations are giving up sovereignty. Which is it?

• (1600)

[Translation]

Mr. Richard Marceau: Mr. Speaker, I would like to see the parliamentary secretary to the Minister for International Trade understand how the European Union operates. It is composed of sovereign states, independent states. This is a model partnership between sovereignty nations, one that we sovereignists on this side of the House are certainly prepared to look at, but not to copy word for word, comma for comma. This is a model of partnership between sovereign nations which, if explored in a less partisan manner and I will go further than that, if the other side of this House would just look at it, would be seen as the model for the future. We would see that independent and sovereign nations can work together far better than when a nation like Quebec feels constrained by an outmoded arrangement like the Canadian federation, which dates back to 1867.

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, I am very pleased to speak today to the opposition motion proposed by the Bloc Quebecois member for Joliette and seconded by myself.

This is indeed in very direct continuity with the reflections proposed to us throughout the past week by the peoples' summit, the summit of the Americas and the public participation in the protest, as well as the public's desire to have a free trade agreement that respects social, economic and cultural aspects as well as all other concerns, so that we will have not just free trade within the Americas but also a society that will be able to reap its benefits.

There was one main message for me. As a parliamentarian who took part in the parliamentary forum at the people's summit and as someone who took part in the peaceful march, I realized that this was an extraordinary march which took place in Quebec City to show that people from all walks of life, women's groups, youth, unions and ordinary members of the public, simply wished to say "Yes, we can agree with a free trade area, but not the one that we know nothing about yet, the one about which we have seen only the trade side. We want to have a society that allows people to achieve things".

For me, the motion that was moved today, practically the day after the summit, in a way ensures that our role as parliamentarians will continue. The motion reads as follows:

That the government put in place an open and ongoing process to keep Parliament informed of negotiations to establish a Free Trade Area of the Americas so as to allow parliamentarians to debate it and civil society to be consulted before official ratification by the government, authorized by Parliament.

Everywhere, this was the message I received from people. They are telling us "The FTAA is something major. It seems fairly complicated". We had NAFTA, but some of the provisions in it do not seem to be working as well as they could, such as chapter 11 and the defence of rights issue. We are also in a very different situation, where the size of countries' economies and their prosperity are completely different.

For instance, 66% of all economic activity is concentrated in the United States and only 34% in the other countries. So, adjustments need to be made.

That is the message that was sent to us by citizens who want their parliamentarians to act as watchdogs, to ensure every step of the way that whatever agreement is reached is something useful that we all want. The worst thing would be to say: "Parliament will look into this at the end of the negotiations in 2005. We will see what came out of the negotiations".

What we have come to realize from the current practice and also the answers the Prime Minister gave us today about the enforcement of chapter 11 of NAFTA is that we need to scrutinize things very carefully because in negotiations a lot of things are settled at the last minute. Concessions are made and our society and our young people should not have to pay for them. This is probably why I have given this matter considerable thought and I do hope this motion will be adopted.

Many of the young people who took part in the protest of the people's summit were there to say: "It is the world we will have to live in that you are defining and we want to ensure that this will be done according to criteria we find both interesting and acceptable. In the past, social gains were made by some countries and we have to ensure that we benefit from those and that everyone else does".

• (1605)

Some environmental concerns were expressed by young people in a particularly brilliant manner. There were also concerns about working conditions and the whole issue of child labour. All these situations contribute to making this an important issue.

We must be aware, as parliamentarians, of how important it is to adopt this motion. It is important to adopt it in its initial version, but even more so in its amended version. If we cannot manage to adopt the amendment, at least let us adopt the main motion. However the amendment includes a very important element. It says "before official ratification by the government, authorized by parliament". In other words, let us give back the power to those who were elected by the public, to those who received a mandate from the public.

The Prime Minister said that "it is during an election that these things are settled". This is quite possible and we should all be aware of that. This is something I have been thinking about and I said it in the text. Parliamentarians and those who wish to become parliamentarians some day cannot ignore this plea, otherwise they will stop being parliamentarians or they never will become parliamentarians.

For those who did not listen to what was said last weekend, the next time there is an election in Quebec, in Canada or anywhere in the world, people will want to make sure that what is being negotiated by their government regarding the FTAA is negotiated under certain conditions, include certain programs and yield the desired result. I say that because the message is that people no longer want agreements signed exclusively on the basis of trade. They no longer want to be told that increased trade will create wealth. Increased trade can help to create wealth, but there is a responsibility that has not been adequately fulfilled by governments over the last ten years, and I am talking about the distribution of wealth. It is a responsibility of governments.

The private sector can create wealth, but it does not have the full responsibility of ensuring its distribution. It is the state's responsibility. Personally, I believe that the state is always better served when it is under the control of those who were elected by the people.

As parliamentarians, we have a responsibility. The people sent us a clear message in this regard. Now that dust is settling on the summit of the Americas and that negotiations are beginning, we must ensure, as parliamentarians, that we will have the necessary tools to follow up on it.

The motion states "That the government put in place an open and ongoing process". My personal position on this is a suggestion that could be heeded. This open and ongoing process could easily, in my opinion, be a special parliamentary committee, consisting of members representing all aspects of negotiation, not just those having to do with trade, but social and environmental aspects as well, so that there is regular follow-up and so that, when there are progress meetings to move negotiations forward, there will be watchdogs in parliament as well.

The summit of the Americas left us with two images: one of people engaged in violent demonstrations on the perimeter and the other of people, on both sides of the wall, who were unable to address the basic issues. So they focussed on the wall. This was as true of heads of state on their side as it was of people on the other side, some of whose actions were reprehensible.

What the public is asking of these parliamentarians is that they negotiate in a civilized fashion, in their choice of words, in the ideas they put forward, and in their defence of opinions, so that when we are judged in the next election, it will be on the basis of having assumed our responsibilities and having said "Yes, we will conduct a regular follow-up and yes, ultimately, we will vote on the proposal. If it is acceptable, we will vote in favour, and if it is not, we will vote against". This brings significant pressure to bear in negotiations.

Heads of state were not given a blank cheque. Furthermore, they were only too aware of this. Their mandate is to come up with a free trade agreement with a human face. If they do not fulfil this part of the mandate, the mandate will simply be taken away. However for this to happen, the House of Commons, like all parliaments concerned, must be able to make its views and position known, because we are the representatives of the public

We just had a summit where we were told that there were all sorts of people, including extremists.

• (1610)

Finally, the Comité de mobilisation du Cégep de Rivière-du-Loup, a group of students interested in this issue, came up with about ten recommendations to make the FTAA acceptable. Here is one of these recommendations:

That the FTAA not be established solely on an economic basis and that it not be a threshold to extend NAFTA but, rather, that it create a social balance in relation to NAFTA.

There are many such recommendations and they provide a framework that I find truly exciting. Today, this parliament has a responsibility to make a conscious decision and to ensure that negotiations will be adequately monitored.

This is what the public expects and I hope the government majority will have the courage to follow up on the message sent to it by the public.

* * *

BUSINESS OF THE HOUSE

Mr. Jacques Saada (Brossard—La Prairie, Lib.): Mr. Speaker, I rise on a point of order. I think you would find consent for the following motion:

[English]

I move:

That when the House is in Committee of the Whole later this day, two members may share one twenty minute speaking period.

The Acting Speaker (Mr. Bélair): The House has heard the terms of the motion. Is there unanimous consent to adopt the motion?

Some hon. members: Agreed.

(Motion agreed to)

Supply

ROUTINE PROCEEDINGS

[Translation]

COMMITTEES OF THE HOUSE

FISHERIES AND OCEANS

Mr. Jacques Saada (Brossard—La Prairie, Lib.): Mr. Speaker, I believe you would find consent for this motion as well.

I move:

That the Standing Committee on Fisheries and Oceans be authorized to travel to Shelburne County and Halifax, N.S., St. Alban's and Baie d'Espoir, Nfld., Îles-de-la-Madeleine, Qc, Charlottetown, P.E.I., and Moncton, N.B., during the period of May 5, 2001 to May 11, 2001, to continue their review of the Oceans Act, and their comprehensive studies on aquaculture, Canadian Coast Guard fleet management and departmental structure in the Gulf Region, and that the said Committee be composed of two Alliance members, one Bloc Québécois member, one NDP member, one Progressive-Conservative member and five Liberals, and that the necessary staff do accompany the Committee.

The Acting Speaker (Mr. Bélair): Does the hon. member have the consent of the House to move the motion?

Some hon. members: Agreed.

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

Some hon. members: Agreed.

(Motion agreed to)

GOVERNMENT ORDERS

[Translation]

SUPPLY

ALLOTTED DAY-FREE TRADE AREA OF THE AMERICAS

The House resumed consideration of the motion and of the amendment.

Mr. Pierre Paquette (Joliette, BQ): Mr. Speaker, I really appreciated my colleague's speech. At the end of his presentation, he referred to the positions taken by the CEGEP de Rivière-du-Loup mobilization committee.

I have had the opportunity in a debate to share with him the ideas put forward by these students and I was very impressed to see they did not object to market openness nor to free trade, but they suggested a number of conditions. They have learned from the past as we should also do.

I would like my colleague to give us more details on something he has already talked about, which is the general approach used by these young people to mobilize the students of Collège de Rivièredu-Loup in Quebec.

Mr. Paul Crête: Mr. Speaker, on his tour, the hon. member for Joliette had the opportunity to meet with students of CEGEP de Rivière-du-Loup and CEGEP de La Pocatière.

In Rivière-du-Loup, the students had some kind of a charter setting out a number of positions. I will quote just a few, to show those students' concern:

That the FTAA promote a form of interconnected democracy between the people and its government as well as between the various member states of the FTAA.

That a strong international committee be set up to impose sanctions in the case of human rights violations, which would not be subjected at all to the proposed international trade law committee.

That the FTAA help protect local economies, small and medium-sized businesses and all low capital competitors, as well as cultural differences, by limiting the creation of monopolies in order to stimulate strong, just and fair competition.

So these are some logical and rational positions, which at the same time take into account objectives that are not purely commercial. I think there is an extraordinary message in there for the elected officials that we are.

On that occasion, I even put forward an idea which I think would be interesting to implement within the next few years, and I wish we had the opportunity to implement it. It would be to set up a parliament of the students of the Americas, which would meet at least once in the course of the next three or four years, where we could hear students from all these countries telling us what kind of America they would like to live in the future.

• (1615)

I am sure we would end up with a plan based on solidarity, which would not generate opposition among people but rather create wealth and distribute it fairly.

I want to thank the students from my region and all those I saw at the demonstration and who made some specific proposals such as those. I think it augurs well when more and more young people want to take their future into their own hands, get involved and take action to make the world a better place in which to live.

[English]

Mr. Bill Graham (Toronto Centre—Rosedale, Lib.): Mr. Speaker, I am pleased to share my time with the hon. member for Brampton West—Mississauga.

[Translation]

First, I would like to congratulate the member for Joliette for his motion. It includes a very important principle, that is the participa-

tion of parliamentarians and of the civil society in the process of economic integration of our hemisphere.

Judging by today's debate and question period, it is clear that the members are already involved in this process. Opinions vary quite a bit, but members are well-informed about the best conditions for the development of free trade in the Americas.

[English]

As I said to the member for Halifax this morning, we all agree that we want trade. We recognize the need for economic integration but we also recognize that it needs to exist in the context that recognizes human rights, democracy, sustainable development, cultural diversity and the protection of labour standards. We therefore often differ on the means to achieve that end.

My constituents fully understand that the prosperity of our citizens depends on a free and open economy throughout the Americas and throughout the world. It depends on a system of international trade that is buttressed by international rules. These rules would enable trade and economic integration to take place so that we who have benefited so much from that trade and from the wealth that has been created by a free and open society and a free and open economy, can now begin to share those values, that openness and those opportunities with other less fortunate people in our own hemisphere.

I am very proud of what took place in Quebec City last weekend. It was an open and transparent process resulting in a democracy clause that will continue to guarantee that there will be democratic governments throughout the Americas.

A commitment was made by the leaders on such diverse issues as health, poverty reduction, education, human rights, the assurance of effective courts, the elimination of the drug trade and other issues. A plan of action was made with concrete steps, amendments and commitments that would ensure that these take place with proper financial resources and human resources to ensure it.

Thanks to our government, the Prime Minister, the Minister of Foreign Affairs, the Minister for International Trade and others, we have had a meeting in Quebec City which has brought together the leaders of the Americas. They have made concrete commitments to ensure values throughout our hemisphere that would benefit all of our citizens.

I wish to pay particular tribute to the Minister for International Trade. I was present in the room when the United States representative for trade pointed out that it was our minister of trade who ensured that the negotiating text of the free trade agreement be made available so that all members of civil society and all members of parliament could have an opportunity to discuss its terms. It was under pressure from our government and our minister that achieved that result in Buenos Aires and for which we would all benefit.

The debate calls for an open and continuous process to engage parliamentarians and civil society in what we were engaged in last weekend. The government is committed to that.

• (1620)

Parliamentarians also have a role to play. I ask my colleagues who participated in the foreign affairs and international trade standing committee for the past two years what we have been doing. We did a report on the MAI, the FTAA and the WTO. We are presently doing a study into the summit process itself. All these meetings and discussions, which are available to all members and all parties, bring together not only members of parliament but witnesses from civil society as well.

We travel across the country and we hear from every individual who wants to come before our committee to give his or her position on these important issues. We have extensive hearings and we make recommendations. The government is then obliged to respond to those recommendations in the House, which it has done.

Through our committee system we have had the opportunity to actively participate as parliamentarians in the process of hemispheric economic integration. We attend meetings regularly. The member for Calgary East, who spoke critically of the process himself, pointed out this morning that he attended the ministerial meeting of the WTO in Seattle. I was also there. Other members of the House have been to many ministerial meetings. We accompany the ministers. We have an opportunity to be part of the process and we do that on a regular basis.

I remind everyone that in the House just a few weeks ago we established the interparliamentary forum of the Americas, bringing together the representatives from the parliaments of 34 countries of the Americas. They will be able to debate and they will be able to share their values, views and impressions with one another on a permanent basis now because Canada led the way in the formation of what is a very important interparliamentary body for the Americas.

Parliamentarians are actively engaged and through our government do actively engage themselves in this process, as is also true of civil society. I recall what happened in Toronto some years ago when our minister of trade held the first meeting as a lead up to the summit. He brought in civil society at that time. It was the first time that had been done.

A similar meeting took place at the summit in Quebec City. On the weekend I had the opportunity to chair an extraordinary meeting of 57 NGOs composed of representatives of indigenous peoples, human rights groups, sustainable development groups, youth, every form and segment of society.

Supply

On Saturday afternoon four Canadian ministers had the opportunity to meet with twenty ministers from other countries in the hemisphere. At that meeting we discussed issues and responded to questions, all in the presence of the president of the World Bank, the president of the Inter-American Development Bank, the head of PAHO, and other leaders of multilateral institutions, including the president of the OAS.

This was an unparalleled and unprecedented opportunity for the engagement of civil society in the process, not as observers but as active interveners who had an opportunity to participate, to ask ministers questions, to have Mr. Zoellick from the United States respond, to have ministers from across the Caribbean and from the southern hemisphere respond to their questions and concerns.

At the post mortem follow up that we held to those meetings, we received an assurance from our government representatives that this process would continue. This was the first time that this has ever taken place, and I ask all colleagues to bear that in mind when they criticize. We are so critical all the time about everything.

The Canadian government led the way. We insisted on it. This was our summit. It was our government, our Prime Minister, our ministers who insisted among their colleagues that we should put this in place. I am confident that we have established a precedent now that will survive throughout the future. This is something that cannot be stopped. It is a wonderful precedent that we established this weekend and we should be celebrating. We should not be criticizing all the time, but we should be celebrating. We should also celebrate the fact that our government financed the people's summit.

I hope everyone in the Chamber thinks he or she is a member of civil society. As a member of parliament and as a member of civil society, which I think I am, I do not feel I am being left out of the process. I recognize that there are problems, that we can be better engaged and that we can change things. As the post mortem at which I participated on Sunday with our NGOs took place, everybody said they had an extraordinary experience. They said we could improve it.

• (1625)

Why do we not engage ourselves in the House in the process of approaching it from that constructive point of view? Why do we not seek to improve the process rather than constantly criticize it, as I hear from opposition members? They say that nothing good was achieved and that nothing is happening. However the average citizen looks out, sees improvements and wants us to work together to make it an even better system, not to sit here and carp and complain about the problems we have had to live with.

Ms. Libby Davies (Vancouver East, NDP): Mr. Speaker, I listened with interest to the hon. member's comments. I am not

surprised to hear the member say that he does not feel left out of the process as a parliamentarian.

However it should be recognized that the member is the chair of the Standing Committee on Foreign Affairs and International Trade. He is a part of the government and he is on the inside track.

When I talk with people in my riding and people who are out on the streets, they feel left out of the process. They know that this agreement is being negotiated behind the wall, behind the fence that people were protesting against, behind closed doors, and that it had been a very closed kind of environment.

If the Government of Canada has given an inch, it is only because of massive public pressure and opposition as well as pressure that the NDP has provided in the House unequivocally in its opposition to the FTAA. That is the nature of politics. It is because of that pressure that the government has been moving.

How could he consider that the so-called democracy clause is a huge advance when it is democracy on the basis of electing governments to do the bidding and the work for these huge corporations? That is what people object to. I do not understand why Liberal members do not understand that very fundamental point.

Mr. Bill Graham: Mr. Speaker, there are a couple of premises in the hon. member's question that I do not accept. I do not accept that the agreement was arrived at behind closed doors. It was on television. It was as open and transparent as it could possibly be when we had 34 heads of state together in one place. We could not have 5,000 people in the room. We do not have 50,000 people sitting in parliament.

Why will the member not stand here and say that this is an illegitimate organization? Everybody is not in the Chamber. Not everybody can walk in here. The hon. member cannot bring a constituent into the Chamber and neither can I. Why? It is because we need a way to exchange views with one another.

That does not make us illegitimate. We were elected to be there and the leaders of the Americas were elected to be in Quebec City. We need to give them the tools to do the job. The member's suggestion that they are illegitimately there is striking at the very fundamental roots of democracy that the member purports to be in favour of.

I also do not accept the fact that what took place was as a result of pressure from her party. The leadership came from the Minister for International Trade and from the Prime Minister to open up the process. The Prime Minister of Canada does not need the NDP to tell him how to run the country. That is very clear, as the last election pointed out. The last point about the democracy clause is where I have a fundamental difference with the member. I listened to the speeches of the member's colleagues this morning. The New Democratic Party's position is as simple as this: the NDP says that other elected governments have entered into international agreements which have made them undemocratic. The hon. member does not believe there is a democracy clause, but what the hon. member forgets is that the people who entered into these trade agreements that have been criticized by everyone, including ourselves, were democratically elected governments.

If we choose to give up to international interests some part of our sovereignty to benefit more our citizens through a pooled sovereignty, that is our decision as a democratically elected people to make. That is what was taking place in Quebec City and that is what the member does not like. The member does not like the fact that other people have adopted a system of democracy and values that the member disapproves of.

That does not make them less democratic. It just makes them different. It is that difference in the world that we should be celebrating, not the imposition of one's values on everybody else in the world.

[Translation]

Mr. Pierre Paquette (Joliette, BQ): Mr. Speaker, I have a few very specific questions for the hon. member. I would like him to tell me why there were no Liberal members of parliament at the people's summit and at the parliamentary conference of the Americas.

• (1630)

Second, does he not find inappropriate that the final declaration of the 34 heads of state mentions only the inter-parliamentary forum of the Americas, the FIPA, which has been in existence for hardly a month, while there is no mention whatsoever of COPA, which has been highly respected since 1997 and whose membership is much larger and pluralistic?

What does he think about the relations between FIPA and COPA during these negotiations?

Mr. Bill Graham: Mr. Speaker, my answer will be brief because there are several questions here.

I will leave the debate to FIPA and COPA, because it is somewhat an internal debate, but I suggest to the hon. member that the reason why FIPA has been referred to in the final summit document is precisely because it represents national parliaments throughout the Americas. FIPA was entrusted by the governments to do certain tasks. Therefore, it is quite justified on their part to choose some instrument for doing that.

Can COPA do something else? I totally accept COPA's legitimacy in its area of influence, but I believe we should accept FIPA's legitimacy in its area of influence as well.

[English]

Ms. Colleen Beaumier (Brampton West—Mississauga, Lib.): Mr. Speaker, I am pleased to speak to the opposition motion. It is the first time in a long time that all responsible members of parliament can work together to make sure that the consultative process is an open approach, one which was initiated by the government and will continue in the future.

As a member of the foreign affairs committee, I have had the privilege of travelling across this country to hear representations from Canadians who belong to every sector of society. Some who take a cynical approach to the government went through this exercise merely to pay lip service. However, I can assure the members of the House that every view was represented in the completed reports.

Also, I believe it would be a fairly accurate guesstimation that at least 60% or more of the committee's time has been spent listening to the many well informed Canadians whose careers are directly linked to the study of the economic implications to business as well as labour in regard to the trade agreements into which Canada enters.

In November 1999 Canada hosted the FTAA ministerial in Toronto. Canada supported a civil society forum which was arranged by a coalition of hemispheric organizations to parallel the Americas business forum. A record 22 FTAA ministers and country representatives were there to hear civil society's views and recommendations on trade and investment, labour standards and poverty reduction.

The thing that really puzzles me about the Bloc members is that Quebec elected members from the Bloc to represent them in all international fora, so I do not really understand why the Bloc feels there should be 10 provincial negotiators at the table along with the federal negotiators. Do they also believe that the United States should have 50 negotiators along with their federal negotiators and that as well there should be additional state negotiators for every country in Central and South America?

This is a federal jurisdiction. Canada strongly believes that a more democratic, prosperous and equitable hemisphere can be achieved only if all sectors of society are involved in its construction.

Once again, Canada has proved to be in the vanguard in promoting greater inclusion and engagement. At the summit of the Americas, the Minister for International Trade, the Minister of Foreign Affairs, the Minister for International Cooperation and the Secretary of State for Latin America and Africa were joined by high level representatives from 20 countries and 5 international institutions to meet with more than 60 representatives of civil

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society networks, groups and associations. These representatives, who have been closely involved in the development of the summit's action plan, came from across Canada and across the hemisphere.

• (1635)

Also, in October 2000 Chile requested that Canada participate in a two day workshop in Santiago to share our experience in consultations with other countries looking to develop their own expertise in consultations via new systems, organizations and/or mechanisms.

Earlier I referred to the cynics. I must confess that at times I sound somewhat more like a cynic than a team player. The patience of the Chair of the Standing Committee on Foreign Affairs and International Trade has not gone unnoticed, especially by me, but I also must confess that I am more of a believer than I have been in a long time because I have seen the result of the consultations and of the reports that come out of foreign affairs.

Not only has the government been open and transparent in preparation for all its trade debates, it has been inclusive. Every citizen has had an opportunity to participate.

There was a comment made from the member across the way that the chair was on the inside track. It would be nice if we could all be on the inside track, but it would be totally and completely unmanageable. I cannot think of anyone I know who can better represent or who should be more on the inside track than the chair of the foreign affairs committee.

I would like the member to know that neither she, her party nor anyone else has the monopoly on caring about social issues, labour conditions or environmental conditions. No one has more of a monopoly on this than our chair does. He is diversified. We cannot all be on the inside track, for a couple of reasons. Sometimes we are not all capable of comprehending it. He was elected to do that and elected to chair the committee.

Canada has set the standard for all FTAA participants. I believe that we as Canadian parliamentarians can be very proud of that.

[Translation]

Mr. Bernard Bigras (Rosemont—Petite-Patrie, BQ): Mr. Speaker, I listened very carefully to my colleague opposite who is still wondering why Quebec wants to send its own negotiators to these major international tables.

I would like to put a question to the member. First, does the member truly believe that Quebec is a nation? If she answers yes to this question, and I would ask her colleague, the parliamentary secretary, not to slip her the answer, if she believes that Quebec is a nation, does she not think that nations should be present at international tables to defend their own interests?

I would like her to answer the first question. If her answer is yes, then, of course, she will have to say that Quebec should take part with the other nations.

[English]

Ms. Colleen Beaumier: Mr. Speaker, I would like to inform the House that I believe Canada is an inclusive nation of which Quebec is a very, very important part.

[Translation]

Mr. Bernard Bigras: Mr. Speaker, this is why the Bloc Quebecois has 38 members in this House. Despite the consensus reached by everyone in Quebec, from the Quebec Liberal Party to Mario Dumont, members opposite refuse to acknowledge that Quebec is a nation.

As long as the members opposite maintain this kind of behaviour towards Quebec, there will be in this House members to defend Quebec at the international level and members to defend Quebec at the summit of the Americas.

[English]

The Acting Speaker (Mr. Bélair): Does the hon. member for Brampton West—Mississauga wish to reply?

Ms. Colleen Beaumier: Mr. Speaker, that was totally irrelevant.

• (1640)

[Translation]

Mr. Stéphan Tremblay (Lac-Saint-Jean—Saguenay, BQ): Mr. Speaker, it is with a great deal of emotion that I rise today, as there is something rather interesting and symbolic in my doing so.

Three years ago, coming back from the Easter recess, I had been a parliamentarian for two years at the time, I was expressing concern, as I am today, about the widening gap between the rich and the poor. In an attempt to spark a societal debate on the impact of the globalization of the economy and on our political power, I picked up my seat and took it out of the House of Commons to give it back to my constituents. That was three years ago. In a sense, today is the anniversary of my action.

The summit held in Quebec City last weekend was also an important event. I went just about everywhere in the city, among other places to the parliamentarians' forum. I was greatly pleased to hear everyone talk about globalization or continentalization. In short, I think the debate got off to a good start. I do not mean to say that it was my doing, but anyway there is an interesting symbol in this whole issue. I am happy that we are debating it and that it was raised by the Bloc Quebecois, through the member for Joliette. So there are positive aspects.

Other aspects remain disturbing however, as we saw during the weekend. I had the opportunity to participate in the forum of

parliamentarians, but I also took part in Saturday's march. I spent the whole week with friends from the Lac-Saint-Jean area who have an apartment very close to the security perimeter, which enabled me to play the role of observer.

I think everyone here will agree that our role, as parliamentarians, is to observe what goes on in the field and to come back here with a good understanding of the events that are taking place in our society.

I must say that my weekend was very enlightening, although sad at times. I already said that I was pleased with certain things I saw in the media. Granted, there was way too much emphasis on vandalism, but there were reports on television, on the radio and in the newspapers on the impacts of globalization and of the huge societal changes that we are going through.

In this regard, there is a certain awareness on the part of the people. Close to 40,000 people marched peacefully in the streets, and I must insist on the word peacefully. Unfortunately, there was another segment of society that had chosen direct action and violence. It is totally inappropriate and it diminishes the quality of the message that those who marched peacefully wanted to send because they were critical of the way globalization and continentalization were being pursued. We must realize that a lot of things happened.

I will continue to try to understand what motivated the vandalism. Unfortunately, a number of violent protesters did not know exactly why they were doing what they were but they were doing it to confront the police. Others were there because they thought it was the only way. Again, I strongly condemn such actions.

Recently, someone said to me "Listen, Stéphan, do we not have the population, the youth that we deserve?" After thinking it over, I said to myself "Maybe. Maybe we should think about things like that". In short, this is part of the joy of politics. The sociological aspect of such phenomena must be taken into consideration.

There was nevertheless an interesting aspect. Whether they are demonstrators in the street, rioters or people who got inside the perimeter, they all talk about the distribution of wealth. They all talk about the protection of environment, about enhanced democracy. So there seems to be a societal consensus about the goals that we must reach.

There are, however, divergences about the means to reach that end. Some people say that free trade will lead us to our ruin, while others believe it will bring prosperity.

• (1645)

Whatever the results, I believe that the debate is expanding. However, we, as parliamentarians, should examine the issue more thoroughly. Again, I congratulate my colleague, the member for Joliette, for having organized the forum of parliamentarians. There is a group that has made itself visible in a special way this week. I am referring to parliamentarians, namely members of COPA, who have really indicated what was important in the whole negotiating process. I am not referring here to democracy clauses in each country as they were discussed during the weekend, but to the whole continental process, which is short on openness, consultation, debate and dialogue. I am convinced of that.

Of course, the civil society should be included, but so should the parliamentarians. If they are not, we have a serious problem. We do have a serious problem now, because they are not included at present.

Fortunately, because of this we have had new initiatives like COPA, which has been trying for three years to get parliamentarians of the various provinces and countries together to have a whole range of opinions. We can have a debate in this parliament among ourselves, but, if we are to have a complete picture of the situation, it is essential to have meetings with parliamentarians from other countries of the Americas to sketch out the kind of society we want.

We may be talking about a trade agreement, but as far as I am concerned, we should be talking more generally of the exchange area of the Americas. Exchanges are not restricted to trade, but include knowledge, culture, politics and social issues. We all stand to benefit from increased exchanges.

However, we need rules. This is why I am very uneasy with the term free trade. Does this mean we should have a free market without any rules, environmental rules or social rules? I hope not. I hope this is not what our leaders have been discussing during the weekend.

I support trade, but trade should be fair, with sustainable development, a development that is respectful of people and of the environment. To have this, we need agreements for the Americas. We have to negotiate and discuss this. It is a great proposal. In fact, it is such an ambitious project that it encompasses the richest country in the world and one of the poorest. Some people believe that it will be totally impossible to reach an agreement, but at least there is some dialogue going on.

Call me naive or utopian, but I believe that some day we might have a trade area of the Americas where there will be cohesion, wealth redistribution, greater democracy, an environment agenda and many more great things.

There appears to be agreement that parliamentarians should work together. I am the international co-operation critic for the Bloc Quebecois and I happen to believe that we need interparliamentary co-operation not only in the Americas, but throughout the world, a world of global markets.

Since we have more and more concerns that reach beyond the walls of this parliament, we need discussions and exchanges of

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ideas that also reach beyond this parliament, hence the emergence of parliamentary associations.

There is however a barrier to interparliamentary co-operation. The language, of course, can be a barrier and it can be quite a challenge. If fact, I have promised some of my parliamentary colleagues to try to learn Spanish during the summer, because it is a beautiful language and it could help me to better understand my Latino colleagues.

Another barrier to interparliamentary co-operation is the distance, although we probably have the technology to overcome that.

The time has come to use technology to promote democracy. The time has come for parliaments in the Americas and throughout the world to get the telecommunications tools they need to hold virtual parliamentary sittings in which some thirty people, including members of the civil society, could take part. We could also have regular sessions to examine some issues in depth, thanks to all the technology we now have. The time has come to take this step, which is why I have become an advocate of virtual parliamentarism.

• (1650)

[English]

Mr. Pat O'Brien (Parliamentary Secretary to Minister for International Trade, Lib.): Mr. Speaker, thank you for giving me a chance before one of the hon. member's colleagues, but I am sure we will all get a chance to participate in this very interesting and worthwhile debate, which was the idea of my colleague, the hon. member for Joliette.

Of course we do support the main motion, because we feel that what the main motion calls for we have been doing for some months, are doing now and will continue to do. The government will support the main motion, but it will not support the amendment, for some important reasons.

The member who just spoke said some argue that free trade will bring prosperity while others argue that it will bring the opposite, poverty. I would like to give him the thoughts of two world leaders and ask him to react.

First, I agree with those who feel that it will bring prosperity. I feel that is the proper conclusion. What the president of Mexico, Vicente Fox, said to the protesters in Quebec City who were there to speak on behalf of the less developed countries of the Americas, was this: let us choose. He said "we are the democratically elected leaders of those countries so let us choose what is right for our people, and we are accountable to those people".

I wonder what my colleague thinks of the remarks of Mr. Fox and also of the remarks of Kofi Annan, the secretary general of the

United Nations, who said recently in his report that the best thing we can do to help the less developed countries of the world is to globalize and liberalize trade. He even quantified that and said that would ensure \$100 billion in aid to those countries.

I wonder if my hon. colleague could react to the comments of Secretary General Annan and President Fox.

[Translation]

Mr. Stéphan Tremblay: Mr. Speaker, I have not said that I was opposed to free trade. I only said earlier that some people had concerns regarding free trade.

It is obvious that the globalization or continentalization of the economy has the effect of increasing competitiveness, for example. This has consequences attached to it. When competitiveness is pushed to the limit, companies, which are profit driven, are sometimes compelled to reduce wages and to operate from countries where the environment is not respected. This will also create a tax competition between states. To attract investors, companies do not want to pay any taxes or very little. However it is with tax money that health care and education are financed.

I think that this type of pressure exists. I am not saying that this is exactly what will be happening, but the tendency is there. This is why I say that governments and parliamentarians must remain strong to ensure that the rules of the game are set out.

I agree with the member, and probably with Kofi Annan, when he says that trade brings prosperity. I recently travelled to Chile with the Minister for International Cooperation. It is true that Chile is one of the most economically integrated countries in the world. There is a middle class in Chile. I admit it. I do not believe that everything should be either black or white in politics or in the economy.

Right now, there are signs of concern. Some say that investments from the north will bring prosperity to the south, and that is possible, but there are other elements that have to be taken into consideration such as education, for example.

One of the objectives that northern countries must set themselves is to ensure that the countries we deal with provide access to education. It is absolutely essential. To become a developed and democratic society, education is absolutely necessary. We cannot have globalization with countries that are not even able to provide education to their young people, the new generation.

It might not be in the text of the agreement itself, but this absolutely must be taken into consideration.

We must pay attention to what people say in the street. We cannot say that they are anti-globalization, a word I dislike. It is not

true that people are against globalization. They are against the way it is happening. We must be careful with the words we use.

• (1655)

Mr. Bernard Bigras (Rosemont—Petite-Patrie, BQ): Mr. Speaker, I will comment on the speech made by my colleague, who said that language, whether we want it or not, can be somewhat of an obstacle to negotiations and trade.

Again, I see the parliamentary secretary saying no. He pointed to the interpreter a few moments ago. If that is not an obstacle, how can he explain the fact that his government mentioned translation problems as a reason not to release the documents to be used in the negotiation of a free trade area of the Americas on the eve of the summit? Is this not real proof that it can be an obstacle?

Mr. Stéphan Tremblay: Mr. Speaker, to answer my colleague's question, the government insulted our excellent translators and interpreters. They are able to translate the debates simultaneously, but we were told that it was impossible to translate a 900 page text in more than a week. Come on. The people from Ottawa smiled when they said that.

[English]

Mr. Howard Hilstrom (Selkirk—Interlake, Canadian Alliance): Mr. Speaker, we are certainly having a great debate here this afternoon.

The Bloc supply day motion is that we put in place an ongoing and transparent process by which parliament is informed of the negotiations concerning the establishment of a free trade zone of the Americas, whereby parliament can debate and society can be consulted.

I am not quite sure exactly what they mean by consultation of society. I certainly agree with the reference to parliament. Parliament has to be involved. We, the elected members of parliament, are the representatives of the people. We get a lot of feedback. As a result, parliament should definitely be consulted in this process.

It is certainly my understanding that the text of the agreement is to be released once the translation is complete and the release of information or any changes certainly should be made public. We stand for that four-square. There also has to be input by parliamentarians, which I have referred to and which the motion of course is asking for.

It is Canadian Alliance policy that treaties like the free trade agreement of the Americas be brought before the House of Commons for a vote. Deciding on proceeding with trade agreements should be decisions made by parliament and not by the personal prerogative of the Prime Minister. We should have increased openness. It would help the negotiation of free trade agreements by decreasing public suspicion and increasing public awareness and knowledge.

We should also have increased public debate facilitated through the House of Commons. That would offer practical improvements to Canada's negotiating position, which might not have been thought of if the negotiations are done in secret.

The whole issue of trade is that countries that do a lot of trading with their neighbours and friends around the world are those countries that increase the wealth for all of their citizens. We have seen that here in Canada. One of the best examples I can think of that relates exactly to central Canada, Ontario and Quebec, was the 1960s auto pact agreement whereby there was free trade between central Canada, Ontario and Quebec especially, and the United States. For many years Ontario has seen the highest incomes in the country. That is due to the trading relationship Ontario was able to enjoy. All Canadians should be able to enjoy that kind of free trade.

On the basic concept of free trade not only am I personally in support of it, but free and increased trade is what the Canadian Alliance stands for. We see that need for open and freer trade also applying to agriculture.

• (1700)

We have seen quite an improvement with the cattle agreement we have with the U.S. Last year over 200,000 head of feeder cattle came up from the northwest corner of the United States to be fed in Canada. That created wealth for the Americans. We outbid their ranchers on the price of the cattle. We brought them here, fed them and added value. Some of the beef was shipped back to the States and some was shipped overseas as finished beef. It is a good example of how trade benefits all of us.

One of the biggest problems with trade is high foreign subsidies for agriculture. High tariffs restrict imports into countries and, in their case, restrict exports as well.

One of the great advantages of freer trade around the world, not only the WTO but in this case the free trade of the Americas, is that countries considered second and third world countries, whose economies have not yet fully developed and which have not been in a good trading relationship with the rest of the world, will find their citizens on the whole are much better off and enjoy a higher standard of living. Not everyone will drive a car or have a yearly income of \$50,000, but the situation in many of these countries, where some people live in slums and garbage dumps, will come to an end if their economies grow. Part of that can be achieved through free trade.

We will accept some of these countries' agricultural products. I bring up agriculture because I am the chief agriculture critic for my party. Importing agricultural products is good. Some countries do not have a lot of high technology exports to send us but they do

Supply

have agricultural and low end commodities. In return, as their wealth increases, we can sell more to them and thereby create wealth.

The NDP like to think of wealth as a static kind of thing. There is a big ball of wealth and it is all about fighting for a piece of that ball. The Canadian Alliance clearly believes and understands that the ball of wealth can grow and grow until all people around the world have a decent standard of living with health services. That is why we so strongly advocate trade.

Canada has a few problems with its trade position. I use the example again of P.E.I. potatoes. The rules based trading that should be in place is not working to its full extent. We must recognize that any trade agreement must include dispute settlement mechanisms and that the parties must live up to their trade agreements. The Americans are artificially using a disease problem as an excuse to bar imports of P.E.I. potatoes into the U.S. That is wrong.

The way to deal with that is to use the dispute settlement mechanisms we have under the agreements. The government should establish a good working relationship with our trading partners but we instead see the government fighting with our trading partners. Brazil is a good example. The United States is another. These issues should not be escalating into trade actions. They should be worked out on a bilateral basis between neighbours and friends before they become bigger problems.

The issue of state trading enterprises will be coming up in the free trade of the Americas. Canada's FTAA position regarding this will probably be identical to its WTO position. The big example in Canada is the Canadian Wheat Board, which is the monopoly buyer of grain in Canada. However, when it markets our farmers' grain around the world it is no longer a monopoly but just one of many sellers.

The questions then become: How much of a price can the wheat board get? Can it get a better price or do a better job of marketing than a grain company or other grain broker? A situation may develop where the board and its directors, except for two of them, may say that the monopoly must be maintained because it is the only thing.

We see in the WTO talks that trading monopolies or state trading enterprises are not conducive to freer trade around the world. The wheat board is wrong on that basis but it is also wrong in that many farmers do not want its monopoly to continue. The Canadian Wheat Board artificially distorts trade because the government is imposing its agenda on it.

I will touch on one last thing. The organic growers are represented by Carol and John Husband, Arnold Schmidt and Ron

^{• (1705)}

Tetoff. These people have developed overseas markets for their organic grain. They are being forced to go through the wheat board to get a buy back on it, and that is dead wrong. We have many farmers, including Art Mainil in Weyburn and Barry Farr, who want the voluntary wheat board brought into play. We will see that negotiated in the upcoming free trade of the Americas agreement.

Mr. Murray Calder (Dufferin—Peel—Wellington—Grey, Lib.): Mr. Speaker, I listened with a lot of interest to the member across the way who talked about the Canadian Wheat Board.

We must first understand that the Canadian Wheat Board is not the same as it was in the past. It is not only a crown corporation that has five members appointed by the government, it now also has 10 members who are elected by the farmers.

Canada has a reputation for selling food products, and in this case grain products, that are second to none. The Canadian Wheat Board has done an admirable job in the past, is doing so in the present and will continue to do so in the future.

The member across the way seems to think that all farmers out west want to do away with the Canadian Wheat Board. I have had the opportunity as vice-chair of the standing committee on agriculture, along with the member opposite, to hear farmers out west. That is where the debate is going on right now.

The member across the way should give the wheat board a chance now that its officials are elected by grassroots farmers. He should give it a chance to change itself from what it has been as a crown entity.

The United States has consistently gone after the Canadian Wheat Board. Why has it done so? Does the U.S. really think our wheat board is a bad thing or does it want it abolished because it does a good job for farmers out west?

Mr. Howard Hilstrom: Mr. Speaker, the Canadian Alliance and I are not advocating doing away with the Canadian Wheat Board. It is a co-operative agency through which farmers can voluntarily market their grain.

The Canadian Wheat Board had 55 years to show its worth. We have seen that the wheat board no longer sells many of the grains and commodities it once did because there is a better way to market those commodities. Oats are a good example. We will not see anyone fighting to have those grains marketed again by the Canadian Wheat Board.

The federal government, for whatever reason, thinks it must retain control of wheat and barley so it can sell wheat to foreign countries like North Korea for \$1.50 a bushel and make western Canadian farmers pay for it. That is what is wrong.

• (1710)

Of the 10 elected members of the Canadian Wheat Board, two have been elected to represent the thousands of farmers who want choice in marketing. It has nothing to do with ideology. It should have nothing to do with the government forcing a marketing agency onto farmers. It should be about an individual farmer who has \$1 million or thereabouts in assets being able to do the best for his farm economically. The university educated farmers we have today are far better at marketing their products than some colossal monopoly that says one size fits all.

The Canadian Wheat Board must become voluntary. If it does not happen today, I will keep working tomorrow and the day after that until it does.

Mr. Gurmant Grewal (Surrey Central, Canadian Alliance): Mr. Speaker, I am very pleased to participate in this debate on behalf of the people of Surrey Central on the timely motion by the third party:

That the government put in place an open and ongoing process to keep Parliament informed of negotiations to establish a Free Trade Area of the Americas so as to allow parliamentarians to debate it and civil society to be consulted before Parliament approves it.

The Bloc is using the summit of the Americas as a catalyst to put the spotlight on parliamentary reform. The Canadian Alliance, along with other parties, has been pushing the government to change the way we govern ourselves in this place.

The motion today is very much in sync with our agenda. The Canadian Alliance wants three things from the government as a result of the successful summit of the Americas. First, we want the text of the proposed free trade agreement of the Americas released once its translation is complete. Second, we want information regarding changes to the agreement to be made public. Third, we want input by parliamentarians. We understand it has not been easy to translate parts of the agreement, but this is a requirement of the motion and the government must comply.

Finally, in the spirit of democratic parliamentary reform we think it is time to force the government to include the House of Commons in the negotiation of these types of treaties. A take note debate is simply not enough. When the government makes the decision and then asks the House to debate, that is not democratic.

The summit of the Americas is particularly important to Canadians because Canada has \$42 million invested in the Americas outside the U.S. Over 90% of goods from Latin and Central America and the Caribbean come to Canada duty free. Canada exports 45% of the GDP, so it is very important that we discuss the issue in parliament.

The Canadian Alliance recognizes the enormous benefit of free trade to our country. It will broaden our trading rights. It is mutually beneficial to participating countries. It gives consumers a better choice of goods and services at cheaper prices compared to tariff protected economies. It helps us get value added products. It helps bring about prosperity and development in Canada. It enhances freedom of enterprise, democracy and good governance. It enhances the voluntary exchange of goods, services and money. It protects intellectual property rights. The discussion of free trade in the House is therefore very important.

Parliamentary debate is also important because a number of questions remain unanswered. Questions about trade disputes, softwood lumber, agriculture and fisheries have not been addressed at all.

Also, what is Canada's role in the FTAA? We do not yet know. What are the benefits versus the costs of dealing with those countries?

• (1715)

It is difficult to debate that because so little has been made public by the government. We also need to know what criteria the government is using to promote trade relations in the FTAA. How about our trade policy?

We need to debate these things. We need to know how we will be dealing with or holding those nations accountable for their human rights record, as well as good government practices. How about trade sanctions against any rogue nation?

These things are important, particularly with the increase in organized crime and international crime. We need to know these things, but this weak Liberal government has not given parliament a chance to deal with them.

The Speaker: It being 5.15 p.m. it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the business of supply.

[Translation]

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Speaker: In my opinion the nays have it.

And more than five members having risen:

Supply

The Speaker: Call in the members.

• (1745)

Adams

Allard

Assad Bagnell

Bakopanos

Beaumier

Bellemare

Bertrand

(The House divided on the amendment, which was negatived on the following division:)

(Division No. 78)

YEAS Mombore

Members	
Abbott	Anders
Anderson (Cypress Hills-Grasslands)	Asselin
Bachand (Saint-Jean)	Bailey
Bellehumeur	Benoit
Bergeron	Bigras
Blaikie	Borotsik
Bourgeois	Brien
Cadman	Chatters
Comartin	Crête
Cummins	Dalphond-Guiral
Davies	Desjarlais
Doyle	Dubé
Duceppe	Duncan
Ерр	Fitzpatrick
Forseth	Fournier
Gagnon (Champlain)	Gagnon (Québec)
Gallant	Gauthier Godin
Girard-Bujold	
Gouk	Grewal
Guay	Guimond
Harris	Hearn
Herron	Hill (Macleod)
Hill (Prince George—Peace River)	Hinton
Jaffer	Johnston
Keddy (South Shore)	Kenney (Calgary Southeast)
Laframboise	Lanctôt
Lebel	Lill
Loubier	Lunn (Saanich—Gulf Islands)
Lunney (Nanaimo—Alberni)	MacKay (Pictou—Antigonish—Guysborough)
Marceau	Mark
Martin (Winnipeg Centre)	Mayfield
McDonough	McNally
Ménard	Meredith
Merrifield	Mills (Red Deer)
Moore	Obhrai
Pallister	Paquette
Penson	Perron
Peschisolido	Picard (Drummond)
Plamondon	Proctor
Reid (Lanark-Carleton)	Reynolds
Ritz	Rocheleau
Roy	Schmidt
Skelton	Solberg
Sorenson	Spencer
St-Hilaire	Stinson
Stoffer	Thompson (New Brunswick Southwest)
Thompson (Wild Rose)	Toews
Tremblay (Lac-Saint-Jean—Saguenay)	Tremblay (Rimouski-Neigette-et-la Mitis)
Vellacott	Venne
Wayne	Williams
Yelich—101	** infunto
10101-101	

NAYS

Members

Alcock Anderson (Victoria) Augustine Baker Barnes Bélanger Bennett Bevilacqua

Private Members' Business

Binet Bonir Boudria Brown Bulte Calder Carignan Castonguay Cauchon Charbonneau Collenette Copps Cullen DeVillers Dion Duhamel Eggleton Finlay Gallaway Goodale Gray (Windsor West) Guarnieri Harvey Ianno Jennings Keyes Knutson Laliberte LeBlanc Leung MacAulav Mahoney Maloney Marleau Matthews McCormick McKay (Scarborough East) McTeague Minna Murphy Neville O'Reilly Pagtakhar Parrish Peric Phinney Pillitteri Price Redman Regan Robillard Saada Scott Sgro St. Denis St-Julien Stewart Telegdi Thibeault (Saint-Lambert) Tobin Torsney Vanclie Wappel Wilfert

Blondin-Andrew Bonwick Bradshaw Bryden Byrne Caplan Carroll Catterall Chamberlain Coderre Comuzzi Cotler Cuzner Dhaliwal Dromisky Easter Farrah Gagliano Godfrey Graham Grose Harvard Hubbard Jackson Jordan Kilgour (Edmonton Southeast) Kraft Sloan Lastewka Lee Longfield Macklin Malhi Marcil Martin (LaSalle—Émard) McCallun McGuire McLellan Mills (Toronto-Danforth) Mitchell Nault O'Brien (London-Fanshawe) Owen Paradis Patry Pettigrev Pickard (Chatham-Kent Essex) Pratt Proulx Reed (Halton) Richardson Rock Scherrer Serré Shepherd St-Jacques Steckle Szabo Thibault (West Nova) Tirabassi Tonks Ur Volpe Whelan Wood—144

PAIRED MEMBERS

Caccia	Cardin
Desrochers	Drouin
Harb	Lalonde
Peterson	Sauvageau

The Acting Speaker (Mr. Bélair): I declare the amendment lost.

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

Some hon. members: Agreed.

The Acting Speaker (Mr. Bélair): Since there is unanimous consent, I declare the motion carried.

(Motion agreed to)

The Acting Speaker (Mr. Bélair): It being 4.50 p.m., the House will now proceed to the consideration of private members' business as listed on today's order paper.

PRIVATE MEMBERS' BUSINESS

• (1750)

[English]

PARLIAMENT OF CANADA ACT

Mrs. Marlene Jennings (Notre-Dame-de-Grâce—Lachine, Lib.) moved that Bill S-10, an act to amend the Parliament of Canada Act (Parliamentary Poet Laureate), be read the second time and referred to a committee.

She said: Mr. Speaker, it is a great honour for me to rise in the House today to address the historic Bill S-10, an act to amend the Parliament of Canada Act respecting the establishment of a parliamentary poet laureate. As my esteemed colleagues on both sides of the House may know, the bill originated in the other place. In both the previous millennium and again in this new millennium, I had what I consider to be both the honour and the privilege to table the bill before the House of Commons.

Let me tell the House a bit about Bill S-10. Bill S-10 would create an office that combines the traditional functions of both the British and American poet laureate. I am certain that my fellow parliamentarians are familiar with these traditions. However I beg the indulgence of the House while I briefly describe both offices and provide some historical notes on these offices.

Poet laureate is a formal title conferred upon poets in several countries as a sign of official recognition and historically to designate these poets as official chroniclers of state events and occasions. I did not have the privilege of learning Latin, but those who have had the opportunity and, in the minds of some, the horrible task of learning Latin will know that the term laureate is derived from the Latin word laurea or the English word laurel.

Its use reflects the fact that in ancient times the laurel tree was sacred to the Greek god Apollo, the patron deity of poetry and music. It is believed that he decreed the laurel to be the emblem for poets and victors. So it was that ancient poets who achieved distinction were crowned with a wreath of laurel, as were athletes victorious at the Olympic games. In 1616 King James I created the office of court poet for Ben Jonson, but it was not until 1668 when John Dryden was given the title of official poet laureate that this title was indeed created in England. Since that time the office of poet laureate has been continuously occupied except for a four year period following the death of Alfred Lord Tennyson in 1892. Today Andrew Motion is the official poet laureate of that parliament. His 10 year term, begun in 1999, is historic as previously in the U.K. the appointments were life appointments.

• (1755)

In the United States, while the formal title of poet laureate to the Library of Congress was only created in 1985, the office itself dates back to 1936. It was then that the late Archer Mr. Huntingdon endowed a chair of poetry at the Library of Congress.

It is to be noted that in the U.K. it is the duty of the prime minister to nominate successors from which the reigning sovereign will choose. The lord chamberlain then officially or formally appoints a poet laureate through the issuance of a warrant.

In the United States, however, said appointments are by the congressional librarian and are for a one year term. An incumbent in the United States can be reappointed indefinitely.

This then brings us back to Bill S-10 wherein the duties of the parliamentary poet laureate would include writing poetry relating to state occasions for use in parliament. This draws from the British model and as well would include advisory and public awareness duties. This function or responsibility draws from the American model.

In the American model the official poet laureate of the Library of Congress is also responsible for hosting poetry reading, for encouraging poets to go into the schools and the learning institutions in order to spread the word, and for encouraging the use of language by young people and by Americans in general as a means of communication.

Under Bill S-10 the term of office would be two years and would not be renewable. The appointment of the parliamentary poet laureate would be jointly by the speakers of the House of Commons and of the other place. The process whereby the two speakers would appoint a poet laureate under this legislation would be that the speakers would choose from a list of three nominees that had been submitted by a committee composed of the parliamentary librarian, who would be chair of that committee; the national

Private Members' Business

librarian; the National Archivist of Canada; the Commissioner of Official Languages for Canada; and the chair of the Canada Council.

[Translation]

This bill leaves to both speakers, the Speaker of the Senate and the Speaker of the House of Commons, or to the committee, the responsibility of detailing the rules related to the recommendations. For example, will the selection of the three names to be submitted to the speakers of both Houses obey to the rule of unanimity? Will it require a consensus, a majority, a plurality, or will it be submitted to any other determinant rule?

[English]

Poetry is a unique and timeless art form which continues to this very day to provide meaning and enjoyment to contemporary readers and audiences across Canada.

One of Canada's most gifted poets is Irving Layton. He has made a lasting and unparalleled contribution to Canadian literature through his extraordinary verse. Or, as Aristotle wrote in the *Poetics*, "it is not the business of the poet to tell what has happened but what might happen and what is possible". I think Irving Layton as well as other great Canadian poets are a true expression of that quote from Aristotle.

One of the greatest modern leaders of our time, the late John F. Kennedy, once said "when power corrupts, poetry cleanses".

[Translation]

Since the tabling of this bill proposing the creation of the position of parliamentary poet laureate, I have received many letters, phone calls and e-mails from Canadians all over the country who expressed their support for this bill.

• (1800)

Many of them have even sent me copies of their own poetry and some of them asked about how to apply for that position. *The National Post* has even launched a competition for the best poem.

[English]

They called it the national parliamentary limerick contest avec un prix monétaire. This contest was greatly successful and popular. Quite a few of my own constituents participated in it. Unfortunately not one of them actually won the ultimate prize. However I would like to read a poem by Mr. John Gossip who resides in NDG, Notre-Dame-de-Grâce, which is part of my riding:

Will Marlene believe what she's told, That guys over seventy years old Don't find it so hard To rhyme like the Bard, When the payoff is a title, with gold?

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[Translation]

When I read it for the first time, I was in my office, the day had been very long and I could not even see the end of it. I must say I was very tired and slightly downhearted. However when I read Mr. Gossip's poem, it put a smile on my face and lifted my spirits. It gave me the energy to get to the end of the day and accomplish all I had planned.

[English]

I would like to beg again the indulgence of my colleagues so as to read another poem, "Appraisal", which was composed by Cyril Dabydeen. Mr. Dabydeen, who is a noted Canadian poet of Caribbean origin, was in fact the poet laureate for the city of Ottawa about 15 years ago. He received an annual stipend of \$1. It reads:

Conjuring up romance with hopes and fears, Mannerisms we call advocacy Or racial assertiveness, The ethnics taking over And we cry vengeance Marvelling at the roots of trees.

The workers constantly hacking off the limbs of elm along Sussex Drive, The noise of the waterfall is all, Boundaries, ocean, a mighty river swell Whitely foaming, your black hair hanging down, Legs wide open and welcoming love.

This rendez-vous with the ethnics, Their potency and other desires Like unaccustomed rain Eager as they are to populate a country, Colour is still all Or trying to thwart, Or try thwarting a rainbow at odd hours This melting pot or mosaic.

Mackenzie King is still our guide And trembling at the hands of fascists, The gates of parliament opening, Gun powder too has its limits, I say walk along Rideau and Bank Street Or watch the natives pointing to the bear in the sky Or telling false tales to the spruce and jack pine close to Sioux Lookout and Lonelat, Reforesting a country after a fire Partridges hopping in the wooded dark.

I think it is a great poem. It speaks to many things that we have experienced in Canada. Whether it be our participation in the war against the fascists during the second world war, whether it be our welcoming of masses of immigrants throughout our history coming from the four corners of the earth, of varying and diverse ethnic, racial, linguistic and religious origin, we have it all in Canada, including the role that parliament has played in opening the gates and seeing that the gates remain open. I think that this is a great poem. I would like to come back to my bill to establish a poet laureate. I hope I would have the complete support of all hon. members of the House to see that the bill is adopted.

I have been asked if this is a paid position?. There is nothing in the bill that requires the position would be paid. Historically and traditionally it is an honorary position and at most an honorary stipend would be attached to it. It would be the committee and the speakers who would decide whether or not an honorary stipend should be attached to this position and, if so, what amount.

• (1805)

The official poet laureate in the U.K. receives $\pm 5,000$. If my math is right that is the equivalent of about \$12,000 to a maximum of \$15,000 Canadian at the present exchange.

He or she also receives a case of wine. We have some great Canadian wines, particularly ice wines. The speakers of both houses and the selection committee could always recommend that the Canadian parliamentary poet laureate receive a case of ice wine. The position would be a two year, non-renewable term.

I see that there may be a member on the other side of the House who would wish to pose his candidacy should the bill be adopted. I hope that means that I have his support at least for the bill, if not that of his entire party.

I ask members of the House to consider seriously the position of poet laureate. We talked about how parliament is disconnected from reality. This is something that we read and hear in the media continually. We also talk about how our youth have become disconnected from the democratic process of participation. The capacity to use language in all its richness is one way of being engaged. Poetry has a long tradition in Canada. Jacques Cartier was a poet and some of our prime ministers were known to have composed verse.

I urge all members on both sides of the House to begin the Canadian tradition of parliamentary poet. A parliamentary poet would go a long way to encouraging literature in our society. It would encourage our young people to see the spoken word as something that is enriching, that is a means of communication and a means of recording our experiences as an individual, as a group and as a society. It lives on forever.

I ask members to support the bill to allow the creation, the beginning, of a Canadian tradition of poet laureate, which goes with the tradition of having the most poets per capita of any country in the world. We have the tradition. Let us bring it into parliament.

Ms. Cheryl Gallant (Renfrew—Nipissing—Pembroke, Canadian Alliance): Mr. Speaker, it is my privilege to rise today on behalf of the official opposition to speak to Bill S-10, an act to

amend the Parliament of Canada Act respecting the establishment of a parliamentary poet laureate.

On behalf of the Canadian Alliance, the notion of a poet laureate certainly appeals in a civilized sense to the beauty of the spoken word. We on this side of the House are probably more sensitive to the spoken word because in the political forum we call question period our words are swords with which we do justice on behalf of the Canadian people every day. It is with considerable interest that we in the official opposition view anything in parliament that has to do with the spoken word.

I wish to speak to the hurt the spoken or written word can inflict on others, particularly when it is used for malicious intent. I refer to a magazine article that was recently published in an Ottawa city news magazine. The writer's story was about a murder trial in my riding of Renfrew—Nipissing—Pembroke. It has taken on a certain sensationalist reporting, much in the style of the popular U.S. tabloids. I wish to read into the official record what the news magazine had to say about the beautiful rural community in which the murder took place.

The community is not one of those nice little towns that dot southern and eastern Ontario. It is more like a rural freak show—a railway town without a railway where most people make their money in the fall either by catering to deer hunters or by bringing in the marijuana harvest from up in the hills behind the village. Many of the older residents are the simple Ottawa Valley folk who are the butt of so many recycled Newfie jokes—

• (1810)

I wanted to read this fictionalized garbage into the record, and there is more, to emphasize the emotional effect that words can have on a listener. When I read this hate literature, and I use the term sparingly because I know it is a powerful term and I do not intend to minimalize anyone else's experience with hate literature, I felt immediate contempt, if not downright disgust for a publication which would slander an entire community for the sake of a few dollars in the guise of being a news magazine.

Once that spoken or written word is distributed it becomes easier for the next media to come along and build on the original myth. This article was followed by a shot at the entire Ottawa valley community under the veil of humour by the tax dollar funded national broadcaster when in its program *The Royal Canadian Air Farce* suggested that inbreeding was a cottage industry in Ontario ridings held by Canadian Alliance members.

I have a problem with public servants disguised as journalists, or in this case a poet. I would expect safeguards to be built into the position of poet laureate. Poets have the ability to stir up powerful emotions in the same way as a writer. As we consider the office of poet laureate, we must be cognizant of this fact. Is this position intended to unify us as a nation or is it intended to stir us up?

I have read with great interest the debates in the other place regarding the bill. There are many more questions in my mind than

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time will allow today. I have great difficulty with the proposed legislation which goes to the very heart of what we are discussing.

Is the position of poet laureate appropriate in a country like Canada that has evolved into a multicultural mosaic? I make this point because in the examples of those countries such as Great Britain which have created positions of poet laureate, they are very dissimilar to our experience in that theirs is a monocultural experience.

The observation has been made that it is appropriate for there to be one poet laureate. Should there not be two to reflect the bicultural nature of our institutions? While that may reflect the English-French diversity, what about the first nations people? This past century has been characterized by a migration that is neither French nor English. We are a work in progress when it comes to the society we are building in the northern half of this continent.

Do we as parliamentarians want to associate ourselves with one voice that will not be able, by virtue of the way that the craft of poetry is reflected, to reflect the nation we have become in the 21st century?

I believe it was stated in the other place that leadership depends upon individual voices leading. What the position would be able to achieve would depend upon what leadership and what voices. I fear that a poet laureate would be constrained by the official position and so defeat the purpose for which it was intended.

I commend the sponsors of the bill for the spirit in which the proposal has been brought forward. I look forward to continued debate on the subject.

Ms. Wendy Lill (Dartmouth, NDP): Mr. Speaker, it is a great pleasure for me to speak to Bill S-10 tonight, an act to amend the Parliament of Canada Act to add an officer of the Library of Parliament called the parliamentary poet laureate. I support the efforts of the member for Notre-Dame-de-Grâce—Lachine for her tireless efforts to push forward this important initiative.

• (1815)

I support each and every effort to enrich the quality of discourse, the quality of thought and the standard of debate of this place, the largest stage in Canada, the House of Commons.

I see the creation of a poet laureate as one way in which we may symbolize the importance of language, the importance of literature and culture in Canada. I see it as one small step in retrieving much of the beauty of debate which used to exist here and I see it as a symbolic gesture that we value language and culture in government.

As the critic for culture for the New Democratic Party, I have spent the last four years in the House of Commons fighting for increased support for Canadian culture. I have spoken out widely and often about cuts to our public broadcaster and the impact that has had on silencing the quirky, irreverent, provocative, passionate

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voices that used to spring daily from dozens of regional and local CBC programs.

I have spoken out in support of the Canada Council for strengthening support for book publishers and sellers who represent part of a delicate but vitally important environment that allows diverse and unique voices which reflect the Canadian reality to sprout out of our regions.

The poets, novelists, essayists and playwrights all depend on small publishers and bookstores that will take a chance on new work, nurture new writers, hold book launches and readings and hold the hands of new writers as they work through the hard hours of creation.

Maritime poets, such as Alden Nowlan, Dawn Fraser, Milton Acorn, Rita Joe, Don Domanski, Maxine Tynes, Sherree Fitch, Carole Glasser Langille, George Elliott Clarke and Lyn Davies, are all part of a creative flowering that has occurred in Canada because of our government's recognition of the importance of supporting the arts.

Last year during national poetry month, the New Democratic Party used its statements for one week to showcase poetry from across the country. It was a profoundly moving event and I believe that in that short time we reintroduced a sense of wonder in the House.

We read poetry by Patrick O'Connell from Winnipeg, Susan Goyette from Dartmouth, Herménégilde Chiasson from the Acadian peninsula, Bud Osborne from Vancouver's east side and Ila Bussidor, who is the chief of the Sayisi Dene.

Northrop Frye said that culture is regional and local in nature, but of course it is also universal, and so is this place. Here we have 301 parliamentarians who come from coast to coast to coast to join and to bring together the needs, desires and concerns of millions of people. It is both a universal place and a place of many varying and often conflicting interests. The challenge is always to fuse those interests, to make that stretch, that leap into the lives of others, into the hearts of others, to make them one. That is the challenge of the poet and the challenge of the representatives of the House. It is one and the same.

Charles Bruce, a poet and journalist born in Port Shoreham, Nova Scotia, said:

Poetry is the art of striking sparks from the common and the usual. It is the discovery of wonder and strangeness in the normal, and the skill to pass the news along.

We are all here to pass along the news from the communities we live in. We are here to strike sparks from the common and usual. We are here to build a fire that will warm everyone in the nation. Poetry teaches us and guides us toward that end. It helps us to celebrate together and remember.

In 1915 Canadian surgeon John McCrae wrote:

In Flanders fields the poppies blow Between the crosses, row on row, That mark our place; and in the sky The larks, still bravely singing, fly Scarce heard amid the guns below.

We are the Dead. Short days ago We lived, felt dawn, saw sunset glow, Loved, and were loved, and now we lie In Flanders fields.

It is a poem that continues to unite each and every Canadian in joint purpose around the memory of war and the valour of those who fell.

• (1820)

Where would we be without this poem *In Flanders Fields*? It has so forged our collective understanding of war.

Poetry joins us together. It helps us to mourn together, to remember and to celebrate what is important to us all.

George Elliott Clarke, a black Nova Scotian poet and playwright, wrote a poem that speaks to thousands of black Canadians, past and present, but also to every other Canadian. It is called *Revelation*.

We turn to love before turning to dust so that the grave will not compress our lives entirely to insects, humus, ash Love is our single resistance against the dictatorship of death And for the moment of its incarnation we will worship God, we will make ourselves beautiful in the twinkling of an eye.

It is words such as this that ignite our sense of shared humanity.

I have just returned from Quebec City where I was taking part in the people's summit, marching along with my New Democratic colleagues and thousands of other Canadians to express our concern with the undemocratic nature of the FTAA. There was poetry everywhere in Quebec: on the placards, on walls, in songs and chants, and in the courageous actions people took to express their passion for democracy. It was so clear to me during that unforgettable march and the events surrounding it that it is past time for parliamentarians to begin listening to the poetry of the street and the voices of the people in our country.

We need our poets and our writers to guide us in this place. By creating this bill, by creating the position of poet laureate, we are taking one step toward recognizing that need. We are recognizing that it is artists who truly legislate the hearts of our nations. It is through efforts such as this that a feast of stories rises out of our earth to delight us, to lighten us and move us through the darkness toward the stars.

With this motion, with this small act, we are collectively thanking and saluting these creators and telling them that we need them. We do not want them to ever stop. They are our heritage and our hope.

Mr. Loyola Hearn (St. John's West, PC):

Mr. Speaker, it's my pleasure To speak about S-10 I thought it only fitting To put my thoughts to pen. Terms such as poet laureate Don't impress me as a rule, But I understand the meaning I took Latin while in school.

The duties of this office Would be onerous indeed The person who's selected Steroids would likely need.

To write poems for state occasions A "welcome" or "adieu" As directed by the Senate And the House of Commons too.

It will cost a lot of money But perhaps things could be worse Than to have the things we say and do Immortalized in verse.

But if we knew our children Would read the things we said We just might be more cautious So they wouldn't hang their head.

The topics of our questions Could be recorded here The fence at Quebec City Or the golf course at Grand-Mère.

I see the members opposite As they ponder on their fate "Like clay-born lilies of the world" They think of Shawinigate.

If ministers were eligible To win would be the rage, The leadership contenders Would all want centre stage.

Poor paltry politicians Write words with wondrous wit But a parliament poet laureate! The title doesn't fit.

We haven't time to write in rhyme Our duties are too great And the people of our districts Would surely seal our fate.

After the next elections If we had poetic notion We'd be "idle as a painted ship Upon a painted ocean".

Whether Liberal or Alliance Tory, NDP or Bloc If we wasted time, composing rhyme They'd surely clean our clock.

Private Members' Business

But really, Mr. Speaker, What is it that we need? Perhaps we'll look to history To bring us up to speed.

If the Americans can have one And the British have one too Our country just can't be left out No, that will never do.

Throughout this historic homeland From sea to shining sea We have poets of great distinction Who a "Laureate" could be.

Are we looking for a Chaucer? A Bacon or a Frost? A Tennyson or Whitman? Or will Paradise be lost?

Will he have to write in lyrics? Will simple poetry do? Does it have to be a sonnet With rhyming couplet too?

Does he have to have works published For the better or the worse? The Minister of Industry Would be great to write blank verse.

I think of Edward Rowland Sill "Opportunity" he wrote And with apologies to him Some lines I'd like to quote.

"The king's young son he grabbed the sword When the coward ran away" But unlike the Alliance Party He saved THAT heroic day.

But really, Mr. Speaker, Costs must be borne in mind And support for such expenditure Will be likely hard to find.

Does price outweigh the benefit? So I ask if you agree That we shouldn't have to pay for verse When we can have it penned for free.

However, Mr. Speaker, We won't stand in the way To get in-depth analysis Committee should have its say.

The Tory jury is still out But we'll have our day in court Until that time, I'll end my rhyme And S-10 we will support.

Private Members' Business

• (1825)

Mr. Derek Lee (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I thank the member for St. John's West. I hope *Hansard* will appropriately record the remarks with rhyming couplets and iambic pentameter. Hopefully *Hansard* is capable of doing that. I am not too sure about translation, but I am sure it will do its best.

I also want to commend the hon. member for Notre-Dame-de-Grâce—Lachine for bringing forward the bill in this place and the hon. senators for creating it in the first place.

Now comes the boring stuff, with just a little discussion about the bill itself. The role of the proposed poet laureate would consist of writing poetry for use in parliament on occasions of state as well as sponsoring poetry readings. The poet laureate would also provide advice to the parliamentary librarian regarding the enrichment of the library's cultural holdings to include significant poets who have made major contributions to Canadians' understanding of who we are as a people.

The proposal calls for a poet laureate to be selected for a two year term by the Speaker of the House of Commons and the Speaker of the Senate. The laureate would be chosen from a list of three names submitted by a committee chaired by the parliamentary librarian. The other members of the committee would be the national librarian, the national archivist of Canada, the commissioner of official languages of Canada, and the chair of the Canada Council.

The role of the poet laureate is a time honoured and well established tradition in several countries, as has been mentioned earlier. England named its first poet laureate in 1616. The position became an official royal office in 1668. Until recently, the office of poet laureate was awarded for life, but since 1999 the laureate has been named for a 10 year term. The laureate is chosen by the reigning sovereign from a list submitted by the prime minister. The laureate's duties are to write poems suitable for court and state occasions.

The United States has had a poet laureate, known by various titles, for about 61 years. In the U.S.A., the poet laureate serves a one year term and is appointed by the librarian of congress. The poet laureate there receives an annual stipend of \$35,000, which is funded by private donations. The laureate's role is to increase the citizenry's appreciation of reading and writing poetry.

Within Canada, the province of Saskatchewan invested a provincial poet laureate in the fall of the year 2000. This made it the first Canadian province to demonstrate in this manner its commitment to the recognition of artists and the arts as a vital force in the community that reaches even into official life. The poet laureate of Saskatchewan is an honorary position whose role it is to celebrate the spirit of the people and places of Saskatchewan and to serve as a focal point for the expression of Saskatchewan's culture.

• (1830)

The poet laureate of Saskatchewan attends public events, participates in provincial celebrations, including those presented by the Government of Saskatchewan, and writes poems addressing the history, the beauty, the character and heritage of the province and its people.

Poetry holds an important place in the lives of many Canadians. Poetry readings take place in many settings. Poems are published in books, magazines and even on buses and subways. Many thousands of Canadians put much time and effort into writing poems of all sorts for all occasions.

With the creation of the position of poet laureate state occasions would be added on the list of times and places in which Canadians could experience the power of poetry. By writing poems for significant state occasions a poet laureate might provide a creative and lasting record of those events for generations to come. Featuring poetry at such events would also be a means of paying tribute to the creativity and genius of our artists and of honouring the important place of poetry in our heritage and identity. Indeed Canadian poetry reflects the diversity of Canadian people. What better place to express this diversity than at state occasions which are significant for all Canadians? What better means to express it than through poetry which is the voice of and for the people?

I believe that the proposal before us here today is an initiative that has many positive elements and one that is worthy of further consideration by the House. I would therefore support having the bill sent to committee for more detailed study. The committee could focus on the most appropriate means whereby such a position could be created. In addition, the appropriate committee could examine the feasibility of what is apparently the bill's mandatory requirement for the position. It may be that this mandatory requirement could be made optional or permissive to give parliament the flexibility with respect to the appointment, its timing and to provide flexibility with our cultural communities as well.

Of course Canadian poets have a long tradition of raising their voices about the beauty and diversity of our land. Since the days when this country was first proclaimed our poets have sung its praises. Numerous poets in both official languages and in all of the languages of our multicultural citizens, including our aboriginal languages, have written, published and recited poems about this land, its people and the events that make us who we are.

Who among our French speaking citizens has not heard of Émile Nelligan, Saint-Denys Garneau, two of our most famous poets of the early 20th century? Before that poets like Crémazie and Fréchette were instrumental in helping to define French Canada in the 19th century. Who among our English speaking population is not aware of the poetry of Gwendolyn MacEwen, Leonard Cohen, Michael Ondaatje or Margaret Atwood?

It is because poetry plays a significant role in the lives of our people that the Government of Canada spearheaded the celebrations of world poetry on March 21 of this year. World Poetry Day was declared by UNESCO in 1999 to lend recognition and new impetus to poetic movements around the world. As UNESCO's director general, Koichiro Matsuura said:

Poetry is not very demanding: a voice or a sheet of paper are enough to give it life. We meet with poetry at all times and in all places, thus providing its universality and transcendent nature.

As part of the celebrations of World Poetry Day, the Department of Canadians Heritage mailed poetry day packets to more than 3,000 high schools and middle schools across Canada. These packets encouraged teachers to involve their students in the celebration of World Poetry Day by engaging in activities as diverse as poetry itself, writing poems, holding poetry readings, submitting poems to community newspapers, inviting poets to speak in the schools, studying Canadian poetry and promoting poetry in public transit vehicles and more.

The Department of Canadian Heritage also created a World Poetry Day website which besides providing information about Canadian poetry and poetry day events, provided a forum for Canadian students to show their poetry to the world.

• (1835)

Since World Poetry Day, as declared by UNESCO, happened to have coincided with the International Day for the Elimination of Racial Discrimination, the Department of Canadian Heritage married the two themes for 2001 and sponsored the publication of a special issue of two Canadian poetry magazines, *Prairie Fire* based in Winnipeg and *Arts le Sabord* based in Trois-Rivieres.

These special issues featured original poetry on the theme of diversity and tolerance and their ethnic and cultural dimensions. They were launched on March 21 at celebrations across the country.

Also in the spirit of celebrating diversity and understanding among peoples through the medium of poetry, the Department of

Private Members' Business

Canadian Heritage partnered with the embassy of El Salvador in sponsoring an evening of "Poetry of the Americas" in Ottawa again on March 21, featuring poems from more than 20 countries in the Americas. Canadian poetry can stand with the best. Canadian poets are recognized around the world.

Indeed, Canada's own P.K. Page was chosen as the poet whose work "Planet Earth" was read on World Poetry Day on international ground at the United Nations, at the top of Mount Everest, in Antarctica and in international waters of the West Philippine Sea.

These readings took place as part of the United Nations dialogue among civilizations through poetry, a way of using this universal form of expression to enhance understanding among nations, a much needed exercise owing to the increasing interaction and contact among peoples of all races and nations.

This is what we in Canada also celebrate in our history and heritage, the interaction of great diversity of peoples who, through their experiences both different and shared, have joined together to create this great country we call Canada.

In conclusion, I support the principles underlying the bill and perhaps the bill itself. I urge members to support the passage of Bill S-10 at second reading to allow further examination in committee.

The Acting Speaker (Mr. Bélair): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. Bélair): The question is on second reading of Bill S-10. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

The Acting Speaker (Mr. Bélair): I declare the motion carried. Accordingly, the bill stands referred to the Standing Committee on Procedure and House Affairs.

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

The Acting Speaker (Mr. Bélair): Pursuant to an order made on Monday, April 23, the House shall now resolve itself into committee of the whole to consider Government Business No. 5. I do now leave the chair for the House to go into committee of the whole.

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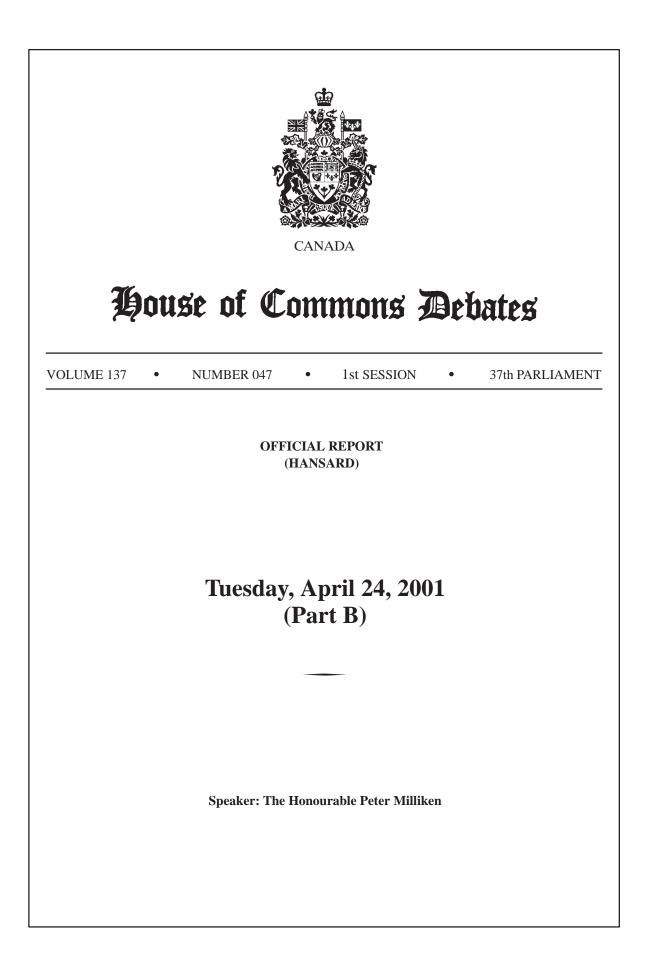
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HOUSE OF COMMONS

Tuesday, April 24, 2001

GOVERNMENT ORDERS

• (1840)

[English]

RESOURCE INDUSTRIES

The Chairman: Order, please. The House in committee of the whole on Government Business No. 5.

Before I call the debate and because we are endeavouring into uncharted waters, I will make a few opening remarks as to how this debate will be conducted.

While there have been take note debates in the House on many previous occasions, tonight we are dealing with a slightly different situation.

The motion under which we are meeting provides that the debate will be conducted under our standing orders for committees of the whole, namely, that no member shall speak for more than 20 minutes with no period of questions and comments. Second, that members may speak more than once. Third, that members need not to be in their own seat to be recognized. That is why we see our hon. friend from Brandon—Souris so close to the Chair this evening.

That being said, I understand this format has been chosen to create a more informal atmosphere that will promote genuine dialogue among members on this issue. In that sense I believe we are embarking on something of an experiment.

As your Chair, I must be guided by the rules of the committee of the whole. However, if members, and only if members agree, I would be prepared to exercise discretion and flexibility in the application of these rules. That way I hope all participants can make good use of their time and take full advantage of the availability and accessibility of ministers.

With the co-operation of all members, I hope we may all learn some valuable lessons tonight about how this type of debate can best be conducted, so as to be a productive forum for exploring issues of public policy. I look forward to your co-operation. Myself and other occupants during the debate will demonstrate the flexibility that hopefully will allow us to create a forum of discussion on public policy that will be attractive to members on both sides of the House and if not more important to all Canadians.

Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.) moved:

That the committee take note of the state of Canada's resource industries.

Hon. Andy Mitchell (Secretary of State (Rural Development)(Federal Economic Development Initiative for Northern Ontario), Lib.): Mr. Chairman, I am pleased to rise in this debate and to recognize all parties for agreeing to this special format. It will lend itself well to a good discussion about a subject that is very close to my heart and I am sure to members who are gathered in the House. That is the sustainability of our natural resource economies which in essence is the sustainability of rural Canada.

When we take a look at rural Canada, it is not hard to realize that for the most part we are dependent on our natural resource industries for our economic well-being, for the wealth of our citizens and for the quality of life of those who live in rural areas. Whether it is depending on the agricultural industry or on the fisheries or on mining or forestry, in rural Canada we are very much dependent on our natural resource industries.

If we think about it, our natural resource industries account for more than 15% of our gross domestic product and close to 14% of the jobs in Canada are based on our primary industries. A large part of our trade surplus that we enjoy as a nation is as a result of our ability to harvest our natural resources.

• (1845)

This government, since it came to office in 1993, has a long and I think a very positive history of understanding and dealing with the natural resource sector.

I recall in the previous parliament the Speech from the Throne in 1996 speaking directly for the first time in many years to the needs of rural Canada, to the need to sustain our natural resource industries and to the need to sustain the rural communities that depend on those natural resource industries.

Leading out of those commitments that were made in the Speech from the Throne in 1996, I had the honour and the privilege of chairing the natural resource committee in 1997 when we travelled around the country and talked with rural Canadians and produced something called "The Think Rural Report". I see the hon. member for Athabasca who was a member of that committee and who worked with me and I see others who were on that committee at the time to produce that report. I should also mention that the report was a unanimous report. All parties in the House that day agreed to the recommendations that we made in there about sustaining rural Canada, sustaining our natural resource industries and ensuring that they remained an integral part of our economy.

I was pleased that leading out of that report the government of 1998 brought forward the Canadian rural partnership, an initiative by which we were able to deal with the issues of rural Canada and the issues of our natural resource industries.

I was further pleased when in 1999 the Prime Minister created a separate position for rural Canada, a position which I occupy right now, secretary of state for rural Canada, to ensure that the issues that surround rural Canadians and surround our natural resource industries would be front and centre of the discussions and the debates that took place here in parliament.

I was also pleased to see in the budget last February some very specific commitments to rural Canada and some very specific commitments to sustaining our natural resource industries.

One of the most important things, and I hope we have a chance to talk about this in debate today, is the need for us as parliamentarians, for the government and for Canadians in general to understand that the challenges that rural Canadians face and that our natural resource communities face are unique. They are different from those that are often faced by an urban community from the urban parts of the country. We need to approach, from a public policy perspective, what we do in a way that recognizes and understands those unique challenges that we face in rural Canada and in our natural resource communities.

If we think about it for a second, we can clearly see those challenges. First, there is the challenge of geography. When someone comes from rural Canada there is a whole lot of geography. One of the issues concerns how we deliver services. How do we provide either public or private services over vast geographic areas? It is very different from how we may approach it in a very tightly populated urban centre.

We also have the issue of population density. When we are trying to attract investment to rural Canada and to communities that are dependent on the natural resource industries, we often do not have the density of population nor the market size where we can readily attract the private sector to make the same type of investments they may be willing to do all on their own in an urban area. We need to approach things differently where we often need to have public-private partnerships in order for that type of investment to occur in rural communities. Infrastructure is a good example of that.

Telecommunications infrastructure may happen all by itself in a large urban centre because the population density and the market size are there. That same infrastructure, just as essential in rural areas, will not happen through the private sector because the market size is not there. We need those types of partnerships, public and private.

Another issue is the distance from market. If people are dealing in rural Canada or in the natural resource industries, they have the unique challenge of distance from market. If one is a small entrepreneur or small business person trying to set up, that is a challenge that he or she may have to face in rural Canada but not one in urban Canada.

• (1850)

One of the most important differences and one that I am sure the members in the House know and the viewers from rural Canada understand is that our economies that are natural resource based tend to be cyclical in nature. They are very much based on commodity prices and commodity prices fluctuate. That means that we very often have a different type of economy than what we may find in a diversified manufacturing based or technologically based urban economy.

What that means is that we need to take a different public policy approach when we are dealing with rural natural resource based economies than we may take when we are dealing with the manufacturing diversified technologically based urban economy.

One of the successes of the government, and we could have a debate about the degree of that success I suspect, is that we have an understanding that there are in fact unique challenges that face rural communities and that we need to approach our economies in rural areas differently to reflect those challenges.

The approach itself has to be important. From my perspective, there are four major approaches that are appropriate. One of those approaches we call the rural lens.

The rural lens, which is one of my responsibilities as the Secretary of State for Rural Development, ensures that when we consider policy, when we consider legislation and when we consider responding to the issues of the day, we make sure that we do it in a way that makes sense for rural Canadians as much as it makes sense for urban Canadians, so that the solution does not just make sense in the big cities of Canada but that it makes sense in the small communities and the rural areas. The rural lens puts the responses that we are making, whether they be legislative or regulatory,

through a lens to ensure that they make as much sense on Main Street, rural Canada as they do on Main Street, urban Canada.

Second, I believe that as we deal with the issues of rural Canada and the issues of natural resource based economies, that we must take a bottom up and not a top down approach. We must allow communities themselves to determine the best way to achieve their economic sustainability. It would reflect that the needs of the fishing community in Newfoundland are very different from a mining community in northern Ontario, an agricultural community on the prairies or a forestry community in British Columbia. Although they all face those unique challenges I talked about before, their solutions to those challenges will be and need to be reflective of their particular needs. That is why it is important that we have a bottom up approach where we empower communities to set their strategies and to move forward.

The role of the senior levels of government, whether that be provincial or federal, is to provide those communities with a set of tools that allows them to pursue their objectives in a way that makes sense for them. That is why we have such tools as the regional development agencies, in my particular case, in northern Ontario, FEDNOR. The reason we have the community futures program, where we saw a \$90 million investment, and an infrastructure program that has a specific amount targeted for rural areas, is so we can help provide the tools to these communities as they pursue those plans.

Mr. Speaker, I will be sharing my time with the member for Hastings—Frontenac—Lennox and Addington. Given the formality of the debate tonight, I look perhaps to engaging a little later with my colleagues.

The Chairman: I thank the minister. I will be seeking his guidance from time to time. I will be receptive to hearing questions, not only during his interventions but possibly if someone felt that it would be more appropriate to have a short exchange right now in terms of questions with the minister I am prepared to entertain that. If not, I will go around once to every representative of each party.

I want members to keep in mind that when any member has the floor they are free to make interventions, to also ask questions and to receive replies. I am in your hands. I see the member for Vancouver Island North rising. I would ask all members on either side for their questions and to be succinct and the replies also, so that as much as possible we can maximize our time.

Mr. John Duncan (Vancouver Island North, Canadian Alliance): Mr. Chairman, I just wanted to ask a succinct question of the secretary of state. It relates to the rural economies, certainly in my part of British Columbia or in coastal British Columbia, that are in very deep trouble in many respects. • (1855)

We have heard some federal hints that there will be program announcements. I think the minister made some reference to that. However, there is certainly a lack of clarity. I wonder if the minister could offer any more clarity than what is a general issue right now in terms of what people at home know about what the government is planning.

Hon. Andy Mitchell: Mr. Chairman, I am not in a position to get specific about what future announcements may be made.

I will come back to what I was saying when I was wrapping up my speech. The concept is to first empower communities, coastal communities being a good example because they have a set of needs and concerns that are very different than a prairie agricultural community, to establish what it is they need to do to sustain their communities. That process is taking place in many of our coastal communities.

The role of the federal government at that point would be to then listen to what those community needs are and then to develop a set of tools to assist them. Some of those tools have already been announced. We have talked about an infrastructure program that lays the basic groundwork. We talked about having the availability of the community futures program that provides access to capital. If we are going to diversify and grow our economy we need access to capital. That is another tool that is there.

As we move forward we will have additional tools that will allow these communities to sustain themselves.

[Translation]

Mr. Guy St-Julien (Abitibi—Baie-James—Nunavik, Lib.): Mr. Chairman, my question is for the minister.

We know that there is an economic development agency in northern Ontario called FedNor. We also know that Abitibi—Témiscamingue is a resource area similar to northern Ontario which is being supported by FedNor.

Would it be possible for FedNor to get involved in northern Quebec? We have been going through a decline in the past three years. Could FedNor get involved? If not, could a new agency be set up to provide assistance to northern resource areas?

[English]

Hon. Andy Mitchell: Mr. Chairman, it is quite true that in the case of northern Quebec and northern Ontario we do share many of the same issues when it comes to sustaining our mining industry. I know the member has worked hard in his riding and with his communities on their sustainability.

We have undertaken a joint initiative where we are trying to assist our mining communities in terms of recovering from low

commodity prices and some of the ramifications. A regional development agency, CED, also covers Quebec.

Rather than creating a separate structure, we need to have co-ordination between the two agencies to ensure that we deliver the program in a unified and comprehensive way when we are dealing with a problem that really crosses provincial boundaries.

Regional development agencies are positive things. Although they are separate entities unto themselves, they are co-ordinated collectively through the Industry Canada portfolio.

Mr. Gerald Keddy (South Shore, PC): Mr. Chairman, I appreciate the format this evening which allows more interaction between the government and opposition parties.

I have a quick question on private woodlot taxation. There are around 440,000 private woodlot owners in Canada. There are certainly more on the east coast than on the west coast but they are certainly prevalent across the country. Part of the challenge woodlot owners face is an onerous tax burden because they tend to harvest their woodlots every 50 to 80 years in a cyclical manner. There is no way to amortize that profit over a 10 or 15 year tax period. They pay their tax up front, all at once.

What we have been suggesting and pushing the government to do is to find a way to accommodate private woodlot owners so they do not have to pay all the tax up front and can amortize the tax payable over a 10 year period. This would provide them with the opportunity to do some replanting, some thinning and some silviculture practices in the meantime so they have some expenses to claim against it.

I would like to hear the minister's comments on that and the possibility of looking at that.

Hon. Andy Mitchell: Mr. Chairman, obviously specific tax policies fall within the purview of the Minister of Finance.

• (1900)

This gives me an opportunity to refer to a very important point that the member made. We need to ensure, as we deal with the comprehensive national issue of tax reform, that we do it in a way which makes sense for rural Canada and rural Canadians.

The woodlot situation is an example of that. That is part of what I talked about in terms of rural lens. Yes, we have to deal with taxation as a comprehensive issue for all Canadians, but we must make sure that even though woodlot owners are a small percentage of the overall economy they are an important part of the economy. They are an important part of the rural economy and their needs through the rural lens need to be taken into account when we undertake tax reform.

Mr. John Herron (Fundy—Royal, PC): Mr. Chairman, my colleague from South Shore has raised the same issue. If woodlot

owners were given the capacity to deduct expenses for silviculture in the same way as the farming community would actually do, it would enable them to offset the cost of managing woodlots in environmentally sustainable ways.

Quite often, when woodlots are passed on from an inheritance perspective, it may be more cost effective because they cannot pay the inheritance tax and the capital gains tax to clear-cut the woodlots. They have no other choice. It is a very perverse way from an environmental perspective.

I know the Minister of Finance has been amenable to looking at that, so I would say to the hon. minister that this is an issue of public policy of which I know the Minister of Finance is aware. He seems to be amenable to doing something, and we would seek his help to try to move that particular yardstick.

Hon. Andy Mitchell: Mr. Chairman, I am sure the Minister of Finance is familiar with the issues that the two members have raised. I am certain he will give them his consideration as he looks on an ongoing basis at reforms to the tax system.

Mr. Larry McCormick (Parliamentary Secretary to Minister of Agriculture and Agri-Food, Lib.): Mr. Chairman, this is certainly an interesting format. About a year or so ago, along with colleagues from both sides of the House, I was fortunate to attend a rural economic development conference in Magog, Quebec. It was a great success. It was open to all of us. About 500 Canadians from sea to sea to sea, from rural and remote communities, attended that conference.

This the first time in the history of the House that we have had a minister for rural Canada. I want to recognize that. Will there be more of these conferences? It was a great learning experience. I learned a lot as I am sure a lot of other people did.

I encourage all colleagues to come to the next one. Has the final report of that conference been published yet?

Hon. Andy Mitchell: Mr. Chairman, the member is quite right in terms of having a national conference in Magog a year ago this week.

This gives me an opportunity to make a distinction. It is not a consultation process. It is a dialogue process. It is an ongoing process where we reach out to rural Canadians from across Canada on an ongoing basis. We want to hear their perspectives and their suggestions and then in return to feed back to them our reactions.

Specifically the process during the off year, which is this year as we had the conference last year, is that there is a series of regional conferences. There will be another national conference next year. The action plan leading out of that, where we specifically committed to do the things that were brought forward to us in Magog, I expect and hope to have public within the next month or so.

[Translation]

Ms. Jocelyne Girard-Bujold (Jonquière, BQ): Mr. Chairman, I listened carefully to what the secretary of state had to say and he did not mention anything about creating a partnership with the provinces.

For the last 50 years, the federal government has dealt with regional development. During the last 50 years, numerous programs were implemented with none of them taking into consideration the specificity of the various communities and their development which the provincial government has been promoting.

• (1905)

I would like to know if he would go that far. I have many more questions for him, but this one is a good place to start.

[English]

Hon. Andy Mitchell: Mr. Chairman, the member makes an excellent point. For rural development to work well, it needs to have as many partners at the table as possible. The provincial government is certainly one of those partners. I have had an opportunity to have meetings, not with the new minister in Quebec but with the previous minister in the region, Mr. Jolivet.

Essentially we agree that the orchestra leader, the leader of rural development, has to be the communities themselves. It is the federal and provincial governments which supply the tools. The hon. member is right. We have to make sure that we do not duplicate what the provincial government provides the community in the form of a tool. Obviously the federal government does not need to provide that tool or vice versa.

A good example, though, of where we work in co-operation with rural communities is the infrastructure program, which is a tripartite program with financial assistance coming from the municipality, from the provincial government and from the federal government.

[Translation]

Mr. Benoît Serré (Parliamentary Secretary to Minister of Natural Resources, Lib.): Mr. Chairman, I am very happy to join in the debate tonight. I would like to thank the member for Abitibi—Baie-James—Nunavik for his initiative. Natural resources is a tremendously important sector for my riding of Timiskaming—Cochrane and for Northern Ontario as a whole.

Natural resources represent a very important sector for Canada and account for 11% of our gross domestic product, or \$90 billion, \$100 billion a year in exports, a positive trade balance of \$60 billion. It is the livelihood of close to 3.5 million Canadians in more than 600 communities and represents 750,000 direct jobs, good jobs to boot, and as many indirect ones.

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Resource industries are some of those who invest the most in capital equipment in Canada, a majority of their investments going to scientific and technologic innovations. A good number of our resource industries are among the most innovative in our economy and their productivity is growing faster than the average.

This should prove that the Canadian resource sector has nothing quaint about it. These are world class and knowledge-based industries. They have a rich intellectual capital and are part and parcel of the new global economy of the 21st century, which is based on knowledge.

They need it to reduce their operating costs, increase their productivity and competitiveness and overcome the difficult conditions and uncertain success due to the Canadian scene.

[English]

Because a strong natural resource industry is so important to Canada, because we have learned to excel, to innovate and to be a leader in almost every facet of this global business, it is crucial for government to lay a solid foundation for natural resources to thrive in the 21st century, guided by the principles of sustainable development.

The Government of Canada is working hard to lay the right foundation for this sector, balancing environmental, social and economic concerns in three ways: by providing sound economic fundamentals, and we have done that in the last seven or eight years; by encouraging innovation and knowledge so we remain at the cutting edge; and by promoting environmental stewardship and sustainable communities. These are the three areas I would like to address this evening.

[Translation]

The first area is sound economic foundations. The most recent federal mini-budget of last October delivered some of the tangible results of the success Canada has achieved in its fight to eliminate the deficit and to restore fiscal responsibility. Canada is stronger today since it is in the best financial position it has ever been in the recent past, as evidenced by the comments made by the International Monetary Fund.

• (1910)

Indeed, according to the IMF, Canada should continue to enjoy sustained economic growth and be able to react well to the economic downturn in the United States.

The new budget brought good news for Canada's mineral industry with its 15% tax credit for flow-through shares investment in exploration projects in Canada.

This measure was put it place as a result of a grassroots campaign led by an effective coalition headed by the Prospectors and Developers Association of Canada, the Canadian Drilling

Association and several members on this side of the House. My colleagues from northern Ontario and northern Quebec, including the member for Kenora—Rainy River, the Secretary of State for Rural Development, the member for Abitibi—Baie-James—Nunavik, the member for Timmins—James Bay and myself have understood the benefits of exploration in our communities. I must say that it was not easy to convince the Minister of Finance. We had to work hard to convince him.

We hope this tax credit will attract new investments in exploration in Canada, especially since other levels of government have added their own programs to it. Such is the case in Ontario.

Moreover, PDAC announced that flow-through financing coupled with tax credits and totalling about \$30 million was confirmed just before the end of the year 2000. I am told that investments are growing for the year 2001, which looks very promising. I hope that more investors, advisors and stakeholders in the financial sector will take note of this major new incentive in the months to come.

This tax measure makes it more appealing to invest in mineral exploration. Since there is a more favourable treatment of capital gains, which we reviewed in the last budget, and a commitment to fiscal prudence on the part of the government, it can be said that a sounder economic base is in place. The minerals and metals sector, like the Canadian economy as a whole, can conduct its activities in a sounder context, and it is in a better position in the race for capital money on international markets.

[English]

This brings me to my second point, the need to focus on knowledge and promoting innovation to be competitive in global markets. Innovation is about making opportunities happen, and without it we cannot succeed in the marketplace. By turning ideas into action, by finding new and creative ways to do things, companies can gain a competitive advantage and become leaders internationally in their respective fields. They can generate greater profits and a larger market share and they can create quality jobs. This is what we have done in Canada with the mining sector.

Innovation is a fundamental characteristic of our natural resources sector. Let us think of our success in exploration and mining, geomatics, remote sensing, mapping, surveying and environmental engineering. Our high tech natural resources industry generates economic, environmental and social benefits right across the country.

As a matter of fact there are more mining jobs in Toronto than there are in rural Canada. People do not realize that there are over 25,000 direct jobs in Toronto related to mining. This sector builds strong links to other sectors. One obvious example is the sheer volume of commodity traffic that natural resources generate for our Canadian railway system. Where would Canadian National and Canadian Pacific be without natural resources? Canada's natural resources industries also purchase more computer equipment than all other Canadian manufacturing industries combined.

There is this idea in big cities that mining and forestry are backwoods industries and do not belong in a new age economy. That is wrong.

The value of our natural resources, the very nature of the industry, is often misunderstood. Some would have us believe that natural resources have a diminished role to play in a dot com universe because they have not kept up with the times. The reality as we all know is very different. The brain power and the technology used by this sector today are as sophisticated and innovative as any other. We need to get this message out across Canada and around the world. We must promote the innovative nature of our natural resources sector.

• (1915)

I was in Toronto not too long ago at the PDAC annual meeting. I met with members of a delegation from the Japanese mineral and metal association. They were worried that Canada would not continue to produce the minerals that they needed. They had heard the Prime Minister talking about making Canada the most connected country, the most innovative, and being in the forefront of the high tech economy. I reassured them that the mineral industry was still the mainstay of our economy.

[Translation]

Canadian resource companies recognize the importance of innovation. This is why, in the recent throne speech in which the Government of Canada stated its priorities for the years to come, natural resources were put under the theme "innovation".

The government pledged "to promote innovation, growth and development in all parts of our economy", including our resource sector. We will achieve that goal by doubling our investments in research and development. These investments, and I am quoting the throne speech, "will directly benefit Canadians in areas such as . . .natural resources management".

Currently, natural resource industries invest heavily in Canadian research and development, including research on the use of state of the art technologies, such as robotics, computer vision, environmental technology and specialized software.

We must go even further. We must invest in the new technologies to maintain a competitive edge and remain a truly sustainable industry for the future. Natural resources must be part of a renewed will to promote research and development in our country. April 24, 2001

[English]

A good example of how innovative the mining industry has become allows an operator to be sitting in a Toronto office and running a scoop tram in a Sudbury mine using a computer. This prevents injuries to workers, et cetera.

The Chairman: I will have to interrupt the hon. parliamentary secretary. He was sharing his 20 minute block with the secretary of state. The beauty of being in committee of the whole is that members can come back and speak subsequently. I am sure he will have the opportunity to conclude his remarks.

In order not to monopolize the time on one side or the other, we have had approximately 30 minutes on the government side with the original 10 minute intervention of the secretary of state and approximately 10 minutes of questions and comments. I will now turn to the opposition parties.

Mr. David Chatters (Athabasca, Canadian Alliance): Mr. Chairman, we are all in a learning process tonight of how this format will work. It is a refreshing idea and I am pleased to be a part of it. So far the debate has been somewhat broader than I had expected, ranging from issues of rural communities and on from there.

We came as a party prepared to discuss natural resources specifically and the state of Canada's natural resource industries from a number of different directions. My direction will be the issue of energy as that is where my interest lies. My riding currently supplies 15% of Canada's fossil fuel energy and it is a huge issue.

We currently have some \$30 billion to \$35 billion worth of committed investment going into the riding and the development of heavy oil and tar sands. All this is in view of the discussions that have been ongoing between Canada, the United States and Mexico on a continental energy program. It is of great interest to us.

At this time not only we in opposition but the industry as well seems to be wondering what the government is talking about and what its position is particularly in view of the Prime Minister's recent announcement of the creation of an energy cabinet committee with a number of the most senior cabinet members in Canada's government sitting on it.

There is a curious emphasis put on an issue, particularly because Canada some time ago when it entered into the Canada-U.S. trade agreement and the Canada-U.S.-Mexico trade agreement committed to a certain position on energy that binds Canada's energy industries essentially to supply.

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• (1920)

The free trade agreement between Canada and the U.S. made commitments on behalf of Canada to guarantee delivery of Canada's energy to the United States. The Americans are allowed to buy it at the same price that we Canadians are allowed to buy it. We are not allowed to ration those energy resources to the Americans any more than we ration them to ourselves. It really has the industry and many western Canadians curious that the issue of the continental energy policy might be more than what is already committed.

There are issues dealing with the Mexican petroleum industry and issues around the North American electrical industry that need some discussion, investment and development. However, regarding the fossil fuel energy industry, it seems we are addressing ghosts that do not exist.

Going back to the whole issue of the free trade agreement and how we got into that position in the first place is curious and of some concern to me. It is part of Canada's history that we went through a national energy program under a former Liberal government which raided the natural resource of the fossil fuel industries of Alberta and the west to the tune of some \$60 billion.

The reaction to that program and that raid on the wealth of one of Canada's provinces resulted in a move by the premier and the energy minister of that province to fight very hard on behalf of my province and the natural resource industry in my riding to protect the industry and the province from that ever happening again.

That was a serious mistake, not only on behalf of a previous Liberal government but on behalf of a province in Canada that moved to protect its interests the way it did. If Canada had been behaving as a country should have in a time of crisis with a short energy supply and threats of energy interruption from other parts of the world, it should have moved to provide the assurance of energy supply and price to all of Canada.

It should have provided an assurance from the west as the national energy program had proposed to do and at the same time returned or exchanged that assurance of supply and price from the western producing regions to central and eastern Canada. The return should have been some kind of benefit to those provinces to counterbalance the loss of income from those provinces.

Had that happened we would have been behaving like a country should have in the interests of the entire country. We would have been in a better position today to deal with the energy crunch we faced last winter and that we will face again. We are looking at perhaps record gasoline prices for Canadian consumers this summer. All of that is related in some way to the history of the whole national energy program and the reaction to it in Canada.

Even as recently as a couple of weeks ago in committee, some government members were using some of the language I heard so

often back in 1980 about the national interest and how the government had a responsibility to act in the national interest when dealing with energy prices and protecting the interests of consumers across Canada. That scares the heck out of people in my part of the country because of the history.

• (1925)

While the government today gives assurances that we will not revisit the national energy program, there are still concerns that the interests of a more populous region of Canada will take precedence over the producing regions in the national interest. It would be a shame to do that.

As we move into this negotiated continental energy program, the power that has been presented by the government in the creation of this energy cabinet committee again raises concerns. We do not understand what is going on. Everyone is hoping the government will provide some clarity and assurance that when we start negotiating with Mexico and the United States to engage in this continental energy program that the interests of all Canadians will be paramount. The benefits of the development of the energy supply to the United States from primarily Alberta will certainly provide great opportunities for Albertans, for Canadians from coast to coast and for people from all over the world who would come to my part of Canada, my riding, to find employment in highly paid, skilled jobs.

We do appreciate and want those great things but at the same time we want the interests of all Canadians to be kept in mind. Albertans are fair-minded and are willing to consider those benefits but we should do it in a national perspective. If a compromise is asked for in one area to achieve an objective, then there should be give on the other end as well.

In the negotiations on this national energy policy we could all come out winners if we do it properly. Some of us, or perhaps even all of us, could come out serious losers if we fall to the interests of the Americans who, quite frankly, do not give a sweet tweet about the Canadian environment or Canadian rural communities. They want our energy and they will have our energy one way or the other.

I would like assurances that the Government of Canada will fight hard and negotiate hard in the interests of Canadians and of rural Canadians in particular.

The Chairman: I understand the member for Athabasca is splitting his time with the member for Vancouver Island North. Before I give the floor to the member for Vancouver Island North, are there any questions for the member for Athabasca? The hon. Parliamentary Secretary to the Minister of Natural Resources.

Mr. Benoît Serré: Mr. Chairman, the member asked a few questions and he probably would like a response from the govern-

ment side. I am pleased to do so. The member had me worried for a while. I thought he was asking for a return to the national energy program which I do not think would do well in his province.

Let me reassure all members, if they have been listening to the Minister of Natural Resources, and specifically to the Prime Minister when he was in Calgary, that the government has no intention of going back to an NEP type of program. We are talking about a continental energy program or policy. We prefer to call it an expansion of the continental energy market.

The issue is quite simple. The Americans need more energy and we have a surplus of energy. Whether it is the tar sands, Churchill Falls, a region of the country that can develop electricity or whether it is natural gas in the northwest, we have a huge potential to create jobs and wealth in the country.

We as a government are willing to expand our market and to sell, for the benefit of all Canadians and specifically the provinces that produce energy, to the Americans and to the rest of the world, but only by respecting provincial jurisdictions and the environment.

If the Americans do invest we will not allow them to call the shots. This government intends to maintain sovereignty over natural resources which is critical for the security and the well-being of any nation. That is what we intend to do.

Mr. Gerald Keddy: Mr. Chairman, the member for Athabasca talked about a former national energy policy, and there is a relevant point there.

• (1930)

In the past governments have tended to raid natural resource profits from individual provinces or territories. We have set that precedent and somehow or another we have to move away from that precedent. The specific instance I am referring to is the east coast.

The oil field on the east coast is now bringing in an unprecedented profit that was never there before. That is in direct loggerheads with equalization payments. When Alberta found its resources under the ground, the federal government accommodated Alberta by allowing it to keep the profit from those resources and its equalization payments from 1957 to 1964.

We have been asking the federal government to recognize the advantage it gave to Alberta so it could get out from under and become a have province instead of a have not province. Nova Scotia, Newfoundland, Quebec or any province is never going to get out from under the yolk unless they are allowed to keep some of their profits. It is not just the oil field. It could be the mining industry or the diamond industry in the Northwest Territories or in Nunavut.

I would like the member's comments on that.

Mr. David Chatters: Mr. Chairman, this has always been a favourite issue of mine so I thank the member for his question.

It has always been my position that the provinces should be treated equally. Nova Scotia, or Newfoundland or British Columbia, where this is just becoming an issue, should be treated no differently than Alberta. If the provinces where the industry develops are expected to provide the infrastructure to support the industry, they should reap the benefits of the development of that industry. That can never happen if the federal government continues with its greed to demand ownership of a resource and benefit from a resource and then dribble money back to the province in whatever formula it thinks is appropriate for that province.

It has always been my and my party's position that the responsibility for the management, development and regulation of offshore resource development should be with the provinces. While constitutionally the supreme court chose that the federal government would own that industry, there is absolutely nothing to prevent it from delegating responsibility for the resource development, and therefore accruing the benefits of the resource just like Alberta does. The sooner that happens the better.

If we start meddling with equalization and start allowing the producing provinces to keep their equalization at the current level and at the same time enjoy whatever benefits the federal government thinks the province should have of the royalties, then again we are skewing the way the provinces are treated. That is a mistake.

If we simply delegate responsibility to Nova Scotia for offshore development or the same for Newfoundland, then those provinces take on the same responsibility as Alberta did to conduct the regulatory and environmental protection process. They develop the infrastructure then they enjoy the benefit. As that benefit increases with the development, the provinces lose in the gradual process that equalization and they become a have province the same as all other provinces that have achieved that status through resource development. That seems to be the fair way to do it.

Mr. John Duncan: Mr. Chairman, I am the chair of an ad hoc group called the coastal parliamentarians in British Columbia. It is comprised of all federal members of parliament and provincial members of the legislature that touch on salt water. Interesting issues come up in this group.

One of the things that is very awkward is the fact that there is not a single government member of parliament from rural British Columbia, whether coastal or non-coastal. Therefore, there are an awful lot of frustrations on that file. What I am finding, and what is apparent to everyone, is that a lot of those frustrations deal with two departments, the Department of Fisheries and Oceans and the Department of Transport. • (1935)

Of course, what we are talking about tonight deals with the Secretary of State for Rural Development. If members want to take some question out of what I am talking about tonight, one question would be how can we end the frustrations that we face in dealing with rural and remote coastal issues in British Columbia when we are dealing with a bureaucracy and a government side that does not really understand those issues? Many of them are fixable. One of the things that is becoming very apparent to us is that when those same kinds of issues are brought up in Atlantic Canada where there are government members, they get fixed an awful lot easier than what happens in our circumstances.

We have some real life examples right now. Many of them are two-bit items that really hurt and public safety is often at risk. I just fail to understand why the government would choose to put public safety at risk. The marine travelling community is the busiest recreational waterway in Canada. The federal government is basically abandoning its strong mandate for public safety in those areas by getting rid of rescue stations. It was to do it this year. Now it is saying it will not do it until next year. It is just summertime events, not big cost items.

Getting rid of the coast guard divers off the Hovercraft near Vancouver airport is putting people at risk. We have every signal from the coast guard now that the destaffing of light stations will be back on the burner again. The promise was not in this millennium, which I think was what the minister of the day said in terms of destaffing. However we are into a new millennium now. Those are great frustrations.

I heard the secretary of state refer to community futures and some initiatives with that group in rural communities. We have rural coastal communities that have been denied community futures coverage. They have written to the appropriate minister of the day on numerous occasions and have never received satisfaction. Maybe if I had had a chance to rise on a second question, that would have been my question. How can this be? It is a political decision.

The Chairman: During the time of the member's intervention, he is free to use any of that time for a question to a member opposite or otherwise. Within that 10 minutes timeframe that he has he can either speak or ask questions, whichever he might choose later on. If he has a question that he wants to put, he should feel free to do it during this period. It is entirely his period to do with as he chooses, either to simply make a speech or mix it with questions. The floor is his to do as he chooses.

Mr. John Duncan: Mr. Chairman, I think that is what I am doing but I appreciate the guidance.

The other thing that occurs to me is that this is a new format, a different format. We have some existing formats in the House of Commons that are used inappropriately.

• (1940)

For example, if I get up in the House of Commons during question period to ask a minister a question and do not get the full answer because of either time constraints or the minister is not really familiar with what I might be asking, I have the opportunity to file a piece of paper with the clerk and go on what is called the adjournment proceedings or the late show. I have done that on numerous occasions. Guess what? The minister who responded to my question was never been there for the late show. It was always a stock prepared answer. It was as if it did not matter what I asked because the answer was just simply read. Some things could be done a whole bunch better around here. That is all my unprepared speech for tonight.

There are three things I wanted to touch on. I will do it very quickly. One is we spent two years in this place. I was on the natural resources committee in 1999 and 2000. I know the secretary of state was on that in 1996. We prepared a report called "Forest Management Practices in Canada as an International Trade Issue". We tabled it in June of 2000. It was also a unanimous report and I think we said some very good things. Of course, the government's response did not occur because of the election call. Now we have resubmitted to the committee a request for the government to respond, which under the rules is within 150 days. We are already looking at next September. That is a year and a half after submission.

There are some emergencies out there. A lot of this report dealt with the mid-coast of British Columbia because that was like a litmus test for what was going on regarding the environmental pressures on international market access for forest products on the Canadian basis.

We had recommendations in there for pro-active delivery of Canadian forest practice messages in our major markets. We had a very practical program presented to our committee. The committee was enthusiastic about endorsing that. The commitment from the federal government was a minor one because industry and the provincial government in British Columbia had already bought in. The financial commitment being asked for was simply to demonstrate real commitment. It was not to extract a bunch of money. Guess what? It fizzled. There was nothing.

In the meantime, we have companies operating in the mid-coast, the provincial government to some extent, environmental organizations, Greenpeace and so on have signed some protocols. This was been a huge struggle. Last week International Forest Products, a major operator on the B.C. coast, announced layoffs of 500 direct employees, 400 contract employees and the closure of a sawmill, which will have tremendous other implications as a consequence of what is happening on the mid-coast. There are going to be other announcements from other companies.

All of this is happening and it is as if the federal government is blind to it. The federal government has a mandate for international trade and international access to market issues. It is doing nothing to fulfill that mandate compared to what it could be doing. Yes, I know we have an international partnership program run through the embassies, diplomats and so on. This was a practical program that would have had real buy in. It could have gone somewhere. It could have done something. There is no excitement. There is no response. Everything is flat when it comes to the government response.

• (1945)

That is a very strong suggestion from the Canadian Alliance in terms of something the government could do to help in the natural resources sector, that is, to implement the program and do it immediately. There is no reason why it could not.

The program is a practical market access initiative put forward by forest workers, in this case IWA Canada, the international woodworkers and their largest local, which covers their coastal loggers, some forest workers in northern Ontario and also a fair chunk of the sawmill industry.

Secondly I want to touch on the softwood lumber dispute for a just a few minutes. We cannot ignore it if we are going to talk about natural resources. All I want to say is that it is a great disappointment to me that although the official opposition, the Canadian Alliance, was proactive on that issue and had its position out as of June 7, 2000, until February of this year the Alliance still did not know what the government's position would be upon the expiry of the softwood lumber agreement. We went through a federal election campaign never being able to extract from our British Columbia candidates or from our rural candidates where they were on the softwood lumber agreement. That is not leadership.

Mr. Chairman, an ex-Liberal member of parliament who is now the CEO of the Council of Forest Industries in British Columbia is saying exactly the same thing. Where was the leadership when we needed it? That was another letdown.

The last thing I want to touch on in my remaining 30 seconds is west coast oil and gas. I want to serve notice today to anyone who is unaware of it that this is the next huge issue in British Columbia. There is a coastal rural consensus that it is required and needed, and we have to get there. We need to get there with provincial leadership and either federal leadership or federal non-interference. That is the message I want to deliver. Obviously we would like proactive federal leadership, but at the very least the government should not put obstacles in the way. The senior members of the Liberal caucus from British Columbia need to receive that message very strongly. **Hon. Andy Mitchell:** Mr. Chairman, I just want to take a moment to respond to a couple of the points my colleague made in his presentation.

He talked about the frustration in coastal communities in British Columbia. One of the things I talked about in my speech was the need for us to have an opportunity as a federal government to understand and listen to the specific solutions the coastal communities themselves want to pursue.

That is why I am pleased to be able to announce that this week in British Columbia one of those rural dialogue sessions I talked about is in fact occurring. Members of the coastal communities of British Columbia will be attending.

As I am sure the hon. member knows, there is an organization in British Columbia, the Coastal Community Network, which represents many of the coastal communities. I will take the opportunity when I am in British Columbia on Friday to meet with the CCN and discuss directly with its members many of the issues and concerns the hon. member has brought forward in the Chamber.

• (1950)

There is one last point on the issue of community futures, which the member has brought forward. I would be pleased if he would have an opportunity to talk to me at some time later this week specifically. I will endeavour with my colleague to undertake to find out the difficulties or to try to deal with the difficulties the member is alluding to.

Mr. Larry McCormick: Mr. Chairman, this could be an interesting format. I am thinking about a certain hour that is called QP when quite often we wish we had the chance to ask questions, even of our own ministers and even of the opposition. Perhaps down the road it will be the opposition that is not sure about this format.

I have a question for the member, who represents one of the most beautiful parts of our country, and all parts are great. I want to clarify this. He may not have time before he addresses another subject. I admire ad hoc groups of all MPs for the coastal parts of B.C. Our daughter is working and going to school there, and I do want to include the comment that there are some CAP sites in some very remote areas. I know there is a need for more.

My colleague mentioned that this ad hoc group from the B.C. coast includes all the federal and provincial members. I want to clarify this. Does the ad hoc group include the Minister of the Environment, who I know is very passionate about not just the environment but coastal B.C.?

I have no props, but I am sure that in the future when we talk about our great resources in Canada we will perhaps focus even more on H2O.

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Mr. John Duncan: Mr. Chairman, I thank the member for his question. I think the member's daughter may be my constituent. Am I correct?

Mr. Larry McCormick: Does the member think she voted for him?

Mr. John Duncan: Yes, most likely she did vote for me. The member asked me if the member for Victoria, the Minister of the Environment, was a coastal parliamentarian. It is ad hoc. Everyone gets the communications and can choose whether to attend or not attend, whether to participate in the e-mail network or not. I will say that our annual meeting is actually held at the same time as the Coastal Community Network meeting. The two groups are linked in that regard, although they are at arm's length. This year's meeting was just a month ago, but 13 months ago the Minister of the Environment and the Minister of Fisheries and Oceans, as I recall, both attended and both spoke. It was greatly appreciated.

There was a high level of support from the federal government at that time, but from my perspective, my vision, in the optics I saw this year, there was a low level of support. Maybe that was because November is a terrible time to have an election and run all the machinery of government. Everything gets out of sync and gets disjointed. I am letting the member off the hook by saying that.

[Translation]

Mr. Pierre Paquette (Joliette, BQ): Mr. Chairman, I will be splitting my time with the hon. member for Témiscamingue.

I am extremely pleased to take part in this debate on the state of the natural resources of Canada and Quebec. I am going to use a topical example to address this question: softwood lumber.

We are going through some extremely difficult times in connection with this. We know the American commission has decided to look into Canadian trade practices, in what I would term a highly impertinent manner.

• (1955)

We will have a pretty tough row to hoe, and I feel it is important to have a clear picture of the situation, as it pertains to Quebec in particular, as far as the importance of wood as a resource and of the lumber industry.

We have had occasion to discuss this matter in the House several times, so hon. members will know that it accounts for 130,000 jobs in Canada, which are directly connected with the industry. The figure for Quebec is 40,000 jobs. Quebec is the second highest producer, ranking after British Columbia, which is responsible for close to 25% of lumber production. It means that 7 billion board feet are produced annually, which represents a total value of \$4 billion Canadian. About half a billion dollars are directly invested

in the sawmill industry each year and some \$65 million in the forest industry.

As far as Quebec and the regions of Quebec are concerned and I am looking at my colleagues and all of us are being affected by this crisis some 250 municipalities have sprung up around wood processing. In 135 towns and villages, all of the jobs are related to this industry. Except for our major urban sectors, all our rural, semi-rural and semi-urban regions are affected.

My riding is located in the Lanaudière area, which produces lumber. The ridings of my colleagues from Témiscamingue and Saguenay—Lac-Saint-Jean are also affected. In the Mauricie area that I had the opportunity to visit during a tour concerning the summit of the Americas, producers asked me a lot of questions about what we had done in the House. The same is true for the Lower St. Lawrence, the North Shore, the Eastern Townships, the Laurentians and many more areas.

This all goes to show how crucial the sawmill industry is for the regions of Quebec. This crisis in our trade relations with Canada is extremely serious, and we are following the situation very closely.

All in all, 51.4% of Quebec exports go to the United States, while the rest, or 47.6%, goes to Canada. As we can see, the U.S. market is a major outlet.

Quebec exports to the United States represent about \$2 billion a year while Canadian exports as a whole represent about \$10 billion or \$11 billion a year.

It is a very important industry, an industry for which the free trade provided for under NAFTA must be maintained. It is widely known that for the last twenty years now, the American industry, and I should even say part of the American lumber industry, has been harassing the Canadian and Quebec industry as soon as our market reaches 30% of the American market.

The real reason of all that fuss is that the Canadian and Quebec industries have been successful over the years, thanks to the investments they made in their equipment and to their revamping of their production methods.

The lumber industry is closely related to the pulp and paper industry in Quebec. Accordingly, a great deal was done over the years with regard to the environment, work organization and investment in new technologies.

The problem is not that Canada and Quebec are subsidizing their industries by requiring very low stumpage fees. We all know that the investigations made in 1991-92 have shown that as far as the Canadian industry was concerned, especially in Quebec, there was no subsidy. Actually they really had to look hard to find a 0.01% subsidy. Therefore, the problem is not there.

I believe people need to be reminded that since 1992 stumpage fees have been raised substantially in Quebec and in all of Canada's provinces. For example, in 1992, when the most recent inquiry on the alleged subsidies took place, stumpage fees were \$5.42 a thousand board feet. In December, they were \$9.26. So they have just about doubled, and reached \$11.61 in December 1997.

Since 1992, our stumpage fees have increased in objective terms. This is true for Quebec and for the other provinces—making our case even better.

This is why we are disappointed to see that the American secretariat has nevertheless initiated inquiries under anti-dumping procedures and countervailing duties, despite the facts.

• (2000)

The paradox, and I think it is important to point it out, is that the American interests established in Quebec and Canada are complaining, in terms of their production in Canada and Quebec, that stumpage fees are too high. Often these same American interests criticize Canada and Quebec for having stumpage fees that are too low, when it comes to their American production.

This is a sort of schizophrenia, which demonstrates the extent of ill will in the whole matter in part of the American industry. As I mentioned, we find it completely unacceptable that the U.S. department of commerce has begun investigations when there is absolutely nothing to justify them. I read the Minister for International Trade's press release and we share his point of view completely—

One interesting thing is that, contrary to 1995-96, it seems that the Canadian and Quebec industry, and I can guarantee this for the Quebec industry, is united. After five years of the Canada-U.S. softwood lumber agreement with quotas and countervail duties, we came to the conclusion that it was not a question of negotiating any agreement at all and that we had to return, in fact, there was a short period of free trade, to the rules of free trade, as set out in NAFTA, for all goods, including energy. This is in a context where there are new rules of the game compared to 1995-96.

One thing Canada did was file a complaint with the World Trade Organization, which agreed to set up a panel of experts to look into the legality of American practices with respect to countervailing duties, which we are now subject to. Let us hope that we have their response soon.

Our regions in Canada and Quebec deserve to see members of the House stand together against harassment from the American industry and, I would say, a certain lax attitude on the part of the U.S. government.

I am pleased to recall that on March 20 of this year the House almost unanimously passed a motion which I moved on behalf of the Bloc Quebecois to support the Canadian government's wish to go back to free trade, that is free and equitable circulation of all softwood lumber. Following this motion, our subcommittee on disputes and investments took the initiative of sending a letter signed by a large number of parliamentarians from all parties to the American secretary of state for commerce, Mr. Zoellick, to inform him that we were in disagreement with the situation and that we wanted to go back to free trade.

I said, and I think we all agree, that this is not a subsidy issue. As I mentioned earlier, our stumpage fees are not low. I will read a short excerpt of a letter sent to the minister for International Trade by Gilles Baril, the Quebec minister of state responsible for regional development and minister of industry and commerce, and Jacques Brassard, the Quebec minister of natural resources. They remind the federal minister that:

Under the Quebec forestry development plan, timber royalties are based on the market value of timber from private forests. That timber and the timber from the United States account for 31% of all the lumber provided to the Quebec industry.

However, the situation is still critical. There is the structural problem to which I referred, in that the American industry did not invest enough money. It cannot compete with the Canadian and Quebec industries and its production costs are indeed higher than those of our industries. There is also a problem with economic conditions in that lumber prices in Canada and in Quebec are currently going down.

There are three reasons, which I will review briefly. American consumption has slowed down because of the economic downturn in the United States, which means that there is less demand for softwood lumber. Supply has increased substantially, not because the provinces, those provinces affected by the agreement between Canada and the United States, have increased their exports, but because other countries have taken advantage of the agreement.

During the time that the agreement was in place, Canada increased its exports to the United States by 7.9%, while other countries increased theirs by 187.7%. This means that certain countries took advantage of the fact that the Canadian industry could not do more.

Another important aspect that is specific to Canada is the issue of quotas, which forced several provinces, including Quebec and British Columbia, to sell to Canadian markets.

• (2005)

This led to such a drop in prices that, and I will conclude with this, at this very moment, stumpage fees in Quebec are \$9.26 and the price is \$10, which means that our industry could not survive countervailing duties.

I remind members that the Bloc Quebecois wants this situation settled rapidly, without compromising the principle of free trade. We want all of Canada's regions to work together through these difficult times, from which I am sure we will emerge as winners.

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Mr. Guy St-Julien (Abitibi—Baie James—Nunavik, Lib.): Mr. Chairman, I have listened to the hon. member for Joliette. I appreciated his speech, because it is an excellent one. He knows his business. We know this dates back more than 18 years to 1982. After a thorough investigation by the U.S. department of commerce, Canada concluded that stumpage fees did not represent a subsidy on which any action could be taken.

It is also important to say, as I read in the Quebec Lumber Manufacturers Association's press release, that the association remains confident in its capacity to demonstrate the inconsistency of the allegations advanced by the American coalition in connection with the lumber issue.

The hon. member raised all the elements of the issue and perhaps he could once again remind us of them in just a few words. There is talk of a quota system for certain provinces, but much harm has been done by the quota system in certain provinces, particularly Quebec, in the resource regions, the remote regions, particularly to the small sawmills. Does the hon. member agree?

Mr. Pierre Paquette: Mr. Chairman, if the truth be known, the provinces affected by the Canada-Unites States deal have been hard hit.

Producers in British Columbia, as in Quebec, have lost some of their share of the U.S. market to other countries but also sadly to other Canadian provinces who had free access to the American market.

Members will remember that when we had free trade with the Unites States, which lasted only a few months in 1995 and 1996, prices in Canada and in the States were the same, but with the quota system, prices in the U.S. ended up being \$140 higher than in Canada.

We can all imagine how provinces like Quebec, British Columbia, Alberta and Ontario were unable to fully benefit from the feverish activity in the U.S. market but had to sell a huge part of their products at a price \$140 lower than in the United States.

The quota system really hurt us. It is true for Quebec, but I must say that it is also true for British Columbia, which along with the crisis in southeast Asia, had to deal with a decline in its lumber exports without the benefit of any new outlets.

Mr. Pierre Brien (Témiscamingue, BQ): Mr. Speaker, I am pleased this evening to intervene in this debate, which gives us an opportunity to put the natural resource industry in Quebec and in Canada into perspective and to set the record straight, because in recent years it was fashionable to speak of the new economy and of the high tech sectors.

We have forgotten that natural resources are one of our economic forces and they are great consumers of technology. They require very specific industrial applications. The mining sector, for exam-

ple, is a great consumer of technology. At home, for example, we are working to develop underground communications. These are very specific applications of research in the communications sector that find uses in the traditional sectors, which buy these technologies.

In recent years, because it is less fashionable, the technologies sector, rightly so, because the development there is fascinating, has attracted a lot of attention. However, a lot of private investment has gone into this sector as well.

We need only to look briefly at the changes in the stock markets to see how the businesses in these sectors attracted substantial capital, while it was very difficult for natural resources sectors, such as mining, to attract capital to do the research vital to ensuring sufficient reserves in the coming years.

Before going any further in connection with the mining sector, which is one of the subjects I want to speak more about today, I have a few comments about the remarks by my colleague, the hon. member for Joliette, on softwood lumber.

I found it a bit strange and surrealistic on the weekend to see the American president come to Quebec City and boast of the virtues of free trade, when his government is denying us free access to the American market in a sector such as that of softwood lumber.

• (2010)

I know that Canada was the host country. One does not want to start arguments when one is receiving guests, but I would have expected a little more firmness toward the U.S. president. When he was on the platform beside the Prime Minister of Canada, he was singing the praises of free trade, and everyone knew perfectly well that a few days later he was going to give us a good swift kick with respect to the American investigations into our industry.

Americans must be made to face their own contradictions. Free trade is not a one-way street. It is not because we are better than them in this sector that we should do nothing.

That said, in the coming years there will be something extremely important in the softwood lumber sector. It is a rare and limited resource, which we have probably overexploited in recent decades. To succeed, therefore, our companies will have to provide even more added value and processing of our products. This will require more investment to improve research and development in natural resource market niches, particularly in forest products.

I remember one frustration I experienced as an MP in recent years. A program such as technology partnerships Canada was not accessible to businesses in traditional sectors, or was accessible with great difficulty.

We need a bit more flexibility in the tools available to us, while complying with the constraints of international agreements we have signed, so that the capital we put into developing technology partnerships, or doing more research, is a little better targeted and more suited to the reality of the natural resources sector.

I have been through this a few times in the lumber sector. It was very difficult to get approval for proposals to invest or improve infrastructures, one reason at the time being that they had to meet very high environmental standards. The pulp and paper industry, for instance, had to invest heavily and it was very difficult to get support from the federal government because the tools were not very well suited to this reality.

All this must be taken into consideration. These companies will have to make massive investments in the coming years to maintain their sales and their growth, because they will have to further process the wood products they already have. If they do not do that, they will have problems. Everyone agrees on that. They will not experience shortages, but natural resources in the forestry sector will become rarer.

I now go back to the mining industry. The crisis is very serious. Back home, in the Abitibi—Témiscamingue region, it is one of the most serious crises ever. There are a number of reasons for that. For example, gold was used as a hedge against inflation for a long time. A lot of gold was bought up by central banks and accumulated in reserves. This is a thing of the past and we should not be nostalgic but face the fact that gold is no longer the hedge against inflation that it once was.

This means that gold may not fetch the prices it did in the past. We have a situation where small mining companies produce gold at a cost of \$200 to \$300 per ounce and sell it for \$260. And I am not including financial costs, which means that they lose money in the process. This situation cannot go on for very long. This is not social economy and I have nothing against the social economy, but the mining industry must be profitable. So our production costs will have to come down.

We will also have to invest to develop new ways of doing things, new technologies, and in a big way. We will also have to invest in exploration, otherwise we will have a problem.

Exploring abroad used to be the thing to do. I will spare hon. members the figures, but I have here a document that was given to me by the hon. member for Abitibi—Baie-James—Nunavik. Everyone knows that generally speaking we are not close allies but political rivals, but I believe we both agreed that the crisis has made it urgent to develop common ways to help people of our region.

I am grateful to the hon. member because I think he showed a sense of fair play when he gave me this very well written document, which shows among other things the increase in production in developing countries, in South America and elsewhere. It can been seen that there has been no growth in our production and that we have not invested much in exploration.

It becomes rapidly apparent that we are beginning to face a problem. I fear that we have not yet reached the worst of it in the mining industry, and in particular in gold mining. About three years ago, the price of gold dropped under \$300 and it has stayed under that level since.

• (2015)

I recall having read the financial reports of mining companies, which always said "We anticipate that, next year, the price of gold will be around \$330". This did not happen. It did not happen then and it is not happening now. We must admit that it will not occur next year either.

We must look at our industry in a different way. The government will have a major role to play in the short and long terms. We will have to be creative. I do not have the monopoly on solutions, but I am convinced that if we try we will find solutions.

We will have to increase support for exploration. We need to be realistic as well and to realize that the traditional vehicle of flow-through shares is perhaps no longer the way of the future.

Investors have been stung. I will give members a picture of what it is like in our area. Investors who put money into this have been burned more than once. Very few projects have seen any cost effectiveness, because exploration is very high risk. Second, in past audits Revenue Canada has set new assessments, saying that certain work had not been done or was not up to standard.

So if somebody put \$10,000, \$15,000 or \$20,000 into projects and then got hit with another assessment four years down the line, on the grounds that the standards were not met, he or she would have to get up really early in the morning to convince him to reinvest in the same company.

This has been an area where a lot of people have been burned. Investors put money into the technology sector of the stock market. Two or three years ago, a person could invest in just about anything and prices went up. This led to a considerable drain on capital. The situation has corrected itself a bit, but investment in this sector was far less attractive, with little spinoff, but with the risk and uncertainty of potential reassessment and with less attractive tax credits than earlier.

As a result, today the mining industry perhaps needs a different kind of support. The pre-election budget improved things a little. It will not be enough, however.

My colleague from the other side of the lake, from the other Témiscamingue, the Ontario one, said yes there was an improvement over last year, but still far from enough. The level of

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exploration still remains far from sufficient, if we are to have the reserves required for the future.

All the better. Many of the reserves identified in the development countries are used up, and that is a good thing. Perhaps that will bring investors back here. New metals are being discovered, including palladium and diamonds, and these attract investors. This is interesting, yet not everywhere has been explored.

I know that I am nearing the end of my speech. I would like to add only one thing. When we talk about northern Quebec or northern Ontario, and I mention those regions because they are the ones I know best, people often feel these regions have been thoroughly explored.

When exploring, one makes a very small and very deep hole in various locations. Very often something could have been found only a few feet away. It is far from obvious that the exploration process can reveal all that. We have not yet explored everything that there is to be explored in Canada; far from it.

The Noranda mine in our region operated for years. A mining potential was later discovered close nearby. This shows how difficult it can be to find the deposits and to identify them.

Technologies are now getting better and research can yield maximum results, but we still have to go further.

I therefore really hope that this debate will not end with the speeches. I look forward to real action. We certainly will contribute to that. We will stimulate the debate and will be full of determination, but money will have to be spent. There is a lot of money around these days. There are large surpluses.

The natural resources sector, and I have talked about mines but the same holds true for all the other natural resources, will have to be considered carefully if we want to put a major sector of the development of our economy back on track, particularly in the resource regions, one of them being the one I represent, the Abitibi—Temiscamingue.

Mr. Guy St-Julien (Abitibi—Baie James—Nunavik, Lib.): Mr. Chairman, I appreciate the comments made by the member for Témiscamingue. It is true that we have not always seen eye to eye. It took an emergency debate for me to call him yesterday afternoon to arrange a meeting. Together, we found some solutions in the best interest of the people of Témiscamingue and Abitibi. That is the only thing that matters.

He made a point about deep wells. In Quebec there is a program to provide assistance to mining companies developing deep wells and Quebec is the only one financing this program. Not to mention that the 13 mines scheduled to close within five years are located in Abitibi and northern Quebec. That is where the problem lies.

I would like to ask the member a question about exploration and another one about the R and D activities carried out at UQUAT, in Rouyn-Noranda, Val-d'Or, Duparquet and Amos. Could he tell us about this provincial program? Should the federal government get involved with the province in such programs to provide assistance to the mining industry?

• (2020)

Mr. Pierre Brien: Mr. Chairman, it would be an historic event if we could reach an agreement in our region. After all, if Israelis and Palestinians in areas of conflict are talking to each other, we should be able to do the same. Anything is possible.

An hon. member: We will never get that far.

Mr. Pierre Brien: We are far from that indeed, and the comparison ends there.

It would be a good opportunity to add to the program Quebec has implemented for underground exploration. There is no need to reinvent the wheel. Improving on what already exists is something that could be done in the short term, until other measures are identified. That could be done rapidly and it is not complicated.

The two departments who work the best together in federal-provincial relations are the departments of revenue. Revenu Québec has already defined the mechanism. It will not be long before both departments start discussing to find a quick way to implement this. It could be done very rapidly.

Underground exploration is important, but it is true that there is more surface exploration being done. The challenge is to do more underground mining, or to operate mines with smaller potential or to have more thin capitalization companies engaged in this kind of activity. We do not want it always to be the big players doing all the development in the mining industry. A special effort has to be made to ensure that thin capitalization firms have the capacity to do more than they are doing at the moment. This is one approach.

We also have in our region a university that is very aggressive in its research and development, one of the most productive, a part of the Université du Québec network of campuses, the Université du Québec en Abitibi—Témiscamingue, with a number of research projects on the table in the natural resource sector. It is a fine way to development.

We have a project in the mining industry I mentioned earlier, research into underground communications. We also have a fine communications company, Télébec, a Bell subsidiary but with regional players in administration, who are very aggressively working to develop tools for the region.

There are forestry projects in Amos and Duparquet and in the mining industry. So we have a fine research in the natural resources sector, but the tools are lacking. It is important to point that out. A lot of money has been invested in the Canada foundation for innovation, in university chairs, and so on, but we must recognize that the big universities are not the only universities. There is a network of small universities. I know this is a big concern for people in the region. It is true in Atlantic Canada. It is true in Quebec. It is true throughout Canada.

At some point, the government must not just say that it is putting money into foundations managed independently, but guidelines are also necessary, because the small universities have a role to play in the economic development of the regions. We must make sure that a fair share of the budget goes to them.

[English]

Mr. Gerald Keddy (South Shore, PC): Mr. Chairman, the hon. member spoke a fair amount about innovation and the importance of exploration companies to the mining sector and the fact that we obviously need to find ore before we can exploit a mine or ore body or potential ore body.

This is an open debate between all opposition parties and the government and it is not for me to stick up for the government side. However I certainly applauded its efforts in October of last year to bring back some form of flow through share policy to absorb the debts that exploration companies run up.

What did the hon. member and his party feel about the so-called new super flow through share which would allow exploration companies to deduct some of their debt burden by letting people invest in their companies and deduct 100% of their investment?

[Translation]

Mr. Pierre Brien: Mr. Chairman, yes, I certainly would not want to suggest that the move in the last budget or the measures taken before the election were insignificant. It was a step in the right direction.

The problem is that this was done very quickly. The whole budget was prepared hastily. I am not sure this fitted in a comprehensive development plan for the industry. That is where the problem starts.

The problem we have now is to convince people to invest in the mining industry. That is not an easy task. We need to have the prospect of a fair return, and exploration has to be more effective.

Governments are not the only ones involved. The industry should also take a look at itself. Take for example junior exploration companies. We should be honest enough to tell them that they cannot work in isolation anymore. Some of them could join forces to explore for resources together, share the properties, and reduce the level of risk for the investor. We can do all we want to improve the deductions for company losses of companies, for example, this is more for companies that already have mines in production, but we should improve the prospects for the investors.

• (2025)

We must give more support to those who are already in operation and who have an exploration potential nearby. This was a step in the right direction, but we should have a comprehensive plan that would say "Look, the federal government is telling everyone that it is a key industry. We are prepared to put money in it on a rational and sound basis". This would send a powerful signal to investors. It would not be merely a minor, isolated measure designed to please people in the regions on the eve of an election. The intention was good in part, but the overall impression of investors was not as positive as it could have been if it had been part of a broader plan.

One thing that I appreciate is the change of rhetoric. The new Minister of Industry is not perfect, but at least when he talks about the economy he no longer makes a distinction between the old and the new economy. I am very pleased about that, because a little too much was made of that concept.

We have an economy with many activity sectors and we must now target all sectors and the natural resources sector is one of our better performing ones. We talked about the productivity gap between the United States and Canada. We are more productive than the Americans in the natural resources. At some point, we should invest in our strengths.

The measure taken last fall was a step in the right direction, but we need more and we have the means to do more. This is my hope. I hope that today's debate will lead to action. We are creating expectations, so we will have to deliver.

Mr. Benoît Serré (Parliamentary Secretary to Minister of Natural Resources, Lib.): Mr. Chairman, just want to make a comment on flow-through shares or the mineral exploration tax credit.

At the convention of the prospectors and developers association of Canada in Toronto, they were the ones that called them the super flow-through share program. They agreed that what they got was even better than what they had asked for. The program came after very lengthy consultations, about two years and a half, with the industry. Thus, this did not happen during the last months before the election was called.

It is important to specify that both the association and the government did not do a good job of selling this program to investors. I met some people from the association before their convention and they distributed an excellent promotional brochure. The Canadian government had a very good presence at the convention. I think investors are aware of the program, of its value and of the fact that, on the stock exchange, dotcom companies'

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shares have fallen. People are realizing that these kinds of shares are not a panacea and they are going back to natural resources. I believe this augurs well for all Canadians.

Mr. Pierre Brien: Mr. Chairman, I will just take a few seconds to say that we are willing to agree on this.

I talked to some brokers and they were not very familiar with the program. Things were somewhat improvised, because I do not think a budget was expected in autumn since it was usually tabled in February. The sales pitch that should have come with such measures was totally lacking and did not manage to send a clear message like "Look, the federal government is saying loud and clear that this key industry has a bright future and we believe it".

I hope things will be corrected in the months to come and that the next time the government wants to announce some measures, it will wait a bit longer, even if time is of the essence, to ensure that the measures are built on a solid foundation. This is what I hope for next time.

[English]

Mr. Joe Comartin (Windsor—St. Clair, NDP): Mr. Chairman, I intend to share my time with my colleague from Acadie—Ba-thurst, hopefully with minimal interruptions from my friend to the right.

An hon. member: From the right.

Mr. Joe Comartin: And from the right as well. I intend to address most of my comments to the issue of fossil fuels. I would like to discuss a number of issues related to natural resources but there is not enough time.

I posit to the members here and to yourself, Mr. Chairman, that the whole issue of fossil fuels requires very close attention. I think I speak on behalf of all our caucus in expressing grave concern with regard to comments the Prime Minister has made to the media in the last few days and again today in the House.

We are concerned about what appears to be a willingness on the part of the government, with very little forethought or planning, to deliver our fossil fuels wholesale to the U.S. market. That gives us great concern because it does not seem to take into account the environmental issues that are related to that type of development. It does not take into account the issue of the air pollution problems which will come from that. Quite frankly we think it does not address the issue of the cost of developing some of those resources in the long term.

As the parliamentary secretary has already said this evening, we have the tar sands. We can bring gas in from the territories. Those are very expensive processes. If we did not have some of the tax

^{• (2030)}

breaks that have been accorded to the tar sands, those tar sands would not be economically viable at this point. I know I will get some disagreement on this but they are certainly much more expensive than the alternative of renewable resources, like windmills in particular. Even solar energy is getting very close to being as expensive as the development of those tar sands.

The other problem with the development of the tar sands is the type of air pollutant that will result from that. I know I have thrown this figure out once before in the House, but I will do it again. The Suzuki Foundation made very clear in the research that it has done that just one tar sand plant would be equal to putting 1.3 million automobiles on our roads, and all the pollutants and toxins of course that result from that type of expansion in the use of vehicles.

The reality is we cannot keep going this way. We are faced as a society with international agreements. In spite of the fact that the Bush administration has now taken the position that it will reject Kyoto, it will probably only be there for four years. Then what will we do if we have developed the tar sands at that point? We will be faced with a new administration, probably a wiser administration as far as the environment is concerned, saying to us that it is sorry but it will be going the route of conservation of technological changes which will reduce the need for that much fossil fuels. Then we will have just blown all that money.

We will be faced with that same administration, which will be more environmentally concerned, saying to us that yes, we have to meet Kyoto and that its state governments will not take our pollutants any more. I speak very personally about this given the jurisdiction from which I come.

My riding, where we get a lot of the pollutants from the Americans who are in the process of starting to clean that up, has the attorneys general of both New York State and Connecticut saying to Ontario that it has to clean up. We have all those coal fired plants. They are not going to want to take Ontario's pollutants any more. We will be faced with an administration which will be saying those things to the government and country in four years. The Bush administration may not but the next one will. If it is not in four years, then it will be in eight years. We have to plan for that.

In coming back to the cost issue, just yesterday Algoma Steel in Sault Ste. Marie went down. One of the reasons was the high cost of fuel to run that plant. It was a highly efficient plant according to the statistics. It was the 12th most efficient steel plant in all of North America. One of the reasons it went down was because of the fuel cost.

We just cannot keep going down that road. We have seen the Prime Minister taking positions in the last four days which are dramatic shifts, as I see and our party see it, away from where we thought we were going, which was moving more toward conservation. We just cannot keep following them. Let me make a couple of other points, some of which came out of the information at the summit of the people in Quebec City over the weekend.

• (2035)

David Suzuki was there and pointed out that from his foundation's research because of the trade deals we have a huge demand that is going to increase for bunker fuel. Over the next 10 to 12 years that is going to increase by 300%. That is just about the worst fuel we could be burning. That will be dumped into the atmosphere and the rest of the world will not accept it any more. We are hearing it very clearly at this point from the European Union.

The end result of this is going to be that some time in the next four to eight years, whether it be this political party running the government or another one, we will be faced with all sorts of communities that, having some development work done in natural resources around fossil fuels, will be looking at losing their markets.

If we look at rural development, what is going to happen? Will we be faced with a situation such as Elliot Lake where after the nuclear industry began to cut back we lost that mine? That was a success story. How many more of those can we do? Very few. We will to be faced with having to deal with those communities. If we do not do this planning and prepare for some of the alternative fuels, wholesale communities will be faced with extinction. There will become ghost towns.

From the New Democratic Party's position we are suggesting that we have to prepare for that. We have to look very closely at what we are doing. Our question is what will be done in terms of the development of those types of tar sands or bringing fuel in from the territories, if in fact the market is not there?

Bush stood up and made great statements. He said that if we had the fuel he would take it. I do not think he has the support of his congress in that and he is not going to have it in four years. I would like to know from the government side what it will do at that point if those errors have been made in developing them.

Mr. Benoît Serré: Mr. Chairman, first, before I answer the hon. member's direct question with regard to tar sands, I think it has become very cost effective. My colleague from Alberta will agree. At the beginning it was about \$36 per barrel. It is now down to \$14. It is very cost effective.

With regard to the potential new administration in the United States in four years, anyone who thinks that if the republicans are thrown out and the democrats get in that they will not need energy is living like *Alice in Wonderland*. The American economy and population is growing and their need for energy is growing.

We have the resources and the potential to service that market, as well as other markets in the world. We have potential resources, the tar sands being just one example. What about developing Churchill's clean renewable energy? Natural gas is one of the cleanest fossil energy resources that we can take from the west.

One cannot say that because we are turning slowly but surely toward more environmentally friendly energy sources that we have to get rid of all other kinds of energy resources tomorrow. It can be done in a couple of years. I will remind everyone that the government has invested over \$1 billion in these climate changing initiatives and we are working toward cleaner energy.

Another point I want to make is with regard to the comment he made about the environment. I will remind the member that any investor from the United States who is willing to invest in the tar sands or any energy projects across the country will have to follow the provincial jurisdiction on environment and follow the rules, as we all have to do.

Mr. Joe Comartin: Mr. Chairman, that is just too simplistic, it really is. I was actually going to save this line for the Minister of Natural Resources.

I am really tired of hearing about the \$1 billion that we are spending on it. The reality is we have hardly done a thing. If we look at the work that Germany and Denmark have done on wind power, we have done nothing by comparison. Germany has created 35,000 jobs in wind power alone. Denmark is doing almost 10% of its energy in wind power alone. They are comparable countries to us in terms of their technological development. We should be doing that. I guess it is almost an insult. To suggest that we will be able to do this rapidly, I am not stupid. I understand that we cannot do it rapidly, but we are not doing it fast enough. I can look at other countries around the world and say that these countries are doing it. Why are we not?

• (2040)

Why do we not say that we will develop the wind power that can be used in the northern climes and at some point we would be able to export that technology to Russia and northern Europe? Why can we not do that? Why can we not be spending money on that? It is just too short-sighted.

We say that the market is always going to be there for that energy source. It is not always going to be there. If we keep track of the consumption of fuel in cars, in less than a decade we can cut consumption of fuel in cars by 50%. What is going to happen to the market at that point?

Mr. David Chatters: Mr. Chairman, I do not know where to start on this one. Some of the comments are ridiculous. If wind power is the answer, and Canadians support wind power and it has

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the potential to supply the energy needs of Canada or the United States, then industry would invest in windmills and create wind power. The fact is it has a very limited potential to supply our energy needs. Therefore the investment is limited.

The tar sands have the potential to supply all of Canada's energy needs and much of the U.S. energy needs for the next 100 years. Industry is investing \$35 billion. This old myth about the huge subsidization of the tar sands is exactly that. It is a myth.

I would challenge the solar industry, the wind industry and any other energy industry to compete with the same subsidization level as the fossil fuel industry. It is there. The market is there. If it has potential it will be built.

My opinion on the development of energy is that we as a country should look at all forms of energy and put a total cost on the development of each particular source of energy. We should choose to develop the lowest cost form of energy first and move up the scale. As the natural or finite energy sources are reduced we move into the next level, then into the next most expensive and on up the line.

That would be the reasonable approach and I would certainly do that. Many of the tar sands players, energy companies, I would add, are involved in the wind power industry, the nuclear industry and in a number of other sources of energy. They are multifaceted companies which have just as much concern for the environment and supplying Canada and the world's energy needs as anybody else. I think some of these myths are just that.

Mr. Gerald Keddy: Mr. Chairman, I will try to be brief. There is a point that I want to try to get across to the member for Windsor—St. Clair. I am not in disagreement with him that we need to seek alternatives to fossil fuels and the finite resources of energy. We know fossil fuels are a finite resource. There is a certain amount of it and some day it will be gone. We continue to find more.

I take exception to his comments about Europe. Quite often we look at Europe as somehow being a warmer, fuzzier, cleaner, more environmentally friendly region of the world. I fundamentally disagree with that.

Germany may be able to say that it invests more money into wind energy or alternative energy resources but it buys natural gas from Russia and does not care how Russia gets that gas. It does not care about the political or social costs which come with that gas. It does not care about the technologies that the Russians use. Fracting a single zone in Russia, which they have developed in that zone, has never been done. They develop something deeper or something higher up the well bore. They just do not have the technology to do good work. As well, they make the rules and bend the rules to suit themselves. • (2045)

We can have Europe or the European Union talking about being green and clean, but they will use uranium powered energy from France. They do not mind importing that energy. They do not mind importing Russian natural gas. They do not mind setting special levels for Norway. There is some danger in looking at Europe as the pristine example.

I am not saying that we should not head in that direction, but I am concerned that we should not put it on too high a pedestal.

Mr. Bob Mills (Red Deer, Canadian Alliance): Mr. Chairman, my comments are along the same point. Calgary residents are getting their electricity from wind energy if they so choose. I have been studying what Germany has been doing and it has a lot of windmills. I have seen some of them firsthand.

The member also mentioned Russian gas. We must also remember that 70% of Germany's energy comes from nuclear power. Green Germany run by a green government is using nuclear energy for 70% of its energy needs. We should not believe the myth about Europe being a wonderful example to follow because it is just not there.

Mr. Joe Comartin: Mr. Chairman, I must admit that I am happy we are having this debate tonight. These are the most provocative responses that we have had this evening so I will take some credit for that.

I am not prepared to agree with the comments we heard from the Alliance with regard to corporate decision making. If they were real, would we ever have developed nuclear industry at all? Do we always go to the bottom line and explore the cheapest option? Once we have made the kind of commitments the oil industry has made, we are locked in to a certain degree. I recognize that the oil industry is beginning to do research and some development in wind power and solar power. I recognize that but it has not gone far enough.

I wish to go back to the initial point I made earlier this evening and that is what we see in terms of what the Prime Minister has been saying over the last four days. Have we just given up on everything else? All our eggs have been thrown in the basket of developing the U.S. market and we appear to be ignoring these other areas.

Another point I would make with regard to the comments of my friend in the Alliance is that development of the tar sands completely ignores the environmental consequences of developing that source of fuel.

I have one last comment regarding Germany. It has recognized the mess that it has made of things by depending so heavily on nuclear energy and is beginning to try to move away from it. I do not wear blinkers. I fully understand that the bottom line still is that Germany is doing much more in wind power than Canada is.

[Translation]

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Chairman, it is a pleasure to take part in this short debate and speak to some issues of concern for our regions and our country.

I will try to limit my comments to the situation of the mining industry in my area. We are lucky to have several mines, like the Brunswick mine, Heath Steele, Cariboo Mine or Durham Mine in the Fredericton area.

The mining industry is not at all like the fishing industry. Although the fish stocks have all but disappeared, if we are cautious, they will come back. The same thing should happen in the forest industry. We can cut trees down; it is a beautiful resource that meets everyone's needs. If we are careful, we can replant trees and the forest will grow back.

However, as soon as we start operating a mine, we can start estimating the date it will close. It will never come back. That is the problem with mines.

As I was saying, we had several mines in my region. The Durham mine in the Fredericton area is closed. The Heath Steele mine is closed, since the gold deposit is depleted. The Cariboo mine closed because of low mineral prices. Operating that mine was too expensive. Prices would have to be much higher for that mine to reopen. As for the Brunswick mine, it is estimated that it will stay in operation for about ten more years.

I sat on the natural resources committee for a period of three and a half to four years. I started talking about the problem with mines and what we should do about it as a country.

• (2050)

I can use my region as an example. I am not the only one. I am sure that for my friends from Abitibi, we talked about it earlier, it is also a problem.

One of the problems is exploration, how to find new mineral deposits. That is what is lacking. I think we do not have a good program. That is the problem.

I say these are good jobs. Some people would not want to work in a mine all their life; they would not want to work 4,000 feet underground and never see the sun. Some people would not like that. I liked working in a mine. I liked it and miners like it. A miner is a miner. These are jobs that pay fairly well and offer good salaries and bonuses. People make \$50,000, \$60,00 or \$70,000 a year.

This is good for the regional economy. In my riding, in Bathurst, New Brunswick, when people say that the Brunswick mine will be finished in the next ten years, this is a disaster. When I took this to the Standing Committee on Natural Resources, I remember the Liberals saying "Yvon, you are complaining again; you never seem to have any good news for us". I thought it was the opposite.

We had to start thinking in advance. We had to start thinking ten years in advance in order to know what we were going to do to replace these jobs. I was really taking preventive action. Already, I was starting to talk about it and to say "In ten years, we are going to lose our mine. What are we going to do today? What are we going to do to replace those jobs?"

They should not start by saying "Listen, we are sick of listening to you because you are always negative. You are negative because there are no more fish in the ocean". It is not my fault if there are no more fish in the ocean. That is enough to be negative about. There are no more jobs. It is not my fault if the mine will disappear in ten years. I am here to talk about it. It is my responsibility to talk and to try to find solutions with the government.

I find that the government does not push exploration enough. It does not push it enough. What happens is that companies leave and invest in other countries. This does not cost a lot. This week I went to the people's summit. I attended a meeting and an evening event on the mining industry, where there were Canadian workers from Cominco. There were also workers from Chile. They had a collective agreement. The Canadian workers' collective agreement was about 200 pages long. The Chilean workers' agreement consisted of two pages.

One can imagine how these people were being exploited. Can one believe it, two pages? I am sure that one was for management and the other for the workers.

An hon. member: Sometimes, there is more in two pages than in ten.

Mr. Yvon Godin: Can you imagine? After that, those companies will invest somewhere else because they cannot get any help here, in our own country, to find ways to explore and develop our mines. Those companies move out of the country, then take the minerals and dump them on the Canadian market. Later they end up in places like Algoma Steel, a steel company.

We know that, at that time, the government of Ontario, under Bob Rae, made a great deal of effort to help the company, which had put itself into debt, but the workers and the community in Sault Ste. Marie saved that company. Now, with all the dumping from foreign countries, we are on the verge of loosing Algoma Steel.

I am afraid. Let's hope we will not lose it, because there are good jobs in Sault Ste. Marie. These are well paid jobs in the steel industry. How many similar situations are happening across the country? I think this is important. It is important to look ahead.

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I was talking about New Brunswick. We used to have four mines, but we have only one left. Soon we will have none. What are we doing to open new mines? Surely we have not extracted all the minerals in the ground. There must be some left somewhere. These are good jobs, but dirty work. Do not worry, it is not the Parliament of Canada. When they come out from the mine, they are dirty and their skin is black.

People in my region like those jobs, which have been good for our community. Having touched on mines, I will now say a few words about forests. A few words on this and a few on that, as we say.

I come from a region where natural resources are plentiful. In modern forests, we have to invest in tree planting.

• (2055)

How long have companies been clearcutting? They were getting rid of the wood, selling it to mills and they did a lot of that. No government rule ever said that when a tree was cut, another one must be planted to replace it.

The planet does not belong to us. It does not belong to me nor does it belong to the Chairman. It belongs to everybody. Everybody should be able to use it. I find that we do not treat our planet and the people working on this planet properly.

A nursery was sold in my area; in fact, the provincial government got rid of it. Then the local forestry union got involved in the process and said "We now want to plant our own trees. We can do it, but we would need federal funding to do it". The province gave them part of the money, or \$250,000. They needed \$650,000, but no, this did not come under federal jurisdiction. Come on, what are we doing here?

Things can be done for the well-being of the population. Things that will be beneficial. The same applies to Northern Ontario, whether in Kapuskasing and elsewhere. I have visited the whole area and lived there. People live longer in northern Ontario because of the forests. Whether in White River, Manitouwadge, Wawa, Chapleau, Kapuskasing, Hearst or Arpin, it was the livelihood of how many people? Now new investment is necessary; it is long term investment that benefits everybody and which will create jobs.

I had thought that ten minutes would be more than I needed, but now I see that I will be short of time. Anyway, I think things like this are what is important. The government will, I believe, have to invest in this area. It is all very well to talk about all that went on in Quebec City, free trade and all that, but our people need jobs.

We ought to take a serious look at mine exploration, forestry and tree replanting so that there is new growth. The same goes for the fisheries, aquaculture and all that. Secondary and tertiary process-

ing have to be done, whether in forestry or fisheries. Even in the mines, second and third level processing can be done.

Take natural gas, for example. This is an energy source we are having to fight for in north-eastern New Brunswick, and we are wondering whether we are going to get natural gas. It is good for the environment, good all round, and supposed to cost a whole lot less than what we are running our smelters on at present, and all those other things, to produce.

Those are the comments I wanted to bring before the House. I appreciate the opportunity to do so and to look at our future, because our children are our future, provided they can find jobs. Not all the work for them is in Toronto, Montreal or Vancouver. We need to look out for the rural areas, where there are also people working.

As I have said on many occasions, "You don't get 2x4s on Toronto's Yonge Street or rue Sainte-Catherine in Montreal". Regions like mine are needed to produce them. That is where the investments have to be made, if we want to create jobs.

[English]

Ms. Cheryl Gallant (Renfrew—Nipissing—Pembroke, Canadian Alliance): Mr. Chairman, I have three brief questions to ask the government. One of Canada's natural non-renewable resources sector petroleum products appears to be in short deliverable supply. Does the Ministry of Natural Resources feel that reactor generated energy is necessary as part of Canada's energy mix?

The Chairman: I do not want to interrupt but obviously this is a very new format. Before I allow the intervention, I will seek others who might have had comments or otherwise on the intervention of the member for Acadie—Bathurst.

Hon. Andy Mitchell (Secretary of State (Rural Development) (Federal Economic Development Initiative for Northern Ontario), Lib.): Mr. Chairman, the last comments of the hon. member for Acadie—Bathurst might have been provided by my speech writer about the need to remember rural Canadians in the overall context of the nation, and not simply to deal with the urban centres.

One of his opening comments was interesting because I spent some time in Elliot Lake when it was a mining community. One of the comments made was that the first day of the end of a mine is the first day of operation, when the first shovelful is taken out, because the material mined is a non-renewable resource.

However I do not know why the member would characterize himself as a doomsayer by wanting to talk about how we would deal with the issue 10 years down the road because that is exactly the appropriate way we would have to look at it. A multifaceted and dynamic approach needs to be taken. There is not just simply one aspect to it. • (2100)

First of all, we in rural Canada, when we are natural resource based communities, need to maximize the resource we have. Let us take the mining industry as an example. The member talked about that in a number of areas and it is important to emphasize in terms of remembering that there is a very fine line between what is ore and what is rock and it is basically the cost of the ingredient and the cost to produce it. Therefore, one of the things we need to work on in the natural resource industries in rural Canada is using technology. We need to use research and development and to support that in order to bring down the costs of production so we can lengthen the amount of time a particular mine can be in operation.

The member also mentioned the need to value add to the commodities we are harvesting or are mining. That again is another strategy to maximize the benefit of a resource.

I think the third component of that is indeed to look ahead to the time when that particular mine may not be there. We need to look ahead by continuing to do further exploration so that other mines may come on stream or, as in the example of Elliot Lake, to find an alternative way to sustain your community.

These are the types of things I talked about in my intervention when I mentioned that there is a need for a public policy perspective that is unique to rural Canada, that is specific to natural resource based economies and that deals with those very specific issues that I think the member put forward very well.

Mr. Yvon Godin: Mr. Chairman, I appreciate the intervention. For example, if we are talking about the mining industry and if we are looking at the Brunswick Mine, it is not that long ago that they started to use the Pastefill, where they put concrete into it, du ciment. They started to do it. Doing that makes it just as hard as the pillars on the side. Then they pick up the pillars. It is too bad they did not pick them up 25 years ago. They would have saved a lot of pillars and mined the whole mine.

Those are the types of things that can be done. Sudbury was doing it a long time ago. Falconbridge was too. The miners were going underground and doing the backfill on a concrete floor all the time while we were on the rocks and breaking our feet most of the time, if members know what I mean. That is the type of technology we can use.

The federal government could put those mining industries together to look at it instead of having them say they have a way to do mining that is cheaper so they do not need their friends to do it. They almost call each other adversaries. I think this is wrong because we are losing part of a natural resource that could offer jobs for a longer period of time.

Regarding Elliot Lake, I know that something else has been found. With all respect to the people of Elliot Lake, they say they have turned it into a good place to retire to, but we do not want that in New Brunswick. We would like to keep our youth in New Brunswick. We have enough leaving right now. We want to keep them at home.

However, I agree with the member. There are different things we can do to prolong secondary or third processing. It is one of those. In forestry, for example, why do we send all our product somewhere else so that it comes back from other countries that sell it back to us? It is the same thing in the fisheries. Who is talking more, probably down home, about secondary or third processing in the fishery? I am telling everyone that it works.

The Chairman: I know this is a totally new experience for all of us. In my following remarks, I want to address myself particularly to the hon. member for Renfrew—Nipissing—Pembroke, but also to all members.

We have been at this debate for a little more than two hours and because it is not structured as we are accustomed to, time seems to go a little more quickly. To the extent that we have had two hours of debate and I have not yet had the opportunity to give the floor to speakers from the Progressive Conservative Party, the format, as I would understand it, would be that in the initial round we would have a speaker, or speakers if you split, from each of the parties, and in the second round we would alternate from one side of the House to the other, depending on a representative being here from the party or parties.

Therefore, with the greatest of respect to our colleague from Renfrew—Nipissing—Pembroke, who I know has been here since the beginning and has been very patient and very attentive, I regret this, but I will be giving the floor to the members of the Progressive Conservative Party.

• (2105)

In advance, I will tell all my colleagues that in the speaking order the next opportunity will fall to members of the government side, followed by the Canadian Alliance.

I hope I did not mislead anyone. These are uncharted waters for all of us. Certainly the participation has been very interesting. I take note that most of you spoke without notes. Obviously you care very much and have a great deal of knowledge about the subject matter. I think that lends itself well to making public policy for all Canadians and tonight in this case in the area of natural resources.

That is the end of my speech. We turn now to the Progressive Conservative Party.

Mr. Gerald Keddy (South Shore, PC): Mr. Chairman, I would be sharing my time with the member for Brandon—Souris and if I have a couple of minutes or 30 or 40 seconds left at the end of my

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20 minutes he will get them. I think that is only fair and reasonable as a colleague.

The debate here tonight is on natural resources. I very much appreciate the Secretary of State for Rural Development being here and staying throughout the debate, and his colleagues with him.

Certainly I think that when we look at the economy and the global situation on the planet today we tend to trivialize the primary industries. Many of us tend to forget where we come from. A number of the ridings represented in this place are rural ridings. I would even dare to say that perhaps we rural ridings are equal to the urban ridings. If we counted them all, I think we would surprised by the number of parliamentarians who are here representing rural constituencies. There are a great number of us.

I am also going to take the opportunity in this debate to discuss rural issues, very much like the rest of the speakers have discussed rural issues, but I think we are discussing rural issues in a number of sectors.

I do not look at the Secretary of State for Rural Development as being responsible simply for rural Canada or the agricultural community. There is a very large forestry sector out there. There are large fishing communities on the three oceans around the country and on Canada's inland waterways. We have a huge mining sector in the country that has been quite often overlooked and underrepresented, I believe, by the present government, by other governments in the past and by provincial governments.

We have to find a way to accommodate our primary industries in the country, to have them represented so that the people have viable jobs and opportunities, not only for themselves but for their children and for their grandchildren.

Most of us from rural Canada are survivors. We live in communities that have survived for hundreds of years, quite often. We represent 15 or 16 generations of ancestors and more in some parts of Canada. We have managed to eke out a living, whether that has been a subsistence agricultural living or one dependent upon forestry or fisheries, for literally hundreds of years.

Now we have to find a way in the modern economy, with the globalization of the planet, with transportation that is immediate, this minute. It is no longer that day or that week, it is this minute. The discussion taking place here can be listened to in Australia or China. Decisions we make in the Parliament of Canada can be reacted to immediately by businesses halfway around the world. With all respect, I do not think this government or any government is quite ready for that type of accommodation of the new economy. I do not think we have adapted to that. The appointment of a minister of state for rural Canada is a step in the right direction. I applaud the government for it.

• (2110)

I would like to talk about a couple of specific areas and hopefully get some replies from the minister on these specific areas. I will try to be brief.

My first love is forestry, so I have to go there for at least a second. We tend not to recognize the importance of forestry in Canada. It is the primary industry. It is the second most important industry in the country. If we combine the primary industries such as forestry, agriculture, fisheries and mining, we can shut out the rest of the economy in this country. We produce the jobs. We put more money into the economy than the rest of the sectors put together.

A tremendous amount of money comes from the primary industries of this country and the majority of them are sustainable. The mining sector, we have found, is more sustainable than we thought. When people look for minerals today in Canada they do not try to look for a new mine. They go where we have been mining for generations and find more resources, more ore bodies, wherever that may be. Timmins, Ontario, is a prime example of that.

I started to talk about forestry. We should not take away or ever forget the fact that as much as we may love to look at a view scape of timber, the real economy of that timber is the noise of it hitting the ground. It is not only the fact that companies cut that timber. There are jobs involved in getting it to the mill. The wood is processed. Houses are built from it. There are value added products that come in, whether that be paper, pulpwood or finger jointed mouldings for door frames.

We tend to trivialize the contribution the forestry sector has made to this country and that it will make forever. It is 100% completely sustainable. In most of Canada it is not dependent on planting a whole lot of trees or putting a lot back into it. We can continue to harvest the forest through natural regeneration on the west coast of Canada and certainly on the east coast of Canada in those maritime climates. Very little of the land in eastern Canada needs to be replanted. Foresters have to go in there 10 years after harvest and thin it. There are so many stems coming up on the acreages that they have to be spaced. It is not a matter of planting trees unless someone is trying to grow a different type of forest, unless the land is better suited for Norway pine instead of black spruce, or perhaps better suited for an exotic species like Norway spruce instead of balsam fir. There are alternatives.

We need very much to look at the mining sector, on the east coast in particular now that we have the advantage of the development of the Sable gas fields and the Panuke oil fields. That oil and gas liquids and gas are coming ashore now in Nova Scotia. We have been talking for six months about a second pipeline. The first pipeline is already developed. Now there is discussion about a second pipeline double tracking the pipeline that is already there. We need to look at a way to do a better job of sharing the money. I spoke about this earlier, about the fact that when Alberta was developing its oil and gas reserves the federal government recognized the position Alberta was in. From 1957 to 1964 Alberta received equalization payments from the rest of Canada and kept the revenues from their oil and gas reserves. That allowed them a head start in putting their infrastructure in place to actually develop and exploit the natural gas and the oil fields of Alberta.

Nova Scotia and Newfoundland and any other province should get no less a deal than Alberta got. That takes a little bit of backtracking by this government. That takes a different approach, but it can be done.

We are not asking for the cancellation of equalization payments or the refusal of the federal government to gather royalties from the east coast.

• (2115)

What we are asking for is a period of time similar to what Alberta got, five, seven or eight years, in order to build the infrastructure up so what has been happening does not continue to happen. For every dollar that is made in the offshore, 81 cents goes to the federal government and 19 cents goes to Nova Scotia. This is not rocket science. This is a very simple equation. Somehow we have to change that imbalance, and that takes time and that takes an initiative on behalf of the government to compromise on a position that it has already taken. I see no reason why we cannot do that.

We have tremendous resources in rural Canada and in our primary industry. In the South Shore riding that I represent we have 1,760 boats fishing. That is phenomenal. That is in three counties. The fishery is in decline and it is facing great hardship. We have a lot of people fishing.

We have a great primary resource that is sustainable and we need to maintain that. We have an oil field that is being developed that we need to encourage. We have a forestry resource sector that needs to be encouraged as well. I have left the agriculture sector for the hon. member for Brandon—Souris. We need to encourage agriculture in Canada and we need to find a way to enhance it. Those are issues that face rural Canadians every day.

If we want to encourage people to continue to live in rural Canada, if we want to have ghost towns in Saskatchewan and Manitoba and if our small towns in Atlantic Canada are to survive, we need infrastructure for transportation. We need all kinds of innovative ways to continue to live in rural Canada and have an economy of means that can support us to do that.

Hon. Andy Mitchell(Secretary of State (Rural Development) (Federal Economic Development Initiative for Northern Ontario), Lib.): Madam Chairman, the hon. member talked about the need to have an appreciation for the natural resource sector and

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what it means for Canada. I am sure all members in the House keep close to their desks a document called "Think Rural", which is a report of the standing committee on natural resources, chaired by myself, issued in March 1997.

I would like to read the opening paragraph of the report because it speaks directly to the member's point. It states:

Canada's natural resource industries have been the mainstay of our prosperity for most of our history and continue to be so today. They represent the backbone of the domestic economy and are by far our major source of trade surplus. Currently, they are one of our strongest strategic advantages in global competition. In fact, Canada is the third largest mining nation in the world, the world's largest exporter of forest and mineral products, a net energy exporter and a large-scale producer and exporter of agricultural products. Our future prosperity depends as much upon our continuing ability to discover and harvest our natural resources in rural Canada as it is coming to rely on our knowledge-based manufacturing and service sectors.

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Madam Chairman, I listened with great interest to my hon. colleague from South Shore, a fellow bluenoser. He touched briefly on the issue of natural gas development in the province of Nova Scotia, which has application in Newfoundland, to Hibernia and to other wells that are under exploration there.

He spoke of the case that is being made currently by our premier, John Hamm in the province of Nova Scotia, and his campaign for fairness where he talks about the equivalent opportunity his province is seeking to bring gas revenues into the province for reasons of stabilization, opportunity and infrastructure that my colleague referred to.

When the example is made and the case is laid out before the Canadian people, it is undeniable that this is very much a case of fairness.

• (2120)

There were different scales of economy between Nova Scotia and Alberta in the 1950s. There were different issues in terms of government regulation of that industry. However the case remains very compelling when one considers the potential revenues that would be lost by the province as it attempts to enter a very large and competitive global economy.

Nova Scotians are not feeling that they are optimizing or capitalizing on those benefits themselves. People in communities like Goldboro, White Head, Canso and Dover are feeling left out of the process of capitalization on their own natural resources.

I take the hon. secretary of state at his word that he has an understanding and a sympathy for that case. This is an opportunity to demonstrate action and to demonstrate that the Government of Canada is listening to the provinces and is ready to work with them to help them optimize the benefits to them.

Nova Scotians should not have to be dependent or feel a sense of loss. They should have a sense of entitlement and a sense of participation in the Canadian economy, the same way Albertans did 40 years ago. That is all Nova Scotians are looking for.

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Nova Scotians are looking for demonstrable evidence of that. They are looking for an opportunity to receive more of their royalties, more actual accrued benefit from their own natural resources. That is all we are asking. In the bigger picture they can be greater contributors to the economy and greater beneficiaries of their own natural resources, which benefits all Canadians.

All rhetoric aside, it is the people of those small rural communities in Guysborough county who are looking for some tangible proof that the government is listening. The people of Nova Scotia, Newfoundland and other provinces are looking for evidence that they can be full participants in Confederation and full participants in the economy.

Mr. Rick Borotsik (Brandon—Souris, PC): Madam Chairman, I thank my colleague for allowing me a very minor portion of the time allocated to us. I too would like to echo his opening comments and congratulate the Secretary of State for Rural Development with whom I have had the opportunity of dealing on a number of occasions in his portfolio.

I will talk about rural development and where I see his department heading in the not too distant future with respect to helping rural communities not only maintain their populations but hopefully increase them and grow. He read a comment from a wonderfully prepared report, which unfortunately I have not had the opportunity of reading. It will be on my reading list in the not too distant future.

If we go back into history we will recognize that the whole country was developed on natural resources. Explorers came here because of the fish and the furs they could harvest and export back to Europe. My grandfather, as I am sure is the case with many ancestors of other people here, came to Canada because of agricultural land. People could come here and get land at reasonable prices, start raising a family and grow the crops we are so famous for.

Our natural resources, inclusive of the mining we talked about, the natural gas and the oil sands projects, are the backbone of the country. They started the country. They are the backbone of our economy. We have grown beyond that and have embraced the technical revolution we have enjoyed over the last number of years and the technology we have developed along with it.

However the problem we are suffering right now is the fact that Canadians have forgotten their roots. They have forgotten how the country was developed. They have forgotten what is still the backbone of our economy.

I have had the advantage of living in Toronto, and maybe that is a disadvantage. I know the difference between rural Canada and what we appreciate as being there from the earth. People from Toronto take it for granted. When people in Toronto flick a light switch they think that is where electricity comes from. I am not trying to be derogatory to the people of Toronto. What I am saying is that urban

dwellers, of which I was one, take for granted all that is being provided.

• (2125)

When a thermostat is turned on, be it heat that comes from a coal-fired, a gas-fired or perhaps even an electric furnace, that energy comes from the rest of the country. Canadians are now allowed to take advantage of that. I am speaking about natural resources but obviously I know agriculture best coming from the area that I do.

When urban dwellers buy at a grocery store most of them believe that the foodstuffs come from that store. The foodstuffs come from my area. They come from people like my grandfather who planted the seeds and grew the crops. They come from people who raised the cattle, the pork or the chickens. They come from those people who we cannot forget and, unfortunately, in our society we have forgotten.

My colleague said that he would leave agriculture as it is my forte. I have talked in the House too many times about the crisis that agriculture is now facing. It is for any number of reasons. It is because of an unlevel playing field and subsidies that are being paid by Americans and Europeans. It is because of the horrendous increase in the cost of production through natural gas prices for fertilizer and fuel prices for the tractors. We cannot trade our commodities with other countries because of unfair subsidization.

What we need to do is to remember where we came from. We need to support that industry as well as other industries. We also need to get a mindset. I will not throw stones or cast aspersions, but I think the government has basically lost touch with that natural resource, that primary industry, agriculture. We have to develop a mindset that says we as Canadians will support that industry.

How do we do that? We do that with long term support systems that we put into place. We need to develop those so that there is some hope for our younger generation to come into and continue in the industry. We need food, shelter, heat and water to exist.

If the minister of agriculture were here I would ask to him to please have the European mindset where they have said that they will support their farmers, their rural communities and their agriculture.

I will switch gears a little because we do have the Secretary of State for Rural Development here. I will talk about what he knows best, which is rural development, those rural communities that this great country is made up of. Unfortunately, more and more people are moving into those urban centres but there are still a lot of us who would prefer to live in rural communities because of the lifestyle, the clean air, the clean water and the ability to live in a rural setting that is more conducive to raising families. I had a chance to talk to the minister and he has been very good at looking at the big picture. However, I would like to give him some suggestions about how we could preserve rural living. One suggestion would be to introduce a tax incentive that would attract people to live in rural communities. We have talked about tax incentives for northern allowances.

We should also be looking at different ways of attracting health care professionals and workers into rural Canada. One of the major problems we have in rural Canada right now is attracting health care professionals. That is not to say that the problem is not there for urban centres either, but we have a worse problem in trying to bring those people into our communities. Health care, as we all know, is probably the issue when it comes to supporting a rural community with an elderly population. We should be looking at ways to attract health care professionals into rural Canada.

We should also be looking at capital availability for infrastructure. My colleague talked about the solid infrastructure, the bricks and mortar, the roads, the railways and the highways. Rural Canada also needs to have the technical infrastructure in place. If we do not have those advantages we will lose that to the urban centres. It is not good for the country if it is made up of just four or five megalopolises.

• (2130)

We must maintain our rural communities. Perhaps we should look at capital projects for infrastructure in rural areas. Perhaps we should look at different ways of attracting people to live in rural Canada. Maybe housing is the answer. We have seen examples. Elliot Lake has attracted groups of retirees from urban centres to adopt what I consider a much nicer lifestyle in a rural area. Perhaps it is a marketing thing that the Secretary of State for Rural Development should be doing.

Perhaps we should look at our own departments, because a lot of problems come from the federal government. Let us take a simple issue like customs and customs areas. A prime example is my constituency where there are a number of border crossings. When a decision is made by Canada customs to reduce, remove or change the service at a border crossing it affects the whole community, but the department making the decision does not have the mindset or vision to see how it will affect the community. We must change that thought process. When a decision is made, no matter how small, it will affect other people. That must be dovetailed.

The secretary of state talked about the rural lens. The rural lens would make sure we bring all departments together so that when they make a decision or change a service they communicate with each other to make sure the change will not negatively affect the lifestyle of people in a community.

If we lose three people in a customs department in Boissevain, Manitoba, it means a great deal. If we lose three people in downtown Toronto it does not mean as much. We must therefore acquire the right mindset.

In closing, the biggest issue vis-à-vis natural resources and rural development is education. There must be government support. Rural development must be funded by society in general, which probably means urban dwellers, but they must understand why they are doing it. We must all decide among ourselves, and I think we have. I think the people in the Chamber tonight recognize that rural Canada is a vital part of what the country is all about. Having come to that realization we must now decide how to provide services that will allow rural Canada to prosper and grow. That is where we must head from here.

I thank the minister for being here. I would add that the debate tonight has been excellent. We had a debate like this not long ago on foot and mouth disease. Like tonight, we debated the issues logically and in a non-partisan way. I congratulate the government for putting the process forward. I hope we can continue this process in other areas of debate because it is very worth while. This is the way it should be in parliament, not acrimonious as we have seen in the past. I congratulate the government for bringing the debate forward.

Hon. Andy Mitchell (Secretary of State (Rural Development) (Federal Economic Development Initiative for Northern Ontario), Lib.): Madam Chairman, to answer all the hon. member's points I could be up here as long as he was. However I will take a moment to answer just a few and to mention to him that, if I have his schedule correctly, the two of us will be in Brandon together at the end of the week at the rural forum in his home community. I look forward to that, and it will give us a chance to discuss some of these issues.

To put it in a nutshell, I would describe it this way. All Canadians, rural or urban, should have the opportunity to access the wealth of Canada and of the nation. The key point is that we recognize, as public policy makers, that there are certain unique impediments that work against rural Canada and rural Canadians, and that one of our jobs as policy makers and parliamentarians is to address the impediments that inhibit the ability of rural Canadians to access the wealth of the nation.

• (2135)

The hon. member mentioned a number of possible solutions in terms of taxation and other things. He also mentioned something I think is very important: the idea of the rural lens. I fully agree with him that all of us in the House and in government need to ensure that as we respond to the issues of the day, put legislation forward and develop regulation, we do so in a way that deals with the reality that is rural Canada.

When it comes to delivering services, whether in health care or information, there is a big difference between delivering them in a

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place like Vancouver, Toronto, Winnipeg or Montreal and delivering them in rural Canada. We must develop policies that take those differences into account.

I look forward to being with the hon. member in his home community this Friday.

Mr. Dan McTeague (Pickering—Ajax—Uxbridge, Lib.): Madam Chairman, this is one of the most awesome events I have participated in during my brief seven and a half or eight years as a member of parliament and my time as a legislative assistant for other members prior to that.

I was very interested in the comments made by the hon. member for Brandon—Souris. As someone who has experience with the natural resources industry, I will point out to him an observation I have made. As the hon. member knows, there is a nuclear reactor in my riding, at one point one of the largest in the country. I have some interest in the dynamics of the marketplace, particularly as they relate to oil and gas and of course to food.

I have noticed the disparity between rural and urban Canada, of course, where fishing, farming, mining and forestry tend to be of a rural nature whereas the production, processing and delivery of products occur in more urban centres.

I wonder if the hon. member has given any time, thought or consideration, along with his party colleagues, to reviewing and updating our thinking on the new changes in the marketplace and how it has become more concentrated. Has he given any thought to the impact this might be having on the bottom line, not just for urban Canada but more specifically for rural Canada? Either member can answer. It is open to anyone.

Mr. Gerald Keddy: Madam Chairman, I know the member for Brandon—Souris wants a kick at this can too but the issue of processing comes from globalization and is not part of the traditional primary resource industry.

A prime example of that, and this is the point I want to get across, is what has happened in Britain. With globalization and the amalgamation of meat processing plants in Britain, as well as the health standards that have been introduced in Canada, the United States and other parts of the world, many smaller abattoirs and meat processors in the U.K. have been forced out of business.

Foot and mouth disease was a direct result. Huge meat processing conglomerates started taking hogs, sheep and beef animals from one part of Britain and, instead of processing them in the local village, trucked them in some cases 400 or 500 miles. Because of the incubation period, foot and mouth disease spread throughout Britain and to France and Germany in no time. It was a direct result of the globalization of the meat processing industry. I would like to hear some comments on that or—

The Assistant Deputy Chairman: I will ask the member to respond. Time is up but I think we are being flexible.

Mr. Rick Borotsik: Madam Chairman, I will not take a lot of time. My hon. colleague is obviously talking about primary processing and the minister will have an opportunity to see the state of the art largest hog processing plant in North America when he visits my riding on Friday. I would love to take the member on a tour. I know we can arrange it.

• (2140)

The urban market is obviously where most rural food products that are processed end up. With regard to the member's question about urbanization, I can only say to him that there has been an evolution. When my grandfather came to Canada he farmed a quarter and 80 acres, which at that time was a huge amount of land. Today in my area a small farmer farms 2,000 to 2,500 acres. That is a huge difference.

I am not opposed to growth or evolution. The point I am trying to make is that we must adapt. Even in our natural resources and primary industries we must adapt. There is no question about that. However, as I said earlier, there must be an education process and an understanding in the urban market of what we are trying to achieve in rural areas.

We will feed people. We will give them lumber. We will give them mining, natural resources, and oil and gas. However people must appreciate that some of the wealth developed in urban centres must go back into rural communities, whether at the grocery store or when we turn on a switch or in some sort of societal support. That is what we must talk about when we talk about support for rural Canada, and I think this is a good start.

[Translation]

Mr. Guy St-Julien (Abitibi—Baie James—Nunavik, Lib.): Madam Chairman, tonight I would also like to thank the minister responsible for northern Ontario, who stayed here all night. It is really appreciated and it is the first time that we have here a committee of the whole in which all parties are taking part, the Bloc Quebecois, the Canadian Alliance, the Progressive Conservative Party, the New Democratic Party and the Liberal Party.

Tonight's debate is a civilized debate. We should be doing this more often, that is finding solutions. We are making friends. The war is still on and I appreciate the comments from the member for Témiscamingue who is still here tonight and who says that we have to co-operate for the well-being of our people. The war is still going on between political parties.

I will share my time with the member for Chicoutimi—Le Fjord. I also appreciate his dedication. What is important is that he is one of the originators within the Liberal caucus in this debate. I want to thank him because we all are people from resource regions. What matters here tonight is the case of the ridings of Abitibi— Baie-James—Nunavik and Témiscamingue. We know that the economic situation there is now very different from what it was just a short while ago. The economic slowdown is serious in our resource regions. The situation is really bad in Abitibi—Témiscamingue. I have never seen anything like this in my whole life. In the last three years, we are managing a decline. Even the parish priest is depressed on Sundays. Think about it. People are trying to find ways to work. It is not easy. The governments and our ministers are doing a fine job, but that is not quite enough. The Liberal member for Outremont, who is the minister in charge of the economic development agency, is making announcements in CFDCs and in all areas.

There is one thing the government will have to do, and that is to go back to the effective agreements it had with the provinces. We had Quebec-Canada agreements in the mining industry. We could tell that Quebec was in charge. I agree with this, and we should not care which party forms the government. What matters is the taxpayer's money being spent here. We used to have good agreements. It seems that the discussion in Whitehorse brought about changes in provincial jurisdictions. If we have a big mess, everybody should do his part to find solutions.

We know we have problems in the forest and mining industries. The 15 mines that will close in the coming years are all in Abitibi—Témiscamingue. The government knows that. Political affiliation does not matter. In the next 20 months, 1,000 jobs will disappear. We now have a serious crisis on our hands, with the Sigma-Lamaque mine being closed and the Beaufor mine having closed six months ago.

I must point out that solutions need to be found. The government has implemented some things, such as the 15% tax credit on flow-through shares. As the hon. member for Témiscamingue just said, improvement is needed. It is true, improvements must be made. This was a first test for the Minister of Finance. We were pleased that he intervened in October. It is not easy to understand what flow-through shares are. We do know that a tax credit represents an additional 40% deduction the first year.

Coming back to the debate on the mining industry, a way must be found, along with the province of Quebec, to intervene. Authorization from Canada must be sought, because federal transfers are being made.

Abitibi—Témiscamingue represents some 860,000 square kilometres, so things are not easy when it comes to the cost of fuel, raw materials and so on. Everything comes from outside the area, anyway.

There is something else, however. The mining industry has not benefited from the corporate income tax cut that was set out in the last budget. That is what we are hearing from people. Officials of the Quebec Mining Association met with us in our officers and told

^{• (2145)}

As we know, in 1948 Canada passed an emergency act on support for the development of gold mines to help owners of gold mines in Canada deal with the strong increase in production costs and guarantee a stable price for the gold they produced. The government repealed this act on June 30, 1976, because prices had increased. During that period, the federal government had given the mining industry \$303 million for 61 million ounces of gold.

If we want to find a new way for the Government of Canada to support the gold mining industry, and we know that with the price of metals this is not easy, maybe we should come back to an emergency act. People say "We will sell gold." I know that in the month of March of this year, Canada did not sell gold. Last year, we probably sold 900,000 ounces. People say to me "Guy, we will have to stop selling gold. The government should buy it up, keep it". Such an act could help us to find a way to help our companies.

We must also support the efforts of industries regarding the exploitation of small auriferous deposits or base metal for small and medium size businesses.

Our companies go to South America or other countries and EDC guarantees the loans. This is awkward because it does not guarantee loans in Canada for companies who want to develop a deposit. If we do it for other countries, why not do it here?

When people in resource based regions see that Bombardier gets an interest free loan from the government, they are proud. This is not in our regions, but we are proud for people in Montreal, for all other communities in the south that get contracts from Bombardier; we are happy with that. However what are we doing for the small businesses? People would like to get repayable interest free loans to be able to go on.

I could talk a long time about what we hear from the grassroots. Some members talked earlier about the forest resources. The member for Joliette and the member for Témiscamingue mentioned it, but the quotas also have to be taken into consideration. The quota system really hurt some of the small businesses back home, even well established companies, like Précibois.

What is strange is that we do not even know who has quotas. We are told that this information is confidential. Some people in Toronto have quotas even though they do not have a company, but just a lumber yard. Things are not easy back home. Those who have quotas also have a business, employees, wage ledgers and so on.

We want free trade and I know that Quebec will work hard on this issue because it is an important industry, but the James Bay and Nunavut area that I represent are facing other issues that we will need to address later on. This is a huge region. We have fishery resources.

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There are quotas on shrimp. People find it strange that the member of Val-d'Or should talk about quotas on shrimp. I represent the largest riding of all ten Canadian provinces. It covers 802,000 square kilometres, running 2,000 kilometres from north to south. I have 68 mayors to deal with. It is not easy.

• (2150)

It is a constant fight for the economy. Our members are fighting for the economy. Think about families who are fighting to have a salary at the end of the week and who do not have jobs right now. The employees of McWatters and of Beaufor are in this predicament. There are cases like this throughout the mining industry and we are trying to find solutions.

I also talked about the fishing industry, about Atlantic shrimp quotas and about the Inuit in my region.

I have nothing against urban areas, but we should establish a special agency in the resource regions of Abitibi, Témiscamingue, Baie-James—Nunavik, Lac-Saint-Jean and Îles-de-la-Madeleine.

When we talk about a special agency, we would like decisions to be made locally and quickly. I will give the example of the Department of Human Resources Development, where decisions with regard to students are based on 1996 statistics. Today the unemployment rate for young people is 21%, but we are being told that it is 14.8%. Let us get real.

I am telling my government that it must find ways to do something about that. People would like nothing better than to work.

I really liked tonight's debate, and I think the government will listen to us. We must act quickly to find new ways of collaborating with the government of Quebec. That is what politics is all about. People do want to work. Resource regions need help right now. I say it and I will repeat it, they are going through very tough times. Negative growth is worse than a recession.

However, I trust this government and the ministers who work very hard. They are here, they are listening to us. We have surpluses, but we must act without further delay.

Mr. Pierre Brien (Témiscamingue, BQ): Madam Speaker, I have a comment and a question and I will continue in the spirit of good co-operation tonight and try to build on our common points instead of our differences.

At the end of his speech, the hon. member for Abitibi—Baie-James—Nunavik talked about the creation of an agency or a willingness to see more decisions made in the regions. At the present time, the regional development agency is Canada Economic Development. Quite often we are frustrated because files only go through the riding office in Val-d'Or, but the decision making

centre is not there. For example, Community Futures Development Corporations have boards comprised of people from the region.

Would the hon. member agree with the creation of a regional decision making structure and with people from the region running Canada Economic Development and having more leeway in making decisions?

At the present time, the discretionary fund of local leaders is \$100,000. It is the same as it was about fifteen years ago in former regional development agencies; \$100,000 today and \$100,000 fifteen years ago do not have the same value.

Would he agree with a board comprised of people from the region having more leeway to approve projects in the regions instead of constantly having, as in our case, to send them to Montreal or Ottawa to have them approved?

Mr. Guy St-Julien: Madam Chairman, the hon. member is right, because sometimes it takes three or three and a half months to get an answer. We currently have projects in the regions with universities, but we must wait three months, a month and a half or two months in Montreal, before going to Ottawa and having to wait for another month and a half. It is important to realize that people in the regions want decisions to be made immediately.

I know one thing. If I need \$10,000, I go to a bank and if the manager has not given me an answer a week later, I go elsewhere. If we do not get an immediate answer from the bank manager, we find another solution.

The hon. member is right. Perhaps the government should set up CFDCs or an agency to promote economic development for resource regions. Ministers come to the regions, they see things firsthand. However senior public officials do not always do so. They do not always come and they do not know the reality. They should come and spend a month in my region, in Rouyn-Noranda, Val-d'Or or in the area, to see what it is like.

Some do come. I know Jocelyn Jacques, who is from Montreal's CED. He visits the regions and he sees how things are going.

• (2155)

It should not take 30 days to make decisions. Business people want action. It takes three months. This is why, if we have a development agency, we can have it. Our neighbour, Fednor, is a mere 400 feet from the Rouyn-Noranda city limits.

As Richard Desjardins says in his song, they are 400 feet away, but we should get the same thing to develop the forestry sector and all the other sectors, together with the James Bay Cree and the Inuit. They are our partners, but there must be some action in the short term, not in the long term, not during the next election campaign, not in three or four years, but in the short term. The hon. member is right. A decision will have to be made as quickly as possible regarding economic projects, to help our economy back home.

[English]

Hon. Andy Mitchell: Madam Chairman, perhaps I could make a comment on the last two interventions. Both members spoke about a philosophy that I deeply believe in. I believe the government demonstrates it an ongoing basis. Rural development, community development particularly in resource communities, has to be a bottom up and not a top down driven process.

Members are quite right that for there to be effective decisions in terms of the direction that needs to be taken, the types of priorities that need to be set, they have to be taken within the regions, taken at the local level. Quite frankly what will work in northern Ontario may not necessarily work in Atlantic Canada, on the prairies or in the interior of British Columbia.

We have some models within the federal government which work that way. The community futures program, I believe SADC in Quebec, is a program that works that way. Although it is funded by the federal government and receives its money from the federal government, it is controlled and operated by a local board of directors chosen from local citizens in the community. They know best their community and make the decisions.

Although the federal government funds them, the decisions are made at the local level, including investments in small businesses. The community futures model, one which we have in Quebec, in Ontario and indeed right across the country, is a very apropos one.

Another example is the federal-provincial infrastructure program where the decisions about what projects to bring forward are being made by the municipality, by the people closest to the citizens who understand the needs of their citizens the most, and then the federal and provincial governments collaborate with it.

The model is a good one. The need to have a bottom up driven process is a good one. We had some examples of where we undertake that in the federal government. We can build upon those examples and enhance that type of process to even a greater extent.

[Translation]

Mr. André Harvey (Chicoutimi—Le Fjord, Lib.): Madam Chairman, obviously I wish to congratulate all my colleagues. It is relatively unusual to have a debate where partisan politics do not overshadow the interests of our fellow citizens.

First, I wish to congratulate my caucus colleagues. If I had been elected for the sole purpose of getting the Liberal caucus to approve an initiative such as this, I would have been thrilled. It is probably the best way of promoting the interests of our fellow citizens. Obviously, we are very partisan regularly and that when the public's interests take precedence over what divides us, we probably all come out ahead. That is part of what getting elected is all about.

We cannot debate the whole issue of natural resources without constantly bearing in mind the regions involved that depend on them. We cannot analyze all the individual resources, be they fish, the forest, aluminum or the entire mining industry, without taking into account the regions that have lived off these resources for decades.

In fact, as everyone has pointed out, all the country's resource regions are experiencing a very serious problem. I come from the kingdom of Saguenay-Lac-Saint-Jean. This is not one of the country's high employment areas.

Right now our economic performance is due, very temporarily, to the construction of an Alcan plant. In a few months we will fall back into the harsh reality, which is country wide, where our resources will no longer support us.

• (2200)

This does not mean that resources are exploited less than they were, it means that we are coming to terms with a technological increase in production rates. In industrial sectors where we had 13,000, 14,000 or 15,000 people working, there remains perhaps 5,000, 6,000 or 7,000.

The federal government must assume its responsibilities and not think that everything will fall into place on its own when it holds federal-provincial conferences or transfers money to transfer payments, to tax points, to health care and to education or when we have specific programs for economic development.

The federal government, obviously with the provincial governments, has a vital mission to carry out, that of ensuring the survival of resource regions. It is clear that in politics we are always somewhat partisan.

I have a quote from a speech by the rector of our university to the Quebec institute of public administration. This is not from 25 years ago, but from last April. He said:

It has been clearly shown, and no one has contradicted these studies, that regions such as ours did not receive a fair return on their contributions to government coffers, according to their demographic weight and their needs, either in health services, or in investments in roads or, and even less so, in profits generated through the exploitation of national resources.

It is obvious to the rector that our regions were there to be exploited. As long as a few jobs were being created for resource development, most people did not complain too much. However now we realize that the jobs are no longer related to resource development. This is why the rector says that if we want to come into our own, regions like ours and like all the others will have to

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be involved in the decisions required to ensure our development. Decisions cannot come from higher up anymore, neither from Quebec City nor from Ottawa.

As Mr. Moussaly, of the Université du Québec à Chicoutimi, said, resource regions like ours with a population of some 300,000 generate surpluses of over \$330 millions for the Quebec government. Nobody, as far as I know, except Mr. Landry, the former Deputy Premier, has challenged this and he had no evidence to back his position.

This means that because resource development creates fewer jobs, it continues to fill the government coffers. Therefore, both the federal and the provincial government will have to ask themselves what is the best way to ensure that the resource regions benefit from the country's wealth. Canada is getting richer and the resource regions are getting poorer because young people are leaving.

In our area, between 2001 and 2015, our population in the 15 to 30 year age bracket will drop from 62,000 to about 42,000, with unacceptable unemployment rates, yet we still produce the same amounts of aluminum ingots. All resource development activities go on without any further jobs being created and we keep on filling the government's coffers.

A debate like the one we are having tonight should encourage the various levels of government to try to find some ways to empower the resource areas. It is not normal for an industry that generates almost \$6 billion of positive economic activity in Canada, like the aluminum industry, to create from two and a half to three times fewer jobs than before, when it continues to export aluminium ingots throughout the world and buys back 500,000 tons of finished product annually at the domestic level.

I should commend my government colleagues, because for the first time we will have a research centre on aluminum processing technologies to help us.

• (2205)

After a 150 year wait, it does not matter if it takes a couple of years to build a centre that will empower us and help us to turn to aluminum processing, an activity that should do well in the future in many areas, like high technology, road transportation, and so on.

The role of the government is to empower us and help us to make strategic choices to ensure our economic development in all the various industries.

Currently, members of all parties are too often forced to make representations alongside regional promoters to Quebec City and Ottawa. I dream of the day when the Saguenay—Lac-Saint-Jean region and probably other regions as well will have their own development corporations, where we will have the ability to make choices, to have people with expertise to guide us in advanced

sectors where we can excel and create jobs for our children. I dream of that day.

I also dream of the day when we will have the opportunity, through our own development corporation, to be financially involved in businesses instead of simply throwing grants and repayable loans at them, when we will able to bring the federal government, through all its departments and agencies, to tell a young person starting a small business "There are 8, 10, 12 of us here to support you and to be financially involved in your business. We want to advise you on market opportunities and on promising market niches that you could develop".

The federal government must renew its ties with resource regions. Within five or six years, it will transfer some \$80 billion dollars to the government of Quebec in equalization payments for health and education. I want to be sure that the federal government can take initiatives to assure resource regions that they will have what they need to fulfil their responsibilities.

I will use health as an example. For the past 10, 15 or 20 years, our region, which has a population of 300,000, has had a shortfall of about \$75 million dollars each year. It is a fact that has been proven by provincial officials and that is recognized by all. The federal government is transferring \$13 billion this year, but where is the guarantee that in my area we will have the moneys needed to assume our responsibilities, to give health care to the sick, at least to be able to give seniors a bath? That is the reality.

We want governments to co-operate in order to respect the regions and to give them the means to choose the opportunities they want to exploit and financially help the businesses in full development.

I thank members and greatly appreciate the debate tonight, as was pointed out by my friend Guy ,who is working very hard for his riding and for whom I have a lot of respect. He puts his full energy into projects for the people he represents. I am convinced that this is only a beginning and that we will have many other opportunities to exchange views will all our colleagues and with each other in order to promote a better understanding of the reality we are living in our regions and find constructive solutions.

I started with aluminum. We are dealing with health and we will try to deal with many other sectors, particularly the development of tourism. Members will understand I am thinking of the new vocation of the Saint-Félicien zoo, which will become a centre for the conservation of boreal biodiversity, in co-operation with the Government of Canada and all the other partners.

I thank you for allowing me to say these few words in this debate.

Mr. Guy St-Julien (Abitibi—Baie James—Nunavik, Lib.): Madam Chairman, the speech by the Liberal member for Chicoutimi—Le Fjord was an excellent one. I am familiar with his work in the House of Commons and I thank him again for having set in motion this emergency debate within the caucus.

He has referred to a development corporation, but a short term one. Tourist resources are also development corporations.

I would like a little more information. When reference is made to tourism, we have both natural and tourism resources in our area.

I have two points I wish to raise. In the short term, how much does a development corporation need to get from the federal government? Second, would the hon. member speak to us of the tourism resources in Saguenay—Lac-Saint-Jean?

• (2210)

Mr. André Harvey: Madam Chairman, obviously this debate is not the place to define a specific amount within which a regional development corporation must operate.

Tourism has always been an area of concern to me. Back in my first mandate here, when we were involved in creating the national marine park in the Saguenay fjord, I kept saying to myself that it was incredible that the fjord of Saguenay was not on the list of Canadian parks after more than a century. I wondered whether we in Saguenay—Lac-Saint-Jean were part of Canada. Think about it. I had the opportunity in 1997 to vote on the third reading of the bill establishing a national park.

We will continue to work in that direction. I am certain that the people in our regions, like all the members here, will be in a position to make their own development choices, to choose the areas on which they wish to focus. They need the assistance of the central government.

I am certain too that the federal government, while continuing to transfer funds to the provincial governments, is in a position to undertake initiatives that will help the regions take charge and direct themselves into areas with a future that will bring them into the world economy.

Ms. Jocelyne Girard-Bujold (Jonquière, BQ): Madam Chairman, I would like to put a little question to my colleague from Chicoutimi—Le Fjord.

This evening we have had a fine debate. We have had very constructive discussions, apart from the member for Chicoutimi— Le Fjord, who did some politicking. I listened to all the debates and I think people in my region were very pleased. I think everyone wants to move ahead, but I felt the member for Chicoutimi—Le Fjord wants to go backward.

I was elected by the people of Jonquière to solve a problem faced by all of Canada's regions. It is not only the riding or the region at home that faces it. I was here to debate for all regions, to come up with constructive solutions for all of Canada's regions.

I think the member for Chicoutimi-Le Fjord tried to rein in all the energy of the members of this House. What the federal government is doing is not a partnership, as he seemed to say.

The member spoke of equalization payments. Do you know that these payments were established in Canada in 1940? That was before the war, in order to help the war effort of all the provincial governments. It was renegotiated in 1977 by the governments in place, the governments of all the provinces.

Equalization is a federal-provincial agreement. When he was the Conservative member, he said we had \$33 billion cut since the arrival of this government. I hope he recalls what he said. At the time, his leader, Mr. Charest, now the head of the Liberal Party of Quebec, said the same thing, that the Prime Minister and not Lucien Bouchard was the one to blame.

We have to go beyond that and ensure we move ahead. I am here to make progress. Our regions are there for the same reasons. The government has to move forward, not go backward always with an eye to the past. The past tells us what the future will be, as the member for Abitibi—Baie-James—Nunavik put it. This is the way to go. It is time to stop shooting oneself in the foot like the member for Chicoutimi—Le Fjord. What is needed is a partnership as the member wants with my colleague. It is time to stop and this member must tell the truth. We are all here to help each other and move forward.

Mr. André Harvey: Madam Speaker, I want to congratulate the hon. member for her comments. She can count on me to work in a constructive way to promote research in the aluminum, health and tourism industries in my region. We will do our very best.

I realize that the Bloc Quebecois member for Jonquière still thinks my election was a glitch. It was not. Her leader, the member for Laurier—Sainte-Marie, anticipated it two days before the election, when he delivered a speech in Chicoutimi during which he looked somewhat like De Gaulle. The hon. member for Jonquière remembers that in Chicoutimi the Bloc Quebecois leader proclaimed me the winner twice.

• (2215)

This means that his spontaneity prevailed over partisanship. Trust me, we will continue to promote the interests of our region and we will do so very effectively, as we have shown for the past six months. I want to point out that, over the next six years, Quebec will get \$80 billion in equalization and transfer payments. We will work hard to ensure that our region gets the maximum from the federal government to take charge of its own destiny, because there are people who feel that we do not get our fair share from the Quebec government.

The hon. member for Jonquière is well aware of that. The federal government transfers funds to Quebec, where the money is put into structures in the regions. The PQ government sets up all sorts of committees. All these committees get small subsidies so that they are at the mercy of the PQ government. I am here to promote the initiatives that will ensure the future of my region, including research in all areas, tourism and the development of small and medium size businesses. We will continue to strengthen our presence and we will do our utmost to be increasingly more present in the country's resource regions, particularly in our beautiful region of the kingdom of Saguenay—Lac-Saint-Jean.

Mr. Pierre Brien (Témiscamingue, BQ: Madam Chairman, I cannot resist correcting the member for Chicoutimi—Le Fjord on a point or two. I have respect for his political involvement but, at the end of his speech, when he questions the good faith of the government of Quebec in managing or spending money, I would point out to him that the government of Quebec is accountable to the voters. Normally, in Quebec City, there is one opposition party, which is there to do its job. These members are accountable to the public.

I do not think that people expect their federal MPs to become opposition members in Quebec City when they are here. There are places where that can be done. I am sure that the people in his riding hope that the member will go after the maximum in Ottawa.

The member also sort of insinuated that there were many transfers that were going to be made to Quebec and that he was not too sure whether that was going to be properly spent in the regions. This needs to be put in perspective, however. There were many cuts and, at the time, we were not concerned about how the government was making them. People did not want Ottawa having a say in how they were made, but when it came to reinvesting money and good news, Ottawa had to call the shots.

There cannot be a double standard. The record needs to be set straight. Equalization payments and health transfers do not advance regional development. I hope that the government is talking about new money for regional development.

I remember when I was young, the member for Chicoutimi—Le Fjord was a Progressive Conservative at the time, there were Canada-Quebec agreements, subsidiary agreements on regional development. My region received \$75 million over five years. Since then, I wonder if Canada Economic Development has spent \$5 million in the last 10 years. At some point, we are no longer talking about amounts comparable to what they were previously.

At the time, the Conservatives did some good development work. I give them credit for this. There are two members who are

now sitting on the other side, but who were Conservatives then. They believed in the regions and I hope the Liberal Party will take a more favourable approach towards the regions, while respecting everyone's abilities.

I will conclude with a question. Would the hon. member agree with regional management of this? He spoke of a development corporation for the kingdom or a local corporation that would be a shareholder in projects, which is a very good idea, and not only a granting agency, so that we could have long term benefits?

At the present time, CFDCs, as the secretary of state was pointing out rightly, are managed locally but not Canada Economic Development. Decision making centres for these structures are outside. I am sure he has experienced this elsewhere. Would it not be appropriate, at least in the short term, to correct the way Canada Economic Development is working, so that people from the region can have a say on what is going on there? There ought to be more leeway to work with this tool while waiting to develop another, if need be.

Mr. André Harvey: Madam Chairman, I thank my colleague for his comments. Indeed, a corporation that would be responsible for the development of a region, both in terms of capital and it terms of strategic development choices, would obviously have to be controlled locally.

I have not taken the time to fully define the operation and the legal structure of such a corporation, but we would like that to happen quickly. We are looking for a formula that would enable us to be more effective in resource regions. Things are going well in Montreal in terms of development. The problem is that people think that resource regions can survive without government support. It is simply not possible.

Let us analyze the number of people who leave our region, and that goes for all resource regions. We must have ways of keeping our young people. There are niches we can exploit in all sectors. For example, in the lumber industry, we are slowly starting to move into processing, but things are progressing too slowly.

• (2220)

The development corporation would fulfil this responsibility locally, or I hope it would. That is the position I will defend.

[English]

Mr. Bob Mills (Red Deer, Canadian Alliance): Madam Chairman, it is certainly an opportunity to speak at a take note debate. This is the largest audience that I have ever seen at this type of a debate. I recall my first take note debate when we were talking on

Bosnia. It was probably the second week I was here. There were two members in the House for that debate. This is a huge turnout. Obviously this method is working better.

I have a lot of industry and natural resources in my constituency. A \$7 billion expansion was just completed to our petrochemical industry. We have a pork plant capable of processing something like 20,000 hogs per day, most of it shipped to Japan.

About 70% of my constituency is urban high tech. The future of our community is very dependent on industry and on natural resources. There are 11 quarter sections of land under housing development. There is massive growth and we can just barely keep up. There is zero unemployment. This is a good news story from our area. We of course have the Alberta advantage with low taxes and that which goes with that.

I want to put a little emphasis tonight on an issue that I am most concerned with and that is the environmental implications of so much that we do, whether we talk about urban or rural development or whether we talk about industry and natural resources.

A speaker a long time ago talked about Syncrude. I worked on the Syncrude project before there was a Syncrude and was part of an environmental study which was done when it was just a pristine environment. One of the earlier speakers implied that there was no environmental concern, but I for one know because I worked there for about three years doing an environmental impact. It was done and that was a long time ago.

I want to talk about three things. I would like to talk about Kyoto, air and air pollution and water. Those are three resources that we should be particularly concerned about and that we should have a lot to say about.

I will speak briefly on Kyoto because it is a huge issue and obviously we would need a number of nights to really get into the Kyoto deal. I think it was doomed from the beginning. I do not think anybody really disagrees that climate change is occurring. The impact that humans are having on that is scientifically debatable. That again is another issue.

The process was doomed because of lack of consultation and a lack of planning. The government did not do its job properly. I am talking about this government and a number of others. Kyoto one was doomed from the beginning. It could not possibly work.

All of us should learn a lesson when we talk about natural resource development or concerns about consultation and communication with the people, industry and the provinces. That is what we have to do but I feel we have not done that. What is the good news about Kyoto? The good news is that at least now we are aware that there is a problem. Canada now has the opportunity to show some leadership to the world to move on and involve China, India and Brazil, those industrialized countries that were not part of Kyoto one. Let us let them leapfrog in terms of technology. Let us sell them technology that would not allow them to have air pollution if they went through all the steps we did.

There is a lot we can do and encourage. We can encourage alternate energy. We can do all those things. We must make decisions about tradeoffs that we will have to make. The worst way to handle this would be for a government on high to come down with a carbon tax or with some kind of oppressive decision against energy in order to try and force conservation on people. People will buy into it. People will co-operate. The people of Calgary are buying into wind energy. It costs more but they are buying it and are proud of it. There is any number of new office towers in Calgary, most of them are heated with solar energy. They have solar collectors on the roof. That is the kind of thing government can encourage by tax breaks, by research and development. There is so much we can do, so let us not lament about Kyoto.

• (2225)

I really believe the Canadian government is doing a reasonable job of saying that we have to have sinks and that we have to have all of these or we cannot agree. When I was with the minister at the G-8 environment minister's conference it was obvious to me that the government understood the next step that we had to take. Now we need to communicate that to the people and to the people in the House, and we need to discuss it openly. Maybe we need to have another take note debate on Kyoto and what we do about that.

Second, all Canadians are concerned about air quality. The people of southern Ontario and of the Fraser Valley are concerned. Let me tell the House something that is happening with resource development and it is that we should think about because it has happened in Ontario and now it is happening in B.C.

There is a power shortage in California but California does not want to have energy plants there because they pollute. God knows, it has to protect the air in California because there are problems. It now has legislation because it had referenda which said it had to take care of its air.

Washington state wants to get the profit by selling energy to California but it does not allow high tension power lines over places where people live.

What is the good idea? It is to build Sumas 2, 3, 4 and 5 or actually 12 power plants within 500 yards of the British Columbia-Washington border. Why is that such a good idea? They would take Alberta gas. They would have wind blows north. They could run

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the power lines down the centre of Abbotsford and the high tension power lines could be taken out to the coast and run down to California. It would be the perfect situation. California would get the energy without having to have the power plants. Washington would get the profit without having to have the pollution. Of course we would get the high tension power lines, the pollution and we would make the Fraser Valley the number one most polluted place in Canada instead of southern Ontario. Southern Ontario would become second and Fraser Valley would become number one.

Those are the kinds of things that we cannot let happen. We cannot let energy development go that way. I phoned our consul in Seattle, a former Liberal member from Newfoundland who is a good friend and a good guy. He said that they could not interfere with what foreign governments did. However, we can damn right interfere with what foreign governments do if it is going to blow that air into our area.

We need to work together. If we are talking global energy, then let us talk global energy. I say the government is not standing up for those people in the Fraser Valley. I am really concerned about that, so are the people of Abbotsford and the people of that area. The people of Ontario should be concerned as well because the same thing could happen there. We could literally put power plants right along the whole border as long as the winds were blowing the right way. Let us be concerned about that. Let us talk about that. No matter what we are doing, whether it is agriculture, energy or natural resources, we have to think about the environment.

I started out as an environmentalist. I trained as a biologist and now I am back full circle talking about the environment again. We need to talk about the environment in this place.

Third, water will be our most important nature resource of the future and again the government needs to take leadership. What do we need to do? We need to know what we have as a resource. We have never mapped our aquifers. We do not know how much water we really have. We do not know if we are on a positive or negative input for that water. We do not know whether we are draining our aquifers, whether they are being replaced or whether they are positive or negative. That is easy. The science is there. We know how to do that. Many parts of the world have done that.

We need to do an inventory of our lakes and streams. We need to consider the ecological impacts when we change or divert water from one place to another. We need to talk about that openly. The government needs to communicate that openly. Then we need to make decisions. That is how we handle water. I encourage the government to consider that and to communicate that to people as an important resource.

^{• (2230)}

Mr. Dan McTeague (Pickering—Ajax—Uxbridge, Lib.): Madam Chairman, we are very interested in the comments made by the hon. member for Red Deer, particularly with respect to the issue in California and the lack of energy there. He explained something that was occurring in the Fraser Valley. I am not sure if he meant coal generation or hydroelectric generation and what the implications were.

I am from southern Ontario. A lot of us would like to believe that our air is fairly clean. A lot of us would prefer not to have the kind of blow over from some of the coal-fired plants that have been used as an alternative to the shutting down of some the reactors.

In order for us to really understand where he was coming from, could the member perhaps give us, in the environment that we have here, a specific illustration of the problem because it was a very good thought. I am not sure if it is a provincial jurisdiction or if we should be co-operating with those levels of government, obviously we should, but I would like a better illustration of what he was saying.

Mr. Bob Mills: Madam Chairman, first, we should be co-operating with the provincial governments in all cases because it is a common problem.

This will be gas fired generation. Initially, they were going to use diesel fuel and gas, and at one point they were going to use coal. There is one plant being proposed as coal but the other eleven, as I understand it, will now be totally gas.

The problem is the location and the prevailing winds. One of those plants, the Sumas 2, which is the closest to being approved by the government, will put out 3,000 tonnes of pollutants. I could give a breakdown of the chemicals involved, but the point is that air is already polluted from Vancouver. Because of where those plants will be located, the pollutants will blow directly into the Fraser Valley which is backed up by mountains and so it will capture that air.

An air analysis was done. Medically, Health Canada says that 150 deaths per year right now can be directly attributed to the air in that area. That is with what they have now. If we magnify that by what is being proposed, it becomes even more dramatic.

We need to work with the province and the federal government needs to provide the leadership to help the province and the cities, urban and rural. The farmers have been told by Agriculture Canada that their production could go down as much as 30% because of the pollution that is coming in there. It has big implications.

Mr. Andy Burton (Skeena, Canadian Alliance): Madam Chairman, I am somewhat heartened by the discussion that has gone on tonight.

I am a person who has lived in a resource based riding for the last 42 years. I have earned my living from resource production.

Basically mining but certainly forestry is a big producer in my area. I am talking about northwestern British Columbia, which is probably a bit of a microcosm of the natural resource history of Canada. We have had mines come and go. We have had the forestry industry wax and wane. It is a real indication of how critical and how important resource industries are to the local economy but how tenuous they are when it comes to world commodity prices and situations that affect them.

• (2235)

I would like to give a little history on some of the mines that have come and gone since I lived in that riding over the past 42 years. I started out at the north end in Cassiar, which was a world famous asbestos mine. Asbestos has its connotations for some, but it has produced a lot of products for the Canadian export economy and has created a great deal of wealth for the north over its lifespan. It is no longer there for various reasons.

The mine at Stewart, a world famous gold, silver, lead and zinc mine, is long gone but was a real producer in its time. Mines come and go. We have Eskay Creek producing today. It is a world class silver producer with some very substantial gold values as well. It is an incredible mine. It will be mined out, but it is there today and is producing wealth for the north and for Canada.

Windy Craggy, which we heard a lot about a few years ago, was a potential world class copper, cobalt and gold property. They spent something like \$50 million proving up the ore body and going into pre-feasibility studies and had the rug pulled out from under them for mainly environmental reasons. That is a real tragedy in terms of a resource that could have produced thousands and thousands of man years of jobs and billions of dollars of revenue and contributed hundreds of millions of dollars into government coffers over 30 or 40 years with the potential for other mine development in that area.

It is a very pristine area but if done properly these things can be done. Balance is the key to the whole development of our natural resources. There is a price to pay for everything but the price has to be acceptable. If we can come up with an acceptable way for development, whether oil and gas, minerals, forestry, hydro electric or whatever, some projects are doable and some are not. There has to be that balance. We have lost that balance to a large degree and that is something we have to try to get back, because of the potential for the wealth of Canada that can be generated. We cannot forget that.

There are some other mines that have come up such as the Grand Isle copper mine. In my little town of Stewart there was the Grand Duke copper mine which was the world's largest underground copper mine at one time. It was huge, having a thousand men working there. There are still millions of pounds of copper underground there, but the mine is gone. It is closed down. It is not viable to operate for a number of reasons which I will get into at the end of my 10 minutes. If we took a thousand jobs out of a town the size of Stewart, it would be down to 500 people. When jobs are gone, the community and the people suffer. We are lucky we have the Huckleberry mine. It is not in my riding but the ore is hauled into the port of Stewart. It is a copper mine that is producing today, marginally viable, but it is luckily enough still producing. We have the Kemess mine, which is a fairly new one. It is a copper mine in northwestern B.C.

We have to encourage these types of developments. Unfortunately it is getting more and more difficult for mining companies not only to find new ore bodies but to develop them because of red tape, restrictions and problems that are put in their way.

We have the potential for oil and gas. In northeastern B.C. it is booming. Fort St. John, Fort Nelson and all along the Alberta border and into Alberta is booming area with oil and gas development. I envy them. It is creating jobs and putting food on the tables of families and creating revenue for governments. That is what we need to do.

On the east coast we have Hibernia and Sable Island producing oil and gas. Hibernia is a huge benefit to the eastern part of Canada. On the west coast we have the potential for oil and gas that is 10 times that of Hibernia. It is huge, but nothing is happening.

We have a moratorium on exploration, not on production but on exploration. We are not even allowed to go out there and have a look at it. The message I want to send to government is that it is time we took a real hard look at this. Technology has evolved. The environmental restrictions are there and there are ways and means of doing things that were not there 30 years ago when the moratorium was put on.

• (2240)

The potential is there, 10 times Hibernia, for pulling B.C. out of the economic doldrums which it is in right now through no fault of the government. I guess we all contribute. It needs to change. We need to do something about it.

The pulp and paper industry in my area is absolutely critical to feeding families and putting food on the table. The FCI pulp mill is in Prince Rupert. The communities of Terrace, Kitimat, Stewart, Smithers and Hazelton depend on that forest resource. It is getting tougher to be able to develop resources. For a number of reasons we are able to develop resources but the cost is rising and it is getting tougher.

The point I wish to make is that if there is a mountain of gold but the gold cannot be produced at a profit it is a waste. If it is not ore it is a waste. It is that simple. That is the problem we have today.

Ninety miles north of my home in the Stewart area is what is called the Ground Hog coal field. It has been known for almost 100 years. It is a world class anthracite coal deposit. It is the cleanest burning coal. It is a wonderful product.

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We actually shipped coal to Newcastle from there on a test basis. A hundred thousand tonnes of Groundhog coal was shipped through the port of Stewart some 10 or 12 years ago. It has not been developed. There are reasons for that. It is not economically viable. The companies that own it look at these projects and because of all the hoops that have to be jumped through and world markets and commodity prices that all contribute to the bottom line. If there is no bottom line they do not develop.

We are having difficulties with the fishery which is another natural resource. In my maiden speech I touched on the Pacific salmon treaty and some of the fisheries management difficulties that we are having on the west coast. There are some real difficulties in the herring roe and kelp fishery in terms of licences going one way or another and the balance not being there any more. The fish industry is very concerned about this.

We have potential in water, another natural resource. We have the Kemano project, a hydro electric project that produces power for Kitimat. It is a huge project that has been there for many years and yet Kemano completion was shut down. There was a second stage to the original project which was shut down.

We have to ask ourselves why these things are happening. There is something wrong. The potential is just absolutely phenomenal and this is one small corner of Canada, northwestern British Columbia. I am sure it is happening all over the country. We need to ask ourselves what we can do. The backbone of Canada is its natural resources and its people. We have to look at providing long term benefits to communities when we produce these resources.

I know that is a concern of my colleague across the floor. It is a message I am getting loud and clear. Over the past 40 years resource communities have gone through the ebbs and flows of peaks and valleys. The valleys are getting deeper unfortunately and the peaks are getting a lot less frequent.

There has to be long term benefits accruing to these communities. That is something that we really did not deal with in the past very well. We have to look at that to see how we can stabilize this community, especially when we develop finite resources such as metals, minerals, oil and gas. Forestry is a little different because it is a renewable resource. If we deal with that properly we can have trees forever. I will get arguments on that, but I know we can if we do it right.

People is the resource that gets forgotten very often. How many times have I seen a mine shut down, all kinds of government funds come in to help people move away and relocate and then the town dies? We have then lost a lot of the good people and the potential for developing something else becomes more difficult because the workforce is gone. It just compounds itself.

We have to recognize and understand some of these things. What can we do to encourage our resource industries? The taxation aspects are critical. The industry has to be allowed to make a profit to reinvest. Flow through taxing for mining was mentioned. That is a good start. We need to pursue that a lot further.

As an example. in B.C. last year roughly \$25 million was spent on mining exploration. We need to spend \$150 million per year to maintain a level that would see some new mines coming out in the future. There is a huge problem that has to be dealt with.

• (2245)

Security of tenure is critical to the mining and forest industries. That is a big problem, especially in British Columbia given land claims. There are a lot of messages here.

A program put in many years ago by the Conservative government in 1957-58 was called roads to resources. That opened up the whole northwest corner of British Columbia as well as, I think, a number of other areas in Canada. That is something the government should take a look at again in regard to some sort of program that would allow some of the more remote areas with huge potential to develop. I am not saying to subsidize anything. I think industry has to stand on its own two feet, but government's role is to provide the basic infrastructure of power, roads, ports and so on.

I see that my colleagues across are nodding, so I assume they are hearing me. I do appreciate that. I have enjoyed this opportunity, Madam Chairman. I think it is a good format and we should continue it.

Mr. Dan McTeague (Pickering—Ajax—Uxbridge, Lib.): Madam Chairman, I want to thank the hon. member for Skeena. I thought some of his comments were very interesting. I have just spent a little time in British Columbia in the community of Kimberley, which is closer to Cranbrook. I was also surprised at the reliance of the community on local resources.

Clearly from his own experience the hon. member has quite a bit of knowledge on what is needed. How does a resource based industry or how do resource based communities such as the ones he alluded to in his area compete, given globalization and given the need for shareholders' rights to be first and foremost in terms of profit making? Even if we are the most productive country in the world, at some point or other it would appear that Canada does not always have the edge, short of giving away any type of tax concession, which seems to be the only alternative.

Are there other areas where the member believes that Canada may have a competitive advantage vis-à-vis other nations that may produce the same product but per unit much more cheaply? Because of course there are other factors such as warmer climates and cheaper labour which might also enter into this. What does the member think would help his community, certainly in light of depressed prices like we see in the cycle he referred to earlier?

Mr. Andy Burton: Madam Chairman, obviously there is no panacea that will solve all these problems overnight. I fully understand and recognize that, but I think we have to start working toward some of these solutions.

The member mentioned Kimberley. Of course the Sullivan Mine has been going for almost 100 years. It is due to close very shortly. I think it probably is finally mined out. Mines do not last forever. They are finite resources. However, by the same token, the incentives can be there for industry when it is developing and getting the mines into a production stage. As somebody mentioned earlier, a mine starts to close the day it opens, because eventually the ore body is depleted. The key is to maximize the ore body, as I think somebody mentioned. That is a very good term.

The resources will not last forever, but we must maximize them. We can do that by being the best in the world at what we do, as Canada certainly is when it comes to mining and forestry and, I am sure, a number of other industries, like agriculture. We are pretty damned good at fishing too, maybe too good but I do not know about that, because there are some problems. We have to be the best in the world at what we are doing. I think we can do that as Canadians.

There is a role for government, as I said earlier, in providing basic infrastructure. I think that is key. We must have power, roads and ports. Those three things have to be in place. We might include railroads to a degree, although that has more of a private sector aspect. It did not 150 years ago, but today I think that is more for the private sector.

Then there is the tax climate and flow through shares and things like that. I am not suggesting subsidies. I do not believe in them myself. I do not think that is the way to go. I think the answer is a tax regime that is amenable to investment and allows profits to be made, to be reinvested and to create more jobs. I think that is the answer and we just have to work toward that.

• (2250)

Mr. Rick Laliberte (Churchill River, Lib.): Madam Chairman, the member raised the concept of roads to resources, a policy from the late 1950s. How you look at that depends on which end of the road you were at in regard to whether the program was a good thing, because the policy then was more a colonization policy. The colonization I talk about is the unexploited north.

In our region in Saskatchewan, it brought the roads from the south straight up north, whereas the traditional transportation route was east-west. The northern communities were east-west oriented, but the road to resources program criss-crossed it north-south. It still disrupts the whole flow of our community and our region.

Going to the next step of development in the hinterlands, the frontier, the mid-north or the boreal forest, I think it is time that the true social, economic and ecological balance, or what we call sustainable development, should be challenged. It is time for us to be responsible. People in the north have to be part of their development. They cannot just watch the resource trucks come up and go down with the ecological impact and the transition that takes place.

I think that resources, especially non-renewable resources, have to leave legacies. In my region there are no research and development institutes in the boreal forest. There are none. All the research is done in southern universities and in corporate centres to the south. The region is still like a colony.

I would like us to take a responsible look at the northern regions. Let us develop those areas. If people want to develop the area, they should move there, pay the taxes, circulate in the economy and create an economic cycle, where one dollar can go to the Mac's store, another dollar can go to the laundromat and another dollar can go to the local car dealer. Right now it is still like the roads to resources program. Forestry, mining, oil and gas are taken from the north and we turn around and get our goods at the Wal-Mart in the shopping mall to the south. That has to change. I think an economic cycle should be created in these northern regions.

I would like to hear what the hon. member's experiences are in northern B.C. compared to what mine have been in my area.

Mr. Andy Burton: Madam Chairman, I fully concur with the hon. member's concerns. I think I said earlier that long term and lasting benefits must accrue to the resource based communities. I think that is where we really have failed in the past, like in the community I used to live in. I moved away when I became a member of parliament, to a more urban area. Believe me when I say that I really miss my quiet rural life, but I am enjoying this too.

Benefits have to accrue. There is no question about it. Times have changed. In the past people went in to get resources, got them out of there and that was the end of it. What was left behind was left behind. I do not think that is acceptable any more. It is a shame that it has gone as far as it has.

As I was going to say, the community I used to live in has gone from a peak population of 2,500 when the Grand Duke mine was operating to 500 people today. We have had a few humps and bumps in the meantime, but it is very difficult for these small communities that are resource based.

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Yes, there has to be something left behind, whatever it might be. As the member suggests, it could be forestry research centres or northern campuses for universities and those types of things. That is something that needs to be addressed. A lot of these issues are much more provincial than federal, but I think this is a good place to suggest some of these things and possibly funnel some funds toward it in the future.

My main experience with the roads to resources was, of course, the Stewart-Cassiar highway. It was done under that roads to resources program in 1957-1958, in that era. It basically built a road from Cassiar to Tidewater and Stewart so that the product could flow not through the Yukon, unfortunately for Whitehorse, but more directly to Tidewater.

The Kemess mine right now hauls its concentrate further eastward to hit railhead at Mackenzie to go to Vancouver. It is hauling it further that way than it would have to straight out to Tidewater and Stewart. It is going in the wrong direction and it is going 1,000 miles to Vancouver. It does not make sense. The mining company itself cannot afford to build that road. A road is proposed, but if there were some co-operation among the federal and provincial levels of government and the industry, there are other potential ore bodies in there that could be developed if a road were there. Also, the forest industry would be extremely happy to see such a road.

• (2255)

These are the types of things we need to look at. What is the potential for natural resource development if government gets involved in some form of basic infrastructure, maybe not building the road per se but assisting with it? That is what I am saying.

Mr. Dan McTeague (Pickering—Ajax—Uxbridge, Lib.): Madam Chairman, I will be sharing my time with the member for Churchill River. I have attended for two hours now. I am not as patient, of course, as the hon. minister for rural development, but I have sat many times very pensively watching his work and his deliberations. I applaud his efforts, not only for being here for all these very good and valued questions but also for being the first, I think, to deal with one of the more substantive issues that confront the House of Commons, usually in a very partisan and very confrontational way.

[Translation]

Tonight, my comments will deal with a subject that is perhaps a sort of hub of the major issues of the day concerning the energy sector and the market structure. We see now that oil prices have increased, although they have not reached \$28 a barrel yet, and we also see prices at the pump of 80 cents a litre in Toronto and 90 cents in other areas such as in Quebec, and even a little higher, depending on tax variations.

[English]

I am concerned. I cannot for the life of me think of something that is more debilitating to bringing us together, under the question of not just our nation but of natural resources, and to overcoming the divide between rural and urban sectors in our economy than knowing that the people who produce the product—and knowing that there could be an abundance of jobs in those areas—are at the same time perhaps suspect on the part of those who are consuming the products at the other end.

Consumers across Canada, whether they be in rural or urban areas, quite often are subjected to very high prices for products. At the other end, of course, those who produce the products, whether they be miners or farmers or those who are working on the derricks in this country, will find that the price may be satisfactory. However, no one is making a whack of cash at the platform level and certainly jobs are being created there.

I say all of this in the context of the government's interest in the area of continental energy policy. I am perhaps borrowing from previous members of parliament and from one who is no doubt familiar, Madam Chairman, to you and to the Governor General, Ray Hnatyshyn. As a member from Saskatchewan, he said on the question of a continental energy policy that for Canada it is like swapping partners but with a bachelor.

Of course this creates some difficulty, because a lot of people would naturally assume that providing new opportunities for a hungry, thirsty energy deficient U.S. may on the surface appear to be an important way of ensuring that we are able to get other concessions from that country, particularly in areas that deal with natural resources, such as potatoes, agriculture and of course softwood lumber. We are at the same time perhaps risking the rise in energy costs to the extent that those energy costs may be prohibitive not to the Americans or to others within that continental arrangement, but more specifically to Canadians.

Today I would like to point out for members of parliament what I believe to be a rather interesting phenomenon that is occurring right across the country. People may be paying as much as 80 cents to 90 cents a litre for gasoline, yet crude is \$10 less than it was six months ago. As I mentioned earlier, it was hovering at the \$28 range. Six months ago it was near \$36 or \$38 and the price was averaging roughly 75 cents or 76 cents. What has changed is the market structure and the ability of those who process. Again, it is that big middle ground between the producer of the product and the consumer. Those who refine or transport or create this new product are able to take a lot more as a result of a lack of or a deficiency in competition.

• (2300)

There have been a number of excuses or reasons given. One which was been cited was short supply. Canada does not have a

shortage of supply. Maybe there is the odd refinery that shuts down from the United States. However let me be very clear on the question of natural resources for all my colleagues here.

The excuse that is trotted out before winter is that it will be a cold winter therefore we will have low inventory. During the summer there are more people driving and therefore we have a low inventory. These are realities of our geography and climate in Canada. We have cold winters and warm summers.

However Canadians have experienced not only high prices for gasoline but for other energy products, more so than we have seen in many years. Of course that may be owing to the fact that we are already part of a continental arrangement where NAFTA has prevented us from keeping a supply. Perhaps that is not such a good thing. It certainly is not what I am advocating.

What I am concerned about is the ability to tack on an extra few cents. Today, when Canadians are reading about record profits being made by oil companies to the tune of almost \$1 billion in the downstream alone in 12 short weeks, there is something seriously wrong with the transfer of wealth from the Canadian economy to the bottom lines of major oil companies.

I do not disagree for a moment that a continental policy which allows Canadian products to be refined and created here in Canada but produced and sold back to Canadians in U.S. prices is in itself a bad thing. Canadians and many members of parliament I am sure are not aware of the fact that it constitutes virtually 12 cents of a litre of gasoline.

I have some concerns about the object of a purposeful discussion on dealing with resources and making productive uses of them for all Canadians and for the international market. I do not think Canadians should volunteer themselves as international boy scouts and assume we should be looking in the other direction, saying that that is fine and that we can supply energy to other nations but that we are not looking after the interests of Canadians.

Today on April 24, 2001, it would appear to me that that is a very serious problem for Canadians. However I believe there also is a problem with the structure of the market. Those who control the product are in a position to also control and determine what the price is going to be.

If we control the infrastructure, if we control the pipelines, if we control the ability for the product to be refined, it is very conceivable that those who are producing, whether in the industries of agriculture or fishing or mining, will wind up with lower and lower prices.

This brings me to the issue of agriculture. It seems rather unfortunate that we simply are looking at the issue of agriculture from the perspective of depressed international crises. Most analysts are now looking at agriculture from a different perspective and that is to see that there are changes of concentration, dynamic, quick, evolving changes of concentration in the areas of processing and manufacturing to respond to the new realities of concentration at the retail sector in our economy, certainly as it relates to food.

For instance, although Wal-Mart does not have a large presence in terms of groceries in Canada, certainly the weight and the substantial size and power influenced by Loblaws, or Sobeys or by other smaller but nevertheless important regional players, such as Dominion and A&P, have an impact on artificially raising manufacturing costs and in turn take this out on farmers.

This is not just something that has been invented by this member of parliament at this time. Policy-makers and a lot of us do not want to enter into the more substantive and critical area of determining what the structural problems are with the industry.

If we are not prepared to accept that Canada has, perhaps more than other nations and certainly more than our trading partners, a much more concentrated market environment, we are inevitably going to find ourselves in a position where all the solutions we are looking for are really band-aids and very short term.

So I would plead with members of parliament that when we are dealing with the issue of natural resources, we look further than simply saying that these are industries that have to compete on the international market or that these are industries that have a similar product but the processes might be somewhat different. We must examine whether or not the markets in which those products are to be sold are already predetermined and precontrolled in which there is already a fixed or set price, which is harmful and detrimental to the competitive process but is also detrimental to the very people who are working day in and day out across Canada.

We are dealing with a dichotomy of people in rural areas, as I have heard from the minister, who are not making enough and who do not have jobs. We have heard about the mining sector and the agricultural sector. We heard about consumers who felt they were paying too much.

• (2305)

Let us start looking at what is in between and we can come to a much better understanding of the realities in the country. In the process hopefully debates like this will be more meaningful.

Mr. Rick Laliberte (Churchill River, Lib.): Madam Chairman, I hope you do not mind, but I will start my presentation by sharing a map. This map transcends political boundaries. There is no language on it. Because of the satellite imagery technology that exists today, it is available to us. It is in printed form for us as

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parliamentarians. However not one of our committee rooms or other rooms has a map of Canada in it.

In order for us to make our place on the planet, and we always want to say we are not Americans, why do we not put a map of Canada somewhere in a northern location. We are a northern country. We are from the northern hemisphere. If we stand at home and look at the world, our home is to our back. I propose a map be hung in one of the committee rooms. We could dedicate a committee room with a map of the natural resources and natural waters of Canada as a gift to Canadians.

In some of these committee rooms it might spark an initiative. Maybe somebody in downtown Toronto would start to see that the islands in the north are a part of our decision making. We have Quebec, the St. Lawrence region, the Hudson Bay watershed, the Mackenzie River watershed and the whole west coast watershed in the Yukon.

It is an astounding lesson. As a young person I have always been interested in land and water. I was a surveyor and was working in the mines. I can always find something new on a map. It could be an oil company, a mining company or a forestry company but there are always new discoveries.

As decision makers we are lacking vision. We have not created an image of our own country, region and territories. This is a huge mistake. My riding is Churchill River but when I enter the House I assume a responsibility for all of Canada. This is what needs to be done here.

Terminology is also very important. I spoke with the minister responsible for rural development. I have always challenge words about the regions of Canada. The three regions which were mentioned in the throne speech were urban, rural and northern. The north is a unique region of its own. It is not rural. We are trying to be urbanized but we are really not urban either. The north is a unique opportunity, a unique lifestyle and a unique climate. It is everything in its own. The north has enough weight of its own.

We have a northern minister who is in charge of the territories north of sixty. We have huge regions in the northern half of the provinces where there is no federal ministry in charge. That is why I challenged the rural minister because he had his remote community added on to his portfolio.

It is time we co-ordinated ourselves with our provinces as well, from Labrador to Quebec to Ontario to Manitoba to Saskatchewan to Alberta to B.C. and to the Yukon, Northwest Territories and Nunavut. All these regions should not only have a resource development and community development vision, but also social and human development vision. It all comes hand in hand. We cannot do it separately. We cannot leave legacies like Uranium City

in my riding which had a huge mining operation. It looks like Beirut today. The mining company pulled out.

• (2310)

The federal government was also responsible there because it started out as Eldorado, a federal crown corporation. However if anyone went there today they would see that it looked like Beirut. It is time to clean it up. We have to go back.

Speaking of going back, a comment was made by one of the members. There is a need for co-ordination in this country which does not really exist yet. There are little sparks of it. However in 1909 it existed. Let us go back in history. In 1909 there was a body called Canadian conservation council which existed for about 12 years. Then it fell apart because the bureaucracy of our nation's capital took exception to it. It was getting too structured and competing against other people's hierarchies. It is time for us to go back to it.

It exists in Bill C-5, the endangered species legislation. There exists in that bill the Canadian endangered species conservation council. It is made up of three ministries, fisheries, environment and national parks-heritage, and the provincial ministries that are in charge of wildlife.

We should expand that council to include members of the Senate and members of the aboriginal nations. Then we would embody everything in this country and encircle all of this: on reserve, off reserve, provincial, territorial, Senate and both houses. We could create a conservation council that would look at sustainable development, economic sustainability, the conservation of our economy, the social and human needs, the conservation of our population in our young children and their future, plus the ecology which is the most important part because it is the land. It is the land that gives us the source of life and the source of our riches.

When we enter the parliamentary restaurant there is a picture of a pyramid. At the top is the capital and credit of this country, all the money stacked on top. At the bottom, which holds it up, is the territorial lands of this country. Unless we rationalize and balance all of this it will be off balance.

I look at my region. We have forestry, mining and the hottest uranium mines in the world, in fact the most uranium in the world, but all our paycheques are flying over our heads. They are going to Prince Albert and Saskatoon. Our roads in our communities are the worst and the most dangerous.

Our community was a social experiment where they did not want to create Uranium City, a mining town. The policy was to fly in their workers from small villages in the north, train them and it worked. However it started to abandon those pick-up points and started going to the major centres. That is where it went wrong. Those fleets of planes that sit empty today could fly our workers into the tar sands. The tar sands need human resources and labour. We are just next door. We get the ecological footprint of the tar sands. All our weather comes from the west and so does the pollution which comes from the tar sands. It affects us ecologically but not economically.

To try to grab those jobs in Fort McMurray, the town of La Loche with 4,000 Dene people used its human resources training money to build a road to the border. The Dene people's own training dollars built that road. Now it did not go through to the tar sands because Alberta did not fulfil its agreement to build that road.

As a nation it is time that we start to plan our resources and look at our real resources from the right perspective so that we can show our uniqueness if an American comes to our committee room and asks what it is. Americans are used to centring the world from Texas. That is the centre of their world.

• (2315)

I would like to leave a legacy. When we talk about resources, from here on in let us measure what we are talking about and use the right image. It is missing on the Hill.

[Translation]

Ms. Jocelyne Girard-Bujold (Jonquière, BQ): Madam Chairman, I am very pleased to be here tonight. Since the beginning of the debate, I have found the exchanges we have had very productive, because hon. members have told Canadians and Quebecers who are listening to us tonight that throughout Canada we all have the same problems and no one was telling them about this fact.

We have an opportunity to say so and this is a great opportunity to speak of our specificities, which may be very widespread throughout Canada, but which have some similarities.

I learned tonight that there were mining problems in British Columbia. I have learned that Newfoundland is facing other problems and that there are mines in Abitibi. We also have mines in my area. I have learned all that and I think it will help to open up the debate.

I hope a lot of people watched this first discussion and realized that they are not alone in this, that by sharing and talking about their problems, some solutions can be found. That is what I found out tonight and I want to thank the hon. member for Abitibi—Baie-James—Nunavik for making this exchange of views possible.

The region I represent is a huge resource area rich in aluminum. We are known as the cradle of aluminum. The first aluminum plant in Quebec was built in the riding of Jonquière. My father worked there and, at that time, 8,000 people worked at the Arvida plant. Nowadays, there are only 500 employees. Technological change costs us a lot of jobs in the areas that rely on resources. My region relies on hydro, pulp and paper, mining, forestry and lumber. Whatever resources Canada has, they can be found in my riding.

We have had regional seminars and all sorts of other things in the last few years, things that were developed by the Canadian government, the Quebec government and by the local population. We were allowed to say what we thought had to be done to help us take charge and to ensure that our resource region which had given a lot could receive something.

As I was saying before, there were seminars. From there we proposed structures to help identify ways to pull ourselves through. The provincial government has held out a hand to the resource regions and in our area we have pressed them. We can do that in our area. We pressed them and we said "Now that this has been identified, you will have to help us".

In its last two budgets, the provincial government gave us money and an opportunity to pull ourselves through and to develop regional structures with this money.

A little earlier, the minister said that he was ready to make partnerships with the provinces. Even the member for Abitibi— Baie-James—Nunavik told us that we should renew some specific agreements made while the Conservatives were in office. In the days when he was a Conservative member, I was with the Bloc Quebecois. Things were working properly then.

However what is the government doing now? I am very sad to say this, but this government is developing programs that will definitely not meet the needs.

• (2320)

These are wall to wall programs, in parallel instead of converging with the structures put in place by the province. I do not know whether other provinces in Canada have provincial structures that identify regions of a specific nature; I would like to have heard someone say so.

In our region, we were told that the Saguenay—Lac-Saint-Jean region was going to be aluminum valley. That entitled us to very specific tax credits. Tax credits were also given for the next ten years for the processing plants that would be built in our region. The companies locating in our region would not have to pay income tax.

The region was also declared a secondary and tertiary lumber processing region, because of our forestry resources. One of my brothers worked as a logger in the days when the resource was accessible. Now the forests are being pushed further and further

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back. They are far not only from our cities, but also from our rural centres.

Based on that, we were told "You have taken control of your future, so here is some money". I am therefore asking this evening, having heard all this, why this government would not dovetail its programs with those identified by the people in the regions?

I must state that the people of the regions are the ones who have identified their present and future development. They have looked back at where they started, and they are saying "This is where we are now".

The provincial government has given us the means to do it. We know that for mine development, it gave us \$264 million in support of forest resources development and mining operations in the last provincial budget. I do not know whether members knew, but this was what it put on the table.

Why would the Liberal government not do the same thing and give the same amount to make it possible to move ahead, as it was put earlier? Someone said "Soon there will be 13 mines closed at home, and there is nothing". The member for Abitibi—Baie-James—Nunavut said that. He has taken steps. I am not saying they are perfect, but I am saying they are taking steps.

We have reached the stage of taking steps. We have not yet reached the stage of always talking. We are at the stage of taking steps, because we have all reached the same place, knowing that action is essential. A number of Liberals and a number of Alliance members said "Action is vital".

This evening we MPs have taken part in a debate and have concluded we must act. I am waiting to hear from the government. When will it act? When will it put on the table the means to enable resource regions to move ahead using the means they have identified.

These means include resources, money, and it involves honouring the niche they have defined for themselves. This is what I ask of the minister responsible for rural matters. He says he was prepared to form partnerships. I would like him to tell me something. If tomorrow morning the government of Quebec said "Yes, we agree with an alliance in this area", would it be prepared to sign the agreement and say "Me too. I put my money on the table"?

So, I note that this is what has enabled us to develop the debate we have had tonight. I hope tomorrow we have another positive aspect and act.

[English]

Hon. Andy Mitchell (Secretary of State (Rural Development) (Federal Economic Development Initiative for Northern Ontario), Lib.): Madam Chairman, I appreciate the intervention of the hon. member. I realize and respect her commitment to her riding and what she is trying to accomplish.

Let me try to describe the challenge or the problem. When it comes to rural citizens, whether those rural citizens live in Quebec or whether they live in Ontario or British Columbia, the issue is not one of who should take the predominant role, the provincial government or the federal government. That is not the issue.

Quite frankly I think she emphasized that too much. The issue is not between the provincial and federal governments. The issue is rural Canadians and rural communities. They will establish the priorities. They will find the way. They will recommend the structures.

The role for us as a federal government and for the provincial governments is not the issue between ourselves, but the issue is between how we relate to the communities.

• (2325)

When I say that I want to work with my counterpart in Quebec as I do with my counterparts in every province, it is not to work between each other. It is to work together with the communities. That is what the priority has to be. That is the priority of the government and that is my commitment as the Secretary of State for Rural Development.

[Translation]

Ms. Jocelyne Girard-Bujold: Madam Chairman, what the secretary of state said about rural development is exactly what I said. We did that exercise back home. We did it regarding rural communities and regional development. We did that exercise. We said "This is what we want to develop".

Why not sit with these people and tell them "You have defined this? We are prepared to help you". This is what I am saying. I agree. However we will not do the exercise all over again. It was done in my region. It was done in done in all the regions of Quebec.

A number of very specific areas were defined. Very important resource regions were defined, including the Abitibi—Témiscamingue, the Magdalen Islands, the Gaspé Peninsula, the Saguenay—Lac-Saint-Jean and the North Shore. This was all included in the exercise conducted by the grassroots over the past four or five years.

Is the hon. member prepared to sit with these people, the grassroots, and hear them tell him "This is what we want and we want to have money, we want the same thing that the Quebec government is putting on the table"? This is what I am asking.

We have done it, and was along the lines that the parliamentary secretary mentioned since the beginning.

Mr. Pierre Brien: Madam Chairman, I would like to make a comment to the secretary of state, and then to ask my colleague from Jonquière a question.

I agree with what he said. This is what the government does in its dealings with communities. In the case of the federal government in Quebec, there are two structures which affect regional development.

Of course, there are also ministers with a sectoral involvement, but the main tools are the Community Futures Development Corporations and Canada Economic Development.

Canada Economic Development Canada does not have the approach he mentioned, an approach based on co-operation, where the community takes the decisions. Canada Economic Development Canada produces a program thought of and made in Ottawa, Montreal or elsewhere for regional development. That is a problem.

There is a difference between the structure in place in Ontario and the one in Quebec. FedNor does not operate the same way as Canada Economic Development. The later is much more centralized.

Therefore, I hope that the member will pressure his colleague responsible for regional development in Quebec and tell him that this does not respond exactly to our needs at this time and that we need more flexibility and a model which goes in the direction you mentioned, a model which comes from the grassroots.

This is not exactly the way Canada Economic Development operates. In programming, any project of more than \$100,000 has to be approved at a senior level. There are practical problems with that.

I think that the secretary of state is acting in good faith, I am even sure of it, but I hope that we will see some changes in this regard.

I have a short comment for the member for Jonquière, whom I congratulate on her speech. There is something I forgot to mention earlier, and I would like to know what she thinks about it.

Often, there are difficulties in the regions. For instance, the Department of Natural Resources or other departments, such as Agriculture Canada, are fairly large. Often we would like to have a few more researchers or those people described as public servants. We would like them to be a little more present in the regions, or for there to be more partnership, often with our teaching institutions. We would like these people to work in our communities. This would enhance co-operation between the community and the departments.

I do not know whether this feeling exists in her region. In my region, we would like more employees of these large departments to be based in the region, to live and breathe a little more of regional reality, rather than always having to wander all over the place to convince people of their efficiency.

We would like to have more public servants based in the region, while reporting to the administrative structures, but a little more in touch with what is going on in the community.

There are a few agreements, but we would like to see them extended. We find it a bit frustrating to be one of the major producers in the mining sector and not to have more people from the Department of Natural Resources assigned to our region, for example, or based in our region.

I am sure that the member for Abitibi-Baie-James-Nunavik will agree with me.

• (2330)

Ms. Jocelyne Girard-Bujold: Madam Chairman, in my region, we have the exact same problem. We are under the responsibility of people in Quebec City or in Montreal. We do not have our own officials in our region.

I want to go back to Canada Economic Development. When I submit applications from my region to Canada Economic Development, I cannot have a say with regard to these applications. If I want to have a say with regard to an application given to me by one of my constituents, I am told that it will hurt the applicant. Decisions are made in Quebec City, Montreal or Ottawa. I find that extremely hard to take for people in my region and for those whom they elected.

CFDCs give repayable loans. They give grants to non-profit organizations, but not to businesses that want to develop new niches. They only give repayable loans. I think it is a very serious problem. These people often need substantial capital to develop an expertise and to start up a business that will enable us to progress. I find that deplorable.

Mr. Ghislain Fournier (Manicouagan, BQ): Madam Chairman, since it is getting late, I have decided to speak about some interesting things.

I have, for instance, decided to speak of my riding. I will not give a geographical description, as my colleague has done, but I do issue a warm invitation to visit a region that is in the forefront of the mining sector. After Baie-Comeau, you would see Franquelin, Port-Cartier and Sept-Îles. The scenery is outstanding.

As the mining critic for the Bloc Quebecois, I have taken a lot of notes. I do not want to forget anything about my riding this evening. It is not very often that there is an opportunity to talk about the mines in my region. I would like the people in my riding to know that I have praised it, that I have spoken of them and that I have placed this sector in the limelight, a sector that is very beautiful, but is also in need of government intervention.

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I am the spokesperson for a mining region. Its mining production ranks the North Shore as foremost in all mining regions in Quebec and in Canada. I am delighted to be able to say that.

Everyday we make use of a lot of products that are essential to our every day lives, construction materials, household appliances, cars, coins, televisions, computers. All these products are directly or indirectly connected to the mining sector in which we are involved and the top producer.

A significant amount of the metals used to produce these products come from the mineral deposits of the beautiful North Shore region of Quebec.

The mining output of the North Shore region is essentially focused around iron ore. I do not know if members have heard of ilmenite, but it is very important. This is a very rare ore that is found in Havre-Saint-Pierre and even in Natashquan, the land of Gilles Vigneault. This ore has been found through prospecting programs. Presently, those programs are funded only by the Quebec government. This is shameful.

Whereas some boast that Quebec has a national government, we have to look at the regional level for development. All the mineral deposits in Quebec have been prospected and found thanks to money from the Quebec government.

• (2335)

This is very important because in our region, on the North Shore, we do not have any arable land. The weather there is not suited to agriculture or ranching. Our land is fertile for industrialization. We are rich thanks to the sea, forests and mines. We do not complain, we are happy. We are very happy that way.

However the prospectors and the mining companies first determine what they are looking for. They do research and ask themselves what exactly they are looking for: precious metals, gold, silver.

I could tell hon. members that, very recently, a diamond, nickel, zinc and copper mine was found north of Schefferville. The ore concentration, in terms of percentage, is very promising. We also have asbestos and graphite. We support the discovery of these substances. The community is very aggressive in its help to prospectors, because the development of our region is involved.

There are many matters involved and the stakes are high. The development of Quebec and its regions is a long way from revealing a huge success. A lot remains to be done. In my riding alone, the Mazeret company, I am pleased to report, will operate a mine that will create some one hundred jobs.

The Fonds régional d'exploration minière de la Côte-Nord hopes to interest one of the mining companies in getting involved in a site we call La Blache. It is the Bloc Julie, commonly known as Block 30. It is located 145 kilometres north of Baie Comeau. People

found a very large ore indicator there. They also reopened the pellet plant with this money, without government intervention, by the way. In the past five years, in Sept-Îles, \$1.5 billion dollars has been invested, and they are investing nearly \$70 million in a power plant to be called SM-2. For those who have heard of SM-3, it is about 150 kilometres north, and the SM-2 is on highway 20. A dam already exists there and it will be used to produce about 20 kilowatt/hours of electricity, which we want to increase to 60. To do so will involve an investment of \$70 million.

At 7.30 p.m., the environmental public hearings office was holding hearings on this. I am delighted and I hope everything went well, since this development is vital to the region.

The mining industry is a major contributor to the Quebec economy. Not only are many areas directly dependent on this industry, but the large urban centres are also taking advantage of its important economic spinoffs.

I do not know if people know it, but ore shipments are worth about 3.5 billion dollars a year in economic spinoffs for Quebec alone, while the number of jobs created is estimated at 17,137 person years. This is really is something.

A good number of head offices are located in Montreal and in Quebec City, including the IOC Mining Company, Québec-Cartier Mining—the only mining company from Quebec—and QIT-Fer et Titane Inc., in Havre Saint-Pierre. These companies all employ many people.

• (2340)

The mining industry has also been badly affected in the last years. It has gone through very hard times. The years 2001 and 2002 will be very difficult for the mining industry. I think that my friend Guy Saint-Julien knows it very well.

In this respect, we need government support, particularly from the central government. The federal government thinks it can do everything and help everybody and it claims that we are so lucky to be part of that government, that we are very lucky because otherwise we would be in peril and lost.

People therefore really rely on the federal government to help those companies. We sometimes hear that bankers are happy to lend us money on sunny days. They are happy to lend an umbrella when the sun is out. It is because when they lend money, they give an umbrella, but as soon as it rains, they take it away. With respect to the mining industry on the North Shore, in my friend's area, we are having some rough weather. We are living through hard times. We need action and assistance from the government.

I was told that my colleague, the hon. member for Abitibi-Baie-James-Nunavik, made some promises during the election

campaign. Some have talked about \$300 million or \$400 million, but I would be satisfied with \$300 million, as long as I get \$100 million for my region.

What the government needs to do is to provide a budget to help mining exploration and mining companies. Unfortunately, I do not have time to give the Bloc position and what it is proposing, because my time is up. However I will have the opportunity to bring forward a motion in the next few days to present the Bloc position, that is, what the Bloc Quebecois wants specifically.

Mr. Guy St-Julien: Madam Chairman, I have a question for the member for Manicouagan, which is also a large riding. We are neighbours, since our ridings are adjoining. Together, we cover about, and Quebec is 1,600,000 square kilometres, 1,100,000 square kilometres. I have 800,000 square kilometres and he has some 300,000.

We did talk about the agency. What is important to us, as we said during the election campaign, is what we should have in the resource regions. We know that the mining sector is currently suffering and forestry is also beginning to suffer. A little over a week ago, I travelled to Shefferville with the Secretary of State responsible for the Economic Development Agency of Canada for the Regions of Quebec, the hon. member for Outremont, and we discussed economic development. As members know, things are not easy in resource regions, given the price of metals and so on.

This is why we are trying to find ways to get specific, short term programs, not virtual programs on the Internet and so on, but programs for rural communities. I appreciate the fact that the minister spent the evening with us, because we truly value his excellent remarks.

The federal government must find new ways to co-operate with the Quebec government and with the governments of all the other provinces. We can take action. A few years ago, we had agreements that produced results. Now we do not have anything. We are proud of Montreal, Quebec City, Ottawa and Toronto, because they have major multimedia projects on the Internet.

We are proud. Jobs are being created and we are glad about that. Finally, we should never forget that, whether it is in Lac Saint-Jean, on the North Shore, in Manicouagan or the Gaspé area, jobs are being created. Whether it is in Abitibi or in Montreal, close to 7,000 jobs are created thanks to the mining and forestry industries. The same thing goes for Quebec City.

• (2345)

Money from the Initiative régionale de stratégie de l'Abitibi— Témiscamingue is currently used to help out COREM in Quebec City. We are proud of that, because it will create quality jobs and, in turn, help to support the mining industry. The hon. member might want to comment on that. We need short term concrete measures to preserve these jobs.

Mr. Ghislain Fournier: Madam Chairman, to answer my colleague's question, tomorrow at 2.00 p.m., I will be in Schefferville to open a multipurpose sports centre. I am told that there is a swimming pool and an arena. The folks in Schefferville have hope. The mine has been closed and others have been discovered.

Diamonds have been discovered. Once diamonds have been discovered, a monopoly whose name I will not mention, but he knows who it is, bought it so as not to have any competition. The government of Quebec invested \$4.5 million. That is why I am asking the federal government to match that amount.

I am an optimist by nature and I am confident, because there is great potential in northern Quebec, north of Schefferville. What the Bloc Quebecois is going to propose is a long term cut in the effective tax rate for mining companies, and I think that he will agree with that.

We will see what form it will take. In order to increase investment in the mining industry, it is essential that the tax rate be cut. According to my poll of both opposition and government members, people would be in favour of a tax cut right now for at least the next five years for investing in the mining industry.

People know that running a mine, especially with the cost of gas, the cost of energy and equipment, particularly in remote areas, is very expensive.

There must be a reduction in the effective tax rate for mining companies. The Bloc Quebecois is going to work very hard on this. With my colleague, we will be introducing a bill to this effect. I hope we will have the support of the member for Abitibi—Baie-James—Nunavik.

[English]

Mr. Rick Laliberte: Madam Chairman, I had to look at the map to see where my hon. colleague was from. However his colleague beside him is from Yukon.

In the 1970s there was a project known as the mid-Canada development corridor. It connected Newfoundland and Labrador, through Saint Augustin, one of the areas in Quebec, and all through that area of Quebec, Ontario and Manitoba. The plan was shelved. It was a major undertaking in the 1970s.

Perhaps the provinces and the federal government could come to an agreement on a plan similar to that one. All the provinces would be engaged. They could look at the undeveloped area of the north. They could also look at the new sustainable practices we have

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today that were non-existent in the 1970s. If it was not feasible in the 1970s, perhaps it is feasible now.

The federal government should be engaged to work with all the provincial governments. They should be working together to develop the undeveloped area of the northern regions where the resources are vast. We have to do it in a timely fashion and it has to be done appropriately.

That is what I am hearing from the Bloc. It is an opportunity for us to engage in a common goal so that Canada could be proud that it had achieved something. Each province could be proud because it would take ownership of its regions.

The first step in this development is research and development units in the north. Their development will take timely and appropriate measures. Would the member care to comment on that?

• (2350)

[Translation]

Mr. Ghislain Fournier: Madam Chairman, let me reassure my colleague. At my age, and being born in Quebec, I do not need a map to go anywhere in Canada. I know all regions. I am just back from Vancouver, and I was in the west recently. I spent our 15 day recess in Victoria. I do not need a map to visit the hon. member's riding. I hope he does not need one to come and visit mine, because we should all know our country.

My country is Quebec, of course. I have always said that we have really two countries here, Canada and Quebec. Canada is our neighbour. When I was in Victoria, I said I was in Canada and people found that funny. I like Canada Vancouver and my neighbours. I also like my colleague's speeches.

He seems to worry. He is showing us a map as if we did not know Canada. We know it very well. We know where we are going, and we know from where we are come. Let me reassure him. We are working very hard on mining development in the west, in Canada and in Quebec. We should look for deposits where they are. Hon. members can understand that, since I have been elected by my constituents, I work first for my riding, but also for the people of Quebec and Canada.

[English]

Mr. Gurmant Grewal (Surrey Central, Canadian Alliance): Madam Chairman, it is a pleasure to participate in this take note debate in committee of the whole on the state of Canada's resource industries.

Canada is the second largest country in the world in area and it is very rich in natural resources, which are an important source to a brighter future for our country. However, the government lacks

vision and strategic planning in developing, exploring and utilizing these resources.

I notice that the government also lacks a balanced approach between resource development and environmental concerns. I will give a few examples to make my point, particularly in the mining industry.

I had an opportunity to visit a few mining industries. I have about 40 mining related industries that produce something for the mining industries in my constituency of Surrey Central. After talking with various individuals and businessmen in the mining industry, I learned that they consider it to be a tragedy the way the mining industry has been treated by the various governments, both federal and provincial. They are also upset with the regulations. They feel that the regulations are bureaucratic red tape in order to discourage them. Similarly, they say that the federal-provincial jurisdictions in some areas overlap and that in other areas they are not clear.

The mining industries spend a lot of time exploring and setting their infrastructure. They also use a lot of energy in terms of their management input and taxation becomes another factor that is driving them south. As an example, we have a \$12 billion dollar investment in Chile which is three times more than our investment in Japan. We have invested \$42 billion alone in the Americas outside of the U.S.

We are all aware of the softwood lumber crisis in the forestry industry. The people involved in that industry are very discouraged with the recent skirmish that has been going on. Free trade seems to be only one way but, when it comes to our natural resources, free trade has let Canadians down because of the poor planning, poor negotiating skills or mismanagement by the government.

I believe that anti-dumping and countervailing have not been handled right for many years. This new investigation by the U.S.A. in this area will probably worsen the relationship between the two countries on the trade front in forestry and especially in softwood lumber and in remanufacturing demanufactured products.

• (2355)

I visited a factory in my riding which utilizes waste products in the forest industry. That industry is also suffering because of poor negotiating that took place in the past. The federal government's policy on water exports is not clear. It does not seem to have a vision on how to handle the resource. It also has no clear policy regarding the production, export and pricing of electricity. We do not know where the government stands on such issues as air, flora and fauna, and endangered species.

I heard the speech of the secretary of state. I understand the challenges the government faces in terms of geography, density, remote areas and communities that depend on the mining industry and infrastructure development. We lack infrastructure development in Canada as far as natural resource rich rural communities are concerned. In addition, we know the market size is small. Regulatory and communication policies are stretched.

Natural resources contribute about 15% of our GDP. In 1996 the government mentioned in its throne speech the need for sustainable development of our natural resources.

As my time is up, can I have unanimous consent to increase my time by 15 minutes?

The Assistant Deputy Chairman: No, you cannot.

Mr. Gurmant Grewal: I will wind up, then. I wanted to talk about how parliament was not consulted when we signed the treaties at the Kyoto, Beijing and Rio conferences. I will therefore say that the government needs to focus more on the state of natural resources in Canada and to come up with a clear vision on how to handle these things effectively in the future.

I did not touch on energy, electricity and nuclear power. Perhaps another time I can talk about that.

Mr. Larry Bagnell (Yukon, Lib.): Madam Chairman, I had a 20 minute speech on the history of resource development in Yukon. I will get it in during another debate because you are very good at letting things in.

I thank the minister for being here until midnight. All rural members of parliament, as well as all rural Canadians, should support his initiatives and programs.

Before coming to the Chamber I was in the parliamentary restaurant to lobby members to support these initiatives. Rural members have a very good reason to support them. We are outnumbered. We are outnumbered in parliament and yet we inhabit the vast majority of the land. We must therefore stand and fight to show that we are different, that we have special needs in the north, that we are an important part of Canada and that we need those resources. That is why I commend the minister for the wonderful programs and hope all rural members will support him in his efforts and will fight for rural Canada.

Hon. Andy Mitchell: Madam Chairman, in closing the debate I take the opportunity to thank all members for participating. We had a reasonable number of members here this evening who discussed topics of importance to rural Canada and rural Canadians. I thank all of them for their efforts and their energy. I look forward to working with them over the weeks, months and years ahead to achieve positive results for rural Canada.

I thank you, Madam Chairman, the table officers, the pages and everyone who has been here until midnight to make sure we could have this debate. The process of going into the committee of the whole has proven a very good exercise and I think it is something we should try at other times as well.

The Assistant Deputy Chairman: It being midnight, pursuant to the order made Monday, April 23, 2001, the committee will rise and I will leave the chair.

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The Acting Speaker (Ms. Bakopanos): The House stands adjourned until tomorrow at 2 p.m. pursuant to Standing Order 24 (1).

(The House adjourned at 12 a.m.)

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