



CANADA

House of Commons Debates

VOLUME 140 • NUMBER 025 • 1st SESSION • 38th PARLIAMENT

OFFICIAL REPORT
(HANSARD)

Tuesday, November 16, 2004
(Part A)

—

Speaker: The Honourable Peter Milliken

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HOUSE OF COMMONS

Tuesday, November 16, 2004

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

• (1000)

[*Translation*]

ORDER IN COUNCIL APPOINTMENTS

Hon. Dominic LeBlanc (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I have the honour to present a number of order in council appointments made by the government.

* * *

• (1005)

[*English*]

DEPARTMENT OF SOCIAL DEVELOPMENT ACT

Hon. R. John Efford (for the Minister of Social Development) moved for leave to introduce Bill C-22, an act to establish the Department of Social Development and to amend and repeal certain related acts.

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

* * *

DEPARTMENT OF HUMAN RESOURCES AND SKILLS DEVELOPMENT ACT

Hon. R. John Efford (for the Minister of Human Resources and Skills Development) moved for leave to introduce Bill C-23, an act to establish the Department of Human Resources and Skills Development and to amend and repeal certain related acts.

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

* * *

CARRIE'S GUARDIAN ANGEL LAW

Mr. Art Hanger (Calgary Northeast, CPC) moved for leave to introduce Bill C-286, an act to amend the Criminal Code (child sexual predators).

He said: Mr. Speaker, I am pleased to reintroduce this private member's bill entitled Carrie's guardian angel law. The intent of the bill is to get tough with pedophiles, many of whom serve days or

months in jail for preying on children while the damage caused to the victims often lasts a lifetime. The bill refers to the victim as a person under the age of 16.

Carrie's guardian angel law carries a minimum sentence of life imprisonment in cases of sexual assault on a child that involves repeated assaults, multiple victims, repeat offences, more than one offender, an element of confinement or kidnapping or an offender who is in a position of trust with respect to the child.

Under the provisions of the bill an offender would be ineligible for a parole for 20 years.

It is time that those who harm our children are locked away for a long time.

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

* * *

• (1010)

PETITIONS

CANADIAN FORCES HOUSING AGENCY

Mr. Jay Hill (Prince George—Peace River, CPC): Mr. Speaker, I rise again as I have almost every day since Parliament convened this fall to present yet another petition, this one signed by citizens of Windsor, Ontario. The petitioners wish to draw to the attention of Parliament the fact that families living in military communities in on base housing have access to services that address their specific needs; however, many of those living conditions are substandard and yet they see their rent rising all the time. Therefore, they call upon Parliament to immediately suspend any future rent increases for accommodation provided by the Canadian Forces Housing Agency until such time as the Government of Canada makes substantive improvements to the living conditions of housing provided for military families.

I am pleased that in a conversation yesterday the Minister of National Defence indicated that he is in agreement with these petitioners and that he is lobbying the President of the Treasury Board to make the necessary changes.

*Government Orders***QUESTIONS ON THE ORDER PAPER**

Hon. Dominic LeBlanc (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.): I ask, Mr. Speaker, that all questions be allowed to stand.

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[English]

COMPETITION ACT

(Bill C-19. On the Order: Government Orders:)

November 2, 2004—The Minister of Industry—Second reading and reference to the Standing Committee on Industry, Natural Resources, Science and Technology of Bill C-19, an act to amend the Competition Act and to make consequential amendments to other acts.

Hon. Jean Lapierre (for the Minister of Industry) moved:

That Bill C-19, an act to amend the Competition Act and to make consequential amendments to other acts, be referred forthwith to the Standing Committee on Industry, Natural Resources, Science and Technology.

Hon. Jerry Pickard (Parliamentary Secretary to the Minister of Industry, Lib.): Mr. Speaker, it is with great pleasure that I open the debate on Bill C-19, an act to amend the Competition Act. I am looking forward to working with all members of the House in considering this vital piece of economic legislation.

As mentioned in the Speech from the Throne, the government wants to ensure that the up to date legislative framework for business is put in place, and some of the amendments in the Competition Act are deemed to move in that direction.

Bill C-19 would strengthen Canada's competition framework in a global economic partnership to benefit consumers, as well as businesses, both large and small. These amendments would also create a greater symmetry between our competition regime and those of our major trading partners we deal with on a daily basis. That is good for business, which is increasingly multinational, and it is also good for our economy.

Bill C-19 implements a number of key recommendations from the industry committee's comprehensive report, "A Plan to Modernize Canada's Competition Regime". The legislation before us today will strengthen the act by: providing restitution for consumer loss resulting from false or misleading advertising; introducing a general administrative monetary penalty provision for abuse of dominance in any industry; removing the airline specific provisions from the act to return it to a law of general application; increasing the level of administrative monetary penalties for deceptive or misleading marketing practices; and decriminalizing the pricing provisions.

In recent years we have taken an incremental approach to changing this complex legislation. We have always been careful and measured and move forward with amendments to this bill with no exception. Bill C-19 balances the interests of businesses and consumers in a number of ways.

On the business side, for example, it moves us toward a law of general application by removing the airline specific provisions, as

advocated by the industry committee's recommendations that have come forward. It also decriminalizes the pricing provisions in response to the committee's recommendations and long-standing requests from various business groups.

On the consumer side, for example, it ensures that Canadians will have access to remedies similar to those in other states we do business with. When they have lost money as a result of misleading representations, they have a chance to reclaim those losses.

Consumers need to have faith in the marketplace and it is to our advantage to make sure that faith is there. They expect to be reimbursed for losses resulting from false claims, and they should be. The proposal for restitution would add an important additional remedy for the courts in cases where consumers have lost money as a result of false or misleading representations.

The Competition Bureau regularly receives complaints from consumers who have lost money buying products that simply do not work. Based on advertisers' false or misleading representations, they lose their investment. Those who engage in such practices can gain an unfair advantage in the market as well. That is bad for our marketplace. It is bad for our consumers. A restitution remedy is an appropriate tool to address this situation.

We are proposing a general administrative monetary penalty regime, or AMPs, for abuse of dominance. This provision would be applicable to all industries and would ensure a level playing field among all participants, including the airline industry.

AMPs are used in a specific way to encourage compliance with the law in a number of jurisdictions. In fact, our act is one of the few in the world that does not allow a financial remedy in such cases. The introduction of AMPs for cases of abuse of dominance will make our competition regime more similar to its counterparts in other jurisdictions, including our major trading partners. The maximum penalty would be \$10 million, and \$15 million for each subsequent order under the new provisions.

●(1015)

In other words, we are proposing a balanced approach to improve the remedies available in this particular section of the act.

We are also proposing to remove the airline specific regime consisting of provisions found in the Competition Act and the airline regulations. The airline specific provisions were introduced in 2000 and 2002 following the merger of Canadian and Air Canada and provided the Competition Bureau with the tools regarding concerns over predatory conduct by a dominant airline.

The Canadian airline industry has changed significantly since that merger. We have seen a decline in Air Canada's dominant market share; the entry and growth of low cost carriers; the development of competing loyalty programs; the growth of the Internet as a means of distributing tickets; and the changing role of travel agents.

Government Orders

The current provisions are no longer required and should be replaced with the general regime which I just described. This change would have the benefit of returning the act to a law of general application, something recommended by the industry committee in 2002 and by numerous competition law experts.

Bill C-19 also proposes to increase the existing level of administrative monetary penalties, or AMPs, available under the deceptive marketing practices provisions. The current limitation for AMPs generally represents only a small fraction of the profits made by businesses through deceptive marketing practices.

The level of AMPs needs to be increased in order to encourage compliance with the Competition Act and stop deceptive marketing practices. It is appropriate to bring the limits of AMPs for cases of deceptive practices to a level that is consistent with that proposed for dominance. Accordingly, the maximum penalty proposed under these deceptive marketing provisions would be, for individuals, \$750,000 and \$1 million per subsequent order, and for corporations, \$10 million and \$15 million for subsequent orders.

Bill C-19 would also reform the pricing provisions dealing with price discrimination, geographic price discrimination, predatory pricing and promotional allowances. Bill C-19 would repeal these criminal provisions and bring them under the civil regime under the abuse of dominance provisions. This type of pricing behaviour would be best suited to a civil provision with a competition test if AMPs are available to deal with anti-competitive behaviour.

Canadians are being well served by our competition regime, which is among the most developed in the world. However, there is always room for improvement. Bill C-19 represents the latest step in an incremental legislative evolution that shows the government is committed to having a modern, effective Competition Act.

This legislative package is responsive to the recommendations of Parliament and industry, consumers and businesses. Taken together, these amendments would strengthen the Competition Act. They would effectively deter anti-competitive behaviour that is most harmful to the Canadian economy and Canadian consumers. They would promote legitimate pro-competitive business practices to ensure a competitive marketplace, one where consumers and businesses benefit from competitive practices, product choice and quality service.

Again let me say that I look forward to working with all members of the House on this. I hope everyone will look at this piece of legislation as vital to the economy of Canada and to our legislative agenda.

• (1020)

[*Translation*]

Mr. Paul Crête (Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, I am pleased to speak today to Bill C-19. The government has decided to proceed by committee report in order to consider the bill more thoroughly. I think this will be a good opportunity to verify whether parliamentary reform has actually produced results. I think that referring the bill directly to committee will permit it to study the bill more broadly and make it much more general than it was.

We just have to look at the report of the committee on industry from a few years ago. The committee had gone through the Competition Act and made a lot of recommendations in order to make it complete and reflect the new reality of competition on the global market and what we are dealing with.

Unfortunately in the bill tabled by the government, 16 recommendations in this parliamentary committee's report, prepared a few years ago, were not implemented. I hope when we are at committee stage that we will meet witnesses and be able to expand the proposed amendments to the bill. There are things that need to be added.

Of course, there are the recommendations on the table, which are in the bill, and we approve them. We will vote for referring this bill to the committee. However, it seems important that we be able to broaden the debate.

I will give just one example. In the committee report, recommendation No. 3 said that the government should empower the court with the right to impose administrative penalties on anyone found in breach of section 75, on the refusal to deal, section 76, on consignment selling, section 77, on exclusive dealing and market restriction, section 79, on abuse of dominant position and section 81, on delivered pricing.

Of these recommendations, the government only agreed with the one relating to abuse of dominant position. The approach in the committee report was really much more comprehensive and general, and we do not find it in the current bill.

During the study in committee, I hope that we will be able to add to the bill. This is not simply consideration at second reading, where we agree on the principle of the bill before referring it to the committee to try to improve it in detail. Instead, we want it to be referred to the committee to broaden the study of it. I think that many people would be interested in testifying in order to bring about much more thorough changes.

In this sense, I wanted to give an example that affects us all, namely, what we have experienced in recent years concerning the price of gas. I remember that the Standing Committee on Industry held hearings where representatives of the oil industry were called in to justify price increases. Finally, it came to the conclusion that it could not really prove that there was collusion. However, it agreed that the commissioner of competition should have enhanced powers. This is not in the bill.

The then commissioner of competition, Mr. von Finckenstein, said:

While the Bureau's mandate includes the very important role of being an investigator and advocate for competition, the current legislation does not provide the Bureau with the authority to conduct an industry study.

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The commissioner himself recognized that the legislation did not provide adequate authority to get to the bottom of the matter. He also said that if the legislation was not amended, a neutral body should be created at least to make a thorough examination and permit investigation in the industrial sector, without collusion having to be proven first.

I would have liked to have this type of argument in the bill before us. In the end, this bill seems to go along what big business wants, because it had feared the set of recommendations would require it to treat the consumer with much greater respect. That is not to be found in the bill as it stands right now.

If, in committee, we can manage to give the bill more clout, and have it deal with more issues, I think we will have done a good job.

As to the oil companies, it seems that every time they have been the subject of complaints under the Competition Act, no charge has been laid. Maybe this is because there was no case for an charge, but it is also obvious that the competition commissioner does not have all the tools he needs to do his investigative job properly.

● (1025)

When we are presented with arguments such as the increased cost of gasoline, the instability in Iraq, the hard winters, taxes, a new one crops up every time to justify the price hike. So we have trouble analyzing the situation in depth.

With the hearings all held, and all the testimony heard, we thought the government might have been encouraged to correct the law to allow an in-depth investigation. This has not been possible so far. The commissioner himself acknowledges that the Competition Act lacks backbone. We are in the process of examining amendments to that act which the government has proposed.

A Liberal committee even addressed the matter in 1998 and admitted the lack of competition in the oil and gas industry. It stated:

However, the committee also believes that the wave of mergers in the past ten years has made the industry overly concentrated, and the normal interplay of supply and demand cannot explain the wide price fluctuations.

A number of recommendations made by the Standing Committee on Industry, Science and Technology were not heeded by the government. They were intended to provide us with an amended act that would bring about certain improvements. A number of other recommendations are still waiting in the wings for the action they deserve.

For example, there was a recommendation for "questions of law to be considered by all the members sitting in a proceeding." That was one of the recommendations. There was also a group, numbers 12 through 15 which stated:

That the Government of Canada amend the Competition Act to create a two-track approach for agreements between competitors. The first track would retain the conspiracy provision...for agreements that are strictly devised to restrict competition.... The second track would deal with any other type of agreement between competitors in which restrictions on competition are ancillary to the agreement's main or broader purpose.

Hon. members can see that this is a major hang-up, a place should be changed. It would have given the Competition Bureau more leeway to properly deal with everything relating to conspiracies that

might not be so much a criminal matter, yet create complications for proper application of the principle of competition.

So, we have this type of recommendations. The government did not follow through on several other ones. The government may say that the bill before us today improves somewhat the current act, however it could have done a lot more. It is hard to understand how the government can say that it took the time to analyze the work of the Standing Committee on Industry, Science and Technology advocating an indepth rework of the bill. Today we only have some of the amendments we would have expected to put more teeth into the Competition Act and give the Competition Bureau the tools it needs to investigate and give consumers what they want.

While markets across the world are evolving, it would be very important to provide the Canadian Competition Act with relevant tools. For instance, last year in California the oil sector was taken to court for alleged price fixing. The current act does not give the Commissioner of Competition the means to be present in court and follow the case closely to see whether it might have any implication in Canada.

There is a whole series of examples showing that the government bill will indeed improve the act, but not to the extent it should. The Bloc Québécois will support sending the bill to committee. In committee, Bloc members will push not only for the bill to be improved in its clauses but also to broaden the scope of the reform. We need a bill that truly reflects the reality of the market place in this 21st century.

● (1030)

[*English*]

Mrs. Bev Desjarlais (Churchill, NDP): Mr. Speaker, I want to acknowledge my colleague from Windsor West who is a bit under the weather today and wanted the opportunity to speak to this piece of legislation that he has been working on for some time now. I want to acknowledge the work that he has done.

Discussions on the Competition Act have been going on for some time now. When I was on the industry committee, we spent a fair amount of time on the Competition Act and issues relating to competition, lobbying the industry, and a whole number of areas. It is interesting to note that the one particular matter within Bill C-19 that is being put back to the way it was is the issue relating to airlines.

I was the transportation critic at the time when the Minister of Transport requested the removal of the airline industry from the Competition Act. It was a terrible period of time. I was not happy with the route that he took. I was not happy with the fact that airlines were being removed from the Competition Act. I was not happy with the fact that the competition commissioner would be the person setting out the deal that would merge Canadian Airlines and Air Canada. As a result, there were ongoing disputes within the industry among workers and others. I was not happy with that process.

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Bill C-19 is the product of several years of consultation. The industry committee released a report in 2002 on modernizing our competition regime. The ministry reviewed the report's recommendations and limited public dialogue was initiated through a public policy forum. The Competition Act is intended as a framework law that would apply to all businesses in Canada. It has civil and criminal law provisions. Its objective is to protect the process of competition and not individual competitors.

The Competition Bureau enforces and administers the act through the commissioner and is an independent law enforcement organization. The purpose of the bureau is to attempt to ensure that Canada has a competitive marketplace and that all Canadians enjoy the benefits of competitive pricing, product choice and quality service.

The Parliamentary Secretary to the Minister of Industry has indicated that Bill C-19 is essentially a bill that would not accomplish all that it could. Many other changes were recommended in the 2002 parliamentary committee report that are not dealt with in the bill. The fact that the bill falls short of its potential is no reason to oppose it, but we are disappointed that over two years have passed and this is the best that the government has come up with.

As is apparent now, my colleagues in the NDP will be supporting the bill because it does provide several minor changes to the Competition Act that we believe are necessary. It does provide to some extent the Competition Bureau and the commissioner with more teeth to protect Canadians' interests.

The bill, as proposed, does a few small but important new things. It would provide the competition commissioner with the ability to seek restitution for consumer loss in case of false or misleading representation, for example, false advertising offers, those types of issues.

The bill introduces general administration monetary penalties for abuse of dominance in the industry. It would remove the airline specific provisions that were part of the act as a result of the Canadian Airlines and Air Canada merger thus returning the act to a law of general application. The legislation would increase the level of administrative monetary policies for deceptive marketing practices and decriminalize provisions in the act relating to pricing.

I want to mention the workings of the Competition Bureau and the struggle it is under in trying to do its job. The Competition Bureau is one of the smaller sectors in Industry Canada but has a very large mandate. At recent count, it employs just under 400 employees with an operating budget of \$43.7 million in this fiscal year. Employees of the bureau and the commissioner are to be commended for their excellent work in dealing with record numbers of complaints this year. Consumer groups are confident and appreciative of the work that the new commissioner has been doing and we share their opinion. However, we have concerns as to whether the bureau will receive sufficient resources to do the job it is required to do with the new mandate assigned to it by the proposed legislation.

Officials at the bureau were upfront in their briefings. They have received budgetary relief to the end of 2006 to perform their duties, but additional responsibilities such as the administration of the new penalties as a result of decriminalization will cost money. If the government takes the issue of protecting consumers through a

competition watchdog like the bureau seriously, it must make serious commitments to the bureau and provide adequate, sustained, long term funding.

• (1035)

I would like to mention a little bit in regard to consumer protection versus competition protection. Much of the language around the proposed bill is how these changes would benefit consumers. Most consumer groups agree that these are good changes. During the briefing on the bill officials from the competition bureau identified the problem of funding for consumer groups and the fact that it was difficult to do a good job protecting consumers' interests.

The Office of Consumer Affairs at Industry Canada is minute compared to even the relatively small competition bureau. The Office of Consumer Affairs employs only 23 people at this time with a budget of \$2.6 million annually, where \$1.7 million is for contributions to consumer interest organizations.

The federal government used to take protecting consumers' interests much more seriously. Prior to 1993 there was a department of consumer affairs. The department was folded up in government restructuring in the nineties. The department was reduced to a branch of Industry Canada in 1993 and, before the reduction in status, the federal government allocated \$68 million and 968 person years to the bureau.

The government has plenty of opportunities to protect Canadian consumers from things like credit card gouging, giving full protection to the food we eat, endless telemarketing calls, protecting pensions and investors, and price hikes on cable and telephone bills. The competition bureau does not always have the mandate to follow up on this and even if it does, consumers should have access to one stop shopping, dealing with the issue of protecting their interests.

We look forward to the opportunity to discuss the bill further in committee. Where changes can be made to strengthen the bill we certainly intend to do so.

• (1040)

Mr. Lynn Myers (Kitchener—Wilmot—Wellesley—Woolwich, Lib.): Mr. Speaker, I wish to speak today about some of the amendments to the Competition Act proposed in Bill C-19 currently before this Parliament.

In particular, I would like to discuss two aspects of the bill. The first is the amendment providing for an administrative monetary penalty for companies that have been found to be abusing their dominant market position. The second removes criminal provisions regarding predatory pricing, price discrimination, geographic price discrimination and promotional allowances.

Before addressing the specifics, I would like to review some of the larger objectives behind these changes. The goal of the Competition Act is to establish business conduct rules that are fair and transparent. Such a system does not just discourage unfair competition, it also supports and encourages those who want to compete honestly. The honest players can see what is required of them and recognize that the rules apply to everyone. In such an environment there is an undeniable and positive incentive to play fairly.

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That, in turn, gives us balance. Today there is a growing consensus that a fair market benefits everyone. Businesses recognize that they are consumers too and we consumers know that businesses are essential to creating the wealth we spend. Consumers also know that competition gives us better services and products for our money.

Canada is fortunate to have an effective and strong Competition Act. It got that way because it has been improved cautiously and incrementally over the years. The two amendments I recommend today are good examples of this kind of approach. I am equally certain that we can make other improvements, and we will do so in the future, but we will only do that once they have been subjected to the same careful review and broad consultations, as were the amendments we have before us today.

The first and most important of the two amendments I will discuss provides for an administrative monetary penalty, or AMP, when companies have abused their dominant market position. The general thrust here is simple. The government is amending the act to give more force to civil provisions in this area.

Abuse of dominant position is a dangerous occurrence because a company behaving in this manner can seriously injure its much smaller competitors in relatively short order. In these cases it is not always enough to be able to say the abuse has taken place. The competition tribunal should also have the option of backing that up with a sanction that is proportionate to the seriousness of the abuse.

The AMP makes civil actions against such players more effective. As a consequence, it encourages them to refrain from acting unfairly in the first place.

At the same time, a civil action is much more flexible than a criminal prosecution. The burden of proof attached to a civil action is lower than that required for criminal actions. They are also less disruptive than criminal actions. Attaching a sanction to this option encourages companies to ensure they are complying with the act rather than depending on government action to force them into line.

AMPs are a proven approach as well. A number of other advanced industrial nations have used AMPs to very good effect. These proposed amendments would bring Canada's Competition Act into line with the approaches used by our major trading partners.

It is no secret that big businesses do not unreservedly welcome sanctions. Companies understand that, at minimum, sanctions necessarily have some impact on honest dealers as well as dishonest ones. However firms also raise a legitimate concern that overly intrusive rules can have a chilling effect on otherwise legitimate competitive behaviour. The government shares these concerns and has taken them into consideration.

As is the case with all proposed amendments to the Competition Act, the AMP is being instituted in a way that will minimize its impact on the market as a whole. The AMPs are targeting abuse of dominance cases where the negative impact of the behaviour on the economy is potentially the most significant. I would also remind the House that the competition bureau will continue to publicize guidelines on the act's provisions so that companies know what they have to do to comply.

I will now discuss a second issue covered by the proposed amendments, that being the decriminalization of provisions regarding various pricing practices. As I do so, I would like to point out that the two amendments are not unrelated. The government is proposing to eliminate certain criminal provisions in part because the AMP I have just been discussing can be used to deal with the same practices in a less onerous but more effective way. These amendments would repeal the criminal provisions regarding price discrimination, geographic price discrimination, predatory pricing and promotional allowances. This type of behaviour would continue to be dealt with under the civil abuse of dominance provisions with AMPs.

• (1045)

The simple truth is that there have been few cases in which these provisions have been used. The standard of proof for criminal prosecution is high and, of course, it should be. In addition, for the purposes of protecting small businesses from unscrupulous competitors, criminal proceedings have serious limitations. The criminal provisions are a difficult to use instrument and, at the same time, a blunt one.

The proposed AMP gives competitors an incentive to act in accordance with the act and gives the commissioner a more flexible means to pursue dominant competitors that are engaged in pricing behaviours that cause injury to competition.

For all those reasons, and by way of conclusion, I want to advise the House that Bill C-19 is a good bill and should proceed with the concurrence of all members. I would hope that there would be general support in the House for this very important initiative.

[*Translation*]

Mr. Marc Boulianne (Mégantic—L'Érable, BQ): Mr. Speaker, I am pleased to rise this morning to speak to Bill C-19, an Act to amend the Competition Act and to make consequential amendments to other Acts. But first, I would like to congratulate my hon. colleague from Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, who summarized earlier the position of the Bloc by highlighting the flaws and omissions of the bill as well as the improvements that could be made. It is important to understand what is going on.

Before moving on to the subject at hand, that is, the bill before the House, I would like to talk about the principle of competition itself. Competition is not a bad thing. Competition is about a free market based on the free movement of goods and services. Our whole economic system relies on the classic economic theory of supply and demand. Therefore, for our system to work well, businesses must be free to produce the goods they want to produce. And they must also be free to sell their goods under various conditions, and consumers must be free to accept the goods. Of course, that leads to competition among businesses fighting for customers.

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The problem in our market economy is not competition but rather the cases of abuse of competition as clearly defined in the bill. It deals with cases of abuse of dominant position and deceptive marketing cases. To smother or get rid of a competitor, businesses have no qualms about relying on deceptive marketing practices. We see it every day. Advertising is all about unfair competition.

There is also price discrimination. It is common practice that competition can still be distorted through pricing. There is also dishonest promotion. We are submerged by it every day. Moreover, geographic discrimination is such that competition hampers the free circulation of goods and services. The consequences of a unfair competition can surely be dramatic for a business and for clients, but also for a region. Every time I have an opportunity to talk about it, I obviously talk about my region, the asbestos region. Our resource, chrysotile asbestos, has been suffering for several years from unfair competition on the part of businesses which have replacement products. All means are used. There are international conspiracies to annihilate an economy and a region through unfair costs, which have become commonplace. In a system where competition is distorted, not only companies, but regions can be destroyed.

A careful look at the wording of Bill C-19, reveals, as my colleague was mentioning, that improvements have been made and that some very positive things are to be found in the bill. Besides, sanctions are in place to compensate people who have been misled. I think usual and a good thing in the proposed legislation. There are even sanctions including an injunction to block the distribution of some goods.

Let us look more closely at the summary of the bill. It amends the Competition Act, first providing authority for the commissioner of competition to seek restitution—as I said earlier—for consumer loss resulting from false or misleading representations.

That is obviously the minimum a bill would need to be effective. If there are no sanctions, why bother having a bill? Here, too, it would increase the level of administrative monetary penalties. I think that will discourage quite a few. These administrative monetary penalties will be imposed for deceptive marketing practices. Thus, there is considerable work to be done on this.

A general provision would have to be put in place to introduce administrative sanctions for abuse of dominant position in any industry. This is something we see every day, very regularly. There are cases of dominance in the industry, which interfere with the market economy and competition and which, as I mentioned, have disastrous consequences not only for clients, consumers and businesses, but also for regions.

• (1050)

There is also a clause that removes the airline-specific provisions from the act to return it to a law of general application. The bill also makes other amendments.

As I said, this is the minimum that should be found in a bill that aims to fight unfair competition, dishonest practices and false advertising. Unfortunately, Bill C-19 does not go far enough, as my colleague has said. It is incomplete.

A standing committee was responsible for making recommendations to improve it, to make it a complete bill. As my colleague

mentioned, many additions were not included in the bill, and they are still not there today. Thus, the standing committee did not receive a positive response to its 29 recommendations.

There are at least three recommendations I want to stress. The Bloc Québécois has identified them, and in our opinion, they not only should be part of this bill, they could improve it and would be remarkably effective.

For example, we can look at recommendation No. 9, which would permit a party to a contested proceeding to refer to the Competition Tribunal a question of law, jurisdiction, practice or procedure in relation to the application or interpretation of these parts.

This is important. A party, be it a merchant or someone else, who feels that it has been wronged and that justice has not been done will eventually be able to go to the tribunal. We know that today, in the current context, unless the bill is amended, only the commissioner can bring such matters before the tribunal, or else both parties can do so, provided they are in agreement.

I think this should be included in the bill, so that no party is wronged and that it is possible and easy for either party to be heard.

There are other recommendations. My colleague referred to them earlier. I would like to focus on the one dealing with creating a two-track approach to offences, here again promoting greater efficiency. The legislation, on the one hand, deals with conspiracy and, on the other hand, with any other type of agreement with respect, for instance, to restrictions to competition. This absolutely must be well defined. Also, subject matters, purposes and proceedings all have to be clearly identified, if any positive results are to be achieved.

On the subject of conspiracy, I gave an example earlier. Conspiracies are not always obvious. They can be very difficult to prove because, very often, things are done indirectly that could not be done directly. Disinformation is used—with abandon. There are not necessarily any identifiable practices in place, making conspiracy very difficult to prove.

The consequences are obvious, however. Businesses suffer, as do their clients, consumers and the regions also, as I indicated earlier. In my opinion, and it is also the opinion of the Bloc Québécois, proper identification of conspiracies is necessary.

Another recommendation is to permit questions of law to be considered by all the members sitting in a proceeding, whereas only a judge can do so at present.

If I may make a final comment, nothing in this bill indicates that these offences will remain illegal after this legislation is passed.

Under the circumstances, as my hon. colleague said, the Bloc Québécois figures that important additions ought to be made to the bill. Therefore, the Bloc Québécois is in favour of referring the bill to committee but is reserving judgment on the substance of the bill.

Government Orders

•(1055)

Mr. Andy Savoy (Tobique—Mactaquac, Lib.): Mr. Speaker, I would like to examine today the changes proposed to the Competition Act that are now before Parliament.

These changes reinforce the Competition Act. For almost 20 years, this act has been an excellent tool supporting an equitable, efficient and competitive market in Canada. The changes proposed in Bill C-19 take into account today's circumstances as well as comments made by consumers, businesses and parliamentarians, including the House Standing Committee on Industry. Quite simply, these changes will make this law better.

A certain amount of aspects of this legislation deserve our attention. Today, however, I will address only one of them: the proposal to repeal the provisions of the act which concern specifically the airlines. I am convinced that these changes are appropriate at this point in time and that they will improve this important instrument of economic legislation.

The changes apply to four sections of the act, which that apply specifically to the Canadian of domestic airline industry.

First, the changes eliminate the definitions of anticompetitive acts pertaining to air transport.

Secondly, the changes eliminate a series of provisions that allowed travel agents to collectively negotiate commissions with the dominant airline without the risk of being prosecuted under the provisions regarding conspiracies and price fixing.

Third, the amendments eliminate a provision allowing the Commissioner of Competition to issue cease and desist orders during an investigation on the possible abuse of dominant position in the airline industry.

Fourth, the amendments eliminate the administrative monetary penalties, or AMPs, that may be imposed on an air carrier that uses its dominant position abusively, since the proposed changes include AMPs that apply generally to all industries.

In order to understand why the government is introducing these amendments now, we must remember the conditions that initially led to the enactment of the provisions aimed specifically at the air sector.

These provisions were adopted in the wake of a series of major and unusual changes in the air transport's domestic market. First, the merging of Air Canada and Canadian International resulted in the creation of a very dominant company that generated 90% of all domestic revenues, while handling over 80% of domestic air traffic.

Later, the market was deeply affected by the September 11 terrorist attacks. All over the world, the air transport industry suffered major financial losses, because many people were afraid to fly.

That slowdown accelerated the upheaval that had already begun in the Canadian air transport industry. Canada 3000 declared bankruptcy, leaving WestJet as Air Canada's sole domestic competitor. Many experts were of the opinion that the business environment at the time was too great an obstacle to allow the establishment of new domestic discount airlines. It was felt that this was the case not only in Canada, but also in other major markets.

Now, the situation is a very different one. First, competition in domestic air transport has significantly improved. The power of dominant carriers to use their market position was offset by the efficiency and low overhead costs of discount airlines. Moreover, Air Canada's share of the market is no longer as dominant as it was at one time. In fact, in western Canada, Air Canada accounts for less than half of all domestic flights. The eastern triangle of Toronto, Ottawa and Montreal is now one of the most competitive markets in Canada.

In light of this change of circumstances, the government believes that it is no longer necessary that the Competition Act specifically target the air transport industry. The act can now revert back to being a piece of legislation that applies generally to all types of industries, as recommended by the Standing Committee on Industry. However, as was pointed out by some parliamentarians, eliminating these provisions is not enough. We must also provide incentives that will have a real deterrent effect on anti-competitive practices.

•(1100)

AMPs in respect of cases of abuse of dominant position were and remain a good idea. So much so, that it seems logical to apply them not only to the airline industry but to all industries. This is precisely what the new legislation would do.

The role of AMPs is to prevent a company from convincing the public or its shareholders that it is competing fairly when, in fact, it is not. This logic applies to dominant companies in all industries. This is why, under this bill, AMPs would apply across the board.

Along the same line, it is logical to repeal anti-competitive conduct definitions relating specifically to airline industry. Airline industry conduct will be treated like the conduct of any other industry.

Specific provisions applying to relations between a dominant carrier and travel agencies have become obsolete by force of circumstances. Travel agencies now earn their income from service fees they charge to their customers, rather than from commissions on the sale of tickets. Also, customers are increasingly using the Internet to buy their tickets directly from airlines.

Finally, provisions relating to the power of the Commissioner of Competitions to issue prohibition orders under Section 104.1 have been successfully challenged by Air Canada and have been rendered inoperative by a court decision. Therefore we have to repeal those provisions.

In summary, what do we have on the table? Under this bill, the legislation would become an act of general application providing for new incentives. It repeals two aspects of the act which are no longer necessary. It also repeals another provision which has been rendered ineffective by a court challenge.

Government Orders

If we keep in mind that the abrogation of the provisions relating specifically to the airline industry is accompanied by a general application of AMPs, the choice is very clear. We can update the provisions relating to the airline industry while strengthening the whole act in a more general way. Besides, my colleagues will have the opportunity to talk about other legislative improvements introduced in the House which will allow for a balanced approach where stakeholders and parliamentarians interests are concerned.

Finally, I ask the House to pass this bill quickly.

• (1105)

[*English*]

Mr. James Rajotte (Edmonton—Leduc, CPC): Mr. Speaker, I am pleased to speak today on Bill C-19, an act to amend the Competition Act and other related acts.

The Competition Act is a very important one. It is what we consider to be framework legislation. The purpose of framework legislation, such as the Competition Act or the Copyright Act, is to clearly outline how the government is will facilitate healthy relationships between businesses, consumers and government and thus allow the economy to allocate resources more efficiently. Any amendments to framework legislation merit a discussion of policy, and that is where I would like to begin.

In the purest economic sense, the purpose of the Competition Act is to strike down forces that restrain competition and inhibit the market from generating wealth. The act also serves as a regulator to correct areas where there is too much of a monopoly.

With respect to competition policy, the Conservative Party of Canada is guided by a belief that the best guarantors are the prosperity and well-being of the people of Canada through: first, the freedom of individual Canadians to pursue their enlightened and legitimate self-interest within a competitive economy; second, the freedom of individual Canadians to enjoy the fruits of their labour to the greatest possible extent and the right to own property; and, third, a belief that a responsible government must be fiscally prudent and should be limited to those responsibilities which cannot be discharged reasonably by the individual or by others.

The Conservative Party and its founding parties have consistently put forth the view that Canadian consumers and producers are best served not by a tribunal or by government intervention in the marketplace but by genuine business to business competition. The focus of competition policy therefore should be not to protect individuals or individual companies but to facilitate competition itself.

The standing committee on industry in 2002 spent many enjoyable hours discussing competition policy during the last Parliament. I am quite sure that the committee's future studies and report on the bill will be excellent as well.

On April 23, 2002, the committee tabled in the House a report entitled, "A Plan to Modernize Canada's Competition Regime". The report was the culmination of a great deal of study by the committee, which included extensive hearings over a number of months. Also, during the 37th Parliament, the committee studied a private member's bill that would have amended the Competition Act to clarify the competition tribunal's powers to make or not an order in

the case of a merger when gains and efficiency were expected or when the merger would create or strengthen a dominant market position.

We should recognize the hard work of various members of the House in terms of competition policy, even though we have not always agreed. For instance, I often disagree with the member for Pickering—Scarborough East on where he would go with competition policy, but I think his efforts need to be recognized. While his bill was passed by the House of Commons, it was not passed by the Senate.

I would appreciate knowing, when we study the bill, what if any plans the government has for addressing the issues raised in the bill of the member opposite and whether it will bring forward the bill that was passed in the last Parliament.

In spite of all the work that the House has completed in studying the Competition Act, it is a very complicated policy area. The government has recognized this fact, and I compliment it on its commitment to public consultations in the preparation of the bill.

With respect to the details of Bill C-19, the Conservative Party of Canada will be in favour of sending it to committee before second reading. It is an extremely technical piece of legislation that deserves the full attention of the standing committee and of legal experts in the field. However, at this time I want to clearly state that we do have a number of problems and questions related to the legislation, and I will outline them. It is my hope that we would be able to address these issues effectively in committee.

I would like to start by summarizing the legislation before us today.

Bill C-19 would provide restitution for consumers affected by false or misleading representations. The amendment would empower the Federal Court to order advertisers who contravene the false or misleading representation provisions of the act to provide restitution to consumers in an amount that would not exceed the amount paid for the products on which they were misrepresented.

The bill would create a new general administrative monetary penalty provision, a fine for what is called abusive dominance. The maximum penalty under such cases would be \$10 million with \$15 million for each subsequent order. The penalties would be paid to the consolidated revenue fund.

Furthermore, Bill C-19 would remove the airline specific provisions in the act, something that the previous member spoke on at length, with the introduction of a general fine to deal with cases of abusive dominance. Airline specific provisions are no longer necessary.

The bill would also increase the total amount of the fines applied to deceptive marketing practices to a maximum of \$750,000 for individuals and \$1 million for each subsequent order and \$10 million for corporations and \$15 million for each subsequent order.

Government Orders

•(1110)

Bill C-19 would also decriminalize the pricing provisions. This type of behaviour would continue to be dealt with under the civil abuse of dominance provisions with the addition of fines.

I would like to offer a critique at this point of the legislation. The legislation does act upon some of the recommendations of the 2002 report by the Standing Committee on Industry, Science and Technology, which was supported by both the Canadian Alliance and the Progressive Conservative Parties at the time, although we did offer some helpful dissenting reports. The report recommended that the government repeal all special provisions in the act regarding the airline industry so that the act applied generally to all industries and not specifically to the airline industry. We support that provision.

Interestingly, the government has changed its position on this issue. The initial government response to the standing committee's recommendations stated, "The government believes that the Competition Act currently needs specific airline provisions." Now the government has changed its position. I guess we should commend it for recognizing that the committee was right in its recommendation.

My understanding is that the airline provisions were also a part of the Canada Transportation Act. I would like to ensure that the amendments presented in Bill C-19 would eliminate the airline provisions as specific provisions from all government legislation.

In addition, the standing committee proposed allowing the Competition Tribunal to impose fines involving a number of sections in the act, including abuse of dominance. The government has acted in part on this recommendation.

The most contentious issue is the large fines for abuse of dominance position. This section requires further clarification because the bill does not clearly define all of the activities that might be construed as abuse. In addition, these fines could total more than any criminal fine in the act, raising the question of why these civil provisions would be more punitive than criminal provisions in the bill.

Finally, we need to ensure that these fines will not have a negative effect on investment in Canada generally. That goes back to what I was saying earlier. We have to ensure framework legislation, such as the Competition Act. Its purpose is to facilitate competition; it is not to protect individuals or individual companies.

In conclusion, we have seen repeated reports in the news of how the Competition Bureau is struggling to deliver its services more effectively. We are asking it to do more and more, but the resources we are giving it has stayed constant or in some cases has decreased.

The former commissioner of competition, Konrad von Finckenstein, stated publicly that the bureau needed more money if we were to give it more functions. On June 21, 2003 he stated that he needed "\$11 million more in his budget to come up to the minimal acceptable level of funding". He went on to say that the bureau's money shortage was hurting the country's international reputation.

We believe he was right. The *Global Competition Review*, a journal in the United Kingdom specializing in anti-trust policy, has recently accused the Canadian Competition Bureau of being less

efficient than many industrialized nations, including the U.S., Germany, Australia and the European Union.

The OECD has also criticized the Competition Bureau. In 2001 the OECD issued a report that stated:

The desire to retain Canadian control in some sectors (rather than allow foreign investment) limits what competition policy can do to remedy problems, which leads to tolerating monopolies subject only to ad hoc measures to regulate them.

The OECD also stated that the bureau was underfunded as well.

To reiterate, we are best served by genuine business to business competition. The Conservative Party will continue to ensure that the Competition Act and the tribunal be guided by that principle rather than by the desire of some Liberal members to turn the act and the tribunal into an instrument of undue government interference in the marketplace.

Direct government interference in the economy by the Liberal Party has resulted in reduced competition and a weakened competitive advantage. In 1998 Canada was ranked 6th in competitiveness by the World Economic Forum. In 2004 it stands 15th.

The Conservative Party is pleased the government has begun to review essential economic legislation such as the Competition Act. However, there are many recommendations from the committee, on which I served, which have not been acted upon.

Therefore, the Conservative Party calls upon the government to continue to review acts, such as the Competition Act, to ensure greater efficiency in the marketplace, but to be guided in the first place by a view that we need genuine business to business competition, and the act should do that.

•(1115)

Mr. Brent St. Denis (Algoma—Manitoulin—Kapusksing, Lib.): Mr. Speaker, I am pleased to participate in this debate on Bill C-19. As a member of the industry committee, I look forward to studying this bill in greater detail, hopefully as soon as Thursday if all colleagues are agreeable.

I listened carefully to the previous speaker, a member for whom I have great respect. I am sure the points he has raised will get good attention at the committee. We appreciate his bringing those points forward.

In addressing Bill C-19, a bill which proposes some important amendments to the act, I would like to focus on two particular provisions, both of which deal with deceptive advertising.

The first amendment would increase the administrative monetary penalties, or AMPs, that can be imposed when the courts find that a company's false advertising has had a significant negative impact on the economy. The second amendment would allow for restitution when false or misleading claims harm consumers in a manner that can be objectively quantified.

Government Orders

These provisions are improvements to the existing aspects of the act. AMPs, administrative monetary penalties, for false and misleading advertising already exist. The government is simply proposing to increase the amounts. Similarly, the addition of restitution is to increase the options available to courts to help consumers who have suffered losses because of deceptive claims.

It is important to remember as we consider these proposed amendments that catching and punishing flagrant violators of the Competition Act is only a very small part of what effective competition legislation allows the government to do. By way of analogy, we might think of traffic legislation. The most important function of a highway traffic act is to make it clear and obvious to everyone what acceptable driving practices are to give us all an incentive to follow those rules. Catching violators is pointless if the law does not provide that incentive.

Canada's Competition Act is effective because the major thrust of the act is to encourage voluntary compliance. This is also true of the amendments before us today. The effectiveness of the act is backed up by the Competition Bureau's work to ensure that Canadian business people know what is required of them.

The proposed amendments are refinements, not innovations. The administrative monetary penalties are already an option available under the act for some kinds of deceptive advertising as determined by the courts. Increasing the amount of penalties does of course increase the deterrent effect. That said, there is always a deterrent effect. The very fact that a company has to respond to proceedings against it has a deterrent effect.

What I would like to stress to the House is that a larger AMP emphasizes the seriousness of the deceptive behaviour. It tells people in the industry, the company's shareholders and the general public that a business has done something seriously wrong.

The second matter I would like to discuss is closely related in that it also applies to cases of deceptive advertising. It is a very unfortunate thing that few remedies under the Competition Act exist to address losses incurred by consumers affected by false and misleading advertising. This is a situation that needs to be changed.

The proposed amendment would give the courts another remedy for cases in which advertising has misled consumers into buying a product that simply does not work or meet the standards the advertiser proposes. This restitution, however, also has the ability to send a powerful message. It is only in a limited number of cases that deceptive advertising can be demonstrated to have had a measurable impact and that a case can be made for restitution. But when that happens, the message sent will be unmistakable.

I would remind the House that it is not enough to say caveat emptor, or buyer beware, when responding to some kinds of deceptive advertising. It is one thing when a consumer does not realistically assess a product. It is quite another when a company makes false claims about a product in its advertising.

Advertising is not just a way for a company to pitch and promote a product. Advertising is often a primary source of information about a product. It is not objective information. Vendors are trying to make the best case for their products, but the majority of advertisers

manage to do this without misrepresentation. If this were not the case, nobody would pay attention to advertising.

Honest advertisers will naturally defend their freedom to promote their products aggressively, and they should, but this freedom needs to be balanced. Honest advertisers will recognize that some kinds of deceptive advertising call the legitimacy of all advertising into question when not actively discouraged.

Some critics will suggest that there is an equally valid fear on the other side of the scale: that we have to be careful not to create a chill effect that would frighten companies away from perfectly acceptable advertising practices. Is that fear legitimate? It most certainly is. That is precisely why the government has proceeded so carefully here.

• (1120)

Following the industry committee's review of the Competition Act, the government studied the issues extensively and consulted widely. The changes proposed here are not far-reaching or drastic. They are careful but effective steps in the direction the government has established it should be moving.

I will sum up as follows. Yes, it is true that the majority of advertisers intends no mischief, but it is also true that the Competition Bureau hears too many complaints from consumers who have lost money because the products they have purchased simply do not work as advertised. The message the government wants to send about some kinds of deceptive advertising is more than "do not do this". The message the government truly wants to send is "do not even think about doing this".

The amendments we have before us today are a sensible refinement of the legislation that exists to send just that message. I encourage my fellow members to support Bill C-19. As a member of the industry committee, I certainly look forward to dealing with the bill, with my colleagues, as soon as the House is ready.

Mr. Brian Masse (Windsor West, NDP): Mr. Speaker, it is a pleasure to rise today to speak to Bill C-19, amendments to the Competition Act. I want to preface my comments by saying that the issue we are dealing with has to do with housekeeping. There are some important changes to the act. There have been additions that I believe will benefit consumers. We will have questions at committee and the opportunity to discuss them, but overall the bill fails to address issues that were discussed in 2002 with quite a degree of public consultation.

It troubles me that we have seen a series of bills like this coming through the House already, but we want to see a greater progression of legislation and we will have to see if it carries on past that. I hope that at committee we will address some of the deeper issues.

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In this bill, there is an addition of additional monetary penalties for abuses of dominance and the effects on consumers in the market. I think that is a good step. Having some type of penalty is very important, because some of the practices that are affecting consumers right now are very difficult for people to deal with, especially when they lead to the frustration that nothing will happen at the end of the day. We do not want to be in a situation where we are over-penalizing or reducing the ability of the market to be creative. There needs to be an opportunity for people to advertise and push their products in the market. At the same time, there has to be accountability.

One of the things I am concerned about, and about which I have heard of a lot of frustration from my constituents, is related to the preying on seniors. I think we should be in the forefront of that particular issue because we have an aging population and there are more opportunities for those with less scrupulous practices to prey upon seniors.

The bill would act as a framework that applies to all businesses in Canada. It now has civil and criminal law provisions, which are being discussed. The objective is to protect competition, not individual competitors. Once again, that is the way in which the bill should be moved forward. Everyone agrees on that, which is very important.

The big issue is the resources from the bureau. We know the government scaled back the bureau significantly. In the past, the government took the Competition Bureau much more seriously. Back in 1993 there was a department of consumer affairs. The department was folded into government restructuring in the 1990s and has been part of Industry Canada since then, with its budget and staffing reduced. It is very important that the staffing and the tools are available so that we can look at competition issues.

One particular example is the fact that unions, organizations and a number of interest groups brought up the issue of evergreening to the Competition Bureau. It did not have the appropriate tools to deal with the situation and had to pass it back to the government. It blocked a situation where we wanted to have an anti-competitive issue looked at because it was affecting the pricing of drugs. The Supreme Court of Canada has called the current rules draconian, while at the same time the Competition Bureau could not deal with it because it did not have the appropriate tools.

Many of the changes to the bill will be minimal, as I have noted. It is important to once again focus on the fact that we do want to have the resources available when people have complaints.

Another big issue that has been raised is the labelling of foods, an issue on which we believe the Competition Bureau should have more flexibility. Once again, consumers want to have choice. That is what it is about. They want to have the opportunity to see what is in the foods and the services they are purchasing with their money. That requires rules and regulations. If there is misguided advertising related to those products, it can affect human health and people do not get a chance to actually make the choices they want to with their money.

I will wind up quickly, because I do not believe the bill deserves much more debate at this time as it will be referred to committee and is generally just housekeeping at the moment.

We will be asking significant questions about the AMPs, the fines and such, and whether or not they will be tax deductible. A good example is that those who are fined for an environmental infraction in this country after going through a court process get back 50% of the fine as a tax write-off. It is a business related expense. I want to make sure that if there are to be fines against competitive practices, perpetrators will not be able to write off half of those fines as a business related expense. That is absolute nonsense. It is not just about the consumer being ripped off; it is about those industries and business that are competing fairly but are seeing their profits and their employees suffer because of that.

• (1125)

There are other issues related to that in terms of how the deductions, taxing and all those things will be related to the bill. I am looking forward to asking those questions. Hopefully we will see a further review of this act so that we will have significant changes, as opposed to this housekeeping that is happening.

Mr. Francis Scarpaleggia (Lac-Saint-Louis, Lib.): Mr. Speaker, I am pleased to have this opportunity to speak in support of Bill C-19 which amends the Competition Act.

We know that competition is central to our economy. Our economy can only flourish if the spirit of competition is followed and if all businesses in the economic system follow the rules of the game.

Indeed, Canadians, as well as citizens in other jurisdictions, hold very dearly to the principle of accountability, not only as it applies to government institutions but as it applies to the private sector as well. Canadians want to see accountability and transparency in their dealings with private businesses as well as with governments.

Competition law is not something that Canadians think about every day. I would be prepared to grant that. However, the idea of competition is an ingrained concept among all citizens. All citizens, whether they understand the details of competition law, know when they are being fairly treated in the marketplace. Competition policy and law is about ensuring fair treatment. Citizens may not know all the arcane details about competition law, but they know when they are being fairly treated and when they are not being fairly treated.

Bill C-19 is framework legislation that is part of a continuing process to ensure that the Competition Act and the bureau remain effective in a rapidly changing global economy. There have been many international comparisons of competition bureaus and competition regimes across international jurisdictions. I lament the fact that our own competition regime sometimes has come up a bit lacking. I believe this bill will help to rectify that problem.

Globalization, deregulation and the growth of the Internet have profoundly affected our competition regime. We must ensure that our legislation keeps pace with these changes. Much of what is in Bill C-19 began with the recommendations of the Standing Committee on Industry, Science and Technology and its 2002 report entitled "The Plan to Modernize Canada's Competition Regime".

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The committee suggested a wholesale reform of Canada's competition policy, including strengthening the act's civil provisions, repealing the criminal pricing provisions, and returning the act to a law of general application by repealing the airline specific provisions which had been inserted not long ago as a result of a particular situation that existed in the airline industry two or three years ago. The committee recommended that we repeal the airline specific provisions and add them to a general regime with sufficient deterrence to achieve compliance. Bill C-19 does that and more.

Let me begin with the proposal for restitution. Bill C-19 would provide a restitution remedy for consumers affected by false or misleading advertisements. As a consumer I welcome this change and think it is about time Canadians had access to remedies similar to those of their American counterparts.

All Canadians are consumers; all of us as members of Parliament are consumers. We often have encounters with retailers or businesses where we feel we have not been properly treated or we feel that the service we have been given has not really justified the price we are paying for a particular product. For example, we could go to a retail store and, as happened to me recently, come back and find that the wrong product had been put in the packaging. Then we have to make the return trip to the outlet where we are given the right product. However, there is no restitution. There is no sense that we have been compensated for the loss of our time.

I believe that Bill C-19, in a parallel fashion, by instituting remedies when consumers have been the victims of false advertising, really gives consumers the sense of satisfaction that businesses are responding to them and that the economy is functioning properly.

There can be all the competition law that we want, but if consumers do not feel that at the end of the day there is some kind of restitution, then they really lose faith in the system. I think this is one of the important aspects of this bill and we must recognize it.

• (1130)

We are talking about the administrative monetary penalties, AMPs. In the case, for example, of misleading advertising but also in cases of abuse of dominance, it is important to realize that the competition tribunal would decide the matter, not the bureau which acts as prosecutor in such cases. Oftentimes there is confusion between the tribunal and the bureau. Having a general AMP regime in place as opposed to provisions specific to one industry will ensure a level playing field among all participants in all sectors. It would also provide a significant incentive to comply with the act.

Under this new provision, the maximum amount for an AMP would be \$10 million for the first order and \$15 million for each subsequent order. Bill C-19 takes a balanced approach. It includes a list of factors for the tribunal to take into account when making an order for the payment of AMPs.

Another proposed amendment is the repeal of the airline specific provisions. These provisions are no longer necessary. The airline market is much more competitive than it was two or three years ago when these airline specific provisions were included.

• (1135)

[*Translation*]

I wish to say again that the Canadian aviation industry has changed a lot since Air Canada's merger with Canadian Airlines. For example, Air Canada's domestic market shares have drastically declined. We have also seen the creation and growth of discount carriers, like WestJet, the increasing role of the Internet as a ticket distribution vehicle and a change in the role of travel agencies. These airline specific provisions achieved their purpose.

The 2002 Standing Committee on Industry, Science and Technology's report recommended that these provisions be repealed and replaced by a general system that would provide a sufficient deterrent to ensure compliance. This is exactly what the bill is aiming to do with the introduction of the AMP, or administrative monetary penalty, system.

We already have an AMP system under the deceptive marketing practices of the Competition Act. However, the existing limits for AMPs are not considered appropriate anymore, because they are not proportional to the earnings that businesses can derive from deceptive marketing practices. Bill C-19 proposes an increase of the maximum penalties to \$750,000 for individuals. For businesses, it would be between \$10 million and \$15 million for each subsequent order.

This modification would promote compliance with the act and serve as a deterrent for deceptive marketing practices.

[*English*]

The last amendment in Bill C-19 relates to the criminal pricing provisions of the Competition Act. These pricing provisions deal with price discrimination, geographic price discrimination, predatory pricing and promotional allowances.

They are all criminal practices at the moment and must be addressed in the context of very high criminal burden of proof which of course is a problem because in many cases it is very difficult to prove that these practices have occurred. What is proposed here is to have these matters addressed under the civil regime of abuse of dominance. In other words, pricing complaints would be reviewed under the abuse of dominant position where AMPs, administrative monetary penalties, would be available. The industry committee, in its 2002 report, had recommended the repeal of the criminal pricing provisions and Bill C-19 reflects the committee's concerns.

Bill C-19 is a well thought initiative which is aimed at encouraging compliance with the Competition Act and deterring anti-competitive behaviour. It contains a balanced package of legislative amendments that address both the interests of consumers, and small and large businesses. For this reason, I would advise all members to join me in supporting this important legislation.

The Deputy Speaker: Is the House ready for the question?

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Some hon. members: Question.

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

Some hon. members: Agreed.

Some hon. members: On division.

The Deputy Speaker: Accordingly the bill stands referred to the Standing Committee on Industry, Natural Resources, Science and Technology.

(Motion agreed to and bill referred to a committee)

* * *

DEPARTMENT OF PUBLIC SAFETY AND EMERGENCY PREPAREDNESS ACT

The House proceeded to the consideration of Bill C-6, an act to establish the Department of Public Safety and Emergency Preparedness and to amend or repeal certain acts, as reported (with amendment) from the committee.

SPEAKER'S RULING

The Deputy Speaker: There is one motion in amendment standing on the notice paper for the report stage of Bill C-6. Motion No. 1 will be debated and voted upon.

[*Translation*]

I shall now put Motion No. 1 to the House.

[*English*]

MOTIONS IN AMENDMENT

Hon. Jean Lapierre (for the Deputy Prime Minister and Minister of Public Safety and Emergency Preparedness) moved:

That Bill C-6, in Clause 6, be amended by replacing lines 18 to 20 on page 2 with the following:

“performing his or her duties and functions, the Minister may”

Hon. Roy Cullen (Parliamentary Secretary to the Minister of Public Safety and Emergency Preparedness, Lib.): Mr. Speaker, I rise in the House today to speak in support of Bill C-6, an act to establish the Department of Public Safety and Emergency Preparedness and to amend or repeal certain acts.

I welcome the opportunity to speak in support of this proposed legislation which will enshrine in law the departmental structure announced last December and further solidify the working relationships that were put in place at that time. This is an important debate and one that will be watched closely by Canadians. It will show the degree to which hon. members on all sides of the House are committed to strengthening the safety and security of our citizens and our country.

If hon. members want a more strategic and effective approach to safety and security issues, if they want a more coherent and robust structure for public safety, and if they want increased collaboration within and between governments in Canada and with our allies abroad, then their only responsible choice will be to support this proposed legislation. I believe my hon. colleagues do endorse these goals. They are in the best interests of all Canadians and Bill C-6 provides the legislative framework to facilitate their achievement.

I do not need to remind the members of the House that we live in an increasingly interconnected, complex, and often dangerous world, a time when new threats have emerged and old conflicts find new expression, and a time when the responsibility to protect the security of Canadians has never been more compelling or the array of dangers more diverse.

• (1140)

[*Translation*]

Technology has given terrorists new reach and new weapons. The horrific events of September 11 and the bombings of commuter trains in Madrid in March of this year reminded us all that terrorism knows no boundaries nor respects any life.

And as one of the countries named specifically by Osama bin Laden, Canada is well aware of the dangers we face.

[*English*]

Canadians expect their government to take concrete action to show that we take these threats seriously. They expect their government to implement a comprehensive cost cutting approach that brings together governments, security and intelligence, law enforcement, and other stakeholders in the most efficient way possible.

[*Translation*]

Canadians want us to work in sync, not in silos, to coordinate more effectively and work more efficiently. Quite simply, in the face of new realities, Canadians expect us to work in new ways, across jurisdictions, across disciplines and across borders. And that is exactly what the government proposes with the bill that is before us today.

Allow me now to express appreciation for the Chair and members of the Standing Committee on Justice, Human Rights, Public Safety and Emergency Preparedness. In recent weeks, the committee held in-depth discussions on Bill C-6—discussions that enriched our appreciation for issues pertaining to public safety and emergency preparedness.

It was clear that members on all sides of the House shared a deep and abiding concern for the safety and security of this country and its citizens. Although the government did not always agree with all the comments and proposed amendments, we respected that committee members were trying to make the legislation the best it could be.

[*English*]

In that same spirit, I rise in the House today at report stage of Bill C-6 with a key amendment. The amendment concerns clause 6 which explains the functions of the minister. Specifically, the government moves to amend clause 6 by replacing lines 18 to 20 with the following wording “performing his or her duties and functions, the Minister may”. The effect of the amendment is to remove additional wording put it in a Bloc amendment at committee stage that added the words “and with due regard to the powers conferred on the provinces and territories”. The government opposes the Bloc motion to include this additional wording and we do so on several important grounds.

Government Orders

First, the public safety file is one on which there has been a strong history of cooperation between the federal government and the provinces. In fact, Bill C-6 contains a provision expressly calling for continued cooperation between the two levels of government. The Government of Canada fully understands that respect for provincial jurisdiction is a fundamental principle of our Constitution. It goes without saying that the Minister of Public Safety will continue to respect provincial jurisdiction in the exercise of her powers. Removing the wording added by the Bloc in no way affects or diminishes the minister's responsibility to respect constitutional divisions of powers and authorities. In fact, it reinforces it.

Second, clause 4(1) of Bill C-6 already sets that out. It states that:

The powers, duties and functions of the Minister extend to and include all matters over which Parliament has jurisdiction...

In fact, clause 4(1) uses the standard formula for departmental statutes to provide that the powers, duties and functions of the minister can only be exercised within the bounds of federal jurisdiction. The current wording actually undermines rather than reinforces the constitutional presumption that Parliament and provincial legislatures will act within their jurisdiction and that their respective delegates will act within the bounds of the law.

At best, the amendment is unnecessary. At worst, it introduces ambiguity. There is a presumption of statutory interpretation that words in a statute are intended to mean something. Either the amendment restates the obligation of the minister to respect the Constitution, in which case it is unnecessary, or the amendment could be read by the courts as signifying a change from the existing administrative or constitutional requirements governing the exercise of the minister's powers, which is ambiguous and unacceptable.

My final point is that the Bloc amendment sets a precedent and could call into question the interpretation of other statutes that do not contain such a provision. Removing the wording provided through the Bloc amendment will ensure the legislation conforms to accepted legislative drafting and avoids the serious concerns I have just described.

There could be no doubt that we must create a department of public safety and emergency preparedness. Our world, with its vast range of natural and man-made threats, demands a strategic and effective response to protect the safety and security of Canadians. In times of crisis, Canadians want seamless cooperation across governments that hold the safety and security of our citizens as our guiding principle and most profound responsibility.

The proposed legislation provides the necessary legal foundation for the department. It is my hope that in the interests of all Canadians it will receive the full support of all members of the House.

• (1145)

[*Translation*]

Mr. Peter MacKay (Central Nova, CPC): Mr. Speaker, I am delighted to participate in this debate. I am also pleased to see you in the chair.

[*English*]

Bill C-6 has been described many times as a bill of a housekeeping nature. For all intents and purposes, the new

department of public safety and emergency preparedness has been operating for over six months. True to form, the Liberal government has been somewhat slow in bringing about the enabling legislation, although it was very quick to begin acting in such a way and having the department empowered, which this legislation would do, has not prevented it from making a number of important and serious decisions that flow from the department itself.

The parliamentary secretary to the minister just said that although the amendment by the Bloc is redundant and harmless he argues at the same time that it would set some sort of precedent.

We in the Conservative Party do not agree with that assessment. I do not see this as precedent setting. This is a new legislation that would enable this new department. Therefore it is not setting a precedent in such a way.

I totally disagree with the idea that giving clarity to provinces and territories over their jurisdiction is somehow repugnant or will cause ambiguity. In fact, putting in writing the commitment that those provincial and territorial jurisdictions will be respected is exactly the type of thing that I believe those jurisdictions are looking for.

One only has to recall what happened as recently as yesterday where the Prime Minister reneged on a commitment to the provinces of Nova Scotia and Newfoundland to know there is a little paranoia when it comes to the government's word and commitment to regions. Therefore I strongly believe that the Bloc amendment is extremely justified.

An hon. member: Oh, oh!

Mr. Peter MacKay: We have a lot of chirping coming from the hon. member from Newfoundland because he knows full well that he broke his word to his province. His word was not consistent at all with what he said during the election to garner votes. I think the people of his home province will see that and will recognize it the next time. While the hon. member opposite continues to chirp away, we know and the people of his province know full well that his word does not really amount to a pound of salt herring.

The Conservative Party supports the legislation. We support the principle behind setting up this new department, which we did 10 years ago. Ironically, as members of the day will recall, the Liberal Party in opposition adamantly opposed bringing together a department similar to what we see in the United States and what it refers to as its homeland security.

The amendment put forward by the Conservative Party, which was accepted at the committee and forms part of the new legislation, was proposed in essence because there was ambiguity in the original legislation. It talked about entities in an open-ended way as opposed to simply listing them as they appear in other parts of the bill. Those entities include the RCMP, CSIS, the Canada Border Services Agency, the Canada Firearms Centre, which I will come back to, the Correctional Service of Canada and the National Parole Board.

Government Orders

The reason for the amendment is that we want to see those departments named in the bill so that we are able to track some of these entities, in particular, the Canada Firearms Centre. The Canada Firearms Centre was initially in the Department of Justice. It was then moved to the Solicitor General's department. It is now into this new entity called public safety and emergency preparedness.

We want to draw attention to the fact that we are keeping a very close eye, particularly on the budget and spending allotments as they pertain to the Canada Firearms Centre. We have concerns over the funding and over the way in which it is operating.

I would submit that one of the biggest frauds ever perpetrated on an unsuspecting public has occurred when it comes to the Canada Firearms Centre. What was supposed to be a \$2 million allotment has turned into an expenditure of the public purse now approaching \$2 billion. No one has yet been able to adequately set out the case that this is justified in the way of protecting the public.

We have seen effort after effort by the government, new computer systems, new software, new locations, efforts that have been made in particular on the public relations side as opposed to the effective public protection side, which is what we oppose. This is not about gun control. The Conservative Party has a long record of supporting gun control, supporting public protection, supporting the police and supporting our security forces. What this is about is a public relations exercise.

• (1150)

I want to draw attention to a recent example in which the Canada Firearms Centre announced that it intends to spend no new money, zero new funds, on gun safety education in the next year but that it plans to dish out approximately \$3 million for a public relations exercise and a communications strategy. This was confirmed by the centre itself.

Yesterday the Deputy Prime Minister said that the main goal of the program was public safety and yet the supporting documentation around the expenditures over the next year show zero money allotted for public safety. One would wonder why we want to see in writing, clearly set out in the bill, the expenditures and efforts made to continue this fiasco called the long gun registration.

We support the bill. We support the effort to share information. We support every effort to give our policing and security forces the necessary resources and support from government. What we do not support is a further shell game and act of deception on the part of the government in terms of keeping this ill-fated boondoggle of a registry alive.

I want to return to the amendment made by my colleague, the Bloc member for Marc-Aurèle-Fortin. This similarly puts forward an amendment that would put in writing within the bill that there will be no intrusion on provincial jurisdiction. The government is now trying to change back to its original form of what happened at the committee.

There was support from other parties on that particular amendment and the amendment itself is one that simply adds a degree of certainty to the protection of provincial and territorial jurisdiction. We supported that effort then and we continue to

support it. We do not believe it is binding in terms of future legislation and we do not believe it is precedent setting.

The Department of the Solicitor General, the Office of Critical Infrastructure Protection and Emergency Preparedness and the National Crime Prevention Centre are well established within the legislation. The Minister of Public Safety and Emergency Preparedness is responsible for those entities.

One of the great ironies that I found in reviewing the legislation and seeing the word "entities" is that in Bill C-36, the anti-terrorism legislation, when the word "entities" is used in that context in that bill what they are talking about is terrorist activities referred to as entities. Here we have another bill where we are talking about anti-terrorism and Canadian national security forces that are similarly referred to as entities. I see that as a glaring contradiction.

It is important that we have this coordinated effort to form a strategy and to put forward adequate support and resources in the fight against global terrorism and threats in North America. I agree with the comments of the parliamentary secretary about the importance of a coordinated and diligent effort in that regard.

Recently the Financial Transactions and Reports Analysis Centre of Canada, also known as FINTRAC, reported that three years after the crackdown on terror financing, those who backed violent causes remain in Canada and continue to use this country as a base for bank-rolling some of the bloodshed that we see playing out around the world. Investigators found that \$70 million worth of suspected terrorist financing was still taking place in Canada this year. That is more than three times the amount that was detected in 2003. We still have work to do here at home and abroad.

We also continue to have a need to bring together our ties with the United States of America and, I would suggest, Mexico, to ensure that we have very close coordinated efforts here in North America in exploring the possibility of a security perimeter.

The Conservative Party supports the legislation to enable this new department. We believe it is an important effort on behalf of the House of Commons and all Canadians.

• (1155)

[*Translation*]

Mr. Serge Ménard (Marc-Aurèle-Fortin, BQ): Mr. Speaker, first, we certainly recognize the value of Bill C-6 as a whole and we will support it, as we did when it was first introduced in this House. However, we are here to discuss the amendment proposed by the government, through the Parliamentary Secretary to the Minister of Public Safety and Emergency Preparedness.

Some hon. members: Oh, oh!

Mr. Serge Ménard: I understand that there are discussions in this House, however, I am the only one at the microphone right now.

Government Orders

We examined this bill at committee and we realized that, as is common practice, the powers given to the minister are considerable. As this is a shared jurisdiction and as it is necessary that it be shared anyway, for reasons of efficiency, we want to make sure the federal government is aware this time that the provincial and territorial jurisdictions must be respected.

We presented our arguments to all of the members of the committee, composed of representatives of all parties in the House, and the majority of those representatives, who represent a majority of the Canadian population, also recognized that the addition we were proposing was necessary in the current context, but also in a context that probably amounts to the history of the last 40 years, that is to say the continual and systematic intrusion of the federal government in provincial jurisdictions.

The amendment that we proposed to clause 6 began as follows:

6. (1) In exercising his or her powers...the Minister may—

It all seems very innocent, but when one reads about all the powers that are given thereafter and when one sees what public security is, one notices that there are quite a few areas which belong to the provinces. For example, there are provincial prisons. There are also effective civil security organizations which—and I have noticed this—differ from one province to another. Not only are they well established, but they meet local needs. We realized that these powers were considerable. We wanted the minister, whoever he may be, to continue to exercise these considerable powers with due regard to the powers conferred on the provinces and territories. It was this wording, “with due regard to the powers conferred on the provinces and territories”, that we proposed as an amendment and that representatives of the majority of the Canadian population decided to approve.

The amendment the government is proposing now would supersede the one unanimously approved in committee. This shows how this government, which in this current legislative context does not have a majority, neither in the House nor in committee, is trying not to take the amendments proposed by the committees into account. Knowing that the government would probably want to go this way, I had asked that a second amendment be made to the last clause of the bill. This seemingly innocuous section says:

38. The provisions of this Act, other than sections 35 and 36, come into force on a day to be fixed by order of the Governor in Council.

This wording allows the government to enforce the act without taking into account any amendments approved by committees.

Indeed, government members can always say that the sentence I just read is a provision of this act:

6. (1) “—and with due regard to the powers conferred on the provinces and territories—”

Consequently, I proposed an amendment and I had the support of all the members of the committee to amend this clause to read:

38. This Act, other than sections 35 and 36, comes into force on a day to be fixed by order of the Governor in Council.

It is obvious that this was not a pointless precaution, since I presume that if the amendment it is proposing now is defeated, the government would probably try not to enforce the amendments adopted by Parliament.

●(1200)

Even though I suspect that several voters did not want to elect a minority government, but rather a majority government formed by the party of their choice, I would like to point out that a minority government reflects the diverse points of view found in Canadian society as a whole. Thus it stands to reason that a government which is the result of this new minority situation shows some humility and accepts the improvements proposed by those who represent the majority of Canadians.

This is clearly the case here. The federal government has a long history of interfering in areas under provincial jurisdiction. I do not have the time now to list all its intrusions, but suffice to say that today the federal government spends more money in areas under provincial jurisdiction than in its own areas of jurisdiction. As a matter of fact someone back home had fun compiling the latest federal intrusions just over the past three years and putting a dollar figure on them. The number arrived at is rather impressive: the new federal intrusions in areas under provincial jurisdiction amounted to \$4.476 billion.

Here are a few examples. Health information technologies: \$600 million in 2002-03. The Canadian Coordinating Office for Health Technology Assessment—health is an area under provincial jurisdiction—: \$5 million in 2003-04, and \$10 million the following year. Patient's security: \$20 million over three years. Health governance and accountability: \$70 million in 2002-03, \$15 million the following year, \$30 million the year after that, for a total of \$115 million. National Immunization Strategy: \$15 million. Canadian Health Services Research Foundation: \$25 million. Managing pharmaceuticals: \$40 million over the past two years. Planning, coordinating and partnership: \$10 million in 2003-04, and \$20 million in 2004-05. Health services for official language minorities: \$12 million and \$13 million over the last two years.

Early education and child care—clearly another matter of provincial jurisdiction—\$25 million in 2003-2004, \$81 million in 2004-2005, and we know what is coming next. Support to employability of the handicapped: \$193 million per year in the past two years. The strategy for children and the family law—truly one of the foundations of the constitutional accord which may have existed in 1840 and later in 1867—another area where the government has found a way to intervene—\$27 million in 2003-2004 and \$26 million in 2004-2005. There are also the affordable housing initiatives. I could go on and on; I have 29 items and I have not even gone through half the list. I believe other speakers will have an opportunity to say more.

It is a mistake to talk about something that is useless here and to point it out in a number of acts to the federal government. Among his arguments, the government representative said that there has always been a high level of cooperation between provinces in civil security matters, and that it goes without saying that things will remain that way. If it goes without saying, why would things get worse by saying it?

Government Orders

I myself was very open to cooperation with the federal government when I was the Minister of Public Security in Quebec. For example, I supervised the establishment of the Carcajou squad, which had some considerable success in the fight against organized crime, especially against biker gangs. As soon as the Royal Canadian Mounted Police showed its desire to cooperate in this new type of fight against organized crime, and especially to bring together investigators with access to various sources of information, I agreed to do so.

● (1205)

In conclusion, I think that other speakers will have an opportunity to raise many other arguments against this amendment.

* * *

[English]

BUSINESS OF THE HOUSE

Hon. Karen Redman (Kitchener Centre, Lib.): Mr. Speaker, discussions have taken place between all parties regarding the course of this evening's debate in the committee of the whole of the main estimates. I believe that you would find consent for the following motion. I move:

That notwithstanding Standing Order 81(4)(a), within each 15 minute period, each party may allocate time to one or more of its members for speeches or for questions and answers, provided that, in the case of questions and answers, the minister's answers approximately reflect the time taken by the question, and provided that, in the case of speeches, members of the party to which the period is allocated may speak one after the other.

The Acting Speaker (Mr. Marcel Proulx): Does the hon. member have the unanimous consent of the House to move the motion.

Some hon. members: Agreed.

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

Some hon. members: Agreed.

(Motion agreed to)

* * *

DEPARTMENT OF PUBLIC SAFETY AND EMERGENCY PREPAREDNESS ACT

The House resumed consideration of Bill C-6, an act to establish the Department of Public Safety and Emergency Preparedness and to amend or repeal certain Acts, as reported (with amendment) from the committee and of Motion No. 1.

Mr. Joe Comartin (Windsor—Tecumseh, NDP): Mr. Speaker, Bill C-6 has been referred to as a housekeeping bill. I suppose that is reasonably accurate. The government has moved on this, quite a bit later than it should have given the announcement that came with regard to this type of legislation almost a year ago when the present Prime Minister became Prime Minister. It is simply an attempt on the part of the government to consolidate the functioning of our security forces, the work that we do both nationally and internationally with regard to the security of our citizenry.

As we have heard, all parties are in support of this legislation. In effect it is a very short bill when the amendments to other legislation are taken out. It simply consolidates a number of the agencies.

I do want to say that the provisions in the bill that were placed before the justice committee were such that it was responded to in a cooperative fashion by the committee. I believe it is an attempt by all parties to cooperate and make the minority government situation not only function but function well. I believe we went quite some distance in achieving that.

I have to say perhaps as an aside that questions remain with regard to the restructuring of our security forces, but in a spirit of cooperation those concerns were set aside by the committee to be addressed at a future date.

I will mention one of the items. There was some discussion as to whether the agencies that fall within the purview of the minister, in this case the Deputy Prime Minister, are as broad as they could be. I spent a good deal of my summer dealing with security issues, both in this country and internationally. What kept coming up was this need to have cooperation to make sure we do not create silos where we have territorial infighting and protection of our own territory, at times to the detriment of the security in the country. We heard that from our allies in the United States, England and Australia. It was a common theme.

This legislation goes some distance toward achieving that, but as I say, it does not bring in all of our security agencies. This is a question that was raised at the committee, but in a sense of cooperation we put off the question so this bill could move forward quickly and we could begin to do this coordination that everyone agreed was necessary.

The sense of cooperation was there and was acted upon. A number of amendments got proposed, two of which passed. I want to make mention of one that did not. It was not proposed by committee members but by the Privacy Commissioner.

There is no question that the Privacy Commissioner had valid concerns about the issue of privacy and in fact the security of information that is gathered by our security forces, both domestically and internationally. We have heard a great deal about the use that the Patriot Act is being put to by our American allies. This is one of the areas where we would be concerned. There was a concern expressed about the way this information is used, in particular because of the suspicions in the Arar case about it being used improperly. For that, we will wait for the outcome of Justice O'Connor's report and recommendations.

Those issues were raised. Again, in this sense and spirit of cooperation that was in the committee, we indicated to the Privacy Commissioner and to the government that we were prepared to set those concerns aside to be dealt with later, either within the scope of this legislation and bill or in other areas, but it would be a matter that we would address down the road. We felt it was simply too important to get this legislation in place so we proceeded on that basis and in fact did so expeditiously.

Government Orders

One of the controversial issues that is now before the House is that the government, in response to the report from the committee when this bill was reported out at report stage, has now moved this amendment. It would in effect overturn the amendment that we received from the Bloc member for Marc-Aurèle-Fortin, wherein he wanted to draw clear jurisdictional lines between the federal government, the provinces and the territories.

• (1210)

All three of the opposition parties supported that approach. We in the NDP do not believe, as was suggested by the parliamentary secretary earlier this morning, that the implications of passing this amendment do not set a permanent type of precedent. He admitted he was not a constitutional expert and he is right in that regard, if in fact he was going to take that position. The long term effect is that it will be in the bill and in the law. We have indicated that at that time, and I will repeat it now on behalf of my party, we are going to address the issue of provincial and territorial rights vis-à-vis the federal government on a file by file, bill by bill and law by law basis.

In this case, it is appropriate, because again one of the things that I think was drawn very clearly to our attention this summer as the committee did its work on public security is the amount of additional work being done in intelligence gathering and in public security, work that has traditionally been done at the federal level and by federal police agencies and services and is now being done in a cooperative fashion with the provincial and municipal police forces in the country.

We want it to be very clear that although this cooperation has been extended by those government agencies at the provincial and municipal level, we did not want to see an incursion by the federal government into what have been traditional areas of responsibility for the provinces and territories in accordance with our constitutional framework in this country.

The motion that was put forward for an amendment by the member for Marc-Aurèle-Fortin was appropriate. It is one that in the circumstances we supported and we continue to support now. We are clearly saying to the government we will not support it returning the bill to the state it was in when it got to committee.

I want to make one final point with regard to that. We as a party have argued that we need to expand the role of the committees in the House and the government and within our constitutional framework. It is part of the democratic deficit to which the Prime Minister is very fond of referring, but I have to say that we have to question his sincerity at a time like this when the committee clearly discussed this issue. It was a full discussion. Members listened to the opinions from all sides and said to the government that in this case the amendment was appropriate. That was a clearly democratic process. It is one that should in fact be honoured by the government, so we draw to the attention of the House the fact that the government is ignoring all of the platitudes that it has put out around democratic deficit and the need for reform when it moves this type of amendment at report stage.

The committee discussed it. The committee went through a democratic process. The committee reached a decision and has now reported that decision to the House. That should be honoured by the government and by the House.

In conclusion, I will say that we are supportive of the bill but we are going to insist that the amendments that were passed at committee be honoured by the House.

• (1215)

[*Translation*]

Mr. Stéphane Bergeron (Verchères—Les Patriotes, BQ): Mr. Speaker, I would like to start by pointing out that the Bloc Québécois is in favour of this bill. Today at report stage, it is not a question of whether or not to create a Department of Public Safety and Emergency Preparedness but rather the unavowed yet obvious desire of the federal government to trample over areas of provincial jurisdiction.

In committee—as has just been said—we reached a decision. We might have expected this government, which loved to pay lip service to the principle of enhancing the role of MPs, to respect the work and role of those same MPs particularly in committee.

I think it is extremely idealistic wishful thinking to believe that the government was going to stick to the principles it has been making so much of in recent months. It has been claiming these principles, crossing its heart: that this democratic institution needed to have its true role and importance restored to it, that MPs needed to feel they had more of a say, more of a role. Yet, as the old saying goes, the leopard can never change his spots.

The government has found nothing better to do, during the report stage consideration of a bill that has just come back from committee, than to slough off everything that committee has done, in its usual arrogant way. “We are the ones who possess the truth. We have decided that the MPs on the committee were mistaken, that they were wrong, and so, despite the points of view they defended in committee, we are going back to the original version, the right one. We are right, so we are going to reimpose our original point of view, and who cares what members in committee may have said or thought during the committee deliberations. That is all there is to it.”

Like I said, this is the same arrogant, disrespectful, haughty, and condescending attitude the government takes towards not only the public in general, but also elected representatives in the House. What is happening here today is distressing and sad.

We had hoped the government would be true to its principles and respect the point of views of parliamentarians. But it seems that was not to be.

To go back to the substance of the debate today, we are being told we should reinstate in the bill the reference to the minister's duties and functions, that being an indirect reference to his or her constitutional responsibilities. The government does not want to spell out what it means by “duties and functions” of the minister because vagueness leaves room to manoeuvre. It is talking about the duties and functions of the minister, but we should understand here that it is referring to the constitutional duties and functions of the minister.

The parliamentary secretary did not hesitate to tell in committee, “The minister will not act in a way that is unconstitutional.” More on that later.

Government Orders

But I would like to quote one of the officials who appeared before the committee during the clause by clause examination of the bill. He told us:

If this sets a precedent in how this minister's powers ought to be interpreted, a court, in interpreting another minister's powers in legislation that didn't have such a reference...that would be a question that would have to be explored in terms of how you interpret statutes.

Mr. Pentney made that remark because, in his opinion, the original wording of the bill, which the government seeks to reinstate today by talking about the duties and functions of the minister, suggesting that they are constitutional duties and functions, was a much more positive way of saying things, rather than be more specific and write "with due regard to the powers conferred on the provinces and territories".

● (1220)

Consequently, according to him, we wanted to say the same thing. Curiously, a little later, he said that even if we said the same thing, the courts could interpret it differently.

So, as would say the former mayor of Gatineau, it seems that there is something fishy going on. If both formulations mean the same thing, why then are they suggesting, as Mr. Pentney clearly does, that the courts could interpret them differently? If the two formulations mean the same thing, why is the government concerned that the courts could interpret them differently? We believe there is cause for concern because the government is concerned. If the government wants to go back to the initial wording, it is surely because, as I said a moment ago, it wants to cut itself some slack.

For that matter, I would like to come back to the affirmation of the parliamentary secretary, who said the minister would not violate the Constitution. With great respect, I would say that the government violates every day its own Constitution. It infringes constantly on the powers of provinces, of Quebec and of the territories. Indeed, the Bloc has shown that 44% of the government's budgetary spending for 2002-03 was in areas of provincial and territorial jurisdiction, and not its own.

In this respect, I would like to quote one of the conclusions of the Léonard committee report. I can see the hon. member for Joliette who also worked on this committee. It was established by the Bloc Québécois to study federal government spending and the ways it accentuates the phenomenon of fiscal imbalance.

The Léonard report said that if intrusive spending is compared to truly federal spending, excluding debt servicing, the federal government now spends more in Quebec's fields of jurisdiction than in its own fields. That says a lot.

The federal government spends almost more money in other fields of jurisdiction than in its own. The results are obvious. The federal government has been withdrawing from its own jurisdictions, perhaps because it thinks they are less visible and it wants more visibility. It wants the citizens to be more aware of what it is doing, which means that it invests more in fields that affect them more directly. I think it is part of the federal government's unhealthy desire to sell itself, make itself look good and advertise itself.

Although we agree in principle with Bill C-6, the fact remains that this bill gives the Department of Public Safety and Emergency

Preparedness a number of powers that infringe on those of the provinces. Therefore, it is important to make it clear in the bill that everything must be done in complete respect for provincial jurisdictions and in cooperation with the provinces and territories in order to prevent the federal government barging in and dictating its orders in fields that do not normally belong to it.

I am thinking, for example, of emergency preparedness, public health, the establishment, maintenance and administration of prisons and reformatories in each province, or of strictly local natural disasters. Certainly, when there is a disaster, federal assistance is appreciated, but it must be requested. I will close by mentioning the administration of justice.

● (1225)

For all these reasons, we shall oppose the government amendment before us today.

[*English*]

Mr. Kevin Sorenson (Crowfoot, CPC): Mr. Speaker, I welcome this opportunity to speak to Bill C-6, which establishes the Department of Public Safety and Emergency Preparedness. It takes the old responsibilities of the Department of the Solicitor General, the Office of Critical Infrastructure Protection and Emergency Preparedness, and the National Crime Prevention Centre and puts them all together. The bill also provides for the reporting structure of CSIS, the RCMP, the Correctional Service of Canada, the National Parole Board, the Canada Firearms Centre, and the Canada Border Services Agency.

I would be remiss if I did not question why it took the government a year to bring this legislation forward in the House. The Department of Public Safety and Emergency Preparedness was announced on December 12, 2003 when the new Prime Minister came in and first revealed his cabinet.

Immediately following 9/11 the United States government responded by establishing the department of homeland security, but it has taken this government a number of years to follow suit, despite recommendations to do so from many national security experts, the opposition and even former foreign affairs minister John Manley.

This new department is certainly not without precedent. A public security ministry was created by the Conservative government of Kim Campbell in 1993. Kim Campbell did so in response to the terrorist bombing of the World Trade Center. She responded very quickly following the World Trade Center bombing and came forward with the public security ministry. It was modelled after the British home office and was headed by the former Conservative member of Parliament and solicitor general Doug Lewis. The new department was mandated to coordinate all of Canada's enforcement agencies, including the RCMP, CSIS and customs and immigration.

That department, as we all know, was scrapped by Prime Minister Jean Chrétien when he came into power in 1993. Unfortunately, that was the first step the government took in dismantling much of our security and intelligence gathering agencies and resourcing them. That was a very swift first step and over the last 10 years we have seen the repercussions from that. September 11 certainly called into question the wisdom of that decision by that prime minister.

We have long recognized on this side of the House that something had to be done to stop the duplication, the lack of coordination and communication between the many different federal departments and agencies with national security responsibilities and capabilities.

In a 1996 review of national security information systems and cooperation between agencies, the Auditor General discovered a pattern of inadequate information to support front line officials who are responsible for national security. Based on the assessments and observations of the Auditor General's report, we had recommended a realignment of all those departments with intelligence and enforcement capabilities under one existing umbrella. The opposition's recommendation was further substantiated by the most recent report from the Auditor General.

In March of this year the Auditor General once again revealed that there were significant gaps and errors in national security. Ms. Fraser found that there are major deficiencies in inter-agency cooperation and out of date terrorist watch lists. In one instance she showed where there could be up to 4,500 airport employees who have "possible criminal associations warranting further investigation".

Furthermore, her report showed that officers at border crossings are not provided with any information regarding the 25,000 Canadian passports that go missing annually.

The Auditor General found:

The government as a whole failed to adequately assess intelligence lessons learned from critical incidents such as September 11—

Ms. Fraser also noted:

Clearly, the deficiencies we've noted are serious and need to be addressed on an urgent basis.

The operative word is "urgent". Yet we are only now seeing legislation that should have been brought in immediately following 9/11 or at the very least, last December.

● (1230)

In July of this year the Minister of Public Safety was provided a copy of the 9/11 commission report. The 9/11 report, which was tabled after more than 18 months of hearings, contains several references to Canada, including the fact that a Tunisian Canadian was trained to be an al-Qaeda hijacker. That is in the United States 9/11 commission report.

According to a July *National Post* article, the Minister of Public Safety said, "There were few revelations that will affect Canadian policy making". How unfortunate. Let me read a couple of the recommendations that were in the United States report: tightening the border controls and fingerprinting or photographing everyone who enters from a foreign country; and the establishment of a single integrated intelligence gathering agency.

Government Orders

The public safety minister claims that the Canadian government has already addressed many of the concerns expressed in the United States report. I guess we will have to wait until later this month to determine whether the minister's statement is in fact accurate. I for one remain very skeptical, especially after reading an article in the *Ottawa Citizen* which said:

Auditor General Sheila Fraser is expected [in November] to expose serious flaws in the government's ability to handle civil disasters and threats from terrorists and organized crime in an extensive audit of security at Canada's airports, marine ports and emergency preparedness infrastructure. But officials in the Public Safety Department suggest the audit will indicate that the Office of Critical Infrastructure Protection and Emergency Preparedness (OCIPEP) is not adequately prepared to deal with a large-scale national disaster or terrorist attack.

I also remain very skeptical that our intelligence and security forces will be properly resourced to effectively combat terrorism and organized crime.

As I have stated in the House repeatedly over the last four years, the government's slashing and gouging of the RCMP and of CSIS since 1993 has resulted in a serious shortfall in personnel, in people working in those agencies.

On a final note, I would like to point out that it was only recently that immigration officials at the Canadian border were made members of the new Canada Border Services Agency. The Minister of Public Safety had neglected to bring this union under her purview.

Quite obviously the minister finally saw the wisdom in the immigration officials' arguments and concerns that excluded them from the new agency. She recognized finally that it posed a clear danger to the security of Canadians. These immigration workers are responsible for determining which individuals deserve extra scrutiny as they come to the border. They argued the situation meant they may not have access to the latest availability in security information.

In closing, the bill is in some ways inconsequential as far as what we see the government doing. It is giving an already formed department the authority to operate, but we have to view what we see here through the eyes of the national security. I would like to read a quote from today's *National Post*:

If Canadians need further evidence that their government is not taking the terrorist threat seriously, they have it now. Last month, the government quietly passed regulations relating to the Safe Third Country Agreement, a deal relating to the treatment of asylum seekers signed between Canada and the United States almost two years ago. These regulations should cause Canadians serious concern.

The agreement itself is a shocking example of irresponsibility on the part of our elected representatives.

The article goes on to mention the fear and the concern dealing with national security.

● (1235)

When we talk about national security, there is an old statement. Sometimes one of my children will say to my other child, "actions speak louder than words". With this government, its inaction is deafening.

Government Orders

•(1240)

[*Translation*]

Mr. Pierre Paquette (Joliette, BQ): Mr. Speaker, I am pleased to speak in the debate on Motion No. 1 in connection with Bill C-6.

I would like to start my speech by congratulating the member for Marc-Aurèle-Fortin, who has demonstrated, since the beginning, an unflagging vigilance in this file. I remind you that, when the bill was introduced, while saying he was, like the Bloc Québécois, in agreement with the principle of the Department of Public Safety and Emergency Preparedness Act, he immediately expressed his concerns about possible constitutional interference.

In this context, in his first speech on the issue, he announced his intention and that of the Bloc Québécois, to clarify a number of clauses of Bill C-6, to make sure that we were talking about the same thing. In committee, he proposed an amendment to ensure that clause 6 made it clear that the minister's responsibilities would be established in accordance with the constitutional division of powers. I remind the House that relative to the minister's powers, duties and functions, the member had added the following: "performing his or her duties and functions, the Minister may—" A series of powers are listed thereafter.

This is the amendment that was tabled in committee and that was adopted by the vast majority of its members. Now the bill is back in the House and, surprise—as the hon. member for Verchères—Les Patriotes clearly illustrated—Motion No. 1 strikes the amendment adopted by the committee.

The argument put forth by the parliamentary secretary is that, in any case, the federal government is always respectful of the constitutional jurisdictions of the provinces and of Quebec. Of course, these comments cannot constitute an adequate guarantee, not only for the members of this House, but particularly for those who, like us, care about Quebec's best interests.

Also, if the federal government is indeed sincere in its desire to respect the jurisdictions of Quebec and of the provinces, what is the problem with including it in the bill? It seems to me that if there was not something else behind Motion No. 1, which strikes the amendment carried at committee, the government would agree with the committee's decision.

Unfortunately, there is something else and we know it. This was mentioned a number of times, but it is worth repeating. The reason is that, for some 40 years now, the federal government's approach has been to centralize powers in Ottawa, something which does not respect the jurisdictions of the provinces, and particularly those of Quebec.

The hon. member for Verchères—Les Patriotes alluded to the work done by the Léonard committee. I sat on that committee and I can tell the House that, while this did not come as a surprise, when we looked at the federal government's spending, we noticed that, except for the debt, most of the federal government's expenditures are in the jurisdictions of the provinces and of Quebec. Last year, the federal government spent more money in provincial jurisdictions than in its own. This illustrates the fiscal imbalance. All opposition parties agree with the Bloc Québécois that this fiscal imbalance should be corrected.

We cannot trust the nice rhetoric of the parliamentary secretary or of this government; we can only trust what will be put in writing in this bill. We think it is absolutely essential that this amendment be included in the final version of the bill.

I know that the parliamentary secretary referred to clause 4, saying that it already sets things out. Let me read that clause. It states that the "powers, duties and functions of the minister extend to and include all matters over which Parliament has jurisdiction... relating to public safety—" And clause 4 goes on. Members will understand that what that clause says is not that the powers, duties and functions of the minister can only be exercised over matters over which Parliament has jurisdiction. This is a broader, more general statement. Again, it leaves the door open to infringement by the federal government. That is why we feel it is essential that the amendment adopted by the committee, which specifies that the minister shall act "with due regard to the powers conferred on the provinces and territories", be included in clause 6.

I also find rather ironic and amusing that this issue of respect for the jurisdictions of any government, be it the federal, provincial or Quebec government, is discussed the same day that the establishment of Social Development and Human Resources and Skills Development Canada is announced. Social matters are a provincial jurisdiction.

•(1245)

The federal government is creating a department of social development. Why? To better orchestrate its infringements upon areas of jurisdiction that come under the provinces and Quebec.

The status of Human Resources and Skills Development Canada is being formalized. It is no secret that education comes under the exclusive jurisdiction of Quebec and the provinces. In Quebec, we are particularly touchy about our jurisdiction over education being respected. Like we are often reminded by the hon. member for Saint-Lambert, it is through education that culture is maintained, the culture of a nation, Quebec's culture, its psyche, as he says jokingly, and its soul.

Today, on the very day it is announcing, in its Motion No. 1, its intention to strike out the committee's amendment concerning respect for the constitutional jurisdictions of the provinces and Quebec, the federal government is also announcing the establishment of Social Development and Human Resources and Skills Development Canada.

This fits in perfectly with the Speech from the Throne. Members will recall that it contained all sorts of references to health and education, and even to the recognition of foreign credentials. The Office des professions, Quebec's professions board, comes under the jurisdiction of Quebec. It is absolutely none of the federal government's business.

It is absolutely vital that this amendment be included in the bill, especially with a Liberal government that has shown its centralizing tendencies for several decades now.

What strikes me in this case is that the federal government wants to remove this reference to the respect of provincial jurisdictions while it will not even take its responsibilities in its own jurisdictions.

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Take, for example, employment insurance. How many times have the ministers and the government, the Prime Minister himself, said that they will reform employment insurance because, as everyone will agree, it no longer fulfills the purpose for which it was created? And yet nothing has changed, not after the 2000 election and not after the last one.

At the same time that this bill is being introduced, we learn that 9 RCMP detachments will be closed in Quebec, including the Joliette detachment. It is absolutely unbelievable to see how determined this government is to keep the door open to infringement upon the jurisdictions of Quebec and the provinces while it is unable to take its responsibilities in its own fields of jurisdiction.

I was telling you about the RCMP, the employment insurance, but we could very well refer also to the whole debate on national defence. We do not have a policy on national defence in Canada, but it would seem that the choice has already been made to take part in the American missile shield project.

There is something fundamental behind this motion, behind the debate on this amendment. Not only does it deal with respect for the constitutional jurisdictions of the provinces and of Quebec, but it urges us to ask the federal government to take its own responsibilities that it does not assume, whether it be on employment insurance—I mentioned this earlier—public safety or the national defence issue.

Thus, it is absolutely essential to include this amendment in Bill C-6. Everyone says so, everyone agrees in principle on having due regard for the jurisdictions of both levels of government. You will agree with me that, logically and honestly, there is no reason to support this Motion No. 1.

I will invite not only the opposition parties, but also the government party to seriously reflect on the possibility of voting against its own motion. Indeed, as members who spoke before me have mentioned, the government is in a minority situation. I think that, in this context, it makes sense that the government should withdraw its own motion or vote against it.

Anyway, one thing is very clear, the Bloc Québécois will be voting against this motion. We want to have in the bill a written guarantee that there will be due regard for the jurisdictions of the provinces and Quebec in particular.

● (1250)

[*English*]

Mr. David McGuinty (Ottawa South, Lib.): Mr. Speaker, I am delighted to rise to speak in support of Bill C-6, an act to establish the Department of Public Safety and Emergency Preparedness and the amend or repeal certain other acts.

I know I do not need to remind the members of the House that we live in an increasingly interconnected, complex and often dangerous world. It is a time when new threats have emerged and old hatreds find new expression. It is a time when the responsibility to protect the security of Canadians has never been more compelling, or the array of dangers more diverse. It is an environment in which old planning assumptions simply no longer hold and the implausible is

now plausible, where we must prepare for the unforeseen and respond to the unexpected.

Technology has given terrorists new reach and new weapons. The horrific events of September 11 and the bombings of commuter trains in Madrid in March of this year reminded us all that terrorism knows no boundaries nor respects any life. As one of the countries named specifically by Osama bin Laden, Canada is well aware of the dangers we face.

On a more personal note, I am one MP in the House who happened to have been in Washington on 9/11, in meetings in downtown Washington, when the planes crashed, an experience which drove home the need to be ever vigilant as we move forward.

While terrorism is perhaps the highest profile threat, it is by no means the only one. There is the danger posed by the growing number of failed or failing states, which can serve as a haven for both terrorists and organized crime, contributing to global instability. Indeed, organized crime is a growing problem as it develops globalized networks that support the narcotics trade, weapons smuggling, money laundering, theft including identity theft, commercial fraud and extortion, as well as migrant smuggling and trafficking in persons.

Canadians also face the danger posed by the proliferation of weapons of mass destruction, including biological and chemical agents, weapons dangerous under any circumstances, but particularly so if they were to fall into the hands of terrorists or rogue states.

We also face new threats to our critical infrastructure. During the blackout of August 2003, we were again reminded of just how dependent we have become and therefore how vulnerable we are in a world connected by computer networks.

There are also natural disasters, and many parts of our country have been hit and hit hard in recent years by ice storms, floods, forest fires and even hurricanes. Lives were lost, property was destroyed, livelihoods ruined and the work of a lifetime wiped out in a matter of hours.

Certainly with the devastating impact of the SARS virus, the avian flu and mad cow, Canadians understand how highly mobile diseases can affect our health, our communities and our economy.

However, if the list is daunting, the responsibility is clear. Canadians expect their government to act and to act in all areas on all fronts. They know the dangers we face do not fit into neat little boxes and neither should our planning. What is needed is a comprehensive, cross-cutting approach, bringing together all the key players and services in the most efficient way possible.

Canadians want us to work in sync, not in silos, to coordinate more effectively and work more efficiently. Quite simply, in the face of the new normal, the new realities, Canadians expect us to work in new ways across jurisdictions, across disciplines and across borders. That is exactly what the government is proposing through the legislation before us today.

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Bill C-6 brings together in one place the core functions of security and intelligence, policing and law enforcement, corrections and crime prevention, border services facilitation and emergency preparedness. It includes what many would consider the traditional core agencies associated with public safety, such as the Canadian Security and Intelligence Service, the RCMP, Correctional Services, the Canada Firearms Centre, the National Parole Board and the Canada Border Services Agency.

As a result, we are now in a position to provide a truly integrated response to all manner of emergencies and threats to our security, whether they be health related, natural disasters or from terrorists. This is a crucial capacity. After all, whether the disaster is deliberate, as in the case of terrorist attack, or accidental, as in the case of natural catastrophes like ice storms, or simply unforeseen and unforeseeable, as in the case of hazardous spills, fires or industrial accidents, the impact on Canadians can be equally devastating. Whether an electrical grid, for example, is shut down by lightning or by sabotage, we still have people without power, streets without lights and hospitals without heat.

• (1255)

While the elements of this new department are many, its mandate is clear: to protect the safety of Canadians. There can be no more fundamental or important role for government than that. After all, safety and security are the very foundations for every other right of citizenship, and the essential conditions for every other freedom.

What is unique about this department, its structure and composition, is that it offers Canadians an integrated response to security that covers the entire continuum of risks, from crime in their communities, to naturally occurring disasters such as flood or fires, to threats to national security.

One of the most fundamental aspects of our quality of life is the safety of our communities. That is why it is so important to get to the root causes of crime by putting in place more effective crime prevention programs, control access to firearms, and ensure effective correction and parole policies.

The addition of the national crime prevention centre to this department is a clear recognition of the fact that if we are to increase the safety of Canadians, we need to devote the resources where they are needed most, at the community level, before problems make their way into the justice system.

Other threats to the safety of our communities also exist, including, as I mentioned a moment ago, organized crime, which remains a major problem, particularly in our larger cities. Bill C-6 would enable us to work with authorities to fight organized crime and reclaim the streets for our citizens. While all threats ultimately affect individuals, threats to national security have the capacity to seriously impair the security of Canada. A growing number of international security threats could have a direct impact on the national security of Canada. We need to have the ability to move along the continuum of danger, from local dangers to national threats. We need to understand how community based issues, such as crime, can become part of larger threats to our national security.

The legislation before us would create a department with just this kind of perspective, one that would see the bigger picture and take

the longer view, one that would enable us to provide a seamless response to the dangers facing Canadians, from threats to their individual liberty to those which affect their communities and threaten the nation.

This department would have the flexibility to respond and coordinate across different categories of threats, ensuring the appropriate response at the appropriate time. Moreover, by integrating these diverse but closely related responsibilities, we would be able to identify gaps more quickly, respond more quickly and communicate more effectively.

In conclusion, for the very first time, security and intelligence, policing and enforcement, corrections and crime prevention, border services and border integrity, immigration enforcement and emergency management would be brought together under one single roof, led by one senior cabinet minister. We would have the capacity to develop a truly integrated and comprehensive approach to threats from whatever source. In a world of diverse dangers, Canadians demand no more and deserve no less. I urge all members to support this very important legislation.

[*Translation*]

Mr. Mario Laframboise (Argenteuil—Papineau—Mirabel, BQ): Mr. Speaker, I am pleased to speak to Bill C-6, an Act to establish the Department of Public Safety and Emergency Preparedness and to amend or repeal certain Acts.

First, I would like to commend my colleague and seatmate from Marc-Aurèle-Fortin, for all his great work on this issue. We can tell he is very experienced in this area. Under the Parti Québécois government, he was Minister of Public Safety and Minister of Justice, and he has also been in charge of other major departments.

In his great wisdom, in committee, he moved a very simple amendment, which I will read to the House. But first, as members have now realized, the Bloc Québécois is not against the creation of a Canadian Department of Public Safety. Quebec has had its own public safety department for some time now. So, we do support this initiative.

Our only concern has to do with the very relevant comment our hon. colleague made about the amendment he put forward in committee, which was agreed on by the majority of committee members. Originally, clause 6 read as follows, "In exercising his or her powers and in performing his or her duties and functions, the minister may". Following the change made by my hon. colleague and the committee, it now reads, "In exercising his or her powers and in performing his or her duties and functions and with due regard to the powers conferred on the provinces and territories, the minister may".

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In this major debate we are holding today I find it redundant of the Liberal MPs to tell us that this is an important bill. Indeed, it is important, which is why it was discussed at committee and why amendments were passed by most of the members. The amendments were made simply to respect provincial jurisdictions. Once again it is the Liberals who are bringing up the issue of provincial jurisdictions. They do not want provincial jurisdictions mentioned in this bill. They are trying to tell us that is because the government always respects the jurisdictions. Like my colleague from Marc-Aurèle-Fortin, who was a minister in the Quebec government, I think that far too often the federal Liberal government does not respect the provincial jurisdictions.

Currently in Quebec we do not have a Parti Québécois government, but a Liberal government. Yet, for months now, we have been hearing ministers Pelletier, Reid and Séguin and Premier Charest talk repeatedly about the constant interference by the federal government in provincial jurisdictions.

That is why this amendment, as minor as it may seem, is critically important. It aims at respecting the responsibilities given under the Canadian Constitution to each province and territory. That is all this amendment is asking for.

It is once again very difficult for us in the Bloc Québécois, who defend Quebec's interests. We have never denied the fact that we are here to defend the interests of Quebecers. That is what we are doing. My colleague from Marc-Aurèle-Fortin is simply defending the interests of Quebecers. In the meantime, his amendment defends the interests of the residents of all the other provinces and territories in Canada. He is calling on the federal government to respect the jurisdictions, given that this Department of Public Safety and Emergency Preparedness comes on the heels of those created in most of the provinces and territories. That is where the problem lies.

I used to be a member a member of the Standing Committee on Transportation, just like you, Mr. Speaker. You know that in the context of the crisis that followed September 11, 2001, very significant deficiencies in Canada's security were noted. The government realized the consequences of the very irresponsible decisions it had made in the past. Let us recall the period when it withdrew the RCMP from ports and airports. This was a decision made by the federal government to save money. Well, it decided to save to the detriment on the country's security. This is a decision it made, and it realized very quickly, with the events of September 11, 2001, that it had made a mistake. It is trying to re-invest a lot of money in this area. This is why we are now seeing the creation of a Public Security Department. I can understand that, but one thing remains: the provinces already have some of those departments, Quebec, for example.

All we are want with this very simple amendment is respect. Permit me to read it again so that it be well understood: "and with due regard to the powers conferred on the provinces and territories".

This is difficult for me. As member for d'Argenteuil—Papineau—Mirabel, I have to live with the consequences of decisions made by the federal government, which does not give due regard to its jurisdictions. My riding includes the aboriginal territories of Kanesatake and Oka. Again, a decision was made to fix a problem. This is a mystery to no one. The reserve is going through very

difficult times. That problem should have been dealt with by the federal Indian affairs department. For political reasons, not wanting to shoulder the blame for the situation, the government decided to entrust that responsibility to the province of Quebec. I would not congratulate the Minister for Public Security of Quebec, Mr. Chagnon. I would not be telling you the truth if I told you that I congratulate him. He should not have used that.

● (1300)

From the outset he should have told the federal government "It is your jurisdiction. You have a department of Indian affairs, and the problems of the Kanesatake Indians should be dealt with by the department of Indian affairs".

Once again, it is a disengagement issue. This is always happening in the federal government's areas of jurisdiction. Knowing that the federal government encroaches on provincial jurisdictions and refuses to look after its own jurisdictions, it is very difficult to see it create new departments and reject in this proposed amendment that due regard be paid to provincial and territorial areas of jurisdiction. It is difficult for us because we have to live with these situations. I gave you the example of Kanesatake in my riding, but there are other striking examples.

My colleague from Joliette talked about it earlier. There is the Employment Insurance program that the government refuses to amend, even if unanimous reports have been produced by committees, including the Standing Committee on Human Resources, Skills Development, Social Development and the Status of Persons with Disabilities. Seventeen unanimous recommendations were presented. The liberal MPs supported them, but two years later, the act has still not been amended.

It took and will take the Bloc Québécois—a bill was tabled by the Bloc members yesterday—to table a bill in this House to defend the interests of Quebecers. By so doing, we also defend the interests of Canadians from all the other provinces against the federal government's failure to act in its own area of jurisdiction.

We have understood perfectly well, and I hope those watching have as well, why the federal government does not want to change the Employment Insurance Act. It is simple: year in and year out, it can help itself to somewhere between \$2.5 billion and \$3 billion at the expense of the jobless, and put it into its coffers for other purposes and to the detriment of the unemployed. Some would describe this with words that cannot be said in this place, but what other terms can be applied to the act of taking someone else's money?

They still decided to change the situation and so the federal government takes resources that do not belong to it and interferes in areas not under its jurisdiction and meddles in jurisdictions where it is not expected. That is what makes the situation difficult.

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That is why I again wish to speak of the wisdom shown in committee by the member for Marc-Aurèle-Fortin, and the experience he brings with him from being a minister in the Quebec national assembly. He had the support of committee members from the other parties, with the exception of the Liberals, in saying that, with this opportunity to have a new bill to create the Department of Public Safety and Emergency Preparedness, why not include a clause that would completely respect the areas of jurisdiction allocated to the provinces and territories, and that is what he introduced.

I hope that the members of all parties in this House will maintain the position they adopted in committee, and that the Liberal members will understand that we do, nevertheless, want to see this department created.

The Bloc Québécois thinks it is time a department was created, but while in favour of that, we also want to see the jurisdictions of each province and territory respected, particularly since Quebec and other provinces already have had departments of public safety and emergency preparedness in place far longer than the federal government has. We would like to see their jurisdiction respected, it is only logical.

I hope the Liberal members, including the Quebec Liberals, rise in this House to vote down this motion which, once again, is intended as a direct attack on provincial jurisdictions. A good thing my colleague from Marc-Aurèle-Fortin and the Bloc Québécois, are here to defend the interests of Quebecers.

• (1305)

[*English*]

Mr. John Maloney (Welland, Lib.): Mr. Speaker, it gives me great pleasure to rise today to speak in support of Bill C-6, an act to establish the Department of Public Safety and Emergency Preparedness and to amend or repeal certain other acts.

As members of the House know, the legislation is part of the government's wider response to the events of September 11, 2001 and to the threatened environment at large. On that terrible September day, terror became a real and unwelcome addition to our national consciousness. All of us grasped, in a tangible way, what until then had perhaps been only understood in the abstract: that the threat of terrorism does not just exist in far away places in some far off land, but indeed is on our very doorstep. When in subsequent days Canada was specifically mentioned by Osama bin Laden as a potential target, all Canadians knew that we had to confront terror in its most fundamental and ferocious form, that we had to face the realities of a new time.

Following September 11, the Government of Canada took stock and took action. Important new security measures were introduced, including beefing up security at our airports, creating the Canadian Air Transport Security Authority and developing a comprehensive new approach to our border with the United States.

Then, on December 12, 2003, the Prime Minister introduced his new cabinet and with it a new security architecture for Canada. This new structure included the creation of a new position in the Privy Council Office: national security adviser to the Prime Minister. It also included a new committee of cabinet devoted to security, public

health and emergencies, which coordinates safety and security efforts across all federal departments.

The new security architecture also included the new Canada Border Services Agency, which is responsible for customs at the Canada-U.S. border and other points of entry as well as for intelligence sharing between law enforcement partners in both countries. The new Canada Border Services Agency has also become the focal point for smart border initiatives, ensuring a border that is open to trade but closed to terror and crime.

This is so important to all border crossings, especially in my riding in the region of Niagara. Just last month the Minister of Public Safety and Emergency Preparedness met with U.S. secretary of homeland security, Tom Ridge, to highlight the progress made to date on implementing the Canada-U.S. smart border action plan.

The progress is impressive and extensive. It includes the creation of two new dedicated fast lanes, one each in British Columbia and Windsor; the implementation of the Nexus U.S. air pilot program at Vancouver International Airport using biometric technology; a joint plan to engage interested parties in a discussion on commercial-free screening to enhance traffic flow at Fort Erie-Buffalo Peace Bridge; a commitment by Canada to join with the U.S. in its continued security initiative, including the deployment of Canada Border Service Agency officials to a foreign marine port by April 2005; and the signing of a letter of intent to ensure radio interoperability so that first responders and others can communicate quickly and effectively.

[*Translation*]

We also announced, on top of these measures, that the Department of Public Safety and Emergency Preparedness would work with the US Department of Homeland Security to decide which actions to take in case of national emergencies, like joint vulnerability assessments, binational intervention plans and protocols, and sharing more information regarding alerts and warnings.

[*English*]

• (1310)

A key part of the smart border action plan is related to ensuring better coordination between our two countries with respect to action on cross-border crime and terrorist activity. To that end, integrated border enforcement teams, or IBETs, have been established.

Recently, at the eighth annual Canada-U.S. Border Crime Forum, the Minister of Public Safety and Emergency Preparedness and the Minister of Justice and Attorney General, together with the U.S. Attorney General Ashcroft, announced a number of initiatives aimed at addressing the cross-border drug trade, firearms trafficking and improving intelligence sharing.

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Among the announcements made at that time was the co-location of Canadian and American IBET officials in locations in both countries as well as the release of a border drug threat assessment, which analyzes the two-way movement of drugs across the border and identifies the best practices for joint enforcement activities. New measures were announced to halt the trafficking of firearms as well as initiatives which would help the RCMP and the Bureau of Tobacco, Firearms and Explosives to trace stolen guns and match crime scene bullets to a shared data base.

As part of its overall review of Canada's security requirements, the Government of Canada has also undertaken a comprehensive review of its national security policies. This review was tabled by the Prime Minister on April 27 this year under the title "Securing an Open Society".

This new national security policy represents a major step forward in strengthening the security environment and identifies three key national security interests that Canada must advance.

First, we must protect Canada and Canadians at home and abroad. This includes safeguarding not only the physical safety of our citizens, but also of the core values Canadians have come to rely on at home and represent to the world.

Second, we must ensure that Canada does not become a base of operations for those who do harm to our allies or ourselves.

Third, it recognizes Canada's responsibility to contribute to international security. At a time when the world is interconnected as never before, we must shoulder our share, including the sending of troops if necessary and the strengthening of international institutions that contribute to global security.

This national security policy is comprehensive in scope, recognizing the changing international landscape and positioning Canada to play a key role in global affairs. This new policy also recognizes that to be successful, it must reflect the diverse perspectives of our diverse population. That is why the government has created a Cross-Cultural Roundtable on Security to engage Canadians in an ongoing discussion of national security issues and how those issues relate to our pluralistic society. The roundtable will provide advice to the Minister of Public Safety and Emergency Preparedness and the Minister of Justice.

It is against the background of all these initiatives, all these efforts to enhance the security of Canadians that the government also announced on December 12 of last year, the creation of a new department, Public Safety and Emergency Preparedness, the subject of the legislation before us today. As one of the first announcements of the new government, it sent a clear message that security would be a key priority.

As hon. members have heard, this will be the focal point, the coordinating body for all our efforts to protect Canadians from any and all threats, whether such threats are to their personal or economic well-being or that of their communities. It will bring together in one place and under one minister the full range of tools necessary to provide a coordinated, integrated and effective response to the full gamut of threats from natural disasters to organized crime or acts of terrorism.

As the lynchpin of Canada's new security architecture, it plays a key role coordinating our response, ensuring efficiencies among departments and interoperability across organizations as well as facilitating joint action with other partners, whether provincial, territorial or international.

• (1315)

[*Translation*]

This is the right legislation, which gives the right response at the right time. It allows us to review Canada's domestic security strategy while reaffirming our determination to stay true to our values.

This legislation also gives the government the tools needed to give Canadians the security they expect.

[*English*]

In the face of adversity, our country has a choice. We can be fearful or we can be prepared. Bill C-6 provides our unambiguous response. We will be prepared. In passing this legislation we declare in no uncertain terms that Canada is united, not simply by danger and hazard, but in purpose and resolve. In defending and protecting ourselves, we reassert the value we attach to our freedoms and our determination to defend those freedoms whenever threatened. That is why I invite all hon. members to support this very important legislation.

Mrs. Cheryl Gallant (Renfrew—Nipissing—Pembroke, CPC):

Mr. Speaker, it is with pleasure on behalf of the people of Renfrew—Nipissing—Pembroke that I rise today to participate in the debate regarding Bill C-6, the public safety and emergency preparedness act.

The decision to create public safety and emergency preparedness Canada is certainly something that has been called for on this side of the House. The object of trying to bring some policy cohesiveness among a variety of agencies is something we appreciate, particularly when it comes to disaster relief. In many ways what is being attempted in the legislation mirrors efforts in providing disaster flood relief to the residents of my riding who live along the Ottawa River.

First, there needs to be coordination among various government agencies. To illustrate the complexity of finding solutions to problems when a variety of government agencies at all levels are involved, I will give an example of a local disaster scenario and how the various participants are involved in the process.

A recent meeting of stakeholders was held regarding water levels on the Ottawa River. Participants agreed that the Ottawa River Regulation Planning Board, the ORRPB, and its partners, need to do a better job of communicating to the public about their respective roles.

Government Orders

The supervision of water levels on the Ottawa River is managed by the ORRPB. Membership consists of three federal representatives, one each from the Department of Public Works and Government Services, Environment Canada and Fisheries and Oceans, a representative from the Ministry of Natural Resources, MNR, for Ontario, someone from the Ministry of the Environment for Quebec, a representative from Ontario Power Generation and a representative from Hydro-Quebec. The costs of operating this board are shared 50% by the federal government, with Ontario and Quebec paying equal shares of 25% each.

In addition to members of ORRPB and local MNR representation, the County of Renfrew as well as the Ministry of Municipal Affairs advisor for Renfrew County and provincial MPP John Yakabuski were invited to participate in the stakeholders meeting.

Bill C-6 now puts the disaster financial assistance arrangements, DFAA, program into the ministry of public safety. One of the concerns which I have brought before the House on a previous occasion is that the DFAA program is administered in Ontario. My office has received numerous complaints, particularly in the last several years, over the management of the water levels along the Ottawa River with respect to flooding.

Back in July, I sent a request through the federal representatives on the ORRPB to hold a public meeting in Renfrew county to address some of the concerns of residents and businesses along the Ottawa River. It was my hope that some of the problems with the way emergency preparedness had been administered in the past would have been corrected with this legislation. This includes the DFAA Program.

Since its inception, DFAA claims for the province of Ontario total \$124 million. That was for the ice storm where damage was in the hundreds of millions of dollars. The problem is that provincial eligible expenses are calculated on a per capita population basis. That means that on the first dollar per capita for the population of Ontario, which is 12,238,200 people, the federal share is nil. On the next \$2 per capita up to 24, 476,400, the federal share is 50%. On the next \$2 per capita, the federal share is 75% with the remaining provincial eligible expenses then kicking in at 90%.

Based on this formula, Ontario does not qualify for DFAA assistance at the maximum rate until all eligible expenses exceed almost \$62 million. By way of contrast, the province of Prince Edward Island, based on the per capita formula, qualifies for federal assistance at the maximum rate after eligible expenses exceed only \$685,000. There is a big difference between \$62 million and \$685,000.

Access to federal government programs should be based on need, not on geography.

In 2002, based on this unfair funding formula, flood victims who happened to live on the Quebec side of the Ottawa River were eligible for federal flood damage. Their neighbours in Ontario, who experienced the same flood conditions on the same river, received nothing. The Greenway Association at LaPasse at the time provided me with a flood damage report of \$250,000, just for Lacroix Bay on the Ottawa River.

● (1320)

There is no doubt that if the DFAA were administered in a uniform fashion, the residents and municipalities along both sides of the Ottawa River would have qualified for some federal assistance. Once again this year, the same situation was experienced by residents in the Township of Whitewater Region, with extensive flooding of their properties along the Ottawa River.

The legislation we have before us today recognizes the role the federal government has to play when it comes to disaster relief. Rather than perpetuate this inequity, we on this side of the House are asking for fairness in the administration of federal government programs. That is how we build a nation: with fairness in government programs. I join the Federation of Canadian Municipalities in calling for a new cost sharing formula when it comes to disaster recovery.

The second point I wish to raise is the sorry history of the former Office of Critical Infrastructure Protection and Emergency Preparedness. In particular, I draw to the attention of the House the disgraceful actions of OCIEP in closing down the Emergency Preparedness College in Arnprior. With this new legislation and a new minister in charge, the opportunity now exists to reverse the mistakes made by the minister's predecessor and utilize the Arnprior campus of the Emergency Preparedness College.

It is a well known fact that the lack of emergency preparedness for such disasters as the SARS outbreak and the power grid failure were in part caused by the chaos of shuffling public servants to Ottawa with no benefit to the safety and security of Canadians.

It is also recognized that the reputation of the Emergency Preparedness College in Arnprior was both a national and an international one. A brand new four-lane highway from Ottawa to Arnprior has opened. An announcement, along with this legislation, that the Emergency Preparedness College is moving from its temporary location in Ottawa back to Arnprior would go a long way to restoring credibility to the administration of emergency preparedness in Canada.

I understand that only one other jurisdiction in the world, one in the Baltic states, has located the command centre of its emergency preparedness headquarters outside an area that would be a target for a strike, the nation's capital. That is poor planning and precisely the kind of decision that reduces the confidence of our allies in our ability to respond to the war on terrorism.

Let us be clear. The public policy behind this bureaucratic reorganization is a war on terrorism. If at the end of the day the same inefficiencies, lack of coordination and poor communication that resulted in the creation of this new ministry are only going to be buried in a larger bureaucracy where it can be easier to hide poor decisions, this process is a wasted exercise and a poor use of the taxpayers' dollars.

Government Orders

It was the inability of the previous minister of emergency preparedness, who had the statutory authority but lacked a grasp of the importance of the portfolio, that led to the travel advisory being issued against Toronto during the SARS episode. Information was not communicated to the World Health Organization in a timely fashion. The leadership role that the Minister for Public Safety and Emergency Preparedness was intended to assume never materialized. The cost to the tourism industry in Toronto and the rest of the province of Ontario was in the hundreds of millions of dollars.

The great blackout in the summer of 2003 is the next example of a lack of coordination that led to mass confusion and conflicting messages being sent out by the federal government. It is important to note that in the threat analysis prepared by OCIPEP, it totally discounted the likelihood of a power grid failure. This explains why the Government of Canada was so unprepared for that emergency and the subsequent misinformation that was distributed to the public.

● (1325)

While these mistakes in and of themselves did not contribute directly to a loss of life that we know of, the next time could have very tragic circumstances.

I look forward to seeing if the Government of Canada meets the expectations of Canadians with this bureaucratic reorganization or if taxpayers are once again saddled with the costs and expenses of a departmental shuffle with the same problems that existed, only under a different name.

[*Translation*]

Mr. Marc Lemay (Abitibi—Témiscamingue, BQ): Mr. Speaker, it is my pleasure to rise in this House to speak on this bill.

Just to situate things, we in the Bloc Québécois support this bill and shall be voting in favour of it. Nevertheless, with your permission, I have one thing to say. Today we are discussing the amendment proposed by the Bloc and adopted by all the opposition parties, a majority in the committee, as the House now realizes. I shall read clause 6(1) as it was originally drafted:

In exercising his or her powers and in performing his or her duties and functions, the Minister may:

- (a) initiate, recommend, coordinate, implement or promote policies, programs or projects relating to public safety and emergency preparedness;—

The hon. member for Marc-Aurèle-Fortin, who is on the committee, proposed an amendment to the beginning of clause 6 (1), to read: “In exercising his or her powers and in performing his or her duties and functions and with due regard to the powers conferred on the provinces and territories, the Minister may—”

This amendment is essential to the adoption of this bill. We do not see any reason for our Liberal party colleagues opposite to object. It is a very important amendment because it directly affects provincial jurisdictions in certain sectors. If the proposed amendment were not adopted, it would enable the government to directly affect the jurisdictions of emergency preparedness, public health, the establishment, maintenance and administration of prisons and reformatories in the provinces, disasters that are usually local in nature, and the administration of justice.

In Quebec we have a public security program that has existed for many years and which is ably coordinated by the Department of

Public Security. Emergency preparedness also exists and is also ably coordinated by the same department.

The government would like to add its presence. Federal help is appreciated, but must not be imposed. Quebec and the provinces must remain the primary contractors and must have the last word. When we talk about natural disasters, from floods to ice storms, we think it is important for this bill to be passed, if it respects provincial jurisdictions.

Quebec has set up its own organization to see to the public security of Quebecers. It is working fine and the federal government might compromise its efficiency and effectiveness by duplicating it.

Those who can best manage public safety are local elected representatives, who are familiar with citizens' programs. The federal government conceives its intervention plans away from the site and from reality. If this amendment is not passed, the federal government could try to impose them, when they are less adapted and could well thwart efficient provincial plans

This is why we agree with the legislation. We have always said that it was an important bill, which should have been passed long ago. However, the federal government has been once more dragging its feet.

I repeat that the federal government invests 44% of its budget in provincial fields of jurisdiction.

● (1330)

Enough is enough. If the federal government wants to have a law on public safety, we agree. However, this bill must not infringe upon provincial fields of jurisdiction, and the federal government must work jointly with the provinces to create programs and, above all, cooperate with the provinces to implement them.

This is why we are asking all the members of the House to vote in favour of the amendment of the Bloc—reject the Liberal Party's motion—and to ensure that we go back to the bill as amended, where section 6(1) reads:

In exercising his or her powers and in performing his or her duties and functions and with due regard to the powers conferred on the provinces and territories, the Minister may—

We strongly believe in this bill and we will support it if this amendment is a part of it.

● (1335)

[*English*]

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I am pleased to add a few comments on Bill C-6, an act to establish the Department of Public Safety and Emergency Preparedness and to amend or repeal certain acts.

I understand the House has had the opportunity to hear representations from the parliamentary secretary and others to ensure that the substantive matters of the bill have been brought to the fore. Based on the debate that has been held thus far in the House it appears there is substantial concurrence, notwithstanding the issue of a report stage motion dealt with at committee.

Government Orders

I was in the same position when a committee on which I was a member made an amendment to a bill but during report stage a motion was tabled that reversed the work of the committee. As an ordinary member of Parliament I find that a little troubling but I also understand that if a deal is not struck with regard to the disposition of the motion the full House will have the opportunity to vote. I am sure the House will deal with it appropriately.

I appreciate the situation in which hon. members who are concerned about this find themselves. I might remind members that under the rules of this place within 90 sitting days of the commencement of a new Parliament there has to be a debate involving the procedures of the House. I think this might be an interesting example that can be dealt with.

I know members wanted to seek a precedent. In fact, on Bill C-13 in the last Parliament, after about two or three years of study and consideration of perhaps 100-plus amendments proposed by members, two amendments were passed by the health committee. When the bill finally was reported back to the House there were two report stage motions to reverse the two amendments that the committee had passed. After all of that work, the committee's work was basically reduced and the bill that came to it originally was the bill that ultimately went forward.

From the standpoint of the work of committees, I tend to think committees do excellent work. I appreciate that the issues that have been raised here in debate are not so broad that there is no concern but this is an important bill that we need to get on with.

The summary of the bill basically states, to establish the department. I have often thought that since September 11 Canada has not had the need to establish this type of departmental responsibility that would require parliamentary approval. However we now have a minister who is responsible and we have established relationships with the United States.

Last evening I was very encouraged to see reasonable developments with regard to border crossings, that Canadian citizens will not be unduly delayed, at least at the one border, which I believe is the Sarnia crossing, and that this will be implemented across Canada. We do continue to play our role.

As well, in the last month we have had the opportunity to welcome some of the senior officials from the United States to have discussions with Canadian parliamentarians to discuss our important relationship with the United States as it relates to the safety and security of Canada and the United States and North America as a whole.

The bill would provide a framework in which the department will operate. It would give the department the full authority to take action on behalf of the people of Canada.

I have not heard it yet but I am not sure if there are any lingering concerns about whether or not establishing some sort of a parallel framework and the collaboration that has been going on over the last number of years has in any way compromised the sovereignty of Canada. I know that from time to time we have issues that come before this place. One will be hurtling toward us, no pun intended, being the ballistic missile defence.

● (1340)

This raises the question about the elements of providing emergency preparedness and the safety and security responsibilities of this new department.

Emergency preparedness is something that we can learn from the examples around the world. We know many of the risks that have resulted in some tragic situations around the world. We are doing substantive work on putting into place some of those elements to ensure that emergency preparedness is something that we can be proud that we are doing the very best possible.

I do not think there is anybody who could give a 100% guarantee that we can be protected from all risk, at all times, at all places. It is just not possible. However we must take reasonable steps. I think the minister has shown that all reasonable steps have been taken with regard to that element of the file, the emergency preparedness.

The safety and security part of it becomes a little more difficult to deal with, particularly from the standpoint of the debate that will go on with regard to what constitutes defensive measures as opposed to what could be construed or maybe manipulated to be offensive measures.

Certainly there are examples where people feel that one of the best defences is a good offence. It will be interesting as we go through the process of developing safety and security measures on behalf of Canadians. It will also be extremely important for us to communicate in plain terms to the Canadian public the important work that is being done to ensure our safety and security, certainly with regard to emergency preparedness.

I think this is the first time I have come across a bill in which a new ministry has been created. The bill also has a number of transitional provisions because, like anything, responsibilities have to be taken into account. There are changes as well to the Access to Information Act, the Canadian Centre on Substance Abuse Act, the Canadian Peacekeeping Service Medal Act, the Canadian Security Intelligence Service Act, the Citizenship Act, the Controlled Drugs and Substances Act, and it goes on. The point being that this is not a small change in the discharging of the responsibilities of the Government of Canada.

This House would also be seized with other matters. For instance, I mentioned the change in the Controlled Drugs and Substances Act, which I believe is at committee, that deals with marijuana grow houses and the penalties related to the possession of small amounts of marijuana.

Some questions have already been asked as to the impact on trade and the border activity, et cetera. It goes to the very heart of the issue here, which is that we have to ensure that emergency preparedness is in very good shape and that the safety and security issues are also in place, but not to the extent that we impair the trade relationship that we have. Over 75% of our export trade is with the United States. Traffic must keep moving but safety and security is also a priority and balancing those priorities will be the biggest challenge for the Government of Canada.

Government Orders

• (1345)

[*Translation*]

Mr. Richard Marceau (Charlesbourg—Haute-Saint-Charles, BQ): Mr. Speaker, one of the good news for our party as well as for this Parliament that came out of the June 28 election was the victory of our colleague from Marc-Aurèle-Fortin. He is a distinguished colleague who attracted a lot of positive attention during his career in Quebec's National Assembly, where he held various portfolios and brilliantly discharged his duties.

Our colleague from Marc-Aurèle-Fortin can now get an inside view of the federal monster. Because of the dysfunction of the federal system we live in, many of our fellow citizens support the creation of a separate country called Quebec.

Members will agree with me that June 28 also brought about a very significant change in what I would call the geopolitical face of the House of Commons. The Liberal government, the Liberal Party of Canada, took quite a beating across the country, and particularly in Quebec, where 54 ridings out of 75 are now represented by members of my political party, that is, the Bloc Québécois.

Unfortunately, it would appear that this change of massive proportions to the Canadian political map did not register correctly with our friends across the way. On June 28, the government was punished by the voters for two reasons among others.

First, of course, is what certain commentators in English Canada called the dictatorship of the Prime Minister, in reference to the inordinate control exercised by the Prime Minister over the federal administration or the government's political community, to the point that the House had become nothing more than an instrument rubber stamping the Prime Minister's decisions. Second, the voters rejected rather dramatically this desire to centralize and standardize that is at the core of the philosophy of the Liberal Party of Canada.

Let us start with the first component, namely centralization in the hands of the Prime Minister. A great many Liberal members spoke out and met with journalists, complaining about Prime Minister Chrétien's excessive control. They said, "With the new Prime Minister—the one we have now—all this will change. We, as parliamentarians, want our responsibilities as parliamentarians and lawmakers respected by both the House of Commons and our own government, naturally".

Where are these members now? They are not speaking out against their government's attempt to reverse a decision freely made by a committee of this House. This means that they are in favour of having their prerogatives and rights as parliamentarians restricted and, worse yet, denied and negated by their own government.

That is what we are talking about here. A parliamentary committee decides to amend a bill. Unhappy with the decision freely made by parliamentarians and law makers in committee, what does the government do? It tries to have the decision overturned by the House. What a disgrace for a government and a Prime Minister who, day after day, meeting after meeting, used to say, "We will fix the democratic deficit in this House. At long last, we will let members who deserve it have their say again".

And what do we see? We see that members across the way are quite happy to behave like eunuchs, to let themselves be led by the government as a herd of sheep under their Prime Minister. If they valued their prerogatives as parliamentarians and law makers, they would be the first ones to rise in this House and say, "We may not agree with what happened in committee, but Parliament should work in such a way that committee decisions are respected".

• (1350)

But no, they keep quiet. They stick to this vision that everything is decided by the PMO. Shame on them! But what better example of the Liberals' double speak, who say on the one hand "We want parliamentarians to be shown respect", but who, on the other hand, agree to this petty attempt to hijack parliamentary democracy. It is so sad it makes one feel like crying.

It is rather ironic that the division of powers and the Canadian Constitution are being defended by the same people who want out of it. My colleague from Marc-Aurèle-Fortin was an activist in the Rassemblement pour l'indépendance nationale, the RIN, created in 1960 by André d'Allemagne and later headed by Marcel Chaput and then by Pierre Bourgault. This very same sovereignist-independentist movement now has to defend the division of powers under a Constitution from which it wants out, because federalists, as embodied by the Liberal Party of Canada, are ignoring their own Constitution, their own founding document, which is rather incredible.

It should not surprise us, considering that 44% of federal spending is in areas of provincial jurisdiction. Despite that, when they have an opportunity to prove that they are true federalists and not centralizers, they might well say: "We agree that provincial jurisdiction should be respected and in the case of each legislative measure that comes before us". Maybe the House should decide to put in every bill a clause saying that provincial and federal jurisdictions have to be fully respected, in order to quell the Liberal members' appetite for centralization and uniformity.

Therefore I would invite two groups in this House to do the following. To the opposition parties I say: "Let us stick together and make sure that we have a truly democratic Parliament. Let us make sure that our rights and privileges, as members of Parliament and legislators, are respected".

I invite my Liberal colleagues, who are listening to me intently, to rise and say to their leader, to the Cabinet members and to the Prime Minister: "We are Liberals but, above all, we are members of Parliament and legislators. We will never allow our privileges as members of Parliament and legislators to be denied, shoved aside or exchanged for a handout, such as an appointment to some position by the Prime Minister of Canada.

S. O. 31

I will end with the following story, because I notice the presence of the former government House leader, who is a fan of Winston Churchill. Winston Churchill told the following story: "When I was a child, a circus came to my neighbourhood. In that circus, there was someone called "the boneless wonder". My parents had refused to allow me to see that person. They thought it would be inappropriate considering my young age." Incredibly, we have "boneless wonders" in this House: they are the Liberal members who refuse to stand up.

• (1355)

Mr. Christian Simard (Beauport—Limoilou, BQ): Mr. Speaker, I am pleased to speak to this important piece of legislation, Bill C-6 on the Department of Public Safety and Emergency Preparedness.

Underlying the debate on this bill are issues of democracy, respect for jurisdictions and government effectiveness.

Democracy is an important element, but unfortunately this minority government has not quite realized it. This is a minority government that did not get 64% of the vote, since it went to electing 54 Bloc Québécois members.

The message from voters to this government then is to respect the opposition parties, the diversity of opinion and provincial jurisdictions. They do not want an imperialist, centralist, ineffective, heavy-spending government. They want a responsible government that knows how to be humble, modest and capable and to do its homework. Unfortunately, the message has not gotten through and this is not the case.

There is no respect for fundamental democracy. I even find this government—in addition to all the nice adjectives I use to describe it, such as imperialist, controlling and arrogant—to be a bit foolish. It is foolish in how it keeps coming back this assembly, the House of Commons.

I agree with my colleague from Charlesbourg—Haute-Saint-Charles—who respects the other hon. members when they are speaking, unlike some people in this House—when he says that when a committee addresses an issue, there has to be very good reasons to change its direction. In a way, the committee represents this House on a small scale. It is where bills are thoroughly considered. It is where, with help from witnesses, we think hard, often clause by clause, about the bill.

It takes a certain arrogance to go back on consensus or committee reports on such fundamental issues as respecting jurisdictions. This should go without saying.

Unfortunately, in its generalized intrusive practices, this government finds a way of being bad in its jurisdictions and being very bad when it comes to overlapping. It specializes in mediocrity.

Of course, this is done at the expense of the taxpayers, of the citizens who, beyond Bill C-6, beyond the amendments being counter-amended by this very strange minority government, which is too big for its britches, only want greater safety, better environmental protection and more respect for public funds.

In the rather artificial environment of Parliament Hill, people tend to forget about these things. As a new member, I can tell the House that a person can easily forget where he comes from. I think many government members have forgotten where they come from and who has sent them here.

We came up with a very simple amendment. We support the bill in principle, although we now realize that it can lead to abuses of power by the minister concerned. We are worried about that, but we hope that it will not happen. We hope that the bill will be passed with the amendment agreed upon in committee, and without today's amendment to counter the amendment, which is despicable. We hope that the bill will be passed in a spirit of cooperation and respect for provincial jurisdictions.

Last summer, the government was bragging about practising asymmetrical federalism, but now it has gone back to its hypocritical behaviour, as evidenced by the way it deals with all the legislation and the various measures. Its hypocrisy is reflected in this about face. I think the government will soon hit a wall. It will even—

• (1400)

The Acting Speaker (Mr. Marcel Proulx): I am sorry to interrupt the hon. member. When debate resumes, he will have five minutes remaining.

STATEMENTS BY MEMBERS

[*Translation*]

FAMILY PHYSICIANS OF CANADA WEEK

Mr. Bernard Patry (Pierrefonds—Dollard, Lib.): Mr. Speaker, it is with great pleasure that I inform my colleagues in this House that the week of November 21 to 27 is Family Physicians of Canada Week.

All members of the College of Family Physicians of Canada deserve to be congratulated on this very special occasion, namely the 50th anniversary of their organization.

Every day in Canada, family physicians diagnose people, treat illnesses and injuries, promote health, prevent disease, coordinate care and support their patients.

They provide not only primary health care, but also a large part of the secondary and tertiary care in many communities, whether it is in their office, at the hospital, at their patients' home, in seniors' residences and in other community facilities.

Family physicians also teach resident physicians and students in Canada's 16 medicine schools, and they conduct research that provides an important contribution to the practice of family medicine in our country and in the world.

I invite hon. members to join me in thanking our family physicians and in supporting the Family Physicians of Canada Week.

[English]

HOCKEY

Mr. Joe Preston (Elgin—Middlesex—London, CPC): Mr. Speaker, we are now into what would have been the NHL season. I would like to report that in Elgin—Middlesex—London fans are handling the withdrawal well. Minor hockey continues to flourish with a refreshing dose of more fun in the game. Perhaps without the million dollar role models' tantrums to mimic or the exorbitant prices of NHL game tickets to distract our young players, the game is returning to its roots.

Two very special teams are helping us all forget the NHL. The Aylmer Blues of the Senior A loop continue to lead the league. This second year team came very close to the Allan Cup last year. And who could talk about hockey in Elgin—Middlesex—London without bragging about the number one ranked London Knights who are still undefeated 21 games into the season? These are young men playing not for millions but for the love of the game.

Who needs the NHL? I have better hockey.

* * *

POLAND

Hon. Sarmite Bulte (Parkdale—High Park, Lib.): Mr. Speaker, I rise today to commemorate an important event for Polish Canadians in my riding of Parkdale—High Park and throughout Canada. On November 7, I participated in the flag raising ceremony at Toronto City Hall to mark the anniversary of Poland's Independence Day.

Poland's Independence Day is celebrated annually on November 11. It was first established in 1918 following the end of the great war, when Poland was reconstituted as an independent country. This was a proud achievement, especially for a country with the world's second oldest constitution. Together with the Canadian Polish Congress, World War II veterans, and scouting organizations, Polish Canadians in Toronto celebrated their long struggle for freedom that has resulted in Poland being firmly established in the family of democratic countries.

Today, Poland is truly independent again. Poland is an active member of NATO and the European Union, and an example to other countries embarking upon building parliamentary democracies in the former Soviet bloc. We salute the Polish people for their continued efforts to strengthen democracy in their home country and in Canada.

* * *

[Translation]

DEPARTMENT OF NATIONAL DEFENCE

Mr. Guy André (Berthier—Maskinongé, BQ): Mr. Speaker, from 1952 to 2000, the Department of National Defence fired shells in Lake Saint-Pierre, which is a UNESCO world biosphere reserve.

It is estimated that over 300,000 shells are currently at the bottom of the lake, including 8,000 unexploded ones. These shells are an environmental threat and they also pose a problem to users. They are a handicap for commercial fishermen, shoreline residents and numerous ecotourism projects.

S. O. 31

My constituents are concerned about their safety. Moreover, these shells are an impediment to their will to take charge of their region's development.

The government must assume its responsibilities by correcting the situation, particularly since the technology to remove these shells is available.

* * *

● (1405)

[English]

DIABETES

Ms. Beth Phinney (Hamilton Mountain, Lib.): Mr. Speaker, November is Diabetes Awareness Month. Approximately two million people in Canada are afflicted with diabetes. The majority of these people have type 2 diabetes. Type 2 diabetes, where one's body does not know how to use the insulin it produces, is preventable. Despite this fact, it is one of the fastest growing diseases here at home and around the world. This is unacceptable.

This year the Government of Canada will be spending \$30 million on a Canadian diabetes strategy. People need to be educated and aware of the things they can do today, right now, to prevent type 2 diabetes. Preventable measures include regular exercise and incorporating healthier food choices into one's diet. While these choices seem simple, thousands of people do not make them.

This month, I would like to encourage and challenge all Canadians, myself included, to integrate these measures into our daily lives. The small changes we make today can have dramatic and positive impacts on the future.

* * *

DIABETES

Mr. James Rajotte (Edmonton—Leduc, CPC): Mr. Speaker, I rise today to recognize World Diabetes Day and Juvenile Diabetes Awareness Day on Parliament Hill.

Over two million Canadians have diabetes.

Type 1 diabetes occurs when the pancreas no longer produces insulin, which the body needs to survive. Many Canadian children suffer from juvenile diabetes of this type, and I salute the parents and the wonderful and patient children who came to Ottawa today to talk to parliamentarians about this disease.

Type 2 diabetes occurs when the pancreas does not produce enough insulin, or when the body does not effectively use the insulin that is produced.

Gestational diabetes is a temporary condition that affects approximately 3.5% of all pregnancies.

S. O. 31

We are extremely fortunate in Canada to have researchers and scientists at the University of Alberta who have developed something called the Edmonton protocol, a procedure for transplanting healthy islet cells into people with type 1 diabetes. The research and treatment conducted by this group offers a long term treatment option for diabetics.

I would like to pay tribute to all members of the Edmonton protocol team for their hard work and their continued research into this disease.

* * *

CHILD CARE

Ms. Anita Neville (Winnipeg South Centre, Lib.): Mr. Speaker, this past weekend in Winnipeg I attended the Canadian Council on Social Development's conference, Child Care for a Change.

Close to 650 delegates from all corners of the sector representing researchers, policy makers, educators and parents had the opportunity to hear from some of Canada's top experts in the field as well as a number of well-known international experts.

Minister Ken Dryden opened the conference and spoke of the strong commitment of the government to work with the provinces and territories, stakeholders and communities, aboriginal governments and aboriginal communities to realize the vision of a national early learning and child care system. The minister received a standing ovation from the delegates, evidence of the strong support for this important government priority.

The Liberal commitment of over \$5 billion over five years is a significant first step toward the national system.

I call on all parties today to work together for the benefit of our children in making this commitment a reality.

The Speaker: The hon. member was not referring to the Minister of Social Development when she was referring to someone on a first name basis like that.

* * *

[*Translation*]**INTEGRATION OF THE AMERICAS**

Mr. Pierre Paquette (Joliette, BQ): Mr. Speaker, in his speech to this House, Mexican President Vicente Fox made several references to the importance of shared development and to transforming North America into a region of cooperation and integration.

He also spoke of the idea he introduced during his September 2000 visit to Ottawa: a social development fund of the Americas, particularly North America, to help those losing out because of free trade.

The Bloc Québécois shares President Fox's conviction that it is important for there to be a series of measures in place, as North America and eventually the entire continent becomes integrated, in order to support regions and populations affected by the socio-economic changes caused by NAFTA and the coming free trade area of the Americas.

In order to reap the benefits of access to a wider market, there must be infrastructure in education, health and transportation.

Unfortunately, the Liberals do not yet get it, that such a fund would enable all of the regions to become full-fledged partners as well as representing markets of interest to our exporters.

* * *

[*English*]**JUVENILE DIABETES**

Hon. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, today I had the honour of meeting one of my young constituents who came to Parliament Hill on a very special mission.

Brodie has juvenile diabetes. Every day he must have injections of insulin to survive. Brodie is part of the Kids for a Cure delegation, a group of youngsters from all across Canada who have travelled to Ottawa to deliver the message that with more research and more funds, a cure is possible.

Researchers from Canada are part of conducting very promising research that could lead to cure therapies, but this research can only succeed with continued funding.

I come from a family where this disease exists and I hope that my grandchildren never get it. I certainly hope for a cure for Brodie. Let us make that our mission. Let us accept the mission and let us contribute generously to juvenile diabetes research.

* * *

● (1410)

CITIZENSHIP AND IMMIGRATION

Mr. Scott Reid (Lanark—Frontenac—Lennox and Addington, CPC): Mr. Speaker, Mingli Lin, a former prisoner of conscience, continues to languish in China even though this House voted unanimously to permit him to rejoin his family here in Canada.

In October 2002 the Commons voted to permit the entry to this country of 13 Falun Gong practitioners, including Mingli Lin. In violation of the will of the House, a Canadian consular official in Shanghai refused to issue a visa to Mingli Lin. On April 21 of this year, I hand delivered a letter to the Minister of Citizenship and Immigration advising her that her officials were acting in contempt of Parliament and requesting that she intervene personally.

The minister wrote back that she would not issue a ministerial permit, but that if Mingli Lin were to travel to a third country, which of course he cannot do, he could apply for entry to Canada as a refugee.

The minister should hang her head in shame for actively obstructing the unanimous will of the House and for preventing a model citizen from being reunited with his family on our shores.

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CHRONIC OBSTRUCTIVE PULMONARY DISEASE

Mr. Ken Boshcoff (Thunder Bay—Rainy River, Lib.): Mr. Speaker, tomorrow, November 17, is World COPD Day.

COPD is chronic obstructive pulmonary disease and affects 714,000 Canadians, mostly smokers or former smokers, and is rapidly rising among women. Tragically, it is targeted to be the third leading cause of death worldwide by 2020.

People with COPD often struggle for every breath and have difficulty performing simple tasks such as walking up stairs. The burden on the health care system is enormous. It is now the fifth major cause of hospitalization in Canada.

There is no known cure for this chronic disease, but it is treatable and preventable. Lung association staff and volunteers work very hard in the area of prevention to educate young Canadians about the dangers of smoking. If young people never start smoking, chances are they will never contract this disease.

I encourage us as parliamentarians to support the work of the lung association. Its slogan says it all: "When you can't breathe, nothing else matters."

* * *

SUDAN

Mrs. Bev Desjarlais (Churchill, NDP): Mr. Speaker, Human Rights Watch has released its fourth report on the genocide in Sudan. Ethnic cleansing by government supported troops is being consolidated, and 1.7 million people have been forced off their land into displacement camps where they decide daily whether to stay and starve or to return home and be killed.

On November 18 the UN Security Council is meeting in Nairobi to consider a new stronger resolution. If this fails, the world will face another Rwanda.

China's opposition has been the main stumbling block in the Security Council. China's resource interests in Sudan are large, and we know the Liberals never stand in the way of the Chinese government when it wants to acquire foreign resources.

There is no sitting on the fence and no middle ground in Sudan. The facts are that the Janjaweed militia are supported by the Sudanese government, that the Security Council has failed to take a strong stand against the genocide, and that the government has not applied pressure to help stop the killing.

It is time for the Prime Minister to show the world that Canadians value the lives of the people of Darfur. It is time for Canada to show leadership.

* * *

DIABETES

Mr. Rob Merrifield (Yellowhead, CPC): Mr. Speaker, diabetes is a disease that afflicts far too many Canadians. Two million Canadians currently struggle with this disease. The numbers are expected to increase as our population ages and as obesity rates rise. In some first nations communities the incidence of diabetes is three to four times the national average.

The government keeps saying that it is a priority, but where are the results?

The Conservative Party recognizes the need for a range of prevention and treatment strategies to combat this disease.

S. O. 31

Canadian scientists are engaged in leading edge research, testing and treatment programs, including the exciting Edmonton protocol. We must do more to prevent diabetes by encouraging physical activity and healthy eating.

November 14 is World Diabetes Day, marking the birthday of Dr. Frederick Banting, one of Canada's greatest scientists.

On behalf of Canada's official opposition, I offer our best wishes to the Canadian Diabetes Association and to all those who strive to prevent, treat and find cures for this disease. We thank them for their good work and wish them success in the years ahead.

* * *

●(1415)

[*Translation*]

INTERNATIONAL SOLIDARITY

Ms. Diane Bourgeois (Terrebonne—Blainville, BQ): Mr. Speaker, I am proud today to have this opportunity to draw attention to the eighth annual Journées québécoises de la solidarité internationale, from November 11 through 21 this year. This year's slogan is a highly original one and very much indicative of the desire of Quebecers to combat the militaristic stance shared by most of the western world, "Choisissons notre monde: sans armes, citoyens". Rather than a call to arms, this is a call to lay down weapons and shape our own world.

This is first and foremost intended as a reminder to parliamentarians and decision makers that the best weapon against terrorism and threats to security is improving the standard of living of third world countries and their populations. The 53 member organizations of the Association québécoise de coopération internationale are focussing their efforts on promoting a world without violence and without weapons.

As Canada's decision on the missile defence shield is forthcoming, the Bloc Québécois is taking advantage of this opportunity offered by the Journées québécoises de la solidarité to remind the Canadian government that the people of Quebec are strongly opposed—

The Speaker: The hon. member for Oshawa.

* * *

[*English*]

FOREIGN AFFAIRS

Mr. Colin Carrie (Oshawa, CPC): Mr. Speaker, as members know by now, Fairuz Yamulky, a Canadian citizen, was beaten, threatened with beheading, and held captive in Iraq earlier this year.

I, along with many Canadians, watched Ms. Yamulky recount a story of diplomatic impotence on television this past Sunday. We learned that Canadian officials in Amman, Jordan gave Ms. Yamulky scant attention or support during her terrifying ordeal. Embassy officials had the temerity to order Ms. Yamulky to pay for an emergency passport and her subsequent travel arrangements. The message we are sending is, "Thanks for having escaped your captors, now here is your bill".

Oral Questions

I am relieved that Ms. Yamulky is safely out of harm's way, but I would encourage the Minister of Foreign Affairs to launch an immediate review of this incident and report back to the House in the coming days.

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MIDDLE EAST

Mr. Russ Powers (Ancaster—Dundas—Flamborough—Westdale, Lib.): Mr. Speaker, I would like to share the optimism expressed in the wake of Yasser Arafat's demise that a moderate Palestinian leadership will negotiate a reasonable accommodation of this century old conflict. However, statements in Arabic by Palestinian officials may reveal an agenda of working toward the state of Israel's disappearance.

Last week the Palestinian ambassador to Iran on Al-Alam TV spoke to an Arafat legacy, and the English translation by the Middle East Media Research Institute stated, "And now he is gone...what will surely be the end of this Zionist entity? I will say to you that this entity will disappear one of these days...it's a matter of time".

The Palestinian ambassador then referred to international restraints and further stated, "Our phased plan is to establish an independent sovereign Palestinian state with Jerusalem as its capital. As for deciding the conflict, that's a matter for history".

Our eyes must continue to focus on the Middle East.

ORAL QUESTION PERIOD

[*English*]

TAXATION

Hon. Stephen Harper (Leader of the Opposition, CPC): Mr. Speaker, you will recall that during the election the Prime Minister said he could not afford tax cuts. We now know the truth. He was hiding massive surpluses, overtaxing Canadians to support his spending habits.

I ask the Prime Minister, now that the surplus is over four times what he claimed it would be, will he commit to giving Canadians the tax relief they deserve?

Right Hon. Paul Martin (Prime Minister, Lib.): Mr. Speaker, the Leader of the Opposition seems to have some difficulty with the fact that this country is in good financial shape.

I was in Europe when the finance minister announced the level of the surplus last year. The Leader of the Opposition was clearly unhappy with it. Let me say that Canada was the admiration of Europe as country after country wondered how in fact we had reduced our debt, increased our surpluses and, as a result of that, how we have been able to cut taxes on the one hand and increase jobs on the other.

Hon. Stephen Harper (Leader of the Opposition, CPC): Mr. Speaker, what we would like to see and what Canadian families would like to see is that instead of all that tax money going into the pockets of Liberals' friends maybe it would go to the families of this country.

The Prime Minister has \$2.5 billion in unpaid TPC loans to corporations, including to his own family corporation, and \$1 million just spent on a Challenger photo op tour. With the \$9 billion surplus, why can he not give Canadians some of their own tax money back?

● (1420)

Hon. David Emerson (Minister of Industry, Lib.): Mr. Speaker, I can tell the House that any of the TPC programs were made under the strictest conditions of the ethics codes of the time and under the ethics codes that exist today. To malign a member of this House in that way is wrong.

Hon. Stephen Harper (Leader of the Opposition, CPC): Mr. Speaker, what is wrong is giving money that is not paid back to corporations when it should be given back to the workers who paid that money.

[*Translation*]

The problem is that the Liberals think they know more about spending the money than the people who have earned it.

With a surplus of \$9 billion, does the Prime Minister intend to reduce income taxes on Canadian families, yes or no?

Right Hon. Paul Martin (Prime Minister, Lib.): Mr. Speaker, the Minister of Finance has said many times that he is certainly prepared to consider lower taxes, but that our priorities come first; they are: health; equalization payments for the less wealthy provinces; child care; spending for our first nations, truly spending on defence; and spending where the priorities of Canadians lie, and we shall do that. We said so during the election campaign and we will keep our promises.

[*English*]

Mr. Monte Solberg (Medicine Hat, CPC): Mr. Speaker, what the Prime Minister is saying is that Canadians can have tax relief after he has spent all the money. We want a balanced approach.

Today the Prime Minister said that tax relief is at the bottom of his list, but members of the finance committee are holding prebudget hearings right now because they were told that the opinions of Canadians counted. Why is the Prime Minister telling Canadians that their opinions do not count, especially if they want lower taxes?

Hon. John McKay (Parliamentary Secretary to the Minister of Finance, Lib.): Mr. Speaker, as the Prime Minister has rightly said, there is a number of funding commitments that have been made by the government, funding commitments that we made during the platform, and those funding commitments will be honoured.

After that is done, we have to keep a competitive tax environment. The appreciation of the Canadian dollar vis-à-vis the U.S. dollar creates an uncompetitive environment. The productivity numbers have to be kept up if we intend to keep our prosperity. In the greater scheme of things, we will in fact go over the issues that are raised by the committee, and if the committee behaves in a responsible, fair way, then we will in fact respond.

Mr. Monte Solberg (Medicine Hat, CPC): Mr. Speaker, the Prime Minister is basically saying to Canadians, "If I want your opinion, I'll give it to you".

Oral Questions

This money belongs to Canadians. They have a right to have a say in how this money is allocated. My question is for the Prime Minister. Why is he not allowing Canadians who want lower taxes to be part of this debate? Why do they not have a say in this?

Hon. John McKay (Parliamentary Secretary to the Minister of Finance, Lib.): Mr. Speaker, in fact we have had in the last year or two the most massive tax cut in Canadian history, \$100 billion. The result thus far is very encouraging, because in fact on corporate revenues the tax increase has been 23%. On personal tax cuts, we have actually generated greater revenues of 2%, so of course tax cuts have to be in the mix of debate. I cannot imagine why it is not.

* * *

[Translation]

EMPLOYMENT INSURANCE

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, instead of using the surplus to improve the employment insurance system to benefit the unemployed who have been waiting for far too long, the government is considering reducing contributions.

Does the Prime Minister realize that his government is completely missing the point and that the priority should be to improve the system, since currently 60% of workers are not eligible for employment insurance when they need it?

[English]

Hon. Joseph Volpe (Minister of Human Resources and Skills Development, Lib.): Mr. Speaker, I think he has his facts wrong. The number of Canadians who can actually qualify for employment insurance exceeds 88%.

The Leader of the Opposition will also recall that as we prepare for a point where we will make adjustments to premium rates, we have dropped those over the course of the last 10 years at the same time as the unemployment rate has been dropping. I am sure he would want to join the rest of us in celebrating the fact that Canada's unemployment rate is among the lowest in the western world.

[Translation]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, it was because of such harebrained comments that the Liberals were swept out of Quebec. During the election campaign the Prime Minister made promises. More has to be done for seasonal workers, he said in Rimouski. The 910-hour eligibility requirement penalizes young people and needs to be changed, he said during the leaders debate.

Now that he has the means, could he, for once, go ahead and keep his promises?

• (1425)

[English]

Hon. Joseph Volpe (Minister of Human Resources and Skills Development, Lib.): Mr. Speaker, unlike the member opposite, we are going to try to base our policy on good, sound judgment and analysis rather than empty and cheap rhetoric.

What the member will recognize is that of course we have a concern about people who leave their place of birth, but it will not be because of what he suggests. It will be because we are in fact

creating work employment. That is the best guarantee of stability and sustainability in every community. He will recognize that 38,000—

[Translation]

The Speaker: The hon. member for Chambly—Borduas.

Mr. Yves Lessard (Chambly—Borduas, BQ): Mr. Speaker, the minister should go and say that to the unemployed who are not receiving benefits. They will tell him whether it is rhetoric or not.

The government should take advantage of the so-called unexpected surplus to resolve the eligibility problems that some Quebecers have when it comes to employment insurance.

When we see that 84% of young people under 25 and 67% of women who have lost their jobs do not receive benefits from the employment insurance system, should the government not use its enormous surplus to help young people and more women qualify for employment insurance benefits?

[English]

Hon. Joseph Volpe (Minister of Human Resources and Skills Development, Lib.): Mr. Speaker, every economist in the country, all analysts, all labour market analysts, point to the fact that we have created close to 300 new jobs—

Some hon. members: Oh, oh!

Hon. Joseph Volpe: —in the course of this last year, 38,000 in Quebec. We have a participation rate that is the highest in the OECD countries: 67.5%. He is decrying the fact that the economy is responding positively and giving hope and ambition to all those who aspire for a good quality of life, as they enjoy today. The member is out to lunch.

[Translation]

Mr. Yves Lessard (Chambly—Borduas, BQ): Mr. Speaker, obviously the minister does not know what it is like to lose his job. In many outlying regions, seasonal workers and their families go through what is called the gap. In other words, in some cases, they have periods of up to two months where they do not receive any employment insurance benefits.

When the government realizes that its surplus is much greater than it had anticipated, is that not the right moment to step in to resolve these problems and help these families?

Hon. Joseph Volpe (Minister of Human Resources and Skills Development, Lib.): Mr. Speaker, we are already doing so. Last spring we redistributed the economic regions so that many more individuals who end up in a period of unemployment can qualify for benefits.

Furthermore, we have already made changes to make it possible for people who live in economic regions where the unemployment rate is greater than 10% to receive benefits for an additional five weeks.

Also, last spring we set up other pilot projects for—

Oral Questions

The Speaker: The hon. member for Toronto—Danforth.

* * *

[English]

CANADA-U.S. RELATIONS

Mr. Jack Layton (Toronto—Danforth, NDP): Mr. Speaker, my question is for the Prime Minister. George Bush's choice for secretary of state is not good news for foreign policy of a moderate kind. Four years ago she was Bush's ambassador for missile defence, going to Russia to ask them to tear up an arms control treaty. In fact, that treaty was torn up.

Does the Prime Minister believe that this represents the Canadian approach, the multilateral approach that is so important, with Condoleezza Rice and George Bush tearing up multilateral arms control treaties?

Right Hon. Paul Martin (Prime Minister, Lib.): Mr. Speaker, I will be looking forward to meeting with President Bush in Chile to discuss Canada's vision of the new multilateralism.

We saw it the other day in Haiti, where in fact Canada played a very important role in bringing about the beginnings of reconciliation. We will see it in the discussions about the Middle East. Hopefully the road map to peace will see a new start. Canada intends to play a role there, within that, in building the institutions. That is the kind of vision the Canadian government intends to put before the world.

• (1430)

Mr. Jack Layton (Toronto—Danforth, NDP): Mr. Speaker, this is rather incredible. We had the Prime Minister's party taking out ads against Bush's foreign policy and now he refuses to confront it with any kind of clear position that Canada might bring forward on missile defence.

My question is simply, will the Prime Minister ensure that there is a vote in this House prior to any aspect of the decision to get involved in missile defence being made, or did George Bush not allow him to agree to that?

Hon. Tony Valeri (Leader of the Government in the House of Commons, Lib.): Mr. Speaker, as all hon. members know, there was discussion, certainly during the amendments that the Conservatives put forward in the address in reply. They passed unanimously in this House. That amendment clearly stated that there would be a vote before the government would make its decision.

* * *

CITIZENSHIP AND IMMIGRATION

Mrs. Diane Ablonczy (Calgary—Nose Hill, CPC): Mr. Speaker, the citizenship and immigration minister personally helped one of her campaign workers do an end run around the immigration system. She ordered civil servants to give a “you get to stay in Canada card” to a stripper who came here on a temporary work visa.

The woman's new husband admitted they volunteered for the minister hoping to avoid going through normal channels. Sadly, it worked. The minister cut a special deal. How can the minister be trusted to fix a system that she herself bent for a political supporter?

Hon. Judy Sgro (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, let me thank the hon. member for the question, and unfortunately I was not here yesterday or I would have answered it then as well.

It is clear that under the Citizenship and Immigration Act and under my parliamentary responsibilities I have the opportunity to grant humanitarian and compassionate grounds on individual cases. I get hundreds of requests from every member in this House, including the Leader of the Opposition, on these cases. They are looked at on a case by case basis on humanitarian and compassionate grounds.

Mrs. Diane Ablonczy (Calgary—Nose Hill, CPC): Mr. Speaker, it is certainly funny that the minister used her discretion so generously in support of one of her own political workers.

Thousands are waiting anxiously for their Canadian status. Thousands have made these kinds of applications. Sometimes it takes years to go through the normal channels, but suddenly this woman who worked to help the minister get re-elected gets fortunate enough to get a “you get to stay in Canada card” on the orders of the minister. Why does the Prime Minister and why does the government see nothing wrong with the minister giving an unfair advantage to one of her supporters?

Hon. Judy Sgro (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, let me thank the member again and let me just remind the member that on June 11 she put in a request, and what was that, 10 days before the election, on humanitarian and compassionate grounds. I issue hundreds of—

Some hon. members: Oh, oh!

Hon. Judy Sgro: You asked the question. Yes, she did.

The Speaker: Order, please. I am sure the minister appreciates all the help with her reply, but the minister was asked a question. She seems to have a reply of her own. All hon. members will want to hear it. We will have a little order in the House while the minister has the floor.

Hon. Judy Sgro: Mr. Speaker, as I indicated earlier, Parliament has given the Minister of Citizenship and Immigration, under the act, the ability to exercise humanitarian and compassionate grounds. It is something that is done for hundreds of members of Parliament and people all across Canada. Many of those are members from the opposition.

Mr. Rahim Jaffer (Edmonton—Strathcona, CPC): Mr. Speaker, it looks like the minister is getting help from her friend on dancing around the question.

The citizenship and immigration minister's lack of credibility must have been common knowledge during the election as a man wanted for deportation by her own department delivered pizza and brazenly hung out at her campaign office. It is almost as if the minister put out a sign, “Help me get elected and I'll let you say in Canada”.

Why does the minister believe that the rules apply to everyone but her Liberal friends?

Hon. Judy Sgro (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, hundreds of people volunteer in election campaigns. I am not sure about Conservatives, but in Liberal ridings we have lots of people who volunteer.

Let me tell the House that issues of national security are extremely important to all of us on this side. If the member has any allegations or any evidence to support this allegation, I suggest he should bring it forward and not just use his mouth to put the words.

• (1435)

Mr. Rahim Jaffer (Edmonton—Strathcona, CPC): Mr. Speaker, the immigration minister has a responsibility to uphold the rule of law. Yet she failed to report the fact that she had a deportee working for her. We know it is not because she is incapable of working the phone. After all, she made a call to get a minister's permit for her stripper friend.

Why the double standard when it comes to her Liberal friends? Why did the minister not report this individual to her own department?

Hon. Judy Sgro (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, it would be great if the hon. member would get his facts straight rather than taking them as whatever he reads in the media as being the gospel truth.

As I said before, issues of national security continue to be very important to me, as they are to all of us on this side of the House.

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[Translation]

BUDGET SURPLUS

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, last winter, the Office of the Auditor General indicated that the government could very well pass, before March 31, legislation allowing it to use its budget surplus for purposes other than the repayment of the public debt.

Given that it has to make money available to resolve the well-identified problems faced by people, ordinary people, and that it can afford to do so, will the government make a commitment to introduce in Parliament legislation providing that the surplus may be used for purposes other than just applying it to the debt?

[English]

Hon. John McKay (Parliamentary Secretary to the Minister of Finance, Lib.): Mr. Speaker, as members know, the federal government has over the last number of years run surpluses and those surpluses have been applied to the debt. The debt has been reduced from \$562 billion to just a touch over \$500 billion. That has worked a great deal of good in the economy and for the nation's well-being. By almost any criteria, we are a well-managed government.

We will take the hon. member's consideration under advisement.

[Translation]

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, for too many years, the Liberal government has been misleading

Oral Questions

the public and going after the wrong target by applying all its surpluses to the debt instead of correcting social injustices such as the way youth and women are treated under the EI program.

Will the government recognize that introducing in Parliament legislation on the use of surpluses would help tackle problems like employment insurance and the fiscal imbalance? This will not prevent him from continuing to repay part of the debt, if it wants.

[English]

Hon. John McKay (Parliamentary Secretary to the Minister of Finance, Lib.): Mr. Speaker, the Government of Canada has had a happy circumstance in the last seven years. In the last seven years we have run surpluses and that has led to unparalleled prosperity in the nation. We have used those moneys to pay down the debt.

This is far from misleading. In fact it is the most open and transparent process in the world. I would encourage the hon. member to engage in that.

* * *

[Translation]

AEROSPACE INDUSTRY

Mr. Paul Crête (Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, in the middle of the election campaign, the Prime Minister announced \$500 million in financial assistance for the automotive industry in Ontario. While a similar situation is now arising with Bombardier in Quebec, the government is dithering about making a commitment like the one it made for the automotive industry.

What is the federal government waiting for to act and to announce that it will help Bombardier and Quebec, like it helped GM, Ford and Ontario before? What is it waiting for?

[English]

Hon. David Emerson (Minister of Industry, Lib.): Mr. Speaker, the automotive strategy that the government is pursuing is of benefit across the country. I refer the hon. member to a speech made by my counterpart in Quebec. He said that a healthy auto sector was crucial since in Quebec it generated annual sales in excess of \$3 billion and employed 15,000 people in some 250 companies. That is the auto sector in Quebec. We are driving the aerospace sector as well.

[Translation]

Mr. Paul Crête (Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, it is all good and fine to support the auto industry, but other countries and certain U.S. states have already made very tempting offers to Bombardier to carry out the development and building of a new aircraft there. The federal government must do for the aviation industry what it did for the automotive industry in Ontario last spring.

Does it not realize that time is of the essence and that, if it does not act, it will be responsible for the loss of thousands of jobs in the aerospace industry in Quebec? This is urgent, and the federal government must act now.

*Oral Questions**[English]*

Hon. David Emerson (Minister of Industry, Lib.): Mr. Speaker, we have provided an enormous amount of support to the aerospace industry. We continue to develop an aerospace strategy for all of Canada. We will continue to execute that strategy. We will deal with individual companies and the entire sector so they serve to employ hundreds of thousands of people across the country.

* * *

● (1440)

CITIZENSHIP AND IMMIGRATION

Ms. Helena Guergis (Simcoe—Grey, CPC): Mr. Speaker, it turns out it was not just the pizza delivery man lounging around the immigration minister's campaign office. Her chief of staff and two other employees apparently spent time in the minister's region during the election, this time at the expense of taxpayers. In fact, from May 21 to June 29, staff members claimed more than \$11,000 in travel expenses.

Why did the minister allow her staff to claim expenses to work in her riding during the election?

Hon. Judy Sgro (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, I must congratulate the hon. member on her election. I have not had a chance to do that.

I can assure the member that any expenses that are submitted at any time from my offices are totally above board and within the Treasury Board guidelines.

Ms. Helena Guergis (Simcoe—Grey, CPC): Mr. Speaker, it is noted on the website of the ministry that the minister's director of parliamentary affairs claimed nearly \$5,900 in expenses for an entire month for travel to the minister's riding, ending on the day of the election.

Will the minister reimburse taxpayers for the election expenses of her staffers?

Hon. Judy Sgro (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, clearly, as ministers, we continue to do our jobs even if an election campaign is ongoing. My staff continue to do theirs.

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PRIME MINISTER

Mr. Peter MacKay (Central Nova, CPC): Mr. Speaker, according to access to information, the Prime Minister's seven month food bill on air caviar was \$71,000. The champagne bill has not landed yet. We do not know what was on that menu. The Prime Minister's excesses in just seven months is roughly equivalent to what three Newfoundlanders earned in 2001.

How can the Prime Minister justify spending the equivalent of the annual salary of three Newfoundland families on sky high food bills when many Canadians are going to food banks?

Right Hon. Paul Martin (Prime Minister, Lib.): Mr. Speaker, the Prime Minister of the country is not only the Prime Minister of the Hill; he is the Prime Minister of the country from coast to coast to coast. It is his responsibility and his duty to go across the country

and to visit and talk with Canadians in every big city and every small hamlet, wherever that may be. I will continue to do that.

Mr. Peter MacKay (Central Nova, CPC): Mr. Speaker, it is also the Prime Minister's duty to spend taxpayer money responsibly. Maybe he should spend some time in the grocery store.

Here is a news flash for the Prime Minister and the government, and it will not cost him \$1 million. Canadians want lower taxes, not publicly funded partisan trips. How can the Prime Minister justify spending \$1 million on his pre-election campaign a la carte when he will not give Canadians a tax break? Just who was he listening to on these luxury flights?

Right Hon. Paul Martin (Prime Minister, Lib.): Mr. Speaker, I am very proud that as finance minister I was part of the government that brought in \$100 billion in tax cuts, the largest tax cuts since the second world war. However, I will also say to the hon. member that after the election campaign, I then went across Nunavut, across the Northwest Territories into Yukon. I visited Pond Inlet and Rankin. I will continue to do that kind of thing.

The Prime Minister of the country ought to be out seeing Canadians, not sitting here with those who would build firewalls around their province.

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HEALTH

Mr. Mario Silva (Davenport, Lib.): Mr. Speaker, diabetes, including type 1 diabetes, is a disease that affects hundreds of thousands of Canadians. The Department of Health needs to support research and education programs which will meet the serious needs of those affected by this difficult illness.

Could the Minister of Health reassure the people about the government's continued commitment to this important matter?

● (1445)

Hon. Ujjal Dosanjh (Minister of Health, Lib.): Mr. Speaker, the government recognizes the growing epidemic of diabetes and the social and economic burden it places on the communities and Canadians across the country. Because there is no way to prevent juvenile diabetes, the focus is on finding the cure.

In 1999 the federal government introduced the Canadian diabetes strategy to help prevent and control the disease. This year we are devoting \$30 million in funding, and \$6.3 million has been allocated directly to juvenile diabetes research.

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FINANCE

Ms. Judy Wasylcia-Leis (Winnipeg North, NDP): Mr. Speaker, my question is for the Prime Minister who, when he was finance minister, actually pioneered the concept of lowballing the surplus and fudging forecasts.

After 11 years of Liberal rule, tuition is higher than it was, pollution is worse than it was, more people live on the street, we have an environmental crisis and housing problems. Liberals made these choices.

Will the Prime Minister assure the House that an unanticipated surplus this year will not just go to the debt, but that the House will choose what to do with it?

Hon. John McKay (Parliamentary Secretary to the Minister of Finance, Lib.): Mr. Speaker, prebudget consultations are all about that. We have a surplus. We are consulting Canadians, including members on the committee, as to what is the appropriate use of a budget surplus.

There are certain allocations that the government has made to health care and equalization, et cetera. There is still some money to be discussed. I welcome the hon. member's contribution to that discussion.

Ms. Judy Wasylycia-Leis (Winnipeg North, NDP): Mr. Speaker, I wonder if the Prime Minister might want to rise in his place today and talk about investing in Canadians and not just about tax breaks for corporations and debt repayment to the banks.

Given the fact that there is an unanticipated surplus and the fact that we know there is an environmental deficit, a social deficit, growing poverty, a housing crisis and so on, will the Prime Minister agree to put the unanticipated surplus into these vital areas for Canadians?

Right Hon. Paul Martin (Prime Minister, Lib.): Mr. Speaker, investing in Canadians, would that be \$41 billion in the health care program? Would investing in Canadians be bringing forth the first national early learning and child care program? Would investing in Canadians be increasing the amount of money that is going into our universities, into research and development? Would investing in Canadians be bringing down the kinds of financial policies that have given the country one of the strongest job creation records of any other major industrial country?

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TECHNOLOGY PARTNERSHIPS CANADA

Mr. James Rajotte (Edmonton—Leduc, CPC): Mr. Speaker, the government has insisted for years that all loans through Technology Partnerships Canada would be repaid in full. To date the program has spent \$2.7 billion taxpayer dollars, but only has recovered \$89 million, less than 3%. That is a shame.

Now an internal Industry Canada report makes clear what the opposition and the media have been saying for years, that these loans will not be repaid in full, not even close.

Why has the government consistently misled Canadians by telling them and the House that these loans would be repaid? Why is the government continuing to waste taxpayer dollars on corporate—

The Speaker: The hon. Minister of Industry.

Hon. David Emerson (Minister of Industry, Lib.): Mr. Speaker, I have said right from the first day that I was in this portfolio that Technology Partnerships Canada is not intended to be a chartered bank. It is intended to partner with companies to make technology investments, to create jobs that are based on high technology and human capital, and to drive the competitiveness of this economy.

Oral Questions

[Translation]

ECONOMIC DEVELOPMENT

Mr. James Moore (Port Moody—Westwood—Port Coquitlam, CPC): Mr. Speaker, in the Parti Québécois fiasco surrounding Gaspésia, our Liberal hon. minister has admitted that his department already knew about the almost insurmountable risks involved in this project back in 2001. When things got really bad, he decided not to inform the unsecured suppliers, to remain at risk and to protect the dubious interests of the PQ government.

Did the government ignore the information it had available and did it give in to pressure from its sovereignist partners?

● (1450)

Hon. Jacques Saada (Minister of the Economic Development Agency of Canada for the Regions of Quebec and Minister responsible for the Francophonie, Lib.): Mr. Speaker, first of all, permit me to repeat what I said yesterday, which is that if there are no risks, then business does not need the government. The government intervenes by taking the risks it must in order to provide jobs for the people affected by these businesses.

Second, we had \$80 million for this program and it appears that we had got to \$50.6 million when the problems arose. At that point we stopped payments of all kinds. Thirdly, I am glad to hear the Alliance talking about Gaspé for the first time. The last time I heard anything about it, it was when the dead were going to vote in their leadership campaign.

* * *

[English]

JUSTICE

Mr. David Tilson (Dufferin—Caledon, CPC): Mr. Speaker, the American ambassador has warned that the government's plan to decriminalize marijuana would exasperate already dire congestion problems at the U.S. border. The justice minister stated that the U.S. attorney general understood our position and that he had no problem with it. Who are we to believe, the ambassador or the justice minister?

Hon. Irwin Cotler (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the American policy, as expressed by the American attorney general, was an understanding that this is not an irritant in Canada-U.S. relations. There is full cooperation in cross border matters. We hosted the American attorney general and the secretary of homeland security. Our policy is understood and indeed, American states have the same policy in even more decriminalizing terms than does Canada.

Mr. Vic Toews (Provencher, CPC): Mr. Speaker, as soon as the minister stood up and said that the American attorney general had no problem with the issue, the American ambassador had to correct him and said that there would be congestion at the border, at a time when we have softwood lumber disputes, pork disputes, and all types of other trade disputes.

The American ambassador has made his position very clear on behalf of the American government. Why is the minister continuing to mislead Canadians?

Oral Questions

Hon. Irwin Cotler (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the American ambassador is aware of the position of the former attorney general of the United States. He is aware of that country's position and has not contradicted it, nor has he contradicted our position.

* * *

[Translation]

SOCIAL PROGRAMS

Ms. Christiane Gagnon (Québec, BQ): Mr. Speaker, while the Minister of Finance estimates that his surplus will be \$8 billion, there are some important issues that have been left untouched: parental leave in particular, although that was supposedly settled before the election.

What is holding the Minister of Finance back from laying the money on the table so that the fathers and mothers of Quebec can benefit from decent parental leave? He made promises during the last election, so let him keep those promises now.

Hon. Joseph Volpe (Minister of Human Resources and Skills Development, Lib.): Mr. Speaker, we do not make it a habit to carry out negotiations on the floor of the House. I have already said that I am in the process of negotiating parental leave with the province. So far, it is satisfied with the progress made. We will continue that process.

Ms. Christiane Gagnon (Québec, BQ): Mr. Speaker, as is the case with parental leave, the Minister of Social Development ought to take advantage of his finance colleague's surplus to hand the money over to Quebec, which already has its own child care system.

Does the minister realize that, if he wants to settle the child care problem immediately, there is a very simple solution: hand over to Quebec the money he has earmarked for child care, and do it now, with no strings attached?

[English]

Hon. Ken Dryden (Minister of Social Development, Lib.): Mr. Speaker, as the hon. member knows, we have been meeting with the provinces and territories. The matter of funding was not discussed. It is a matter that will be coming up at subsequent meetings.

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MIDDLE EAST

Mr. Stockwell Day (Okanagan—Coquihalla, CPC): Mr. Speaker, the government has made a decision to fund the UN Relief and Works Agency despite the fact that there is clear evidence that this UN agency has on its payroll agents of the terrorist group Hamas.

Why is the government taking such a casual attitude toward the security of Palestinians while it has terrorists in its midst?

• (1455)

Hon. Dan McTeague (Parliamentary Secretary to the Minister of Foreign Affairs, Lib.): Mr. Speaker, it is clear to us that we will take a position that is important for the security of all, particularly given the situation that exists today in the Middle East, and that provides us an opportunity to strive toward a better peaceful outcome.

I know the hon. member is passionate about some of these notions that float around from time to time. However, the reality is that the government will continue to work very hard to ensure that there is a peaceful resolution in the Middle East, and one that ensures a just and peaceful solution for all.

Mr. Stockwell Day (Okanagan—Coquihalla, CPC): Mr. Speaker, protecting people from terrorism is not a notion. It is a necessity. The member probably does not realize that Canada is not one of the four nations at the table negotiating a road map to peace in the Middle East. The very least we could be doing is ensuring that Canadian taxpayer dollars are going to Palestinians in need, not to terrorists who are determined to wreck the process.

Why is the government afraid to demand accountability from these agencies that we fund?

Hon. Dan McTeague (Parliamentary Secretary to the Minister of Foreign Affairs, Lib.): Mr. Speaker, it is passing strange that the member and his party at one point were actually suggesting the abolition of UNRWA. That is not even a position that the Israeli government would have taken under the circumstances.

We will work very hard with all of our parties and all those who are there to ensure that there is in fact a peaceful solution to what is occurring in the Middle East. We think this is a good time to talk about these things. It is important that Canada reflect very clearly on some of the values that it can import and bring to bear on this very important discussion.

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JUSTICE

Mr. Navdeep Bains (Mississauga—Brampton South, Lib.): Mr. Speaker, as the minister knows, this is Restorative Justice Week in Canada. It is a time when interested groups come together to discuss new ways to resolve disputes and new ways to view Criminal Code acts.

Can the minister tell us what the Liberal government has done and is doing to promote the use of restorative justice in our justice system?

Hon. Irwin Cotler (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, restorative justice represents a paradigm shift in our understanding of crime and criminal justice. Crime is seen not only as a wrongful act by the offender, but in terms of an assault on relationships and community peace. Justice is seen in terms of not only accountability, but in terms of greater healing relationships. Our justice programs have shown lowered recidivism, validation of the victim, and restitution compliance. We will continue to promote and enhance these projects.

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ROYAL CANADIAN MOUNTED POLICE

Mr. Ken Epp (Edmonton—Sherwood Park, CPC): Mr. Speaker, Cathy Maurice and Margaret Galloway in my riding and Lesley Massey in Calgary are the widows of Alberta RCMP officers who gave their lives on the job. Their husbands were given full regimental funerals and rightfully so. Commissioner Zaccardelli was there and rightfully so. Hundreds of fellow officers were there and rightfully so. These widows were billed for a large part of the funeral costs. That was wrong.

Will the government immediately correct this shameful injustice and pay for these funeral costs?

Hon. Anne McLellan (Deputy Prime Minister and Minister of Public Safety and Emergency Preparedness, Lib.): Mr. Speaker, the hon. member does raise an important question. I want to reassure the hon. member that the RCMP consulted with the families in question, as it does with all families when the tragic death of a serving member occurs. I understand that, while this is an operational matter for the force, the situation involving the three families mentioned is under review and there are ongoing consultations with all three families.

Mr. Kevin Sorenson (Crowfoot, CPC): Mr. Speaker, formal funerals were held for these RCMP officers who were killed in the line of duty because formal funerals were requested by the RCMP. The Treasury Board has no difficulty paying the \$3,600 first class ticket and other frivolous expenses for the commissioner of the RCMP to be there, yet it is denying grieving widows full reimbursement.

I ask the President of the Treasury Board, why does this continue?

• (1500)

Hon. Anne McLellan (Deputy Prime Minister and Minister of Public Safety and Emergency Preparedness, Lib.): Mr. Speaker, as I have said, the RCMP consulted with the families in question as it does with all families in these kinds of tragic circumstances. It is my understanding that the commissioner has taken this matter up. It is under review and discussions are ongoing with the families.

* * *

[Translation]

HOUSING

Mr. Christian Simard (Beauport—Limoilou, BQ): Mr. Speaker, everyone knows it: the federal government is rolling in surpluses. Now it tells us that the Canada Mortgage and Housing Corporation has recently produced a surplus of \$2.5 billion. By 2008, this surplus could even reach \$6 billion.

Is the Minister of Labour and Housing prepared to commit right now to investing this surplus in building or renovating affordable social housing?

[English]

Hon. Joe Fontana (Minister of Labour and Housing, Lib.): Mr. Speaker, I hope the member will applaud CMHC and the government's initiative to make it possible for the highest home ownership rates bar none in the world. There is no doubt that the premiums from the mortgage insurance fund make it possible to fund social housing and affordable housing initiatives across the country, including Quebec. And yes, we are reviewing the options available to the government with regard to the surpluses in CMHC to provide more housing.

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RESEARCH AND DEVELOPMENT

Mr. Brent St. Denis (Algoma—Manitoulin—Kapusksing, Lib.): Mr. Speaker, Genome Canada is a not for profit corporation funded by the federal government. It is the leading funder of genomics and proteomics research in Canada. It has received \$375

Tributes

million from the Government of Canada. As of June past, Genome Canada has levered \$346 million in funding from other partners. The funding agreement is due to expire at the end of March.

Will the government renew Genome funding and allow Canadian scientists to keep their jobs here in Canada?

Hon. David Emerson (Minister of Industry, Lib.): Mr. Speaker, that is the best question of the day.

The Speech from the Throne reaffirmed the government's commitment to science and technology. It reaffirmed our commitment to biotechnology. Just last Friday, the government announced another 194 university chairs at 73 universities across this country, bringing to 1,348 the number of university chairs funded at universities in Canada. We also have world leading capacity in genomics and proteomics.

The Speaker: That is the end of question period for today. There will now be some statements. The hon. Deputy Prime Minister.

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RIGHT HON. ELLEN FAIRCLOUGH

Hon. Anne McLellan (Deputy Prime Minister and Minister of Public Safety and Emergency Preparedness, Lib.): Mr. Speaker, it is an honour today to pay tribute to the Right Hon. Ellen Fairclough who died this past Saturday, November 13, just shy of her 100th birthday.

As we all know, in 1957 Mrs. Fairclough was the first woman in this country to be appointed to the federal cabinet, a significant step that made her a pioneer in the movement for women's equality in this country.

Mrs. Fairclough was born and raised in Hamilton, the city where she ended her days and which she so faithfully served as an alderwoman for four years, as deputy mayor for one year and ultimately in Parliament for 13 years following a byelection victory in 1950 in the riding of Hamilton West.

Prior to joining politics, she was a pioneer of sorts in a different realm, as a professional businesswoman having set up her own business as a certified public accountant in 1935. From 1950 to 1953 she was the House of Commons' only female member of Parliament. Since that time the number of female members of the House has increased to 65, a trend that will and, dare I say must, continue.

She served first for seven years in opposition and then in the Diefenbaker government until its defeat in 1963.

• (1505)

[Translation]

Mrs. Fairclough served as Secretary of State for Canada, Minister of Immigration and later Postmaster General. Throughout her career, she called for equal pay for women.

*Tributes**[English]*

It was in opposition that she introduced legislation to work toward equal pay for equal work by women. As citizenship and immigration minister, she sought to end racial bias in Canada's immigration rules and to allow entry to the ill to obtain treatment in our country.

In 1978, Mrs. Fairclough was named an Officer of the Order of Canada and in 1995 a Companion of the Order of Canada.

Simply put, Mrs. Fairclough led the way for generations of women to follow by taking her rightful place among men in positions of power and forever changing the face of our government.

On behalf of the Government of Canada and, in particular, on behalf of the women of our nation, I offer our condolences to her family and our thanks for her years of service and her leadership.

Hon. Stephen Harper (Leader of the Opposition, CPC): Mr. Speaker, Parliament and the country were saddened to learn of the passing of the Right Hon. Ellen Fairclough this past weekend. I use the term saddened cautiously because after such an extraordinary long and productive life I do want to pay tribute on behalf of the Conservative Party to this remarkable woman.

Even before entering the political arena, Ellen Fairclough was already a pioneer of sorts. In her hometown of Hamilton she was an accountant and a successful businesswoman and was so at a time when very few women were represented in these professions.

Her entry into public life allowed her to continue to blaze new trails.

[Translation]

Through a victory in a 1950 by-Election, Ellen Fairclough won a seat here in the House of Commons. At the time, she was the only woman in this chamber.

[English]

Here in Ottawa she served her constituents for 13 years with great dignity and famously. Famously she was the first woman in Canadian history to be appointed to cabinet by the Right Hon. John Diefenbaker and she served in four different portfolios. She also had the unique privilege of being the very first woman to ever be designated acting prime minister.

Ellen Fairclough was a woman of dignity and compassion and she brought those qualities to public life in ways that Canadians still appreciate today. As minister of citizenship and immigration, she was instrumental in reversing the Immigration Act to completely eliminate racial discrimination from Canada's immigration policy.

In later years she advocated strongly for the involvement of more women in political life and she remained, right to her very last days, an active and exemplary role model for women, particularly in our own political party.

Her advocacy was based on her steadfast belief, not widely shared at the time, that women were not only capable of contributing but that they must contribute. She never made a big deal about the history that she made herself. She did once say the following, "If a male member of Parliament says anything foolish it is forgotten the

next day, but if a woman does it, it is repeated endlessly right across the country".

I will agree with what she said about women. I am not quite sure that is true about men. I only wish it were. In fact, though, it might be evidence of Ellen Fairclough's success that in her case exactly the reverse has happened.

Many kind words have been said about her and her contributions to Canada over the years. It is a testament to her humble and straightforward nature that very few of these words came from Mrs. Fairclough herself.

We will remember her as an activist and humanitarian and as a woman with an enduring commitment to this country and to its values. We thank her and may God rest her soul.

[Translation]

Ms. Paule Brunelle (Trois-Rivières, BQ): Mr. Speaker, Ellen Louks Fairclough was born in Hamilton, Ontario, on January 28, 1905, and died just a few months short of her 100th birthday. Mrs. Fairclough, a member of the Conservative Party, was the first woman to become a federal cabinet member. However, this is not her only achievement. She is held up as an example by everyone. Of course, to all of us women she is a pioneer.

In this House, we are not only paying tribute to her for her contribution as a secretary of state or as a minister, but for everything she did as a woman. It is said that she continued to fight, not only to improve her own fate, but also the fate of all women, and she overcame the biases of public opinion and the media.

She succeeded in moving forward a number of social issues by launching debates on housing, unemployment insurance, pay equity, immigration and the status of women. These are issues on which we are still fighting today.

The numerous honours and distinctions bestowed upon Mrs. Fairclough, including being sworn in as a Privy Council member, being awarded the Queen's Coronation and Jubilee medals, becoming an Officer of the Order of Canada, being awarded the Canada 125 Commemorative Medal, receiving the title of "Right Honourable" and becoming a Companion of the Order of Canada, clearly illustrate her social involvement and her political will. They also illustrate her hope that, one day, the inequalities and injustices that are still too prevalent in our society will disappear.

In my own name and on behalf of all the Bloc Québécois members, I want to thank Mrs. Fairclough for the numerous battles that she fought, thus helping to ensure the presence of a number of women in this House now.

● (1510)

[English]

Ms. Jean Crowder (Nanaimo—Cowichan, NDP): Mr. Speaker, at a meeting of Equal Voice this morning the achievements of Ellen Fairclough were recognized.

When Mrs. Fairclough died this week many younger women may not have recognized her name but Ellen Fairclough blazed a trail for women in this House.

She was called Hamilton's real first lady, the first woman to represent Hamilton in Ottawa, the first woman cabinet minister and the first woman to head Hamilton's Hydroelectric Commission. She fought to prevent discrimination in the Unemployment Insurance Act and was the first woman to be acting prime minister of Canada for two weeks in 1958 when she was the most senior cabinet minister in Ottawa.

However she did more. Mrs. Fairclough fought for equal pay for women, for extending the right to vote for natives and for ending an immigration policy that favoured whites.

I join with my colleagues, particularly the member for Hamilton Centre, in praising the fine work of Ellen Fairclough.

The Speaker: Order, please. On another note, I would like to inform all hon. members that today we have with us a very distinguished Canadian.

The symbol of Canadian football supremacy since 1909, the Grey Cup trophy, is making a brief stop on Parliament Hill and we will be receiving visitors in Room 216 North at 3:30 this afternoon.

[Translation]

I invite all hon. members to drop by to see this important Canadian symbol.

[English]

Mr. John Reynolds: Mr. Speaker, I rise on a point of order. I encourage all members to take a look at the Grey Cup. After next Sunday they can visit it in British Columbia.

GOVERNMENT ORDERS

• (1515)

[Translation]

DEPARTMENT OF PUBLIC SAFETY AND EMERGENCY PREPAREDNESS ACT

The House resumed consideration of Bill C-6, an act to establish the Department of Public Safety and Emergency Preparedness and to amend or repeal certain Acts as reported (with amendment) from the committee, and of motion no. 1.

The Speaker: Before Oral Question Period, the hon. member for Beauport—Limoilou had the floor. He has five minutes left to finish his speech.

Mr. Christian Simard (Beauport—Limoilou, BQ): Mr. Speaker, before Oral Questions, I interrupted my speech a bit like one of those western thrillers, with a reference to the government being like an onrushing train. Then we had to stop. I was saying that if this government maintains its lack of respect for democracy and for the work done in committee, it is headed straight ahead, yes, as it said during the campaign, but straight ahead into a brick wall. That is what is going to happen if there is not more respect shown for its colleagues in committee and its minority status as a government.

Now, on another note, I will address some other aspects. When a bill is introduced, the public wonders what changes it will make in their lives, how it will improve their lives, and how it will improve society, make this a better place to live, a safer place where rights

Government Orders

and freedoms are respected, a more just society. We must always keep that in mind when bills come before us.

I have spoken of democracy. The way this bill was presented was perhaps not the right way. They are trying to backtrack and to deviate from the committee consensus, to return to their desire to encroach on others' jurisdictions. There is a desire to be intrusive. There is no respect for the underlying democratic principle or for the division of power. Once again, Canadian federalism is being sidetracked. This makes those of us on this side of the House anxious to get out of federalism, and the sooner the better.

Since this is not the time, and since we have a job to do here, to preserve provincial jurisdiction, we will of course be against this amendment which would withdraw the one passed in committee with the intent of ensuring provincial jurisdictions were respected. We are not just speaking for the joy of hearing our own voices. The people watching at home need to know this is not just a squabble about paperwork, about amendments or amendments to amendments. It has a real impact.

I was an advisor to the Minister of Environment in the Quebec government during the flooding in the Saguenay in 1996. During these disasters, it was important and essential to have some kind of command unit and ministerial coordination. It was the same in the case of the ice storm. Quebeckers overcame this crisis with dignity and efficiency, thanks to the dialogue between the population, Premier Lucien Bouchard and the Hydro-Québec president. A whole population acted in harmony and with integrity. Emergency issues were dealt with in a civilized and harmonious way.

When we have two leaders or two ministers responsible for Public Safety, they can encroach on each other and it seems like, finally, no one is in charge. In that case, the population is left to fend for itself. That is a real danger, and this is why my learned colleague from Marc-Aurèle-Fortin had this idea. This was the thrust of his proposal, that is that we would have due regard for the jurisdictions of each level of government and we would ensure that, when necessary, when public safety and protection are threatened, we do not have to wonder who is responsible: Ottawa, Quebec or both. In such a situation, someone tries to play politics.

Thus, we need to know which way to turn. I admit I would rather turn to Quebec than to Ottawa. In this sense, it is a fundamental amendment that was introduced in committee, and it is a vexatious, useless and undemocratic amendment that was introduced in the House to cancel this work approved by the majority in committee.

Of course, we will fight against this amendment. We hope that this will serve as a lesson once again to this government. It seems to need several lessons to acknowledge its status of a minority government and finally develop legislation that respects the citizens, the provinces and Quebec.

• (1520)

[English]

The Speaker: Is the House ready for the question?

Some hon. members: Question.

The Speaker: The question is on the Motion No.1. Is it the pleasure of the House to adopt the motion?

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Some hon. members: Agreed.

Some hon. members: No.

The Speaker: All those in favour of the motion 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:

The Speaker: Call in the members.

Hon. Karen Redman: Mr. Speaker, on a point of order, I request that the vote be deferred until 5:30 p.m. today.

The Speaker: At the request of the chief government whip, the vote on this matter is deferred until 5:30 p.m. later this day.

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[*Translation*]

**AN ACT TO ESTABLISH THE ECONOMIC
DEVELOPMENT AGENCY OF CANADA FOR THE
REGIONS OF QUEBEC**

The House resumed from November 15 consideration of the motion that Bill C-9, an act to establish the Economic Development Agency of Canada for the Regions of Quebec, be read the second time and referred to a committee.

Mr. Yvon Lévesque (Abitibi—Baie-James—Nunavik—Eeyou, BQ): Mr. Speaker, at the end of my speech yesterday, I talked about programs favouring Ontario. I mentioned that when the government funds GM to close its only plant in Quebec, a plant that was planning to produce auto parts with Quebec's primary resources—, it helps Ontario with Quebec's money and primary resources.

When the Liberal government spends billions of dollars to fund oil industries of the west as well as of Atlantic provinces, it helps these provinces with 25% of Quebec's contributions, but it stubbornly refuses to harmonize the financial support to Quebec's mining industries with flow-through shares that favour research.

Then, they quickly say to Quebecers that they benefit from charity that equalization payments represent. That is what distressing. You understand of course why, today, we firmly oppose this bill, which is a step in the Canadian nation building process in Quebec.

This is another case of interference in the fields of jurisdiction of the Quebec nation and of other provinces, that do not consider that to be duplication since they do not have a regional development department like Quebec.

Quebec, with its regional development department, the oldest in this Confederation, has a vested right in its territorial development.

The argument put forth by the Minister responsible for the Francophonie, that this government could claim any jurisdiction not

specified in the Constitution, will not fly. This Constitution was not, in fact, signed by Quebec.

The development strategy must include such diverse elements as natural resources, education and training, municipal affairs, land use and infrastructure, among others. None of these come under Ottawa's jurisdiction.

This bill goes way beyond EDC's mandate. We are talking about a real federal department responsible for the development of Quebec regions.

One has only to look at clauses 4(3) and 4(4) and at clauses 5, 6, 10 and 11. In fact, in clause 11(2), there is another secret door that enables the agency to take on any other role as the governor in council sees fit. However, beyond these powers of intrusion in Quebec's jurisdictions, Economic Development Canada's authorities, programs and budgets remain unchanged.

In the information document provided with the bill, the department states that there should be no impact on the agency's current programs and clients. How useful can this agency be, then, except for its additional encroachment powers?

We recognize that the Quebec regions need an integrated development strategy that only the state of Quebec can put in place. We do not think that the federal government has the capacity or the right to infringe on Quebec's jurisdiction in the establishment of an integrated federal development strategy for the Quebec regions.

We have in my riding a strange situation that does not require a lot of federal funds. It has to do with the first nations' post-secondary education. The former Minister of Indian Affairs and Northern Development—and I am sure the philosophy has not changed much since we are still dealing with the same old party—preferred to waste more than a million dollars a year to remove first nations students from their communities and their families, paying their travel and living expenses in order to relocate them thousands of kilometres away from their families rather than investing less than \$3 million on a native university building to allow these students to attend university in their own region or nearby.

Given the time it took to process this request, this building could now be operational. Instead, the university is now forced to refuse first nations students' applications due to a lack of space. Thus, the government prefers to keep wasting millions of dollars annually, rather than investing a fixed amount of money that would certainly be far from the amount involved in the scandal that is badly tarnishing the credibility of this government.

● (1525)

In this very file, stakeholders, including myself, have rightly turned to Canada Economic Development which, according to the Minister of Indian Affairs and Northern Development, was responsible for infrastructure. They received just about the same answer as that from the Department of Indian Affairs, namely that nobody has the mandate, or the budget, or neither one nor the other. Actually, all ministers of this government seem to have but one mandate, that of assuming as their own all jurisdiction over the powers of Quebec and of the provinces, despite their chronic inability to fulfil their responsibilities in their own jurisdictions.

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Whether or not the other provinces put up with this, I am always glad for them and I will always be happy to support them in their approach. However, believe me, I am a Quebecker, elected by Quebecers, most of whom—and it is even unanimous in the Quebec National Assembly—have the same vision of the needs and aspirations of Quebec, regardless of all the respect and friendship we have for all the inhabitants of the provinces that surround us.

Just as we did not do in their case, we ask representatives of the other provinces to avoid supporting the unjustified interference of this government in Quebec's jurisdictions.

Sure, occasionally, we compare ourselves to them, but this is by no means out of jealousy or envy. It is simply to say that we have respected their difference, we have agreed to participate in their development and their evolution, or we wish to back up a comparison and to request our fair share in this system, for the time we have participated in it and that which remains for us to participate in it.

The example I would like to mention at this time has to do with the University of First Nations in Alberta, which required some ten million dollars, compared with the lesser amount we are calling for, an amount we know to be relevant and justified currently. For that purpose, it should not be necessary to have the Canada Economic Development Agency. It would suffice to have a Department of Indian Affairs and Northern Development possessing the programs, budgets and tools necessary for the development of its communities until the transfer of those responsibilities to the Quebec government, with the adequate and necessary budgets for their administration.

When Her Excellency the Governor General recommends to the House of Commons the establishment of the Economic Development Agency of Canada for the Regions of Quebec, it concerns the assignment of political issues. I read the bill, and it does not mention any change concerning the investment of new money. At any rate, I do not think Her Excellency paused a single moment to think about her own ignorance and that of previous governments about the needs of Quebec.

To illustrate my point, let me simply refer to clause 10 in Bill C-9. It says that the object of the agency is to promote the development and diversification of the economy of the regions of Quebec through special measures, and through the advocacy of the interests of Quebec in national policy. Could anybody tell us, for once, what the national policy is on Quebec?

Like Trudeau said, in a very Anglo-Saxon way, Ontario had the automobile industry, and Quebec the aerospace industry. But he did not specify that this would include added value goods that could be used to produce cars. He did not specify either that when the aerospace industry would be viable, it would be shared with all the rest of Canada.

Nor did he specify that in a premeditated manner he had hoped to destroy thousands of hectares of the most fertile land in Quebec and waste money there that was meant for Quebeckers in a futile and unproductive investment, thereby giving Ontario produce farmers privileged access to Quebec markets, while rerouting most of the airlines to other regions in Canada.

When we read the responses of some of the ministers from Quebec in this government, we have to assume that money and limousines must appeal to some people. That appeal is lost on me. There must be a greater difference than I thought between the need to be a politician and the need to defend the interests of one's constituents.

I take issue with the minister saying that Quebec should learn to share the aerospace sector with Canada, especially considering the person who said this and the fact that it has to do with Bombardier, a Quebec flagship.

I think most of the members of this government do not understand Quebec's needs and the remaining minority do not have the courage to speak up for fear of being marginalized in this wonderful Liberal family.

All Quebec needs is for this agency to be strictly limited to federal jurisdiction. For that reason, and as presented, we cannot support such a bill.

• (1530)

I now would like to talk about Bill C-9 from a constitutional point of view. We believe that this bill is part of a broader plan, namely to give the federal government all the tools it needs to behave as a true national government.

It wants to be the main architect of development across the country. Provincial governments, deprived of any decision-making power, will carry out its orders just like municipalities, universities, hospitals and so on, which will become mere extensions.

To prove that Ottawa is no longer behaving as a federal government, but as a national state government, allow me to list some of the initiatives carried out by Ottawa over the past few years and those being carried out now, which encroach on the jurisdictions of the nation of Quebec.

We are talking, among others, about the millennium scholarships, rural policy, volunteer and community policy, national strategy on rural development, university chairs, sponsorship program, numerous culture subsidy programs, national housing strategy, national homelessness strategy, early childhood assistance, not to mention the current Liberal plan for municipalities.

The current government is no different from its predecessor after all. It is only interested in nation building, promoted by Mr. Chrétien and only Quebec seems to be opposed to it. We did have Manitoba's Louis Riel, but Conservatives may remember they hanged him. It would be more difficult to do the same in Quebec today. It might be time for Conservatives to avoid making the same mistake they made with Louis Riel.

We know that the federal government is embarking in all those initiatives without any constitutional legitimacy. The current government could not care less about constitutional legitimacy as it is focussed on transforming this already deficient federation into a unitary nation state.

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Things would be so much simpler if the government across the way had the honesty to tell Quebecers that the ultimate goal of the federal state is to ensure that in the future everything will be decided in Ottawa and its government will be considered as the national Government of Canada. Canada will have then finally succeeded in provincializing the Quebec state forever, trivializing the identity and aspirations of its people, which is very legitimately developing its claim to nationhood.

Some might wonder where the money the federal government uses to fund all these initiatives comes from. We can already guess the answer. As a matter of fact, it was once again announced today. It comes from the fiscal imbalance and the budget surpluses.

Why does the federal government go out its way to deny the existence of a fiscal imbalance? Actually, the government does not see it as an imbalance but as a financial mechanism allowing it to assume those new responsibilities it has unilaterally conferred upon itself. Is that approach based on the spirit of the social union agreement? As a matter of fact, does the agreement allow this government to play the role of sole national state in this confederation, which has no legitimacy as far as Quebec is concerned? This is a question we must ask ourselves.

In spite of all the powers that most of the government's departments already have, namely in areas like rail transportation, communications, federal infrastructure in Quebec, the federal research institutes, bridges and some highways, shipping and support to natives, this government could have made its presence known in the last 20 years in Quebec.

There was no need for an Economic Development Agency of Canada. The government had all it needed but it did nothing, nor will it with this new agency. It is not even shy about announcing that this agency will only be a means to increase the government's control over Quebec's jurisdiction.

This is also an opportunity to remember that the constitutional status quo that is sometimes used to define the status of Quebec in Canada no longer really exists. On the contrary, Canada is developing in a very dynamic way. The structure of its functioning has been completely reshaped since the referendum of 1995. In that context, talking about the status quo as an option for Quebecers is a deceit.

• (1535)

In that regard, polling firms should drop the concept of status quo from their terminology, because this concept is no longer in line with the Canadian reality, except for those who prefer to put their head in the sand and avoid dealing with the constitutional issue.

In conclusion, I would like to remind this House that Quebec is a nation and must be treated as such. This is why the Bloc Québécois will oppose any federal initiative which would allow the government to interfere in Quebec's national matters. Again, the Bloc invites the elected representatives who are not part of this large Liberal family to respect the decision of the National Assembly of Quebec, as its own elective representatives did for their province.

Hon. Jacques Saada (Minister of the Economic Development Agency of Canada for the Regions of Quebec and Minister responsible for the Francophonie, Lib.): Mr. Speaker, I have a

very simple question to ask. I would like to know if my colleague opposite can give me the exact reference to the Constitution authorizing him to say that regional development falls under provincial jurisdiction. I would like to have the exact reference.

Mr. Yvon Lévesque: Mr. Speaker, first of all, Quebec is not party to this Constitution. As well, Quebec was the first nation of this federation to establish its own regional development department. Therefore, by acquired right, it alone as the right to control its destiny.

• (1540)

Hon. Jacques Saada: Mr. Speaker, I have a lot of respect for the work done by the hon. member but, frankly, the reply is pathetic.

Subsection 36(1) of the Constitution is very clear: the federal government is responsible for dealing with regional disparities and for reducing them. This is the only reference in the Constitution to something that is closely or remotely related to regional development. I invite the hon. member to read the Constitution.

Second, in his speech, the hon. member said that we are not doing anything. I want to take a few minutes to discuss this point.

Take the Lower St. Lawrence region. The Centre de recherche sur les biotechnologies marines, the Corporation Québec-Maritimes, Glendyne Inc., the Jardins de Métis and the Centre interdisciplinaire de développement en cartographie des océans are among the initiatives in which we are involved. These also include the Centre techno-pneus Inc., Biotechnologies Océanova, the Camp musical Saint-Alexandre, Almar WBC Inc., and the Banc d'essai de démonstrateur sur le Saint-Laurent.

In the Abitibi, we are involved in the Avionnerie Val-d'Or, the Université du Québec en Abitibi-Témiscamingue, the COREM, the Ordre des Conquérants du Nord, the Société économique de Kitchisakik, Roberge et fils, and, once again, the Université du Québec.

For all of Quebec, the list includes Multifoam International, VisuAide Inc., the Manoir du Lac William, the Société historique d'Odanak, SIXPRO and Foresbec Inc. And we are told that we are not doing anything. Let me continue.

In the Chaudière-Appalaches region, there is OmegaChem, the Fonderie Poitras, C.G. Air Systèmes Inc., Acoustitec Inc, A.D. Boivin Design Inc., Électronique S.E.M. Inc., Fins Gourmands Inc., R.C.M. Modulaire Inc., Armoires de cuisine Milmonde Inc., Canots Esqif Inc.

As for the North Shore region, there is Tourbière Homer Bélanger, Bersaco and the Corporation Québec-Maritimes. And we are not doing anything in the region. I have more examples. There is also the Centre d'aide en technologie aux entreprises. Just a few days ago, I inaugurated the Centre des technologies de l'aluminium, in the Saguenay. We also helped the Institut Maurice-Lamontagne, in Rimouski.

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We are present everywhere, and we are working in cooperation with the Quebec government. The problem is not that we are not doing anything, but that the hon. member refuses to recognize what we are doing, because what we are doing is so good that it goes against the objective of his party, which is to demonstrate that federalism does not work. Federalism does work. We are cooperating with the provinces in general and with Quebec in particular. The provinces get along very well with us. There is very good cooperation. The effects of our work in the field are being felt. Municipalities are supporting us, as are CFDCs, BDCs, CEDCs and the mayors of municipalities.

The hon. member made a speech that has nothing to do with the reality. This is totally unacceptable. How can we put a question to people who did not read the first line of a constitution that they condemn? This does not make any sense at all.

Mr. Yvon Lévesque: Mr. Speaker, the member opposite just confirmed what I was saying. He does not need an Economic Development Agency of Canada for the Regions of Quebec. Everything that he has done was for electoral reasons, at particular times during election periods.

He talks about Avionnerie Val-d'Or, but I would remind my colleagues opposite that Avionnerie Val-d'Or does not exist yet. Avionnerie Val-d'Or has been making representations for three years already if I am not mistaken. It is not even certain that it will go ahead because the company it intends to make products for is going bankrupt. As long as this is not settled, I really do not see the point. These are only investment promises, not investments.

Hon. Jacques Saada: Mr. Speaker, I would like my colleague opposite to tell us if he would have preferred to see us refuse to help Avionnerie Val-d'Or. It is in his riding. If he did not want us to help Avionnerie Val-d'Or, I would have liked to know.

However, that is not the issue. On a serious note, I would like to talk about the issues that are regularly addressed on the other side, the duplication issues. There is a very specific and simple example. About twenty years ago now, in its effort to deal with the regional disparity problems, the federal government created the CFDCs, the Community Futures Development Corporations.

These corporations work with local organizations to launch initiatives that create jobs in the surrounding environment, based on a strategy which is developed with local groups.

Several years later, the Quebec government, which was then separatist, decided that CFDCs were working well. They work well, but there is only one problem: they are federal. Imagine. A federal body present in the community and it works well. Of course, this is unacceptable. Local development centres, or LDCs, are therefore created, along the same lines as the CFDCs, with the same mandate as the CFDCs. The LDCs, by the way, are an initiative which, in and of itself, is laudable, in my view. The problem, however, is that the LDCs must not have any trace of the federal government. There is no way there can be anything federal about them. There was a federal institution, the CFDCs. There are a total of 57 of them across the province. The LDCs have been created so that the federal government is not there.

Then, who produced an overlap? Who initiated that overlap?

Contrary to what my colleagues opposite think, there is delight, all over Quebec, at the collaboration and the complementarity that can exist between a provincial action and the federal government for the benefit of communities. I wish the member opposite and his colleagues had been on hand when we announced the Sural project in Cap-Chat, in the struggling Gaspé region. We brought hope. Indeed, along with my colleague Nathalie Normandeau, of the Quebec government, with our own institution, with local people, building on a local initiative, we created hope.

Mr. Speaker, hope for the future is much more important than the battles of the past being waged by the people opposite.

● (1545)

Mr. Yvon Lévesque: Mr. Speaker, I would like to remind my colleague that, in 1995, it was not the CFDCs that were there, but the CEDCs, of which I was an executive officer.

Hon. Jacques Saada: They were not federal organizations?

Mr. Yvon Lévesque: They were. Quebec admitted that this was perhaps the best invention by this government, even though it was not the same MPs who were there. Perhaps they were more far-sighted.

The fact is, at the time, we did not need an Economic Development Agency of Canada for the Regions of Quebec to do so. We did not need that. Why do we need it today? The government is not investing more money. It is not investing one additional cent. All it is doing is giving itself the means to take over Quebec's jurisdictions. This is all what it is doing in this bill.

In terms of economic development in Quebec, there is nothing in the bill either. There is nothing in the Constitution that deals with development. There must be a strategy involving provincial jurisdictions. If the government barges in provincial jurisdictions to do development, it is interfering in provincial jurisdictions.

It seems to me that some people still do not know what economic development is. These ministers must come from urban centres, in big limousines that do not let them see outside.

Hon. Denis Paradis (Brome—Missisquoi, Lib.): Mr. Speaker, I am very pleased to rise in this House today to speak on this bill concerning the Economic Development Agency of Canada for the Regions of Quebec.

It is our government's objective to ensure the success of Canadians in each and every region of our country. Its intention is to support our fellow citizens, as far as is possible, in the realization of their aspirations for prosperity and an enhanced quality of life.

This is the context within which the Economic Development Agency of Canada for the regions of Quebec fulfills its mandate to promote the economic development of the regions of Quebec. To that end, it pays special attention to all the regions of Quebec, especially those with a slower growth rate and insufficient jobs for the size of their population.

In my capacity as the member of Parliament for Brome—Missisquoi, I can say that I have had the opportunity to see for myself the work done by the agency to ensure the regional economic development of Quebec and improve the quality of life of our fellow citizens.

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For instance, the agency has made the financial commitment to provide over \$1.02 billion for 2,116 projects during 2003-04. When investments from other funding bodies are factored in, the total value of these projects represents an injection of over \$3.9 billion into the economy of the various regions of Quebec.

What is more, these projects have contributed to the creation, conversion or maintenance of more than 13,700 jobs in all the regions of Quebec.

In regions like Chaudière-Appalaches, Canada Economic Development supported Soliroc Metal with a contribution of \$60,000 to enhance its productivity. With this financial assistance, the company was able to acquire more efficient equipment and, as a result, to increase its productivity by 60%.

This is one example of the kind of projects supported by Canada Economic Development which have highly positive economic spinoffs for the competitive position of a company, thereby enabling it not only to continue to grow, but also to play a vital role within its community.

In the Quebec City area, the National Optics Institute received a \$3.6 million contribution from Canada Economic Development to implement a research program in agrophotonics. The purpose of this research campaign is to bring together two major areas of activity in the region, namely agro-processing and optics-photonics technologies.

Economic Development Canada has supported this regional initiative because it has just consolidated the institute's position of leadership in its sector and paved the way for various promising economic development projects in many regions of Quebec.

In the Lower St. Lawrence region, a marine biotechnology research centre was set up with a contribution of \$7.6 million from Canada Economic Development. To carry out its work, the centre plans to create 24 direct jobs and 75 spin-off jobs. In addition, the centre's activities will bring top researchers to the region as well as new companies.

I can talk about this because I was there when it was announced. Contrary to what our colleague said, the entire population, the municipal councillors, and every living thing in the region was very happy to hear this news. I congratulate them. It is completely extraordinary. This is an example of Canada Economic Development playing its proper role.

I should add that these research facilities are a priority for the people of the Lower St. Lawrence region. That is why Canada Economic Development wanted to be involved in carrying out this project as part of its commitment to support initiatives that best respond to the needs of the public and that build on a region's strengths. In turn, such projects help fulfil economic development opportunities in the regions that welcome them and elsewhere in Quebec.

These examples are representative of what Economic Development Canada does. They also show how important promotion and innovation throughout Quebec is to the agency. This priority stems from our government's commitment to building the robust and

innovative economy that we all want for our country in the 21st century.

In addition, the projects I mentioned illustrate Economic Development Canada's goal, which is to strengthen the niches of excellence specific to each region of Quebec.

In all, in 2003-04, the agency invested \$54.6 million in 739 innovative projects in Quebec. These investments have led to the creation, transformation or retention of 4,796 jobs. Furthermore, even the promoters have said that, without the financial support of Economic Development Canada, 55% of the projects would never have materialized.

● (1550)

In order to promote innovation in the regions of Quebec, Economic Development Canada and Agriculture and Agri-Food Canada made a \$3.6 million contribution to the Université du Québec en Abitibi-Témiscamingue for a major research project to develop a new type of beef that meets consumers' increased requirements.

Once again, this project stems from the desire of researchers and cattle producers in the region. In addition to consolidating 34 jobs, this initiative should result in a 15% to 20% increase in profits for these industries.

As I mentioned earlier, the Economic Development Agency of Canada for the Regions of Quebec also supports communities in their efforts to take charge of their development by investing in their assets.

The agency tries to help public interest projects that are likely to have a major general impact and to generate significant training effects on the region's economic activities.

The agency is cooperating with a network of stakeholders and, as the minister pointed out earlier, that network is made up of 57 community futures development corporations, CFDCs, 15 community economic development corporations and nine business development centres, or BDCs.

For the 2002-03 fiscal year, the various projects that benefited from a loan by CFDCs generated investments of \$135 million in the regions. The value of the loans provided amounted to some \$45 million. As for the nine BDCs, they got involved in 222 investment projects and 570 technical assistance initiatives.

I think that there is definitely no need to demonstrate the usefulness of the Economic Development Agency of Canada for the regions of Quebec. But we must do even more.

It is through the partnership between Economic Development Canada and the CFDCs network that the AFER the Aide aux femmes entrepreneures en milieu rural program was implemented. The purpose of this pilot project was to set up a financial assistance fund to stimulate female entrepreneurship in rural areas. I do hope that our friends from the Bloc Québécois have nothing against female entrepreneurship in rural areas.

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The 12 CFDCs that are participating in this initiative represent the regions of Gaspé—Magdalen Islands, Lower St. Lawrence, Abitibi-Témiscamingue, North Shore, Saguenay, Mauricie, Chaudière-Appalaches and Montérégie. To this day, the AFER program has helped 93 women entrepreneurs; 31 businesses were established and 60 jobs were created in various regions of Quebec.

The Fonds AFER Canada is consistent with the Government of Canada's desire to encourage more women in all regions of Quebec to participate in the economy of their communities, as well as the efforts being made to diversify development opportunities in our communities.

As I indicated, Canada Economic Development is involved in all regions of Quebec.

For example, the agency promoted the Entreprises rurales Nord-du-Québec initiative. Under this project, Canada Economic Development gives \$50,000 annually to the Chapais-Chibougamau, Matagami and Eeyou Economic Group CFDCs to help them sustain activities that they could not have financed within their mandate.

The CFDCs were able to support eight new business projects in the past six months or so and, thanks to this funding, many local business people will be able to enlarge their market share and increase their revenues. In other words, they will create wealth in their region, and their fellow citizens will benefit.

I would also like to remind the hon. members that the Economic Development Agency of Canada for the Regions of Quebec also helps Quebec's municipalities renew their infrastructure.

• (1555)

Requests are coming from every community, from mayors, municipal councillors, the RCMs, everyone. It will become obvious, because a new proposal concerning fuel will soon be put forward. There is a slew of programs that already meet or will meet the needs of local communities.

The purpose of this part of the agency's mandate is to help Quebec's communities to maintain their capacity to attract businesses, and to improve their citizens' quality of life.

Through the Canada-Quebec Infrastructure Works program, the management of which was entrusted to Canada Economic Development, the Government of Canada contributed a total amount of \$463 million to the realization of 867 projects, from the beginning of the program in 2000 to March 31, 2004.

Thanks to all these different projects, 484,000 Canadian households already have or will have access to municipal waterworks providing better quality drinking water. In addition, some 6,000 households will be hooked up to a proper municipal sewer and wastewater treatment system. And 260 communities will benefit from the construction or improvement of sports or cultural facilities.

I repeat it, all the mayors of our regions of Quebec, the elected representatives and the councillors are all demanding these infrastructure funds. In my own riding, Brome—Missisquoi, the Au Brochet river runs into Lake Champlain. There are water quality problems in Lake Champlain. In summer, water is contaminated. There are still seven or eight municipalities that do not provide

sewage water treatment. The sewage water flows into the river and the river into the lake. This reaches a point where the quality of the water in Lake Champlain is not always at its best.

Therefore, it is important to have an infrastructure program. By the way, an infrastructure program is based on partnership and cooperation between the three levels of government, that is the local or municipal, provincial and federal governments. This is commendable. These examples of cooperation should not be criticized but rather praised.

It is important to go forward and help the seven municipalities that are still discharging raw sewage in the river so that the water flowing in that river and into Lake Champlain will be as clean as possible. Communities often have a hard time, and if they had to fend for themselves, they would be unable to make improvements to preserve the environment. That is why it is important to have such a program which is financed equally by the federal government, the Quebec government and municipalities.

Here is another example. Not far from here, the municipality of Cantley, which is in the Outaouais area, received \$332,000 in federal-provincial funds for a road infrastructure project, repairing the Sainte-Élizabeth road. This project will both improve the public infrastructure and the quality of life of citizens, and promote this area's full regional economic development potential.

In the Lanaudière region, the municipality of Repentigny, and I recognize the hon. member for Repentigny, received a federal-provincial contribution of \$7.2 million for four projects to improve water and sewage systems. A total of 1,400 people will benefit directly from better utilities, which will improve their quality of life. I am sure the hon. member for Repentigny is in complete agreement with this kind of initiative, partnership and cooperation between the municipal, federal and provincial governments.

During the last few years, the Canadian government has often stated its commitment to build a strong Canadian economy for the 21st century, an economy that creates quality jobs and equal opportunities for all individuals and regions in Canada.

The Economic Development Agency of Canada for the Regions of Quebec accepts fully this goal, as the bill before us shows. The agency also plays an active role in the implementation of the broad economic priorities of the government in the whole province of Quebec, and its many good results speak for it.

• (1600)

Ms. France Bonsant (Compton—Stanstead, BQ): Mr. Speaker, concerning the comment of the member for Brome—Missisquoi about the Development Agency of Canada, the virtues of which he extolled, I almost cried, because I was extremely moved by this. Could he tell me what the Liberals did when 250,000 jobs were lost in the textile industry? There are 800 people who lost their job in Drummondville, in a thread rewinding plant. Also, there is Corticelli, a string plant, in Coaticook, which had to close because of the famous dumping.

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I would also like to know what the Economic Development Agency of Canada intends to do about the border closure to softwood lumber and about mad cow disease. What is it going to do for our milk producers, for our farmers?

The member was also talking about women in the agricultural sector. How can we encourage women in agriculture when they are not even entitled to employment insurance? I would like to know what the Development Agency of Canada intends to do to entangle this whole mess in Quebec?

• (1605)

Hon. Denis Paradis: Mr. Speaker, first I would like to welcome the member to all these beautiful issues, which, in some cases of course, have a bearing on our region.

A few months ago, the former Minister of Industry, who is here today, announced considerable amounts of money to help the textile industry, including about \$30 million in the clothing industry and another \$30 million in the textile industry.

Last Sunday, I met with the mayor of Magog in my own riding and we spoke about textile mills. We were saying that we absolutely had to make sure that the municipal authorities, the unions and the textile manufacturers, like CS Brooks in Magog for example, were working together and that these funds were used efficiently so that we could keep our mills and maintain specialized markets in the area of textiles, both in Quebec and in the rest of Canada.

There is another problem, which the member did not raise, but which is very important for our region: the quality of the water of Lake Memphremagog. We were talking earlier about other border-related problems. In this regard, we must ensure that we will be able to manage our borders on our side in such a way that if they want to expand a landfill site for example on the other side, as is the case in Coventry in Vermont, Canada will have to agree to it.

Mr. Roger Gaudet (Montcalm, BQ): Mr. Speaker, I think what is really important when we talk about regional development is the isolation of the regions. This is what the federal government is actually doing now—isolating the regions. It is fine to say that it gave funds to the CFDC, but when we look at what it did for air transport, we see that it turned the airports over to the municipalities. And now everything is falling apart.

The same thing happened with regard to rail transportation. The government dismantled the railways. If we want to develop the regions, we need roads and transportation. What did they do with highway 175, highway 50, and highway 30? That is what regional development is all about. It is more than just talking about creating jobs, although I am completely in favour of that. While we are on the subject, let me say that it was not the Liberals who created the CFDCs, it was the Conservatives back in 1990. I wanted to point that out since I was one of the people who worked on this.

I am still sitting on the infrastructure and transport committee at the provincial, federal and municipal levels. However, I observed that there was no interference from municipal, provincial or federal governments. We need to leave matters of development into the hands of capable people.

It is the same thing with maritime transport. They have stopped maintaining our seaports and they still will not do a thing to address

that situation. I think that regional development requires large infrastructures. I agree with Canada Economic Development. I would like to get an answer regarding air, railway and maritime transport for regional development. Then, all the problems will have been solved.

Hon. Denis Paradis: Mr. Speaker, first, I would like to set the record straight. Today, I want to pay tribute to André Harvey for highway 175.

Second, cooperation is important for regions. Finally, my colleague, the minister responsible for Canada Economic Development, announced for example a \$300,000 study on the development of harbours in the Saguenay region. The Canadian government's involvement is important, but partnership and cooperation are needed. Partnership and cooperation are words members opposite find difficult to understand.

They talk about regional isolation, but they want to isolate the whole province of Quebec and not the regions. We will always fight that.

• (1610)

Mr. Christian Simard (Beauport—Limoilou, BQ): Mr. Speaker, in his comments the member read the Canada yearbook of subsidies. His whole argument carries in it its own seed of death. We certainly do not have to thank him for a few crumbs fallen off the table or for the minimum Canada Economic Development does. He said, "Look how fantastic it is; this is why we going to change it". If it is not broken why fix it?

He reminds me of a farmer telling another one from whom he had borrowed a cauldron, "I will not give you your cauldron back for three reasons: first, I never borrowed it; second, I already gave it back to you; and third, it had a hole and I threw it out".

We are told things must change. However, Canada Economic Development is investing money—not too much, not always in the right place, not always in the right way—while the leadership for regional development is in Quebec, which has its own system of CLDs. It is not a matter of whether CFDCs are good or bad.

However, when we meet people, we see that reality is not that of the Minister of the Economic Development Agency for the Regions of Quebec. When we go in the field, we see the reality in Montreal with the CEDCs, there are agreements with CLDs. In my area, there are agreements with CLDs. What these marvellous federal creatures tell us is that they have no money. Their budget is spread over eight months. There is no increase.

And now the government is going to add a minister and an agency on top of that. Is that really good for Quebecers or is it only good for the visibility of the federal government that wants to have its say and mess up something Quebec is putting in place with various stockholders? Nobody wants it except maybe a mayor who wants to run in the next election in the Saguenay area.

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Hon. Denis Paradis: Mr. Speaker, I think it is important to remind ourselves of why we are here considering this bill. We are here to ensure that a real department is created with Canada Economic Development. I am of the view that what matters is that Quebec and the regions of Quebec deserve that department, to be headed by my excellent colleague, the minister responsible for Canada Economic Development.

I say it again and I must come back to it. Something was mentioned a while ago. If there is anybody who supports Canada Economic Development, if we want to talk about the Saguenay region, it has to be Jean Tremblay, the mayor of Saguenay. He supports Canada Economic Development. Here is a guy who stands up and who understands what the regions of Quebec are.

I was talking about cooperation and partnership. Do you know why we must talk about that? Because, in the end, there is only one taxpayer. What the citizen asks of elected officials is that they get along with one another. He asks us to get along at the local, municipal, community, provincial and federal levels. That is what the citizen asks of us because, at the end of the day, there is only one taxpayer.

Mr. Marc Boulianne (Mégantic—L'Érable, BQ): Mr. Speaker, I am pleased to speak today to Bill C-9, an act to establish the Economic Development Agency of Canada for the Regions of Quebec, the purpose of which is, in principle—and I believe with good intention—the development and diversification of the economy of the regions of Quebec.

When we speak of economic diversification, this is of course an integral part of the development of our regional communities. The riding of Mégantic—L'Érable is no exception. Its three regions, Amiante, Érable and Granit, can easily become designated areas because of their particular circumstances: industry closures and unemployment.

Let us take the example of my riding and its three regions. It is unfortunate that the minister has just left as he could perhaps have given answers to these questions.

In the Érable region, there is one extremely important resource: maple syrup, hence its name. This is an exceptional product, but there is a problem with it: excess production. People involved in processing it have to slow down production. There are problems in the entire agricultural sector. Here is the question: can these problems be solved by the Economic Development Agency for the Regions of Quebec?

We think the answer is no. It is the same thing for the Amiante region, as the minister is well aware. A mine will be closing down this weekend, and 455 workers will be losing their jobs for good. I wonder how much the Economic Development Agency for the Regions of Quebec has intervened, and how much it can do.

So problems like these will make this an inefficient agency, because as has been said, as my colleague has already said, you have—

An hon. member: Oh, oh!

Mr. Marc Boulianne: Mr. Speaker, I think the hon. member who is disturbing me a great deal might be called to order.

Right from the start, there is something lacking in the agency mandate, since it is stated that it will be implementing an integrated federal strategy. We know very well, regardless of what the minister may say, that Ottawa is not in a position to put that strategy in place, because the majority of files and issues do not fall under its jurisdiction.

Regardless of what they are saying, the Constitution states that powers may be given to the provinces and to Quebec. There is mention of natural resources, education, training, municipalities, infrastructure.

When we look at and read this text more carefully, when it comes to cooperative relations with Quebec, business circles, unions, any other private or public agencies that have to be directed or coordinated, the condition should be that the federal government respect Quebec's jurisdictions, and especially the fact that the Government of Quebec is the only interlocutor in these cases. It cannot be said enough. We cannot explain it enough. The members of the Bloc will repeat it over and over again. The Government of Quebec has to be the only one in charge in most of the areas covered in Bill C-9.

In all of these cases there has to be—this is important and was mentioned earlier—an agreement with the Government of Quebec to ensure that it has the right to opt out with full compensation. Nothing will be effective or work properly. The economy will keep slowing down if the agreements do not include the right to opt out with full compensation. As far as that goes, Quebec is far from obtaining this mandate, especially when we listen to the responses of ministers such as the Minister of Social Development on the issue of child care. He keeps avoiding questions by giving somewhat vague answers.

If we look carefully at this bill, the government's intention is clear: to politicize the development of our regions using an across the board approach. Quite a lot of work needs to be done, what with the sponsorship scandal, the firearms registry and so forth. This particular approach needs to be properly orchestrated: announcements, visibility, in order to have input. As for federal minister intervention in the selection of projects, it is the minister who decides. He will select the project. He will organize everything and avoid inviting the member responsible. He will make an announcement. He will be seen. It is a way of preparing his election campaign. That is this government's only intention with this bill, nothing else. Development is secondary.

• (1615)

The minister said so himself earlier. He said that economic development was not among Quebec's jurisdictions; that Quebec had no business in it. We know. Historically, it goes back to the British North America Act. When the powers were divided, in sections 91 and 92, all the important powers were given to the federal government and the rest of the minor powers went to Quebec.

At least that is what people say. It cannot work and it will never work. The minister confirmed it just now. He said that in the confederation documents, Quebec had no powers. But of course, as we all know very well, it is not a confederation, but a centralized and centralizing federal system.

Government Orders

Thus, ministers intervene in the selection of projects. They make themselves look good. They launch multiple operations to enhance visibility. And there, too, they have a whole process for announcements. Just now he gave a whole series. That is standard; considering how much we contribute as income tax to the federal government, some of it has to come back to us.

And they have added the whole business of handing out flags and sponsorships, and what next? That is certainly in the works for the next election campaign.

This interest in regional economic development has come on rather suddenly. If Ottawa is sincerely interested in the remote regions of Quebec, it can do two things.

First, it can transfer the money allocated to economic development directly to Quebec. As we mentioned, that is about \$450 million. Quebec will use it in its own way, because it already has a regional economic development policy. For example, it will be aware of the problems in the riding of Mégantic—L'Érable which include softwood lumber, mad cow, maple syrup and asbestos. I repeat once more that at the end of the week, a mine is going to close. Quebec will know how to use this money for effective regional development. That is the first thing.

Second, I think that the government should begin by targeting activity sectors that will produce concrete results. Let it start in its own back yard. Let it put its house in order and work with its own powers and institutions.

First, for example, and I repeat, the government will respect Quebec's jurisdiction. The responsibility for orchestrating the activities that are fundamental to regional development belongs to Quebec. The government cannot do regional development. It is not written in the Constitution, except that it is impossible to do it in an integrated way without dealing with Quebec on education, health and municipalities.

Second, we talked earlier about the CFDCs. The government should begin by respecting local consultation and development organizations. We are talking about the CFDCs or the economic development corporations. It should not just barge in and impose itself as usual.

Then, there is a marked weakness in the area of capital assets. In this respect, the government has to bring federal spending to an acceptable level. It is not necessary to create an agency or to duplicate any service to achieve that. It can be done with existing resources.

We also made comparisons. We are a federation. There are 10 provinces, and we have to ensure a certain level of fairness. The regional budget must be the same in Quebec as it is in the Maritimes. The situation has never been fair in the area of regional development budgets.

I could mention numerous issues that the government should target before creating a new agency. The last one is an EI reform that would meet regional needs. This is how we can ensure development.

I was talking about the budget earlier. In relative terms, the federal government is investing three times less in regional development in Quebec than in the Maritimes. We have seen that. We have statistics.

The four maritime provinces receive \$164 per capita while Quebec only gets \$51, or one-third. For the unemployed, the difference is \$2,700 to \$1,037.

This problem existed elsewhere too. It existed in the Prairies, in western Canada in general. They have had to face the same kind of underfunding problem that Quebec is facing now. But when Ontario or the Maritimes complain, the federal government usually sits down and listens to what the provinces have to say. However, when Quebec wants something, it is never taken seriously.

• (1620)

The problem was resolved. The situation in the Maritimes was corrected in part with the last federal budget. Ottawa increased by 32% its support to regional development in the Prairies, in the west, as compared to only 7% in Quebec. Injustice remains. Nothing can justify the effort made for the Gaspé being one third that made for New Brunswick.

Instead of establishing a new department, creating, as I said earlier, a new bureaucracy, duplication and a new way of making itself visible, the federal government should have transferred to Quebec financial support proportionally comparable to the support provided to every other province. That is the first point.

As for the employment insurance reform, much has been said about it and more could be said. The regions have been particularly hard hit by the cuts to employment insurance. Tens of thousands of dollars in cuts were made. In my riding, which encompasses three regions, including L'Érable and Le Granit, considerable losses have also been recorded in the asbestos industry.

We are talking about regional development. Meaningless figures and statistics are being tossed around. Those most affected by these cuts are young people, workers whose employment status is precarious and seasonal workers. Their situation is being overlooked, and they are being ignored.

The cuts have been particularly painful to seasonal workers, as they have difficulty working enough hours to qualify for benefits. When they do qualify, the number of benefit weeks is insufficient to carry them over until the next work season. This was mentioned earlier. They are left with no income. But that does not matter. What matters is the government's visibility in preparation for an upcoming election. That is what matters.

When these workers finally receive benefits, they are penalized by the benefit schedule. As a result, the cuts have amplified the already serious problem posed by youth exodus. Efforts were being made to find ways to get them to stay. But the minister tells us that the powers of Canada Economic Development do not extend to our regions.

The problem of seasonal jobs has grown bigger and bigger. The government should help young people and families out of the poverty it has forced them into.

Government Orders

Let me conclude with this. The Bloc Québécois position is quite clear. We oppose Bill C-9 because it is of no use for regions in Quebec. They can say all they want, the responsibilities of the Economic Development Agency will remain the same. Programs and budgets are unchanged. Why should we support an agency or a piece of legislation that is useless?

Second, the Senate has just established a federal department of regional development. That is just more duplication. Like my colleague said earlier, the minister has listed everything he had done in the department he is now responsible for, and the new department will go further. This is a real federal department of regional development in Quebec that will be duplicated.

As a matter of fact, regions need an integrated development strategy. We all agree on this. But only Quebec is in a position to implement this strategy. Despite every thing that can be said, constitutional texts and traditions grant Quebec some powers in the area of development. Any strategy that can be implemented by Quebec must include many different things like natural resources, education, training, and municipalities. None of this is under federal jurisdiction.

Right now, neither Quebec nor Ottawa are investing enough money in regional development. We are still looking for a full-fledged government.

For all these reasons, we will vote against this bill.

•(1625)

[*English*]

Hon. Peter Adams (Parliamentary Secretary to the Minister of Human Resources and Skills Development, Lib.): Mr. Speaker, I may have been mistaken, given that the subject was economic development, but I thought I heard the member mention the gun control program. I just wondered what concerns he had with that very successful program.

The program has resulted in thousands of people being disqualified from owning guns. As the House knows, all gun crimes are down since that legislation came in, but in particular, theft and the illegal trading of guns are both down considerably. The matter of the initial cost overrun has been dealt with. My understanding is that the program is now very tightly capped as far as financing is concerned. However, despite all of that, three people a day still die from guns and most of them from long guns.

I am surprised. I know the member is interested in hunting. In Ontario anyway, all forms of hunting, except duck hunting, have gone up steadily since the legislation came in. I think hunting is perceived as a safer, more attractive pastime.

Given that the legislation was triggered in part by the massacre at the University of Montreal and by the outcry in Quebec that arose over that, I just wondered, unless I was mistaken, why the member went out of his way in a debate on economic development to mention such a successful program.

•(1630)

[*Translation*]

Mr. Marc Boulianne: Mr. Speaker, I thank the member for his question. I did not insist, I simply gave examples of bad

management. I point out to the member that one of my nieces was at the École polytechnique at that time. I have always been in favour of gun control, but not in favour of a program that was administered the way it was. It may be well managed today, but it was not then, and this is what we must criticize. This is an example that I gave. That being said, I am in favour of gun control if the program is well managed.

It is the same with sponsorships. There are sponsorships that were badly administered. They were administered for a very specific purpose. It was the same with firearms. So much the better if the program is well managed today.

Hon. Jacques Saada (Minister of the Economic Development Agency of Canada for the Regions of Quebec and Minister responsible for the Francophonie, Lib.): Mr. Speaker, I am pleased that my colleague referred to his region and the Asbestos area. He will agree with me that the decision the Canadian government made regarding white asbestos was the right one. If we had agreed to the inclusion of chrysotile asbestos in the PIC procedure of the Rotterdam Convention, this would have created problems even bigger than those the region is facing today. I assume I have his support. At any rate, at the time, it was indicated to me verbally that everybody was in support of the decision we made. We did it to protect the region.

I must add that, when we made the decision, we kept in mind economic diversification, as we do for Quebec as a whole. In other words, one of the ways to provide for regional vulnerability is to foster economic diversification so as not to depend on one industry, but on several. With this in mind, in the asbestos region especially because of the problems linked to asbestos, we put in place a regional strategic initiative, or RSI, focussed on the needs of the Asbestos RCM.

We invested \$3.3 million over two years in this RSI to foster the economic diversification I just mentioned. To date, a score of jobs have been created. Some 20 jobs have been saved, and we are currently working with Serres du Saint-Laurent inc. to create 54 more jobs.

I would like to know if in fact, regardless of political rhetoric, my colleague supports the decision of the Government of Canada not to include chrysotile asbestos to the list of products under the Rotterdam Convention, and also if he supports the regional strategic initiative, which, by the way, was set up in close cooperation with the industry and the provincial government.

Mr. Marc Boulianne: Mr. Speaker, I thank the hon. member for his question. As far as Rotterdam goes, I am of course in favour. We agree on that. In fact, the Bloc Québécois has always defended chrysotile asbestos. We even presented a memorandum on that subject in order to ask Canada not to include chrysotile in the list of hazardous substances. The public was happy with that decision, which the Bloc supports. For the last 12 years, the Bloc has advocated the safe use of chrysotile and it will continue to do so.

Government Orders

Regarding the RSI, the town of Asbestos is not located in my riding, but it is still part of the Amiante region. This initiative should also be implemented in the Amiante region, with the same conditions you gave to Asbestos. We would gladly welcome it.

Hon. Jacques Saada: Mr. Speaker, I will not be particularly political in what I am about to say.

When the asbestos issue arose and the Government of Canada had to reach a decision, I think everyone will agree that a wonderful job of raising people's awareness was done by Gérard Binet, who was a member of this House at the time. Democracy must be respected, but that does not mean we have to forget history. The history is that this colleague, Gérard Binet, is the real force behind the asbestos issue.

I must also add that my predecessor at the head of Canada Economic Development, the Minister of Industry at the time, put this regional strategic initiative in place. There are others in the province, moreover. This is not the only one. The specific characteristic of an RSI is to provide assistance for economic diversification to a region in crisis or with the potential for crisis. The initiative is created according to specific regional needs, and so of course there can be differences between one region's initiative and another's.

The result of this bill is that not only can the approach be region by region, but it can also be zone by zone. There may be a specific problem that will arise in a series of villages within one region of Quebec and in another series of villages in another region of Quebec. Since these are in different regions, they would automatically not be covered by a regional definition.

With this bill, we can group together these hot spots into identified zones in order to target them with a specific point-in-time intervention to deal with a specific problem. This is possible because of the bill.

I do not understand—and I say this with all sincerity. This bill is in fact an administrative measure intended to give a federal minister, one who comes from Quebec, the mandate to work in conjunction with Quebec ministers and Quebec communities to address problems of regional development in Quebec. Apart from the major issue on which we have a difference of opinion as to the option defended by the party across the way, there is no consistent, concrete, logical and immediate argument against our having the tools in hand to work better together on regional development.

•(1635)

Mr. Marc Boulianne: Mr. Speaker, about this last statement, I must say that, very often, we have been burned by integrated federal strategies for economic development whose results were not always as expected.

It still seems, especially based on your earlier premise, that economic development does not fall under Quebec jurisdiction and that it is a federal responsibility.

As far as chrysotile asbestos is concerned, you are right. It is a concern of all members. I remind the minister and member that Jean-Guy Chrétien, who was an MP from 1993 to 2000, was also a strong advocate of chrysotile. He had invited some fifteen ambassadors to a meeting in Thetford Mines to talk about chrysotile asbestos, at a time when Germany and Europe had imposed a stringent ban and the

Liberal Party was not doing much to stop it. I stress that Jean-Guy Chrétien was a strong advocate.

As for Mr. Binet, his efforts were recognized. Personally, when I was a member of the Quebec National Assembly, I was the first one to implement a policy for the safe use of chrysotile. This policy was unanimously adopted at the time.

It is therefore one of our concerns. We recognize the members who acted. When it is beneficial for the region, we recognize it.

* * *

[*English*]

BUSINESS OF THE HOUSE

Hon. Karen Redman (Kitchener Centre, Lib.): Mr. Speaker, discussions have taken place between all parties and I believe you would find consent for the following motion. I move:

That at the conclusion of today's recorded divisions on the report stage of Bill C-6, the House shall proceed immediately to adjournment proceedings pursuant to Standing Order 38. Following the said adjournment proceedings, or at 6:30 p.m., whichever comes first, the House shall proceed to the business of supply in committee of the whole pursuant to Standing Order 81(4)(a).

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

Some hon. members: Agreed.

(Motion agreed to)

* * *

•(1640)

[*Translation*]

ACT TO ESTABLISH THE ECONOMIC DEVELOPMENT AGENCY OF CANADA FOR THE REGIONS OF QUEBEC

The House resumed consideration of the motion that Bill C-9, an act to establish the Economic Development Agency of Canada for the Regions of Quebec, be read the second time and referred to a committee.

Mr. Réal Lapierre (Lévis—Bellechasse, BQ): Mr. Speaker, after my remarks, Bill C-9 brings no changes to the situation that has existed until now. The powers of Canada Economic Development remain the same. Programs, like budgets, are unchanging.

Canada Economic Development is currently under the official jurisdiction of the Department of Industry, which, under clause 4, grants to the minister responsible certain powers that extend to fields related to the regional economic development of Quebec.

Under subsection 4(2), the Minister may offer a range of services likely to contribute to the regional economic development of Ontario and Quebec. For instance, they may relate to the improvement of the capabilities of businesses, the stimulation of investment and the support to local commercial associations as well as to SMEs, whether for the whole of regions, or for specific regions.

The Minister must elaborate, coordinate and recommend programs relating to regional economic development, in Ontario as well as in Quebec.

Government Orders

Hence, the Minister of Industry is responsible for the regional economic development of Quebec. As for Canada Economic Development, a federal agency that is essentially responsible for regional development, no one can deny its existence under the supervision of a minister of state, who is accountable to the Minister of Industry.

For the future, Bill C-9 creates an Economic Development Agency of Canada for the Regions of Quebec with an autonomous legal basis. This agency will report to the minister and have a CEO. It will thus be a carbon copy of the Atlantic Canada Opportunities Agency Act and of the Western Economic Diversification Act which both came into effect in 1988.

However, we must recognize that these two agencies do not create duplication because there is no regional development department in the Maritimes and in Western Canada, while there is one in Quebec.

Basically, the purpose of Bill C-9 is to create a federal department of regional development for Quebec and this, in actual fact, only confirms once again duplication of the Quebec government's prerogatives.

In fact, the bill states that the minister shall guide, promote and coordinate the policies and programs of the Government of Canada in relation to the development and diversification of the economy of the regions of Quebec. His mandate includes all the federal activities in the regions and the minister will have to channel projects, in cooperation with the other relevant federal departments or organizations, toward an integrated federal strategy.

The regions certainly need a strategy that is planned, ordered and orchestrated by all economic stimulators, but, once again, is Quebec not in the best position to better coordinate an integrated development strategy, considering its knowledge of the regions? Does the Constitution itself not give Quebec the responsibility for most of the issues relating to regional development?

Given the various components to include in such an approach, namely natural resources, education, training, municipal affairs, and so on, we must recognize that this is another way to interfere in Quebec's jurisdictions.

The problem, I think, is precisely that, in such a form of duplication, neither government is able to put all the necessary energy in integrated regional development.

Because of this, we see an anarchic situation that leads to astronomical unemployment rates in the regions. In 2003, for example, it was 17.5% in the Gaspé Peninsula and Magdalen Islands, 12% in Saguenay—Lac-Saint-Jean and 13.7% on the North Shore.

In this sector as elsewhere, if the central government agrees to get involved in the orchestrated development of the regions, it would be better to do it in its areas of jurisdiction and, in doing so, it should take into account the following premises.

The first premise concerns respect of Quebec's areas of jurisdiction and of its responsibility as the architect of regional development.

● (1645)

As in numerous other areas, does the Quebec government not have a regional development policy that several governments envy?

The only thing missing is the wherewithal to adequately support emerging initiatives. The proof is that a transfer of funds of some \$400 million—without any kind of overlap—would represent an injection which would make it possible to pull all the strings together in order to develop an integrated regional development policy.

Secondly, there is the issue of respect for existing local joint planning groups and of the adaptation of federal programs to regional Québec circumstances. These regional circumstances are not universal by nature. By way of example, a reorientation of development in another field of economic activity, under the pretext that existing sectors have reached their potential, can only be done with the consent of all local and regional bodies. This is exactly what is happening in the southern part of my riding, as well as in neighbouring ridings to the East and to the West, where there is a desire to integrate the recreation and tourism sector to complement agriculture and forestry.

The joint planning of this new orientation is in keeping with the wishes of the RCMs, the CLDs, the regional conference of elected officials and the chambers of commerce. One can only approve of such an approach. What is the use, within this single-minded journey, of adding a new player which might destroy the unanimity? I see the role of the federal body rather as one of financial and technical support, but, obviously, Québec's jurisdictions must be respected.

Such an objective approach might be much more effective if it were headed by the government in the best position to understand the overall issue—the Québec government.

So, ideally, an agreement must be reached with the government of Québec to guarantee it the right to opt out with full compensation. The former infrastructure program had provision for giving existing authorities their due, in that the Québec government selected the projects. Moreover, making sure that planning and dialogue bodies under both federal and provincial jurisdiction dedicated to regional development dovetailed better would no doubt facilitate the start of numerous businesses in the private sector and in the social economy.

Third, the decentralization of the federal public service would create new jobs in the regions. The quality of services would improve, and the regional economy would benefit from very well paid jobs. Between 1996 and 2003, when we had 20% of the federal jobs in Ottawa, we lost 8% of them in Saguenay. In 2003, the creation of federal jobs is not as good as it was 10 years ago, with 98 instead of 106. This should be corrected, and we do not need a new agency to do it.

Fourth, there is the implementation of a new infrastructure program and thus the return of federal capital spending to a more acceptable level.

Unfortunately, the regions are affected by the deficiencies in our highway system and telecommunications network, and because of that, they do not have proper access to foreign markets.

Government Orders

As concerns capital spending, is it normal that the Quebec government should invest five times more than the federal government? This is visible even in the Outaouais region. In 1999-2001, Quebec spent \$546 million and the federal government \$322 million. Is a \$224 million difference acceptable? Certainly not.

By withdrawing from the management of air transport without any planning for this industry, the federal government has put a new burden on the regions, and they are now on their own to finance assets that are beyond their means. The same thing happened with regional sea ports, most of which are now falling apart.

How could potential buyers repair these assets if they do not get the budgets that should go with them?

Fifth, the regional development budget in Quebec should be updated in a framework similar to that of the Maritime provinces.

Until proof to the contrary is provided, the federal government invests three times more per capita in the Maritimes than it does in Quebec.

• (1650)

Strangely, the prairie provinces, which were in a situation identical to that of Quebec in terms of under-funding, had their support for regional development increased by the 32.3% compared with only 7% for Quebec.

Sixth, an immediate end to all this scattering of gifts and showing off, where the gestures have no purpose other than to increase visibility, while the ingredients of the process do not guarantee future results.

Finally, any reform of employment insurance that takes regional needs into account can only be for the better. It is always the young people, the vulnerable and seasonal workers who feel the cuts to employment insurance. The impact of this has been to increase the migration of young people to the big cities.

In short, when analyzing the state of health of Quebec's regions, we must recognize that there are many symptoms pointing not only to precarious health, but possibly to imminent death, and the federal government, it must be admitted, has not provided the right medicine at the right time.

We know that the federal government has considerable sums of money at its disposal, which it could use to improve regional development in Quebec. The fiscal imbalance recognized in the throne speech is the proof of that. But that being said, will such money be used once again for purely partisan purposes?

The Bloc Québécois, as the House knows, is not in favour of waste. Quebecers do not want it. They made the government aware of that in the last election. We propose a healthy and productive way to use the funds that the government inopportunely wants to use to create a department of regional development for Quebec.

We strongly suggest to the government that it listen to our proposals instead of trying to suck us into an endless maze of functions and expenditures, which cannot do the job to the extent that they claim.

Consequently, we ask that, instead of duplicating what exists, the allotted funds be directly transferred to Quebec which, we will confirm, is in the best position to manage the efforts needed for balanced regional development, specific to the needs of each region.

The Deputy Speaker: It is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Ottawa West—Nepean, Maher Arar Inquiry; the hon. member for St. John's South—Mount Pearl, Natural Resources; the hon. member for Calgary Centre-North, Oil and Gas Industry.

Mr. Yves Lessard (Chambly—Borduas, BQ): Mr. Speaker, first, I want to congratulate my two Bloc Québécois colleagues, the hon. member for Mégantic—L'Érable, and the hon. member for Lévis—Bellechasse, for their brilliant presentation on the irrelevancy of this bill, which infringes even more on Quebec's jurisdictions.

Before putting my question, I want to briefly go back to a comment made by the hon. member for Brome—Missisquoi to the effect that there is only one taxpayer. He made a big deal of that and he seemed somewhat upset. What he did not say and what he should also have made a big deal of is the fact that, indeed, there is only one taxpayer, but he must pay double. And, in some respects, he is paying and hardly getting anything in return.

I have a question for my two colleagues. However, I think that, under the procedure, the last speaker is the one who can reply. The hon. member for Lévis—Bellechasse continued to elaborate on this infringement, which follows other infringements that already exist. To what extent does this new infringement add to the shabby treatment received by this same taxpayer?

Also, this bill goes against taxpayers' expectations. Does this mean that the federal government is trying to gradually withdraw from areas in which it got involved, so that it can make better use of the money distributed or paid in taxes by Quebec taxpayers? That is my question.

• (1655)

Mr. Réal Lapierre: Mr. Speaker, we have to acknowledge that it is not necessarily the formula that is bad. We cannot criticize the federal government for having an approach to trying to find a solution to the problems or to create a new dynamic.

The thing is, in my riding and in the two bordering ridings, in the past few weeks and in the past year, we have seen the closure of a factory in Montmagny, resulting in the loss of 500 jobs. Most of the workers were 50 or older. They were left in a state of uncertainty when this issue was not dealt with.

Recently in my riding, and the same two ridings I just mentioned, there has been massive job loss in the clothing and textile industry. Are the measures implemented by the federal government going to make up for all these layoffs? So far this has not been the case.

Government Orders

My riding has the second most agricultural RCM in Quebec and it specializes in dairy. No need to tell you that cull has been a thorn in the side of almost all dairy farmers.

The southern part of my riding works in agroforestry. Do I need to get into how limited shipping to the United States has its own set of problems? Not only do woodlot owners and sawmill owners have problems, but this has caused uncertainty for all the workers.

There is something I want to respond to. When I was a municipal politician, we had a winning formula. It was called the infrastructure program. This program had a solution that was advantageous to the Government of Quebec and to Quebec taxpayers, because files were handled in consultation with all the related agencies, the provincial government and the federal government. What is important to realize is that all the cases were chosen by the Government of Quebec. This was a winning formula because it did not cause any interference in the jurisdictions of the Government of Quebec.

[*English*]

Mr. Loyola Hearn (St. John's South—Mount Pearl, CPC): Mr. Speaker, I would like to ask the member two brief questions, one dealing with one of his comments about older workers in particular being displaced when an industry shuts down.

Certainly we have gone through a lot of that. Quite often many of these people are left in a complete vacuum, yet we have a surplus in the EI fund of \$40 billion, money which these people paid in over the years and for which in some cases they received absolutely no return. Some of these people worked all their lives and did not draw any social benefits. Others, because of seasonal employment, might have.

I ask the member why it is that some of this fund is not used to help people who have been displaced, particularly if they are at an age when it is almost impossible to find new employment.

Second, the member talks about Quebec and the need of each province to benefit from its resources and certainly I agree to a large extent. However, yesterday evening in the House we had a resolution asking the government to live up to its promise to let Newfoundland and Labrador benefit from its oil resources, to at least hold on to its share of the revenues from a major resource, and the very party that stresses provincial ownership and responsibility voted against the resolution.

How does the member account for the fact that his party did not support a sister province in looking for what his province is constantly looking for?

• (1700)

[*Translation*]

Mr. Réal Lapierre: Mr. Speaker, first of all, I would like to tell my colleague that, with respect to older workers, this is a growing problem for us that reflects the aging of the general Canadian population.

There was once a program, called POWA, to help those workers. Given the increase in the available financial resources in the last few budgets, it would be appropriate, before even considering the creation of new programs and new approaches in order to discover

new methods of job creation, to use these surpluses so as to enable workers to qualify either for retraining or training in a new craft.

Coming now to the second question, which relates to the fact that Quebec may not have supported the Conservatives with respect to oil and gas extraction in the province of Newfoundland, there is one thing that must be acknowledged. We, in Quebec, have chosen, particularly in the field of energy, a source that is considered "cleaner". We have invested billions of dollars in hydroelectricity. We are currently investing billions in wind power.

This means that, as of that time, we had to assume that, having invested so much in clean energy, we were suddenly in a situation where we were again making financial concessions that could ultimately turn out to be detrimental for us. Indeed, if Newfoundland were to obtain exemptions for the royalties it could receive for those areas, we would consider this a kind of misuse of our contribution.

Mr. David Smith (Pontiac, Lib.): Mr. Speaker, as the representative for the riding of Pontiac, in the beautiful province of Quebec, I am very happy to have the opportunity to address the House in considering the bill on the Economic Development Agency of Canada for the Regions of Quebec.

This bill is aimed at establishing the framework for the agency's activities in the coming years in Abitibi, the Outaouais, Quebec City, the Greater Montreal area, in all of Quebec's regions.

With this bill, the agency will have the means to carry out its mandate to the extent expected of an agency in tune with the 21st century.

If this bill is passed, the agency will be able to keep on addressing the needs of all Canadians, in keeping with this government's commitment. The bill before us today must be seen as part of a continuum.

Indeed, it was once again a Liberal government that, in 1969, created the Department of Regional Economic Expansion, a forerunner of the Economic Development Agency of Canada for the Regions of Quebec. Our government is strongly committed to leveling out regional disparities in Canada and is giving itself the means to do so.

As you will see, this government's confidence in all Canadians goes a long way back. Each and every one of them must have the same opportunities with regard to the pursuit of wellness. We have always believed that all our fellow citizens must be able to realize their full potential, regardless of the region where they live.

Government Orders

The Economic Development Agency of Canada for the Regions of Quebec has a very important role to play in order to help the government of Canada ensure the prosperity of all our fellow citizens from the regions of Quebec. The agency's mandate is to promote the economic development of Quebec regions, including those with low income levels, slow economic growth or insufficient productive employment possibilities. It also focuses on long-term economic development, employment and sustainable revenue.

The agency's mandate is also to concentrate on small and medium-sized enterprises and to promote entrepreneurial capabilities. We all know that SMEs are an important part of Quebec's economy. They account for 43% of all jobs and contribute 29% of manufacturing value added.

Over the years, the agency has tried to give SMEs, the true engine of economic growth in Quebec, the most useful information on government resources that can help them to keep on growing.

I would now like to tell the House about something that occurred last week in my riding, a resource area of Quebec where lumber from our forests is processed and from where products are sold across Canada and exported to the US. Some citizens of my riding of Pontiac import lumber from Peru. People import lumber from Peru in the Outaouais region of Quebec, specifically in the riding of Pontiac, in the municipality of Déléage. Why?

• (1705)

Simply put, through Canada Economic Development, support is provided to a Quebec company importing wood from Peru for secondary and tertiary processing in the county of Pontiac, manufacturing mouldings and solid core doors for sale on the Canadian, Quebec and U.S. markets. This is creating jobs in our region, in our ridings where people need jobs as well as support from the various levels of government. That is what Canada Economic Development is offering.

In partnership with organizations such as Info Entreprises in Montreal and Ressources Entreprises in Quebec City, the Economic Development Agency of Canada for the Regions of Quebec can answer more than one million—that is right, one million—inquiries annually about government programs. This goes to show that there is a need. Canada Economic Development handles one million inquiries. That is incredible.

This is also an opportunity to refer entrepreneurs to other departments of the Government of Canada or other local players such as the CLDs and CFDCs. These are our partners; we must work together to develop our regions. Who better than them can help make wise decisions and pursue projects?

The agency acts as a catalyst in promoting the economic development of the regions of Quebec. Through its 14 business offices, the agency is present and securely anchored in each of the regions of Quebec. This strong presence enables the Government of Canada to make a contribution to the development of SMEs in Quebec and the regions. I did say that the government makes a contribution in partnership with other stakeholders. We have to work together for the community and to develop our beautiful province of Quebec within a strong Canada.

In this context, the agency teams up with a broad network of development agents in each region of Quebec. By funding these organizations and facilitating their networking, the agency moves closer to citizens and the different regional realities, and offers local economic agents the opportunity of contributing to the development of their economy. For example, the agency works closely with the Alliance numériQC, Enviro-Access, and BioQuébec to promote innovation in enterprises.

The agency also works closely with World Trade Centre Montreal and a network of regional export-assistance organizations—we will recall the example I mentioned earlier—to contribute to the attainment of national objectives for development of international markets, so that Quebec can be present on both national and international markets. That is just what we want as Quebecers: to be present. That is great.

By its actions, the agency promotes the implementation of development projects that would not occur without its assistance or that would be postponed and could possibly be abandoned, something that would deny the Quebec regions some obvious material benefits as far as prosperity and the improvement of regional quality of life is concerned. According to data compiled by the agency for the year 2003-2004, 73.9% of its clients indicated that they could not have implemented their projects without the agency's financial support. We can be proud of that. The agency committed to contribute more than \$1.02 billion to finance the implementation of 2,116 projects in 2003-04.

• (1710)

If we add the amounts provided by other lenders to the Agency's contributions, the total value of these 2,116 projects will reach more than \$3.9 billion in all Quebec regions for 2003-2004.

Moreover, as of March 31, 2004, these 2,116 projects had already contributed, directly or indirectly, to the creation, transformation and maintenance of more than 13,671 jobs throughout Quebec.

I can tell you that in my riding, the agency has brought hope to entrepreneurs.

An hon. member: Oh, oh!

Mr. David Smith: This has contributed to a collective effort toward developing the beautiful Pontiac riding. We have numerous projects and we are working with the various levels of government, the private sector and Canada Economic Development.

I would add that the effects of the assistance provided by the Economic Development Agency of Canada for the Quebec regions are lasting. For example, more than 39% of the businesses which received help between 1996 and 2000 recorded an increase in income. More than 39% of these businesses are making more money. This is excellent.

We also see long-term effects on the employment situation. More than half of the businesses, that is 57%, reported an increase in the number of employees after completion of the projects that had received aid from the agency. This means more jobs that are so badly needed in our regions.

Government Orders

We should continue to support our regions because they are a source of continuity.

A particularly eloquent example of the relevancy of the agency is that, for the last three years, customer satisfaction has steadily risen. In 2003-04, for instance, 94.5% of the agency's customers were satisfied with the overall quality of services.

The information being shared today illustrates the need for the agency and its benefits and shows that regions want to make a collective effort, in partnership with the governments of Canada and Quebec, the municipalities and all the public stakeholders.

In conclusion, the bill before us today confirms the role played by the Economic Development Agency of Canada for the Regions of Quebec. It provides the agency with the necessary tools to take up the current challenges in regional development, ensures continuity and prepares people for the 21st century.

We are moving straight towards the development of our regions and we have to support them. We should ensure that, in places like the beautiful riding of Pontiac, people have the opportunity, like all other Canadians, to live and work in their region and develop a pride in being Quebeckers and Canadians.

• (1715)

Mr. Yves Lessard (Chambly—Borduas, BQ): Mr. Speaker, a famous person once said: "Father, forgive them, for they know not what they do." I am quite surprised to hear my colleague from Pontiac set the tone as he did. When he speaks of a beautiful Quebec, I agree with him. As far as a strong Canada is concerned, I recognize that Canada must be strong. I have no problem with that. But I do not agree with the way he explains things for us to recognize that Quebec can be happy within a strong Canada.

Since he says he is from Quebec and speaks for Quebec, I would like to hear him explain to Quebec taxpayers and particularly to citizens of his riding that we pay \$2.4 billion a year too much for health care and that we never benefit from that money. How does he explain that? I did not calculate that myself. Those figures are well-known. How does he explain that \$230 million a year in income tax returns Quebeckers would be entitled to is never paid to citizens but kept by the federal government, which saves money at the expense of Quebec because we have a good day care system.

How does he explain to his voters that more than \$30 million a year is not paid to the unemployed in his riding alone? Can he not explain this since he is so happy about it? I will stop here, but I could give him another series of questions like these. If he does not have enough, I will bring him more later.

Canada wants to act for Quebec. The government wants our own good. But right now, it is acting more as if it wanted to own us for good. And we will not accept that.

• (1720)

Mr. David Smith: Mr. Speaker, the hon. member opposite is asking me how I can be proud of what is happening in Quebec. I was born in Maniwaki. I was born there. I am an anglophone. I went to an English school. My mother is francophone. I am Aboriginal and proud of it. I am a Quebecker who lives in Canada, and I am proud of it.

Am I proud of the realities of my region, where unemployment is higher than average? The answer is no. I am certainly not proud of that. But did I give up? Did I decide to do nothing, to say it is hopeless and to cry over what could have been? Absolutely not. Before June 28, I decided to run in the last election in order to come here and represent the people of the riding of Pontiac, the people of my region. I wanted to come here and work with the Government of Quebec and the 43 municipalities of my riding, with the strengths and weaknesses of that region, to find ways to bring economic development home.

I mentioned the business in Délage that imports wood from Peru. If we were sitting down at a table and discussing this, I am convinced that the majority of us would say that it does not make sense, that it cannot be done. The Polish entrepreneur, who lives in Maniwaki and whose name is Stosik, who is a native of that municipality, who, like me, believes in his region, opened a sawmill in Peru to process wood, import it to Canada, send it by ship and other means of transportation to Maniwaki-Delage, make mouldings and doors out of it and then sell these products on the market.

I am asked if this is a source of pride. It is indeed. That entrepreneur got some help. From who? From Canada Economic Development Is our region of Pontiac perfect? No, it is not perfect. Is there room for improvement? Yes, there is room for improvement. How are we going to achieve these objectives? By working together. With who? With LDBs, CFCs, RCMs, mayors, municipalities and the Quebec government. The idea is that everyone must share the same objective, which is to have a beautiful region that is economically sound and strong.

As for employment insurance, it is something temporary. It is something that we must try to eliminate over time. Will it be possible to completely eliminate employment insurance? I do not think so. Is there room for improvement? The answer is yes. I have 18 files with Canada Economic Development on which I am working in cooperation with stakeholders in my riding. In our region, we believe in development. We need the help of all levels of government. We must work together. We have differences of opinion. That is fine. It is healthy. This is entrepreneurship. The idea is to talk to each other to find regional solutions for our people, so that we can put them to work, because they are proud. There is pride in being a Quebecker, a resident of Maniwaki and a member of Parliament representing these people here in the House.

• (1725)

[English]

Hon. Karen Redman (Kitchener Centre, Lib.): Mr. Speaker, I rise on a point of clarification respecting the order adopted earlier this day concerning the sequence of events for this evening. It is agreed that the adjournment proceedings must be completed before the House goes into committee of the whole.

[Translation]

Mr. Robert Vincent (Shefford, BQ): Mr. Speaker, I found it quite startling to hear the member for Pontiac express pride that Peruvian lumber was being exported to the industry in his area.

Government Orders

Before I was an MP, I was a union representative in the forestry industry. I find it aberrant to hear someone from Quebec expressing pride about having Peruvian wood here, when it takes jobs away from the Quebec forestry industry.

I can also tell hon. members that 2,000 to 3,000 jobs have been lost because of the softwood lumber crisis. We are not changing the direction of the debate. He started it and we are continuing in the same vein.

Clearly and simply, the Government of Canada has also helped regional development. Regional, not Canadian. When the region is involved, it goes through Quebec. The minister has just spoken about federal MPs coming into ridings to hand out money. Yes, we see them coming ostentatiously, handing out money, wanting to make nice, wanting to get us on side with them, putting on a good show.

But that is not what a good show is all about. If they want to show us their good side, let them hand the money over to Quebec. I think we are grown up enough to be able to take that money and invest it in companies that will be the pride of Quebec, without having Canada as an intermediary. We do not need that. Let them give us the money and we will look after it.

I do not want to add to what my colleague, the member for Brome—Missisquoi, has said about the single taxpayer. I think that single taxpayer pays too much. If there is a surplus of \$9 billion, it is because we have paid too much. So let them give us our money back. That is what the fiscal imbalance is all about. We are capable of economic development, and that development will be sustainable development. We will not go to Peru to get wood, we will get it in Quebec. Let them settle the softwood lumber crisis as well and there will be more jobs, I believe.

Mr. David Smith: Mr. Speaker, I would like to respond to my colleague on the other side. If we import wood from Peru in the Gatineau valley, it is not because we do not want to use our local lumber. We use it and we develop it. Recently, \$19 million was invested in the construction of a new sawmill in Maniwaki. We develop softwood lumber. We have Louisiana-Pacific, in Bois-Franc, which is a nice big plant in our region. We have new projects underway. Our contractors are very dynamic.

It is exciting for a region to see that people want to take charge of their own lives and they see that the different levels of government want to cooperate. Indeed, we are two Liberal members and we get on well. We have the same objectives: the development of our region and other regions.

If I understand well what my colleague is saying, we do not need Canada. I think that the real problem, or the reality today, is that people on the other side, on my right, want to separate from Canada. They do not want Canada, they do not see it. They want their own identity.

The reality is that Quebec is a partner in the development of this great Canada that includes the people in the riding of Pontiac. They are part of the belle province of Quebec. They believe in Quebec and in a strong and structured Canada and they want its development.

● (1730)

**DEPARTMENT OF PUBLIC SAFETY AND EMERGENCY
PREPAREDNESS ACT**

The House resumed consideration of Bill C-6, an act to establish the Department of Public Safety and Emergency Preparedness and to amend or repeal certain acts, as reported by the committee with an amendment, and of Motion No. 1.

The Acting Speaker (Mr. Marcel Proulx): It being 5.30 p.m., the House will now proceed to the taking of the deferred division on the motion at the report stage of Bill C-6.

Call in the members.

● (1800)

(The House divided on Motion No. 1, which was negated on the following division:)

(Division No. 11)

YEAS

Members

Adams	Alcock
Anderson (Victoria)	Augustine
Bagnell	Bains
Bakopanos	Barnes
Beaumier	Bélanger
Bell	Bennett
Bevilacqua	Blondin-Andrew
Boivin	Bonin
Boshcoff	Boudria
Bradshaw	Brisson
Bulte	Byrne
Cannis	Carr
Carroll	Catterall
Chamberlain	Chan
Coderre	Comuzzi
Cotler	Cullen (Etobicoke North)
Cuzner	D'Amours
DeVillers	Dhalla
Dion	Dosanjh
Drouin	Dryden
Easter	Efford
Emerson	Eyking
Folco	Fontana
Frulla	Fry
Galloway	Godbout
Godfrey	Goodale
Graham	Guarnieri
Holland	Ianno
Kadis	Karetak-Lindell
Karygiannis	Khan
Kilgour	Lapierre (Outremont)
Lastewka	LeBlanc
Lee	Longfield
MacAulay	Macklin
Malhi	Maloney
Marleau	Martin (Esquimalt—Juan de Fuca)
Martin (LaSalle—Émard)	McCallum
McGuinity	McGuire
McKay (Scarborough—Guildwood)	McLellan
McTeague	Minna
Mitchell	Murphy
Myers	Neville
O'Brien (London—Fanshawe)	Owen
Pacetti	Paradis
Parrish	Patry
Phinney	Pickard (Chatham-Kent—Essex)
Powers	Proulx
Ratansi	Redman
Robillard	Rodriguez
Rota	Saada
Savage	Savoy
Scarpaleggia	Scott
Sgro	Silva
Simard (Saint Boniface)	Simms

Government Orders

Smith (Pontiac)
St. Denis
Temelkovski
Tonks
Ur
Valley
Wappel
Wrzesnewskyj

St. Amand
Szabo
Thibault (West Nova)
Torsney
Valeri
Volpe
Wilfert
Zed- — 124

Telegdi
Basques)
Thompson (New Brunswick Southwest)
Tilson
Trost
Vellacott
Warawa
Watson

Thibault (Rimouski-Neigette—Témiscouata—Les
Thompson (Wild Rose)
Toews
Tweed
Vincent
Wasylycia-Leis
Yelich- — 154

NAYS

Members

Abbott
Allison
Anders
André
Asselin
Bellavance
Bezan
Blaikie
Boire
Bouchard
Bourgeois
Broadbent
Cardin
Carrier
Casson
Chong
Clavet
Comartin
Crête
Cullen (Skeena—Bulkley Valley)
Day
Desjarlais
Devolin
Duceppe
Epp
Finley
Fletcher
Gagnon (Québec)
Gagnon (Jonquière—Alma)
Gaudet
Godin
Goodyear
Grewal (Fleetwood—Port Kells)
Guergis
Hangar
Harrison
Hiebert
Hinton
Jean
Julian
Kenney (Calgary Southeast)
Kotto
Laframboise
Lapierre (Lévis—Bellechasse)
Lavallée
Lemay
Lévesque
Lukiwski
Lunney
MacKenzie
Mark
Martin (Sault Ste. Marie)
McDonough
Ménard (Marc-Aurèle-Fortin)
Miller
Moore (Port Moody—Westwood—Port Coquitlam)
Moore (Fundy Royal)
Nicholson
Obhrai
Pallister
Picard (Drummond)
Poirier-Rivard
Preston
Reid
Richardson
Sauvageau
Schellenberger
Siksay
Skelton
Solberg
St-Hilaire

Ablonczy
Ambrose
Anderson (Cypress Hills—Grasslands)
Angus
Batters
Bergeron
Bigras
Blais
Bonsant
Boulianne
Breitkreuz
Brunelle
Carrie
Casey
Chatters
Christopherson
Cleary
Côté
Crowder
Davies
Demers
Desrochers
Doyle
Duncan
Faille
Fitzpatrick
Forseth
Gagnon (Saint-Maurice—Champlain)
Gallant
Gauthier
Goldring
Grewal (Newton—North Delta)
Guay
Guimond
Harper
Hearn
Hill
Jaffer
Johnston
Kamp (Pitt Meadows—Maple Ridge—Mission)
Komarnicki
Krampp (Prince Edward—Hastings)
Lalonde
Lauzon
Layton
Lessard
Loubier
Lunn
MacKay (Central Nova)
Marceau
Martin (Winnipeg Centre)
Masse
Ménard (Hochelaga)
Merrifield
Mills
O'Connor
Oda
Paquette
Poilievre
Prentice
Rajotte
Reynolds
Ritz
Scheer
Schmidt (Kelowna—Lake Country)
Simard (Beauport—Limoilou)
Smith (Kildonan—St. Paul)
Sorenson
Stronach

PAIRED

Members

Bachand
Hubbard
Peterson
Plamondon

Deschamps
O'Brien (Labrador)
Pettigrew
Roy- — 8

The Speaker: I declare Motion No. 1 lost.

• (1805)

[*English*]

Hon. Anne McLellan (Deputy Prime Minister and Minister of Public Safety and Emergency Preparedness, Lib.) moved that the bill be concurred in.

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

Hon. Karen Redman: Mr. Speaker, if the House would agree, I propose that you seek unanimous consent that members who voted on the previous motion be recorded as having voted on the motion now before the House, with Liberal members voting in favour.

The Speaker: Is there unanimous consent to proceed in this fashion?

Some hon. members: Agreed.

Mr. Jay Hill: Mr. Speaker, I think if you seek it, you would find unanimous consent in the House to support the present motion. In any event, the Conservative members present will be supporting the motion.

[*Translation*]

Mr. Michel Guimond: Mr. Speaker, members of the Bloc Québécois support this motion.

Mr. Yvon Godin: Mr. Speaker, the NDP members vote yes on this motion.

[*English*]

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

(*Division No. 12*)

YEAS

Members

Abbott
Adams
Allison
Anders
Anderson (Cypress Hills—Grasslands)
Angus
Augustine
Bains
Barnes
Beaumier
Bell
Bennett
Bevilacqua
Bigras
Blais
Boire
Bonin

Ablonczy
Alcock
Ambrose
Anderson (Victoria)
André
Asselin
Bagnell
Bakopanos
Batters
Bélanger
Bellavance
Bergeron
Bezan
Blaikie
Blondin-Andrew
Boivin
Bonsant

Adjournment Proceedings

Related to that, I was interested to note that last week the Ontario Superior Court ruled that the ruling of the previous court sealing certain information in the related case of Juliet O'Neill and the *Ottawa Citizen* against the Government of Canada violated the constitutional guarantees of, among other things, the public's right to an open court system. In this case, an inferior court had ruled that the reasons for the search of Juliet O'Neill's home and the seizure of certain property of hers would remain secret. That ruling has now been overruled by the Ontario Superior Court, but it raises some interesting questions related to the Arar inquiry and to Mr. Arar's case because one of the documents seized was Canada's security dossier on Maher Arar.

If these documents are now to be released to Juliet O'Neill and to the *Ottawa Citizen's* lawyers, I want to know if they will also be released to the subject of the documents, Mr. Arar himself.

I want to review a bit about this case because after more than two years Mr. Arar and his family continue to suffer the consequences of his seizure by American officials and his deportation to Syria without any notice to the Canadian government.

In my question in October I referred to the fact that as the inquiry progresses and as documents come out there are still innuendoes, insinuations of some criminal connection by this man. After two years, no charges have been laid and there is no way this man can clear his name. Given that my own views on certain matters in this case were misrepresented in a report provided to the government by a government official, I have to wonder whether we will provide Mr. Arar with his file so he can determine whether the contents of that file are accurate.

I believe the minister needs to act and needs to make sure that charges are laid so that Mr. Arar has the opportunity to clear his name or make an admission that there are no grounds to lay charges.

Hon. Roy Cullen (Parliamentary Secretary to the Minister of Public Safety and Emergency Preparedness, Lib.): Mr. Speaker, I rise today in response to the question put to the House by my hon. colleague, the member for Ottawa West—Nepean, regarding the case of Mr. Maher Arar.

[*Translation*]

As my colleague knows, on January 28, 2004, the Government of Canada announced that Judge Dennis O'Connor would conduct a public inquiry into the way Canadian officials acted in the deportation and detention of Mr. Maher Arar.

[*English*]

In accordance with the inquiry's terms of reference, which were announced on February 5, 2004, Mr. Justice O'Connor is to investigate and report on the actions of Canadian officials in relation to Mr. Arar, including the detention of Mr. Arar in the United States, the deportation of Mr. Arar to Syria via Jordan, the imprisonment and treatment of Mr. Arar in Syria, the return of Mr. Arar to Canada, and any other circumstances directly related to Mr. Arar that Mr. Justice O'Connor considers relevant to fulfilling this mandate.

● (1815)

The commission is also mandated to recommend an arm's length review mechanism for the activities of the Royal Canadian Mounted Police with respect to national security.

Regarding the factual inquiry, Mr. Justice O'Connor continues to hear from witnesses and to review evidence in this case. Once Mr. Justice O'Connor has completed his investigation he will report on the actions of Canadian officials in relation to Mr. Arar.

In summary, the government has called this inquiry to provide assurances to all Canadians that an independent and respected jurist has examined all of the relevant evidence about the actions of Canadian officials in relation to Mr. Arar's arrest, detention, treatment in Syria and return to Canada, through both public and in camera proceedings. Now we must allow the inquiry to complete this important task.

Ms. Marlene Catterall: Mr. Speaker, equality before the inquiry and Mr. Arar's right to protect his interests depend upon an open process. As I said, just last week the Ontario Superior Court ruling stressed the constitutional right to an open court process that can be violated by secrecy.

I am asking the government to again re-examine the way in which documents have been kept secret in this matter and which have limited the ability of the inquiry to hear from Mr. Arar himself on some of the information before it. This is because he and his lawyer have no access to those documents.

I ask the government to examine the decision of the Ontario Superior Court and to re-examine its position. I do not think the fact that an inquiry is underway exonerates the government from exercising its responsibility for the actions of its officials.

Hon. Roy Cullen: Mr. Speaker, this government made a commitment to get to the bottom of this issue by launching an independent public inquiry.

The government believes that the established terms of reference provide Mr. Justice O'Connor with the mandate required to determine the role of Canadian officials with respect to Mr. Arar's case. We must now allow the inquiry to fulfil its mandate without the government prejudging the findings.

My hon. colleague herself has previously stated in this House that she has "every confidence in Mr. Justice O'Connor to conduct a thorough and expeditious inquiry". I think we can all agree that it is imperative that the inquiry be allowed to complete its work. Let the inquiry do its job.

NATURAL RESOURCES

Mr. Loyola Hearn (St. John's South—Mount Pearl, CPC): Mr. Speaker, a couple of weeks ago I asked a question of the Minister of Finance relating to the present dispute between Ottawa and Newfoundland as it relates to offshore revenues.

Adjournment Proceedings

In June during the election campaign the Prime Minister came to our province. Having been forced by the other two major parties, ours and the NDP, to take a stand on revenues, the Prime Minister accepted an offer put forth by the province of Newfoundland and Labrador through the premier, Mr. Williams. The Prime Minister said several times, and it is in writing, that he accepted the proposal put forth by Mr. Williams. However, when the election was over and the dust had settled, no one wanted to deliver on the promise.

After all kinds of meetings and pressure, the Minister of Finance finally gave in writing some indication of the government's offer. They talked about caps and timeframes. They talked about the fiscal capacity of other provinces, particularly Ontario. There were several things tied into the deal that had not been mentioned before and were not part of Mr. Williams' request to the Prime Minister, which the Prime Minister said he had accepted.

When people became upset with this process and this approach, the Minister of Natural Resources was summoned behind closed doors and briefed on the issue somewhat. He should have been there from day one because not only is he the minister responsible for that portfolio, but he is also the minister responsible for representing the province of Newfoundland and Labrador. However, he was called in and briefed briefly, pardon the pun, and sent to Newfoundland to sell the deal.

I quoted him in my question as saying that there is no cap, that there is no concern about tying it in with the fiscal capacity of Ontario, that if oil goes to \$1,000 a barrel, we will get all the revenues, that it does not matter about any other province or the fiscal capacity of anybody.

I asked the minister at the time if this was the government's position. The minister did not answer my question. Tonight I know the question will be answered by the parliamentary secretary. I ask him to forget about the prepared text he has been given to try to talk his way out of this.

I want to ask him, is it the government's position that the Minister of Natural Resources has been enunciating in Newfoundland and Labrador? If not, what is the government's position and why is it taking so long to get to a point where the Prime Minister delivers on his promise to the people of Newfoundland and Labrador?

• (1820)

Hon. John McKay (Parliamentary Secretary to the Minister of Finance, Lib.): Mr. Speaker, just last week when the House was not sitting, some considerable progress was made on the treatment of the offshore resources issue.

Last Wednesday the Prime Minister met with the premiers of Newfoundland and Labrador and Nova Scotia. That was followed by a meeting of the federal and provincial ministers responsible for the file. These were very productive meetings. We want to continue with those discussions in a spirit of goodwill so that all governments can say that progress has been made. That has been reflected in the public comments by both premiers and the Prime Minister.

Let me go back to the offer that was made on October 24. We should be very clear that the offer made would effectively provide additional offsetting funds equivalent to 100% of offshore revenues

to compensate for equalization declines associated with increased offshore revenues.

Furthermore, the approach fully meets federal commitments made to the people of Nova Scotia and Newfoundland and Labrador. Under the offer the Government of Canada said it would introduce legislation to provide additional annual payments offsetting equalization declines through an eight year period from 2004-05 through to 2011-12.

A provision in the offer, however, states that no such additional payments could result in a fiscal capacity of either province exceeding that of Ontario. If we think about it, that is a fair caveat. Ontario, which has the second highest fiscal capacity in the country and does not receive equalization payments, is used to provide an appropriate benchmark for the enhanced fiscal capacity that could be achieved under these agreements. Existing fiscal arrangements between the Government of Canada and the governments of Newfoundland and Labrador and Nova Scotia already ensure that the provinces retain 100% of the respective offshore resource revenues. Equalization payments come on top of that.

Last June the Prime Minister committed to Newfoundlanders and Labradorians and Nova Scotians that he would ensure that they remained the principal beneficiaries of offshore development by giving them 100% of effective protection against future equalization reductions caused by resource royalty increases. However, the 100% has to have within it limits to ensure fairness to all Canadians and all the provinces. The eight year arrangement which the Prime Minister has offered to Premiers Williams and Hamm fully meets that commitment.

I will now turn to the contentious issue of limit on revenue which has perhaps been the most widely misunderstood aspect of the agreement. The new special arrangements will not be allowed to cause Newfoundland and Labrador's fiscal capacity overall, including federal subsidies, to exceed that of Canada's second most prosperous province, Ontario.

I want to make the next point very clear. That is that the arrangement does not say that Newfoundland's own resources are being limited to the level of Ontario's. In fact, there is absolutely nothing to prevent Newfoundland's own revenues from surpassing those of Ontario, indeed those of Alberta for that matter. The limit simply means that taxpayers elsewhere in Canada should not be asked to subsidize Newfoundland and Labrador to a higher level than Ontario.

• (1825)

Mr. Loyola Hearn: Mr. Speaker, I thank the parliamentary secretary for reading what was given to him, but let me say to him that he should have checked it out beforehand because what he said is certainly not the facts.

Toward the end he talked about the province looking for equalization after it goes above and beyond the fiscal capacity of Ontario. That is not the case. We have always said that when we reach the five province standard, when we are looked upon as being equal, we do not want equalization, thank you. We want to be a contributing partner in Confederation, but we do not want the federal government taking back our share of our money.

Adjournment Proceedings

We are not looking for 100% of all the revenues from the development, as some people think. We are looking for 100% of our share which is less than 50% of the total revenue. When we reach the average capacity, we do not want equalization. We are saying, do to us what the government did to Alberta. Give us the opportunity to use our own revenues until we reach that fiscal capacity. Equalization would disappear and the revenues would continue to flow.

Progress has been made, the parliamentary secretary said. The premiers from both provinces met with the Prime Minister. It was a cozy meeting. They turned it over to the finance ministers and they had a meeting. Everyone thought that everyone understood each other. Then they did the unpardonable thing by turning it over to the officials. From what I know, we are no further ahead. Hopefully things will work out because if not, the war has just begun.

Hon. John McKay: Mr. Speaker, the hon. member talked about meeting Ontario's standard, or the five province standard, that all he wants is to meet the five province standard. Actually, if he meets Ontario's standard, it is higher than the five province standard because Ontario generally is the second most prosperous province in the country. In fact, it is already an enhanced treatment for Newfoundland over possibly other provinces, and the other provinces may well object to that.

The hon. member talked about making progress. When I hear the premiers of Newfoundland and Labrador and Nova Scotia say that they have made good progress in their productive meetings between themselves and the Prime Minister, then I take them at their word. I think in fact that is true.

This was an offer that was made in good faith by the Prime Minister and the Minister of Finance on behalf of the Government of Canada. It directly addresses the concerns about the additional payments to offset equalization declines associated with oil and gas revenues.

As I said, these arrangements are much more generous than those in place for other provinces that receive equalization. That is because in some respects we are recognizing the special circumstances with which the hon. member is concerned.

OIL AND GAS INDUSTRY

Mr. Jim Prentice (Calgary Centre-North, CPC): Mr. Speaker, on October 22, I asked a question of the Deputy Prime Minister in relation to the Mackenzie Valley pipeline. I queried at that time why the Liberal government had failed in its duty to streamline the northern regulatory process. The question was addressed by the Minister of Indian Affairs and Northern Development, who declined to answer. Today's question represents a follow-up to that exchange.

In mid-October of this year the Senate and the Congress of the United States of America enacted legislation to streamline the American regulatory process which governs the American stretch of the Alaska natural gas pipeline. The comparison between the Canadian and the American regulatory environment is germane, because there are two competing pipelines at issue. The early approval and construction of either will have a direct bearing upon the economics, the timing and perhaps even the feasibility of the other. This interrelationship has been styled by some as the great pipeline race.

Most respected commentators agree that Canada has more to lose in this particular contest. The proven Canadian gas reserves are smaller than those in Alaska and some fear that the delays in the approval of Canada's Mackenzie Valley gas pipeline could imperil the very feasibility of the Canadian pipeline itself. If that happens, all Canadians will lose the benefits of this project, but the northern community, especially the aboriginal consortium which owns one-third of the proposed Canadian pipeline, will lose an opportunity of immense proportions.

By contrast to the Americans, the Canadian government has created a regulatory framework in northern Canada which has proven so complex, so unwieldy, so fraught with uncertainty and delay that it actually imperils the Mackenzie Valley pipeline project.

The authority for that statement is the government's own external advisory committee on smart regulation which released its report in September 2004. That report criticizes the northern regulatory framework. It describes it as a complex and unpredictable cobweb of regulations involving multiple federal government departments and territorial and aboriginal authorities.

The report highlights the fact that what the government has done in the north has been to create complexity rather than remove complexity. By comparison, the Americans search for an environment of uncertainty. Our government offers confusion, delay, opacity and bureaucracy, all of which jeopardize both the economic and the environmental objectives of northern Canadians.

The report leaves little to the imagination. It puts forward four very specific recommendations. It calls upon the government to create a regulatory framework which is timely, transparent, predictable, clear and certain; to create a single window approach to coordinated regulation with mandatory response timelines; to appoint a federal coordinator with clear decision making authority to get the process moving; and to provide training to build capacity among the 13 regulatory organizations with overlapping jurisdiction.

I therefore ask the minister to respond today and tell Canadians what the government is doing to implement the recommendations of the external advisory committee in relation to the northern pipeline. What is the government doing to clear up the regulatory confusion which imperils the economic future of the north?

● (1830)

Hon. Sue Barnes (Parliamentary Secretary to the Minister of Indian Affairs and Northern Development and Federal Interlocutor for Métis and Non-Status Indians, Lib.): Mr. Speaker, I would like to thank the hon. member opposite for providing the government with an opportunity to further inform the House in respect to progress being made in the area of northern development.

There can be no mistaking that the government's commitment to the effective and sustainable development of Canada's north is very important. The 2004 federal budget provided \$75 million over three years to help ensure that all the federal departments and agencies involved in northern development, as well as the northern boards, have the capacity needed to support sound environmental and regulatory review, science in the public interest, and community engagement. This was a strong and public signal to the interested parties of the government's commitment.

Adjournment Proceedings

With regard to the Mackenzie Valley pipeline, let me assure the House that this initiative is not at risk. The Government of Canada's participation in the environmental assessment and regulatory review of the Mackenzie gas project is being undertaken on behalf of every individual in Canada. Our funding of this project continues to see that our endeavours focus upon activities such as proper environmental assessment, scientific research and consultation.

In 2001 the Department of Indian Affairs and Northern Development created the Pipeline Readiness Office to prepare the proposed Mackenzie gas project. This group's mandate includes assisting both the aboriginal and the northern communities in the areas of capacity, partnerships and environmental review, together with research. Through this office, the department provides funding to regional aboriginal organizations in the Northwest Territories so they can effectively prepare for the environmental assessment and the regulatory review of the proposed pipeline.

Additional funding is also provided for their involvement in research, negotiating land, access and benefits agreements and socio-economic issues related to the pipeline's development. Investments in this regard totalled \$1.5 million in the last fiscal year and are expected to exceed that in 2004-05.

Let me assure the House that the government, through the Department of Indian Affairs and Northern Development and its Pipeline Readiness Office, continues to meet its commitments as outlined in the cooperation plan. The cooperation plan calls for a coordinated and effective environmental assessment and regulatory review process that reduces duplication and meets the legislative needs of all parties.

I will touch quickly on negotiations with the Deh Cho First Nations. The lawyers have finalized a framework agreement which commits the two parties to conduct, without prejudice, discussions aimed at exploring common ground on the Mackenzie gas project. I am sure that the hon. member does understand that as the matter remains before the courts it would be inappropriate for the government to offer further comment at this time.

In short, I applaud the hon. member for his commitment to sustainable development of the vast potential of Canada's north. I think we all want what is good for the whole country. I wish to assure him and all members of the House that we are working with vigour to address any issues that arise and to forge ahead to the benefit of all Canadians. I know this answer went a little broader than the member's questions, but I thought the information was important to lay before the House.

● (1835)

Mr. Jim Prentice: Mr. Speaker, we welcome the capacity building exercises that my friend has spoken of, but I did not hear any specific response to the recommendations of the external adviser, which are very detailed in nature. In particular, the cooperation plan which my friend has referred to predates the external adviser's report. The external adviser's report is a specific response to the failure of the government to follow up on that cooperation plan.

The Government of Canada has failed in its basic obligation to this point to staff the regulatory authorities of which we are speaking. The Mackenzie Valley Land and Water Board has no

chairman at this point in time. The Inuvialuit environmental review board will have no chair as of February of this year and none of the government's appointees have been named to the board. The consequence of this is that the regulatory authorities in question are not able to proceed in the manner contemplated in the cooperation plan.

Hon. Sue Barnes: Mr. Speaker, the Mackenzie gas producers filed their environmental impact statement on October 7. As such, the environmental assessment and regulatory review processes for the Mackenzie gas project are proceeding as outlined in the cooperation plan.

Further, the Mackenzie Valley regulatory boards continue to receive additional financial and human resources to carry out the regulatory review of the Mackenzie gas project. This incremental board funding began in 2001 to help northern boards prepare for and participate in the cooperation plan.

The environmental assessment and regulatory regime in the Mackenzie Valley is the result of aboriginal land claims agreements negotiated and legislated between these parties and the Government of Canada. Working together, we want to ensure that the spirit and intent of these successfully settled land claims are met, and we will continue to work in cooperation.

The Deputy Speaker: Pursuant to Standing Order 81(4) the motion to adjourn the House is now deemed to have been withdrawn. The House will now resolve itself into committee of the whole to study all votes under Canadian Heritage in the main estimates for the fiscal year ending March 31, 2005.

Adjournment Proceedings

[*Translation*]

[*For continuation of proceedings see Part B*]

I do now leave the chair for the House to go into committee of the whole.

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CANADA

House of Commons Debates

VOLUME 140 • NUMBER 025 • 1st SESSION • 38th PARLIAMENT

OFFICIAL REPORT
(HANSARD)

Tuesday, November 16, 2004
(Part B)

—

Speaker: The Honourable Peter Milliken

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HOUSE OF COMMONS

Tuesday, November 16, 2004

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[Continuation of proceedings from Part A]

* * *

[English]

SUPPLY

CANADIAN HERITAGE—MAIN ESTIMATES, 2004-05

(Consideration in committee of the whole of all votes under Canadian Heritage in the main estimates, Mr. Strahl in the chair)

The Chair: I would like to open this session of committee of the whole by making a short statement. Tonight's debate is being held under Standing Order 81(4)(a), which provides for each of two sets of estimates selected by the Leader of the Opposition to be considered in committee of the whole for up to four hours. For many members this will be the first time they participate in such a debate, and even for experienced members this is a relatively new procedure, so I want to explain how we will proceed.

Tonight's debate is a general one on all of the votes under Canadian Heritage. Earlier today the House adopted a special order that established for tonight only the rules of debate. They are as follows.

Each member will be allocated 15 minutes. When a member is recognized, he or she should indicate to the Chair if the 15 minute period will be shared, what portion will be used for speeches and what portion for questions and answers. When time is to be used for questions and answers, the Chair will expect that the ministers' responses will generally reflect the time taken by the questions since this time will be counted in the time originally allotted to the member.

Though members may speak more than once, the Chair will generally try to ensure that all members wishing to speak are heard before inviting members to speak again, while respecting the proportional party rotations for speakers. Members need not be in their own seats to be recognized.

[Translation]

As Chair, I will be guided by the rules governing committee of the whole that were agreed to a little earlier by the leaders of all parties in the House. Nevertheless, in order to have a productive debate, I am prepared to apply those rules with discretion and flexibility.

[English]

The first round of speakers will be the usual all-party round, namely, the official opposition, the government, the Bloc Québécois and the New Democratic Party. After that we will follow the usual proportional rotation.

At the conclusion of tonight's debate, the committee will rise, the estimates under Canadian Heritage will be deemed reported to the House and the House will adjourn until tomorrow.

We may now begin tonight's session.

The House in committee of the whole, pursuant to Standing Order 81(4)(a), the first appointed day, consideration in committee of the whole of all votes under Canadian Heritage in the main estimates for the fiscal year ending March 31, 2005.

● (1840)

Ms. Bev Oda (Durham, CPC): Mr. Chair, thank you for giving us this opportunity. I look forward to the next few hours. I think this is a very important discussion and debate to be having. It is important to this side of the House that we make sure we have a strong and vibrant arts and cultural community.

I would like to begin questioning today on an important arts and cultural program, Tomorrow Starts Today.

My staff has contacted the minister's office seven times over the past six weeks and has been unable to obtain any information. The Library of Parliament, a non-partisan agency that helps all members, has been unable to obtain any information. Just this morning, the minister's office told my staff that I would not understand the numbers and that the numbers would be open to misinterpretation unless explained by the minister to me.

Unfortunately, I was unable to obtain detailed financial data on this program until only a couple of hours ago. This funding represents \$500 million of government money. These numbers should be readily available to all members and to all Canadians.

The members on this side of the House would like to be assured that this money is getting out to the creators and artists who need it.

Supply

On behalf of the arts and cultural communities, on behalf of all Canadians, I ask the minister, can she tell us how much of the \$500 million went directly to creators, artists and cultural organizations?

If I may apologize, I know I was to do some housekeeping first. I will not be sharing my time and there will be a short preamble before each of my questions.

• (1845)

[*Translation*]

Hon. Liza Frulla (Minister of Canadian Heritage and Minister responsible for Status of Women, Lib.): Mr. Chair, I want to tell you at the outset that I will express myself in the language of Molière, in which I am more comfortable than in the language of Shakespeare.

In response to the question of the hon. member, the Conservative Party heritage critic, with respect to the importance of the Tomorrow Starts Today program, she is in fact right. The federal investment in this program is one of the largest since the creation of the Canada Council for the Arts in 1957.

Government intervention in arts and culture affects a lot more people in all regions of our country. So, when I am asked what amounts went to creators, I could say that the whole of those amounts has gone to creators, to authors and to those who support them.

For instance, in 2003-04, Arts Presentation Canada funded 569 arts presenters, who also serve creators. Festival Saison has reached 212 communities. Almost all of them are represented here, which means a 247% increase compared to 2001, that is, before we had the Tomorrow Starts Today program.

In its first three years, Cultural Spaces Canada invested \$75 million in 216 projects in over 100 communities, and an additional \$466 million came from private sources, both provincial and territorial.

I must say with regard to this program that a federal-provincial meeting was held three weeks ago in Halifax with the provincial ministers responsible for culture, and all provinces unanimously brought forward a motion requesting that the government renew the Tomorrow Starts Today program.

Tomorrow Starts Today has made available 600 new Canadian collections and exhibitions concerning Canadian culture on-line. There is also the Trade Routes program which allows small and medium-sized businesses to increase their export capacity on the international market, which means that we have an 80% increase in the export of cultural goods and services.

All this to say that—

[*English*]

The Chair: The hon. member for Durham on a point of order.

Ms. Bev Oda: Mr. Chair, if I understand the rules as you explained them, the amount of time to respond to a question should be relative in terms of the amount of time taken to ask the question.

The Chair: Let me explain again. That is correct. The amount of time given for a ministerial response should be roughly the same as the time given for the question. We were just a little short here. We

are actually going to use a stopwatch and try to be accurate. I am going to be a little flexible as well, but when I give a signal to wrap it up that will be for either side of the table. We will try to keep it fairly close.

Ms. Bev Oda: Mr. Chair, I will ask the minister if there is a problem with the program Tomorrow Starts Today. This side of the House has never indicated it does not support the program. In fact, what we want is to ensure that the maximum dollars are going to those it was intended to support.

Why is the minister unable to provide the information I just asked for, which was a dollar figure that goes directly to creators and artists? Also, why is the minister being so alarmist and creating an unfounded sense of panic among the arts and cultural community? Why is she saying, as is reported, that the program is under serious attack, that it might not be renewed, that it is facing its sunset? In fact, she said that there is a very real chance it will not be renewed.

Is the minister unable to convince the government and her colleagues to support this program's continuation? If anyone is placing this program under serious attack it seems to be the minister herself and her own caucus. Again I ask the question: how many dollars went directly to creators and artists?

• (1850)

[*Translation*]

Hon. Liza Frulla: Mr. Chair, I thank the hon. member. I would like to clarify one small point. We are not alarmists, but we must be realists. The program concludes in 2005.

So, yes, we are renegotiating to have it renewed and it is not me who is being alarmist; it is the community that depends on this program and wants to see it renewed, in the first place.

In the second place, when I am asked if the money went to creators, I can reply that all the money has gone to the creators, and I can tell you why. For all the programs the average administrative cost is 11%, which is very effective.

As for Cultural Spaces Canada, these are spaces where the creators and artists are able to perform. We spent \$75 million. In Arts Presentation Canada, there are three components: project support, programming support and development support. On this program we spent \$35,222,000. On the National Arts Training Contribution Program—these numbers have all been verified—we spent \$40,283,000. All of it goes to the creators.

[*English*]

Ms. Bev Oda: Mr. Chair, I would like to move on.

Supply

Given that the last reported figures show that \$4.3 billion of production was done in Canada in television programming; given that, of that, the largest portion or \$1.9 billion was foreign interest or foreign service production, primarily American production; given that these levels of production also represent over 133,000 jobs in Canada, with government support programs going only to television programs and film, but little into capacity building and with the rising Canadian dollar, with the American movement to produce more in the U.S. or Europe, with the Americans initiating legislative measures to keep more production in the U.S., we are already seeing a drop in the production industry's level of activity here in this country.

What has the minister included in these estimates to build capacity and to strengthen the Canadian production infrastructure and keep those 133,000 jobs in Canada?

[*Translation*]

Hon. Liza Frulla: Mr. Chair, I will get the exact figures.

Still, I can say that we have doubled our \$100 million annual investment in feature films. The hon. critic is correct. I am very pleased that she takes an interest in our television industry because it is worth, as she said, nearly \$5 billion.

First, we must understand that the total volume of foreign production in Canada increased by 73% over the past five years. Why? Because we have taken steps to welcome foreign films. What are these steps? We have increased our income tax credit from 11% to 16% of eligible production costs. It is true that some American states and some other countries have imitated us and now have similar tax credits, which means that foreign and American productions now have a tendency to stay home.

On the other hand, it is cyclical. I want to reassure the hon. member that in Montreal, for example, the season started very slowly, but this fall four or five American films worth over \$50 million were shooting in the streets of Montreal.

I can go on if necessary.

[*English*]

Ms. Bev Oda: Mr. Chair, the government claims to be a strong supporter of the arts. The minister is in control of the budget for this industry and this ministry. In light of the \$9 billion surplus that the government has accumulated this year, why can the minister not protect the arts and creators from 5% funding cuts?

Just this weekend in Montreal the minister confirmed that the federal government will be asking all of the main cultural agencies to look at ways of reducing their budgets by 5%, including the CBC, Telefilm and the National Film Board.

It is time for the minister to do more for the arts community than tour around the country professing support for the arts. It is time for her to work to protect this important segment of our country from 5% cuts across the board. Actions do speak louder than words. If the government really supports the arts, these agencies should be exempt and I ask the minister, why are they not?

• (1855)

[*Translation*]

Hon. Liza Frulla: Mr. Chair, once again, I thank my colleague. I am very pleased to see that we have unanimity in the House, that everyone supports Canadian culture and cultural expression, as we will certainly see with the other speakers.

Now, we must understand something that I tried to make the industry understand. When we talk about redistribution, we do not mean cuts. I have experienced cuts in 1990, 1991 and 1992, when I was Minister of Culture at another level of government. We talk about redistribution simply because we have included in our approach an annual review of each of our programs, of our way of administering them, to see if we can be more efficient on the administrative level.

I also said—and this is my firm intention—that our creators, our producers, our people in the film industry and our museums, in terms of collections, would not be affected. I want all of us to perform much better on the administrative level. I am convinced that all my colleagues agree with this. This is a government approach and a discipline that we want to impose on ourselves.

[*English*]

Ms. Bev Oda: Mr. Chair, in light of the minister's response, I would assume then that redistribution would come out of administrative and departmental costs. May I then ask the minister for her assurance that no program will be cut and no funding agency will be cut, and that the levels of support will be guaranteed this year and into the next year?

[*Translation*]

Hon. Liza Frulla: Mr. Chair, I am sincere when I tell you that this warms my heart. I was afraid that we would be asked here to reduce our budgets when, indeed, the more we have, the more we can do. We all agree that cultural expression is the very expression of our identity.

We must understand that, not only out of solidarity, but also out of respect for my other colleagues, we will carry out the review. We are doing it. We have asked our agencies to do it. They have agreed to do so. It was simply to examine their approach. I will give you some good news at the appropriate time.

Mr. Maka Kotto (Saint-Lambert, BQ): Mr. Chair, I will not be sharing my time for this first turn. I will have just one intervention.

In this debate, we are trying to avoid getting stuck in the one-track approach of economism, which is the root of all evil and a source of anxiety, instability, insecurity and multiple cultural exclusions. When governments stop supporting culture, when culture in Quebec and Canada is completely dominated by the new Liberal dogmas of utilitarianism and adjustment, that will be the end.

Then, nothing will prevent the people from rushing into fast-food restaurants and Hollywood dominated cinema complexes, from overindulging in American culture, and dropping whatever critical thinking they have left, and no longer contributing in their own way to the preservation of their own cultural identity. We should never lose sight of the fact that we live in a situation that could increasingly be considered the stage of some yet unknown form of cultural darwinism.

Supply

Today, we no longer have the right to be gullible anymore. History, philosophy and all the social studies tell us that there has always been a natural human tendency to go along with things, to let somebody else make the decisions and chose their future identity for them.

The great strength of neo-liberal ideology lies in the fact that it managed to fully exploit this tendency by obtaining, via television, cinema and consumerism, something which no previous totalitarianism has obtained before it, namely the consent of its victims. In the Bloc, we are not the accomplices of our potential executioners and we will not be.

In addition, we will not be party to any questioning of any vision, orientation or measure that would weaken, shake or destroy the field of culture, already exposed to decay. The quality of culture has a price. Therefore, we are opposed to policy on culture being devoid of substance and “McDonaldized”. Culture must make a contribution to the quality of our lives. It must contribute to a strengthening of our specific identities. That's how we view this in the Bloc.

A world without culture is a world where ignorance and self-satisfaction produce only docile, americanized consumers, and not the lucid people and perceptive rebels we need so much.

In spite of the de facto trusteeship of Quebec—not for long, at least I hope so—I encourage the minister to aim high for the quality and quantity of cultural production. The reduction or withdrawal of means in the cultural field, as advocated by some, would only lead to a decrease in the quality and viability in cultural matters.

However, providing culture with better financial means is a priority because, contrary to what is advocated by some people, the focus of culture is not the individual but the elevation of the individual's soul and spirit.

I would like to mention a comment that has been going around for a while. Since last August, the Minister of Canadian Heritage has been talking about a possible Canadian cultural policy, which is an issue that we discussed recently in our debate on Bill C-18.

● (1900)

On October 28, the minister said to Nathalie Petrowski that such a cultural policy was one of her dreams. On November 9, she told the Academy of Canadian Cinema and Television that we needed a Canadian cultural policy.

Clause 9 of Bill C-18 refers to the policy with respect to culture and says what it will be. What is this cultural policy the Minister of Canadian Heritage is talking about?

Are the \$8 million dollar cuts at CBC, a reduction, in the last year, of 183 hours in the drama series on the French television, the translation of Canadian animation programs produced outside of Quebec and the direct cuts in the funding to creators, all elements of the cultural policy that the Minister of Canadian Heritage is contemplating?

● (1905)

Hon. Liza Frulla: Mr. Chair, first, I want to congratulate the Bloc Québécois critic on his text. One can see that the hon. member not only has a lot of depth, but also a lot of experience as an actor. It is always a pleasure to hear him.

There are two things here. Let us talk about cultural policy. The cultural policy is of course different, because we are in Canada, but it based somewhat on the same objectives as Quebec's cultural policy, in that it has three objectives. The first and most important one is to put the creator at the core of our concerns. The second one is to strengthen our Canadian identity. Finally, the third objective is to promote accessibility. We want to ensure that people not only appreciate what our creators do, but that they have access to their work.

Given these objectives, we have to work with what we have. What do we have here in Canada? We have extraordinary organizations and institutions. The cultural policy would therefore be based on institutions that are pillars, such as the CBC, the NAC, Telefilm, the NFB and all the museums. The idea is get all these key players at the table to develop this policy, again with these three objectives in mind.

It is also important to have an integrated cultural policy. Let me give an example. We talk about creators and also about the precarious situation of actors. This is the case all across Canada. Quebec has its own policy with its status of the artist act. We also have similar federal legislation, while provinces such as Ontario and Saskatchewan want to draft such an act. All this to say that when we have an integrated cultural policy and put creators at the core of our concerns, it is very easy for me to tell my colleague, the revenue minister that we made a government decision and that we have this cultural policy which provides, in the first of its three objectives, that creators are important. I would then ask the minister how to improve the status of the artist, which is so important to us, knowing that labour laws come under the jurisdiction of the provinces.

Since I come from Quebec, I also want to say that the Canadian cultural policy would be in harmony with those of the provinces, and not in conflict with them.

Mr. Maka Kotto: Mr. Chairman, in an article published in the daily *Le Devoir* on August 21, Stéphane Baillargeon quoted the Minister of Canadian Heritage, who said regarding a Canadian cultural policy “I am thinking about it and I am consulting ...”

We would like to know whom she consulted.

Hon. Liza Frulla: Mr. Chairman, as far as consultations are concerned, I started talking to the heads of these organizations, Mr. Herrndorf, for instance, and Mr. Ben Simon.

I am still waiting. Two big building blocks were missing. The first one was the president of CBC-SRC whose mandate we just renewed and who was so graciously welcomed yesterday by the Standing Committee on Canadian Heritage. We are still waiting for a new Telefilm Canada president, who will likely be appointed shortly. We will start with these two building blocks.

Supply

In the meantime, I asked my department to do some research on various countries' cultural policies, at the international level, and compile this information. Usually the way things are done is that first we ask a group to do some research, develop principles for a cultural policy and present them to a ministerial committee, the Standing Committee on Canadian Heritage for instance, only then can the said committee start consultations.

In Quebec we carried out one of the most extensive consultation process in the history of Quebec with a view to developing a policy involving 22 departments. It must be said. The work of the Standing Committee on Canadian Heritage will be of paramount importance. We do not intend to reinvent the wheel. We want to look at the research, see what was done and integrate the results.

Yes, this is a long undertaking, but I am convinced that if we are all committed and willing to work for the good of the arts and culture, we will do it together. What matters is that such a policy is unanimously adopted, as was the case in Quebec.

● (1910)

Mr. Maka Kotto: Mr. Chair, I would now like to speak of the surpluses the Minister of Finance announced. Telefilm Canada, the Canadian Broadcasting Corporation and the Canada Council for the Arts have all seen their funds cut back. Funds have been taken from public corporations that contribute directly to the work of many artists and creators.

These cutbacks will affect the quality of the professional lives of the people who contribute to the improvement of the overall quality of life of Quebec and Canadian societies.

Concurrent to this reallocation exercise, the Minister of Finance announces once again unexpected surpluses adding up to about \$8 billion.

Such an attack on a vital segment of the population, on its collective identity, is a disgrace, especially considering the very real financial pressures they are faced with. Meanwhile, the government is counting its billions. The most basic sense of decency would require the government to review its supplementary estimates in the light of its new breathing space. However, it does not want the cultural community to get its hopes up too much. The government has very clearly identified its priorities. The cultural sector is not one of them.

What does the minister have to say about that?

Hon. Liza Frulla: Mr. Chair, all together, we are going to make this sector a government priority.

The Tomorrow Starts Today program proved it. This was a sizeable investment of more than half a billion dollars, more specifically \$700 million, made because we had finished the year with a surplus. This also reflects a government priority.

What carries even more weight for Quebecers and Canadians is to say that this is a parliamentary priority. This is a priority for all parliamentarians in this place. This carries more weight, and that is the message that together we must send.

That having been said, again, let there be no confusion. Existing programs have undergone a review. This is a review based on what is

called a reallocation. There are no cuts to the Arts Council, neither for this year nor for the next, in 2005. The corporations were asked to conduct administrative reviews, but no decisions were made. We are currently in negotiations, like all our colleagues, with those responsible at finance and revenue to implement an approach, a discipline. We all agree on this.

I want to point out, however, that, as part of the current reallocation process, nothing has been decided. The primary objective is not to affect artists and creators, producers and all those who make this Canadian cultural life such a vital and a strong one. That is number one.

And second, we do not talk about cuts but about reallocation. If, all together, we are convinced that we must reinvest in the cultural sector, then we are talking about reallocation, and reallocation can also mean increased funding. Who knows? It all depends on the outcome of future negotiations, the needs of my hon. colleagues and how careful the government wants to be.

The fact is that, if we are doing so well, it is because we have been careful during all these years.

The Deputy Speaker: Resuming debate. The hon. Minister of Canadian Heritage and Minister responsible for Status of Women.

Hon. Liza Frulla (Minister of Canadian Heritage and Minister responsible for Status of Women, Lib.): Mr. Chair, I will also make a presentation, somewhat like my colleague did.

First of all, to put the government's actions in context, I would like to introduce you to some of those who are here with me and who are longstanding colleagues and partners. First, the Minister of State for Multiculturalism, who is always ready to answer any questions regarding multiculturalism, the Minister of State responsible for Amateur Sport and my parliamentary secretary who is a tireless arts advocate.

I would like to introduce my colleagues, Deputy Minister Judith LaRocque, Associate Deputy Minister Susan Peterson and Assistant Deputy Minister for Planning and Corporate Affairs Bruce Manion. They have also contributed to putting all this together.

I also want to tell you that if there are any questions or requests, we are all ready to answer them or give briefings if necessary.

● (1915)

[*English*]

The department I have had the honour to head for four months deals with issues that are central to the leading debates of our time. These issues have considerable impact on our society and our future. I am referring to intercultural relations, to the impact of culture on our quality of life and our prosperity, to the preservation of our forms of expression, to the place of artists in our society, to the development of sport, to the status of women and more. Its area of responsibility is wide-ranging, from official and aboriginal languages to artistic creation, museums, broadcasting and multiculturalism.

My department also oversees major institutions with a mandate to promote the growth of our culture, such as the CBC/SRC, the Canada Council for the Arts, Telefilm Canada and the National Film Board.

Supply

In this area of globalization, the mission of the Department of Canadian Heritage has never been as relevant or as crucial. In Canada we face an inescapable reality. We share the longest undefended border with a global superpower and a cultural giant. That distinguishes us from the rest of the world.

What is it that defines us? It is our history, our culture, our artistic works, our national institutions, our linguistic duality and our heritage languages, the way we integrate different cultural communities without making them fit into a single mould and our vision of the world.

[*Translation*]

It is this diversity that we must protect and promote in an increasingly uniform world. And that is exactly why this department exists.

We work toward three main objectives: promoting excellence in the cultural sector, from creativity to production to presentation; facilitating diversity of choices, perspectives and viewpoints; and encouraging the celebration of the diversity that gives us our strength.

Let us start by recognizing that our cultural policies have, over the years, enabled our creative people to achieve an enviable position within Canada and abroad. Our policies are based on the following premise: We want to have access to the best of what the world has to offer, including cultural products from the United States. But we also want to have access to the best of what we in Canada have to offer in terms of culture.

Furthermore, it is important not to underestimate the impact of Canada's arts and cultural sector on our quality of life, our success and our prosperity.

The figures speak for themselves. Each year, the cultural sector directly contributes 27 billion dollars to our gross domestic product. The Government of Canada spends an average of 3 billion dollars on culture. That is what is called a good investment. We would like to invest more of course, but we see that it is profitable.

We believe that the sector provides employment to 760,000 individuals in Canada. That is more jobs than there are in the agriculture, forestry, fisheries, mining, oil and gas extraction, and public services sectors combined.

In this context, to increase cultural offerings, the department that I head invests in our greatest source of creativity; this is, our artists and our creative people.

[*English*]

In May 2001 the Government of Canada announced an unprecedented initiative called Tomorrow Starts Today. This is the Government of Canada's most significant investment in culture since the founding of the Canada Council for the Arts. It has greatly helped our artists to create, to express themselves, to innovate, and to reach their audience. This is aside from the direct benefits to our community.

Let us take a specific example. Through the support of one of the programs of Tomorrow Starts Today, Netwerk signed a contract with Sarah McLachlan to distribute three of her albums. The

resulting commercial success helped transport Netwerk into an international company that launched the career of such Canadian artists as Avril Lavigne.

In addition, performance halls, cultural institutions, festivals, art schools, publishing houses and theatres across Canada have received our support through Tomorrow Starts Today.

I am thinking of and this is to answer my dear colleague's question: the Tintamarre Acadian Parade in Caraquet; the Fondation I Musici in Montreal; the community of Owen Sound, which was named a cultural capital in Canada in 2004; the Souleppper Theatre Company in Toronto; the Royal Ballet School in Winnipeg; Thistletoen Press, a Saskatchewan based publishing firm; the Arts Touring Alliance of Alberta; the Nunavut Arts Festival; the Belfry Theatre in Vancouver; and the Dawson City Music Festival in Yukon.

Let us also take another interesting example. The circus and magic partnership program known as CAMP is a project that we have supported under Tomorrow Starts Today. It makes use of professional performers in the fields of circus and magic to raise the self-esteem of young people at risk in downtown Winnipeg and to expand their artistic experience. The success of the project will ensure its introduction in northern Manitoba.

The effectiveness and the needs for the Tomorrow Starts Today program was recognized by my provincial and territorial counterparts at our most recent meeting 15 days ago in Halifax.

● (1920)

[*Translation*]

Tomorrow Starts Today is certainly one of the most important cultural initiatives of my department, but there are others.

To offer diverse Canadian cultural choices, it is also necessary to invest in the cultural institutions that support our artists, and in a structure for presenting their works and enabling them to reach their audience.

For example, let us consider our support for the audiovisual sector. Since 1996, through the Canadian television fund, we have been able to produce 18,000 hours of programs in English, French, and Aboriginal languages. The total value of these productions is \$6 billion.

The fund brings together efforts of the Government of Canada and the private sector to create high quality cultural content. In attracting audiences, the fund shows that popularity and quality are not mutually exclusive. It enables us to provide to our artists a forum in which they can express themselves in our own market, and to offer to our population programs that reflect their own lives.

It is impossible to overlook the successes of Canada's film industry in recent years. This shows us that Canadians want to go to see films produced here in our country. A film such as *Séraphin: un homme et son péché* achieved the feat of making three generations of francophones run to the movie houses, breaking all the records for box office receipts by a Canadian film. The world has greatly changed since then. New distribution technologies have emerged, and it is ever easier to copy or obtain works without paying for them. This is the case, for example, in the music field. And it is our artists who ultimately pay the price.

We must give our artists the means to receive remuneration for their work. It is exactly for this purpose that the Department of Canadian Heritage is working with the Department of Industry to modernize the Copyright Act. We must achieve a fair balance between the needs of creative people and those of users. This is an issue facing all societies in this time of globalization and new technology.

[English]

However, culture is not limited to forms of artistic expression alone. It includes all the forms of expression and activities that bring us together within our communities.

Sports are essential to the lives of our communities. For this reason, through the Minister of State responsible for Sport and Sports Canada, the Department of Canadian Heritage will give our athletes the means to excel in sports and give the general public the means to practise sporting activities. Sports also play an important role in the lives of individuals. Not only do sports give Canadians a chance to express their pride during large sports gatherings, but they are also a healthy way of life for the population in general.

Culture is also an important voice of our communities across Canada. Our culture is shaped by the men and women who have lived on this land for centuries or who have come here with the hopes of putting down roots. There are aboriginal people, anglophones, francophones, and people from all over the world. They are young people, they are women, they are men. Diversity enriches us, but with one condition, and that is that all communities and all citizens can express their differences and make their viewpoints heard. The Minister of State responsible for Multiculturalism helps us fulfill this condition. In my opinion, and that of the majority of Canadians, this is what gives us strength.

In the Canadian Heritage portfolio, for which I am responsible, some programs specifically seek to strengthen the cultural identity and language of aboriginal Canadians, support official language minority communities, promote multiculturalism, ensure the participation of women in all sectors of activity through Status of Women Canada, and invest in Canada's young people. We must give each and every one the tools to express individual differences, aspirations, and an eagerness to contribute to the betterment of society.

[Translation]

But we must also give every person the tools to celebrate the diversity that is characteristic of Canadians. Just observe how Canadians flock to festivals on the theme of world culture. The entire world can be found within our borders. And my department seeks to increase opportunities for celebrating this diversity. It may be on the

Supply

occasion of Canada Day, or through initiatives promoting Canadian symbols. While diversity gives us strength, it also highlights the values that we have in common. Values that we all share and that are rooted in democracy. Values connected to an ideal of freedom. An ideal that has built a tolerant society, in which the concept of equality has the strongest influence.

The expression and celebration of diversity is a national objective that has become an international issue. The debate currently drawing attention is undoubtedly that on cultural diversity.

I firmly believe that each country must be able to adopt its own cultural policies and to have the tools for protecting its own forms of expression. This is why I am committed to working for the adoption of the International Convention on the Protection of the Diversity of Cultural Content and Artistic Expression within the framework of UNESCO.

During the meeting of Canada's ministers responsible for culture, which took place 15 days ago, I conveyed to my colleagues the significance and scope of this convention. A resolution submitted by Saskatchewan and seconded by Alberta assured me of their support. I would also like to mention the valuable cooperation on this issue, from the outset, of the Government of Quebec. Not to protect one's culture is to put one's soul up for auction.

• (1925)

[English]

Culture is not a luxury and our assets in this area are fragile. Our market for culture is one of the most open in the world. It enriches us, but at the same time this openness represents a challenge to our own creativity and to the distribution of our cultural products. This is why it is important to continue supporting our artists, and maintaining and indeed, strengthening our cultural policy.

Moreover, the promotion of diversity requires unwavering efforts. It is central to our Canadian identity. We must continue to defend it and enhance it. It is an engine for cultural, economic and social development. It is an asset that will enable Canada to become a leader in the 21st century.

Mr. Charlie Angus (Timmins—James Bay, NDP): Mr. Chair, it is an honour to rise here tonight and discuss culture and heritage in the House.

It was 24 years ago that I quit school with the plan to be an artist. I believed at that time that if I worked hard, worked every single day, and if I put everything in my life on the back burner, I could make a living in Canada as an artist. After 24 years I found out a simple thing: that the difference between a large pizza and a professional artist in Canada is that the large pizza will feed a family of four. I had five in my family to feed and that is why I am now a politician, for the time being anyway, and as long as the good people of Timmins—James Bay prefer my singing in the House rather than my singing on the floor. I say that because I learned one lesson and I sometimes think that I might have made a mistake in my career.

Supply

About 14 years ago I made a conscious decision not to go to the United States because I believed then that Canada was a place worth celebrating and that our stories should be told across Canada. Many of the stories I told were in western and northern Canada. I notice that other groups that made that same decision with me at the time are no longer doing their arts full time. Friends of mine who went to the states are still working.

When we are talking about funding artists in Canada, we have to realize that we are spread out over such vast distances that it is virtually impossible in a market economy for an artist to make it across Canada more than once a year and make it consistently.

I am very concerned when I read the spending estimates. Canada Council is looking at a cut from \$153 million today to \$125 million over the period of 2006-07. That is \$28 million. I was never very good at math, having left to become a musician, but I am told by my friends at the Canada Council that it is looking at numerous cuts.

I know Canada Council has taken serious hits and now we are talking about taking money out of programming. That is where it is going to come from. I would like to ask the minister to explain to me, how can we talk about protecting Canadian culture when the money is coming out of the pockets of the artists?

• (1930)

[Translation]

Hon. Liza Frulla: Mr. Chair, I thank my hon. colleague for his question. We are very fortunate that our critics are a thespian, a musician and a former CRTC commissioner. There is no doubt that cultural issues are very dear to us.

My first aim is to reassure. Thanks to the Tomorrow Starts Today program, the Council for the Arts received \$25 million. That is why we should renew the program, which will expire in 2005. It is also why the community is so concerned. We want to reassure them but we also understand their concern. That is the first thing

I also want to say that our current estimates are part of the reallocation. The Council for the Arts will not have to spend anything on this reallocation. Indeed, the Council manages with approximately 11% or 12% and, year after year, our internal auditors consistently say it is doing extraordinary work. It takes the money and injects it right back into the community.

We must protect the Council for the Arts. I agree.

Let us move on to the status of the artist. My colleague makes a very good point. Indeed, we must realize that our artists, despite their high education, make an average of \$23,500, which comes down to 26% less than the average Canadian. There is no denying this.

Those who say we need to increase and support measures aimed at supporting our artists, are absolutely right. We need to keep on doing it together.

[English]

Mr. Charlie Angus: Mr. Chair, I received 52% in grade 10 math and figured I would be better off as a musician. I will ask the hon. member to clarify for me in my really poor reading of accounting. Did the hon. member say there would be no cuts to the Canada Council? I heard the term reallocation, but people in the field have

told me there are cuts. Will there be cuts in funding to artists this year and to programming at Canada Council or not?

[Translation]

Hon. Liza Frulla: I want to be clear. I was talking about the reallocation program. Two exercises were done. The first was done at the beginning of 2004-05. The Minister of Finance asked for a contribution from everyone totaling \$1 billion. That is why at Radio-Canada/CBC, for example, there was an \$8 million cut to the \$60 million supplementary estimates. In other words, instead of giving them \$60 million, Radio-Canada/CBC received \$52 million. In that sense, the Canada Council for the Arts did contribute.

Under reallocation, there were two exercises. The first was done in 2004, but there was another exercise and that is the one I am talking about. It is a reallocation exercise. It is this exercise in discipline that the government wants to use to make sure it reviews all the programs every time. It is in this context that we are saying we do not want to affect creators and artists at the Canada Council.

[English]

Mr. Charlie Angus: Mr. Chair, I am fairly slow in the world of politics. We have taken money out of the Canada Council and we are calling it a reallocation. Is that like collateral damage? Will the money go back to the Canada Council? Can I go to the people at Canada Council and tell them to relax and stop being hysterical or, as was used earlier, to stop being alarmists because there is nothing to be alarmed about? Can I tell them that the funding they had last year and the year before is secure for this coming year and for the next year?

[Translation]

Hon. Liza Frulla: We have had discussions about the Canada Council. In the first exercise the Canada Council was required to contribute. If that is what the hon. member is referring to, it was the exercise in early 2004.

I have been in this position for four months. We are talking about reallocation. It was an exercise done throughout the entire government. When we asked our major national museums to see whether they could cut 5%, we did not ask the Canada Council because we felt that as part of its role funding goes through the Canada Council directly to artists.

However, we did ask the Canada Council to ensure that all its programs run efficiently, that all its programs indeed are geared to the artists, and that they are administered as efficiently as possible.

Nonetheless, there were two exercises: the first one involved the contribution of \$1 billion and the second is the entire reallocation exercise. This second exercise is not finished yet, given that we are currently talking about it, as are all the ministers.

• (1935)

[English]

Mr. Charlie Angus: Mr. Chair, being asked to participate in an exercise with the Liberal government seems to me to be that the money is taken from them and is not given back. I am looking at estimates for the coming years and I am not seeing any money coming back. It concerns me because again the word alarmist was used earlier against one of our colleagues.

I sense great alarm in the arts community. Members of the arts community phone me every day. In fact they contact every member of the House because all my members are asking what they should tell them. What do we tell them when they do not have the ability to judge whether they can hire for the coming year? They cannot plan tours because they are participating in an exercise for which they do not know if it will have stable funding. I just cannot see that we can drag our artists out like this.

Does the minister know whether Tomorrow Starts Today funding will be fully reinstated? Would the minister go back to the government and say that Tomorrow Starts Today funding has to be fully reinstated now with stable funding for a number of years so that our arts community can get on with the work of creating Canadian culture?

[Translation]

Hon. Liza Frulla: Mr. Chair, firstly, I want to reassure my colleague. Since the program review of 1994-95, the Canada Council saw its budget increase by more than \$30 million dollars. Obviously, there has been some reinvestment at the Canada Council.

Now, I know what my colleague is talking about when he looks at the estimates review. Indeed, the Tomorrow Starts Today program will end in 2005. Because it ends in 2005, we cannot put it in the estimates. It will not exist anymore. We have to obtain new credits and get the program renewed.

Today, as I have mentioned and I repeat, we are negotiating. That being said, it is the goal of Canadian Heritage, and I think it is also the goal of my colleagues, to have the Tomorrow Starts Today program renewed. However, such a renewal requires the agreement of all my colleagues and of the Minister of Finance who looks at the overall picture and decides if we can afford it or not.

I have to tell you that we are negotiating intensively because, actually, the Tomorrow Starts Today program represents 65% of my department's programs, as far as culture is concerned. As I have said previously, this means that it is the most important initiative since the creation of the Canada Council for the Arts.

We certainly will not watch as it disappears without uttering a word, on the contrary. I have the support of all my colleagues here.

[English]

Mr. Charlie Angus: Mr. Chair, yesterday I had the honour of meeting Mr. Rabinovich, who spoke before the heritage committee. It was an interesting discussion because he described his taking over

Supply

the CBC after the Liberals cut \$450 million to the CBC's budget. He made a decision at that time to cut regional news programming which had a devastating impact. CBC lost 200,000 viewers across Canada. Everyone probably realizes that in the private sector a broadcast CEO who lost 200,000 viewers would be fired.

I asked Mr. Rabinovich why he allowed a move to be made that devastated regional CBC programming across Canada. Knowing about these cuts, I asked him why he did not return to the government and say that it would be devastating. He said, "It was sort of silly to say I am going to the government to ask for money when in fact the message was extremely clear. CBC does not have credibility with the government". That is why the CEO of CBC did not stand up and fight for regional programming.

Now we have \$10 million more in cuts coming in a year when CBC is facing between \$30 million and \$60 million in losses from the loss of *Hockey Night in Canada*.

I would ask the hon. member to tell me today, does the CBC still not have credibility with the government?

• (1940)

[Translation]

Hon. Liza Frulla: Mr. Chair, I find the CEO's statement very surprising. But that is all in the past. We have to remember that the \$400 million cuts were made 10 years ago. Canada's economy was then considered a Third World economy. Today, we have the pleasure of hearing the Minister of Finance announce surpluses. I think it is better to announce surpluses than to announce cutbacks.

It allows us to come together and discuss our programs and to tell the Minister of Finance that it would be great to renew them, and even to add some new ones. It is harder to do that when there is a deficit.

That being said, Radio-Canada was my home for four years. My show was live every day. I have strong feelings for the institution of Radio-Canada and the CBC. The CEO of CBC and I spoke last week about the possibility of reviewing regional programming in order to bring back Radio-Canada and the CBC closer to the communities across Canada, since it is in their mandate to do so.

Mr. Rabinovitch is supposed to submit his strategic plan for the Canadian Broadcasting Corporation. We will use this plan as a framework to see what we can do and how much flexibility we have.

Again, discussions on the CBC, museums, Telefilm Canada and Tomorrow starts today are taking place today, right now, at this very moment. They will also be held next week with our colleagues during the redistribution exercise.

Of course, what is most important to say right now is that yes, we are deeply committed to Radio-Canada and the CBC.

[English]

Ms. Anita Neville (Winnipeg South Centre, Lib.): Mr. Chair, I am pleased to stand this evening to participate in the estimates of the Department of Canadian Heritage.

Supply

As the former chair of the National Liberal Women's Caucus and now as chair of the newly formed Standing Committee on the Status of Women, I am particularly interested in the estimates of the status of women area, one of the member portfolios of the Department of Canadian Heritage. I will focus on one particular area in a moment.

However, before I do that I would like to take the opportunity to say a few words about the Standing Committee on the Status of Women.

By creating a Standing Committee on the Status of Women, Parliament has recognized that gender equality is one of the keys to Canada's social and economic success and to effective government. In its upcoming deliberations, the committee will work to advance the cause of women across the Government of Canada with a goal of achieving lasting, measurable and sustainable change. I am hopeful that in my role as chair of the committee and given the make-up of the committee that gender equality and women's human rights will be promoted to become an important part of the government's policy agenda.

In January 2003, when Canada reported on its progress to implement the United Nations convention on the elimination of all forms of discrimination against women, the concluding comments of the committee pointed to the situation of aboriginal women in Canada as needing particular focus and particular attention.

This past September, I was pleased to have the opportunity to accompany the Minister of Canadian Heritage and the Minister responsible for the Status of Women to the annual meeting of the ministers responsible for the status of women in St. John's, Newfoundland and Labrador. Immediately, when I was there, I was struck by the passion that the ministers had to advance equality for women and men in Canada and particularly by their commitment to prevent violence against all women and girls, especially aboriginal girls and women.

In September 2003, the federal-provincial-territorial ministers responsible for the status of women made the situation of aboriginal women both on and off reserve a priority. This year they made prevention of violence against all women, and again particularly aboriginal women, a priority and they agreed to take action to improve access for aboriginal women to programs and services, public education and policy development processes.

We all heard the terrible reports coming from Vancouver and Edmonton of murder and sexual violence against indigenous women. Unfortunately, many aboriginal women, many of whom who have turned in desperation to the sex trade for employment, are disappearing off the streets of some of Canada's major cities. For too long their invisibility in Canadian society and their low economic and social status have allowed them to go unnoticed.

As members are aware, Amnesty International recently released a report entitled "Stolen Sisters: A human rights response to discrimination and violence against Indigenous women in Canada". It documents the pervasive human rights problem of violence against aboriginal women in Canada. The report paints a grim portrait of grinding poverty, addictions, violence and powerlessness and disenfranchisement in the daily lives of aboriginal women.

What do we really know? Certainly our knowledge remains limited, given the historic invisibility of women and particularly aboriginal women in Canada but a picture is starting to form. We know that aboriginal women run a greater risk of being victims of violence than do other Canadian women. Three times as many aboriginal women report that they have experienced some form of violence perpetrated by their spouse, and aboriginal women run eight times the risk of being killed by their spouse after a separation. That is according to Statistics Canada's 1999 general social survey.

● (1945)

My question for the minister is this. Given the alarmingly high rates of violence against aboriginal women in Canada, how can we ensure that the aboriginal communities on reserve as well as off prosper and grow healthy and that aboriginal women and girls have as bright a future as their non-aboriginal counterparts?

[Translation]

Hon. Liza Frulla: Mr. Chair, it is true that violence toward women, aboriginal women in particular, remains a very present and very pressing problem.

My colleague has referred to the conference of ministers. I would like to congratulate her on chairing the Standing Committee on the Status of Women. That committee is, moreover, an initiative of our government, which will, with the help of my colleague and all those sitting on it, cast light on subjects of urgent concern to women, and the cause of women in general.

That said, hon. members will recall that the Prime Minister held a round table this spring. At the end of it, the Prime Minister made a commitment to carry out a series of follow-up meetings in conjunction with the aboriginal peoples. These include one specifically aimed at addressing the issues of aboriginal women, children, social housing and violence.

I will point out also that, within our department itself, we have allocated \$1 million over three years to help organizations address the issue of aboriginal women and violence. At the present time we are working on a specific project relating to aboriginal women and this terrible violence that affects them.

I must also point out that we acknowledge the concerns raised in the Amnesty International report. Status of Women will make use of funding allocated to it for the campaign against family violence to support the efforts being made by the aboriginal women's group.

The government has also committed to advancing the cause of gender equality, as well as implementing the Convention on the Elimination of All Forms of Discrimination Against Women. I am working as well in close conjunction with my federal colleagues, my provincial and territorial counterparts, and the NGOs in putting this convention into practice.

There has been a report on violence against women. The provinces, along with the federal government, have reiterated their desire to work together so that their programs will be virtually interdependent, in order to resolve this inherent problem.

As well there is the entire issue of what is termed gender equality, that is equality of the genders and of what they earn. We have specific measures to encourage this, and to ensure that women are paid at the level their work merits, and of course at the same level as their male colleagues doing similar work.

● (1950)

[English]

Mr. Monte Solberg (Medicine Hat, CPC): Mr. Chair, I will be sharing my time with the member for St. John's South—Mount Pearl and also the member for New Brunswick Southwest. I will speak for about 10 minutes, my friend from New Brunswick will take about 4.5 minutes and my friend from St. John's will finish up.

I want to thank the minister for being here tonight, not that she had much choice. However, we are glad that she is here to answer some questions.

I want to say off the top that the Conservative Party of Canada takes the issue of Canadian culture and heritage very seriously. As a party with the name “conservative” in it, obviously that says something about our values. We want to conserve the best of Canadian culture and find ways to do that.

We recognize that the Department of Canadian Heritage has limited resources. When one only has so much money, one has to ensure that it goes to the things that do the most good. One of my questions has to do with CBC Television. It is a long-standing issue for me as someone who comes from a broadcast background,

I recall a number of years ago when a CRTC commissioner at the time, Keith Spicer, really raked English language TV over the coals because the viewership continued to fall. I think the term he used was that the viewership has fallen like a stone. That was never reflected in any way in the amount of money that went to the CBC at the time. I am concerned that we are not getting value for money when it comes to English language TV. I am not talking about *Newsworld*, or radio or RDI. I am talking about English language TV.

I wonder if the minister shares my concern. We see hundreds of millions of dollars going into English language television, but the ratings continue to flounder, certainly compared to CTV and some of the other private networks. This should be of concern, given that the Auditor General has told us time after time that expenditures should be tied to clear, measurable objectives. Is she concerned that we are not getting value for money, given how much money we have put into English language television and how weak its ratings are?

[Translation]

Hon. Liza Frulla: Mr. Chair, I believe there are two ways to look at public television. Obviously, you have a simple yardstick, the ratings. This is one yardstick.

Having worked for the CBC, I honestly believe that this is not a yardstick appropriate for public television, which has a role it must play. It must serve as a model. It must be the outlet through which Canadian dramas can be seen, produced and also distributed across Canada. Public television must also maintain a presence in the regions. This is why it was said a moment ago that it is important to re-examine the CBC's strategic plan. The goal is to ensure this regional presence.

Supply

Indeed, public television must have ratings, of a qualitative nature, however. This is the only television that must broadcast regional news, but also international news, public affairs telecasts, shows for children. Its mandate is quite specific. We must ensure that public television abides by this mandate and that the relevant ratings are based on qualitative factors.

I always said, when I was with the CBC, that the important thing for public television is that each viewer must watch public television and say: “Today, I have seen something new and I have learned something”.

For instance, a show like *H2O*, written and produced by Paul Gross, is fantastic. It can be seen on public television and it is its role to show and distribute it. This my idea of public television.

I honestly believe that a country like ours owes it to itself to have public television that is strong and also well funded.

● (1955)

[English]

Mr. Monte Solberg: Mr. Chair, I would like to follow up on that. The minister said that these programs should be rated based on their quality. Who decides whether or not these are good quality programs? Is it the minister? Is it the department? Then we have a closed system where we do not have anybody ensuring that this truly is good stuff. The best way to determine whether there is quality is by judging how well accepted it is by the public. Of course that means using ratings.

The other point I want to make is that without ratings, the CBC cannot generate advertising revenue to the point where it can continue to fund these other programs. It is fine to say that we should rate these things based on quality, but that is completely subjective. Clearly, I think the Auditor General sees it differently and I think many Canadians see it differently too, who pay a lot of tax dollars every year to support the CBC.

Should the programming on CBC not be relevant to Canadians to the point where we start to see the viewership grow, not continue to sink as we have seen it do for a number of years? Is it not of concern to the minister that we have soft ratings for CBC and we really do not see, as far as I know, any prospect of that turning around?

[Translation]

L'hon. Liza Frulla: Mr. Chairman, the member asks “is it not of concern to the minister?”. I would tell him that my main concern is to make sure that public television remains public.

I will give you some examples. The series *Canada: A People's History* was watched by 15 million people. The videocassette and book of this series are best-sellers. The bilingual Web site comprises 500 pages and is consulted by students, professors and the general public.

Supply

The news team of the CBC television won the Excellence in Journalism Award of the Canadian Journalism Foundation, for its coverage of the Iraq war. The mini-series *Shattered City: The Halifax Explosion* captured the attention of 1.5 million viewers on CBC and was completed with 350 local activities. That is also what it is about. This is the role of the Crown corporation, not only as far as the image is concerned, but also as project originator and developer.

I think about ZeD TV, in Vancouver, and about *Bande à part*, for instance. These are all initiatives of our public television. Now, another program, *Grande Ourse*, is watched by over one million people every week on SRC.

In my opinion, our public television has to set standards. It is its purpose. Obviously, it should be provided in both languages, it should also serve the French-speaking communities outside Quebec that are minorities. This is the role of our public television.

• (2000)

[English]

Mr. Monte Solberg: Mr. Chair, I note that the minister cites numbers when it flatters her case, but she just finished saying that numbers are not important. She cannot have it both ways.

I want to ask a very specific question regarding something in the estimates dealing with lieutenant governors. We note in the estimates that in some cases there is a dramatic rise in the money being allocated for lieutenant governors through the department. Some of these can be justified rather obviously. Saskatchewan and Alberta will be celebrating centennials next year, so we can understand that. However, the amount going to Ontario, for instance, for its lieutenant governor is an amount seven times greater than what it is today.

Could the minister explain why that is? Hopefully, these lieutenant governors are not following the example of our own Governor General, who has been a little profligate these days with tax dollars.

[Translation]

Hon. Liza Frulla: Mr. Chair, first I would like to reply to my colleague's remark, when he said that I cannot have it both ways. In fact, it is possible to have it both ways. All I said, for the record again, was that public television needs to have good ratings.

When I talk about 15 million viewers watching *Canada: A People's History*, *Le Canada: une histoire populaire*, this is what I mean by good ratings. Nobody here will make me say that public television, where I and my colleague worked on serials or miniseries, is not useful in a country like Canada.

To come back to lieutenant-governors, it is obvious that as we are getting ready to celebrate the centennials of Alberta and Saskatchewan with much pleasure and joy, increased investments are necessary. On the other hand, another grant program came into force on April 1, 2004. In an edifying way, it gives lieutenant-governors more flexibility in spending public money as the Queen's representatives.

Having said that, I think that, unless the opposition is willing to say the opposite, and then it should say the same thing to each lieutenant-governor in each region, lieutenant-governors play a role which is very—

[English]

Ms. Bev Oda: Mr. Chair, I rise on a point of order. My concern is about the length of time of the response compared to the length of time it took to ask the question.

The Chair: I urge members on both sides that when they divide their time to try to adjust their questions and answers so that they are both the same. I have a little flexibility and try to let it run for a few seconds longer one way or the other. We are going to go now to the member for New Brunswick Southwest.

Mr. Greg Thompson (New Brunswick Southwest, CPC): Mr. Chair, I want to draw the minister's attention to an article by Chris Cobb with the headline, "CBC asks for extra \$100 million to save regional programming" which appeared in today's *Ottawa Citizen*. I think most of us are very sympathetic to that. I point to New Brunswick as an example of where we do need the CBC. We need alternatives to what we are getting.

In New Brunswick media concentration is a big issue. Irving Group, one of the strongest and largest corporations in the country, owns all the daily English language newspapers in New Brunswick. It owns several weekly newspapers and periodicals and in addition to that, numerous radio stations. It is media concentration at its worst.

What I am suggesting to the minister is that there is an opportunity for the CBC to be an alternative in New Brunswick. I think people are tired of listening to the Irvings and their editorial comments and the position that they happen to take from time to time in terms of whom they support in national elections. Most Canadians find that very objectionable regardless of whom they support in an election. They have done this time and again.

I would like the minister to comment on that type of media concentration. What would her government's position be on allowing foreign ownership of newspapers in this country, in terms of competition alone? I know that is not just her decision but I do know the Government of Canada would have a position on that. I would like some comments and reflections by the minister if there is time.

• (2005)

[Translation]

L'hon. Liza Frulla: Mr. Chair, it is strange—but it is also quite right—that in the same party, there is one member who is questioning the role and usefulness of public television, while the other one—and rightly so—is saying that public television has a major role to play within Canadian components.

Because it is its role to do so, public television can present a variety of voices and it must also reflect on Canadians in general.

As for media concentration, it is important to ensure that we have a variety of voices in Canada. We are a very well informed society, with over 350 television channels that are available. However, this diversity must be reflected everywhere. This is not so much an issue of concentration of ownership. Indeed, today, to buy or to own media, one must have considerable financial means. Consequently, conglomerates are unavoidable in that industry. We must ensure that within conglomerates, there is a diversity of voices. We can say that one conglomerate is a little too much on one side. We can say that another one is too much on the other side. That being said, we must ensure that, within the same ownership, this diversity exists.

A Senate committee is currently examining this issue and is supposed to reach some findings. It has held consultations everywhere and is supposed to submit the conclusions of its findings before Christmas. Now, we are asking the Senate committee to share its findings with us so that we can refer them to the Standing Committee on Canadian Heritage. We will then examine the issue of diversity that is very important for Canada.

[*English*]

The Chair: We are trying to run a close clock on it, but both the questions and the answers have to be heard. If the questions are long, the time gets eaten up. The member for St. John's South—Mount Pearl will have to come on the next round. Resuming debate.

Mr. Michael Savage (Dartmouth—Cole Harbour, Lib.): Mr. Chair, I am very pleased to speak to these estimates. I am delighted that one of the first things that I did as a member of Parliament was to conduct a round table in my community with the Minister of Canadian Heritage. Her competence, passion and commitment shone through and made a big impact on the people of Dartmouth—Cole Harbour and Halifax.

I am pleased to have the opportunity to speak to the Government of Canada's collaborative approach and commitment to sport and physical activity in Canada. The best illustration of this approach is the work that we are doing to prepare for the Olympics and the Paralympics in 2010 in Vancouver-Whistler.

As the recent throne speech said, these winter games are an opportunity to reinforce participation in sport by Canadians at the highest level and in our communities. The games are also much more than that. In just a few short years Canada will have a chance to showcase our commitment to excellence.

Of course, sport is about teamwork. Only through teamwork involving all Canadians, and I mean all Canadians from coast to coast, can we ensure that Canada will win gold in 2010.

The federal government is not alone in this. Canada's sport system is based on partnerships, and its sustainability relies on the full support of governments at all levels, sport organizations, the private sector, communities and volunteers. We all have a role to play because hosting these games will result in tangible benefits for Canada's developing and high performance athletes and to the country as a whole.

Our government's commitment to creating a lasting legacy will mean more than state of the art sport and training facilities. The

Supply

legacy will be the expertise that is developed among officials and volunteers. It will be the pride Canadians will feel in themselves, their communities and their country. It will be the stories we will share as a nation for generations to come.

The games will also give Canada an opportunity to demonstrate to the world not only our sport excellence but our commitment to innovation, our distinctive culture and our values, values like cultural diversity and inclusion. The cultural component of these games, which will include a strong emphasis on the cultures of our first nations people, is already shaping up to be nothing short of spectacular.

Over the next six years the 2010 games undoubtedly will heighten Canada's interest in sport and physical activity. This brings me to one of the primary goals of our government's policy for sport: getting more Canadians involved and taking part in sport and physical activity and ensuring that the barriers to participation are reduced. This means involving more new Canadians, more young people, more economically disadvantaged people, more persons with disabilities, more aboriginal people and especially aboriginal children and youth.

As a member of Parliament I have seen the tremendous benefits of sport enjoyed by young people in my own riding. Participation in sport improves their health and fitness. It teaches them important lessons about life. It bolsters their confidence and self-esteem and builds friendships and social skills. I have seen how sport can improve the lives of people whose circumstances have put them on the margins of society. We must ensure that everyone has the opportunity to enjoy sport.

My colleagues in the government and I intend to work hard to remove the barriers to participation faced by the groups that I mentioned a moment ago, such as persons with disabilities, youth at risk, teenage women and others. We are operating from the deep belief that sport has the ability to transform lives. I know this belief is shared by many colleagues on all sides of the House. It is our duty to make sure that it is understood by all Canadians.

This belief is directly related to our government's priorities, as announced recently in the Speech from the Throne, including strengthening Canada's social foundations. Sport has a unique and important role to play. After all, our communities really come to life on the soccer fields and the baseball fields, at the hockey rinks, the tennis courts, sailing clubs, swimming clubs and rowing clubs, where people of all ages and walks of life come together in activities that help them lead healthy and more productive lives.

Supply

One of my passions and one of the reasons I strove to be appointed to the Standing Committee on Health is my belief that our cherished health system, our pride and joy, is only sustainable if we can develop a national wellness strategy, one of the chief components of which will be sport, because sport and indeed physical activity bring people together.

I remember someone telling me the other day of a bike ride he took here in Ottawa during which he saw different people playing cricket, ultimate, tennis, horseshoes and basketball, not to mention other cyclists, in-line skaters, joggers and people walking their dogs, all at different times. The more Canadians involve themselves in physical activity and sport, encourage the volunteerism embodied in sport, ensure that we have an ethically based sport system and give our top athletes the support they need, the more we make Canada a leading sport nation.

● (2010)

In doing this, we reap the benefits of a healthier population, stronger communities and a broader base of participants who will ensure long term excellence in sport for our nation. We can do these things by building on the commitments already laid out in the historic Canadian sport policy, the blueprint for the future of sport in our country.

The Government of Canada invests \$120 million a year in initiatives designed to get more Canadians involved in sport and to support high-performance athletes. This investment is leveraged by our partnerships throughout the provinces and in the communities, ensuring that citizens and athletes get the resources they need to achieve their objectives.

There is still more that we can do.

Canadians understand the value of sport and physical activity in our society. The Government of Canada, along with our partners, will work hard to make sure that more Canadians, regardless of circumstance, can realize the benefits.

As we look ahead to Vancouver and Whistler in 2010, we must remember to cheer on our athletes who make us so proud as they serve as our ambassadors to the world. Their long road to excellence has meant a life of great personal sacrifice in time and money but also in terms of human relationships, career choices and on so many other levels for these athletes, athletes like Stephen Giles from my community of Dartmouth—Cole Harbour, who announced after the Athens games this year that he would be resigning from sport. He has inspired so many other athletes in my community and in the province of Nova Scotia. We need to recognize and honour that commitment.

Finally, we also need to acknowledge the importance of coaches to the success that Canadian athletes enjoy and ensure that we have world class coaching to back up our world class athletes. We will do it all and more in our efforts to make Canada a leading sport nation.

In that spirit, Mr. Chair, I would like to ask a question of the Minister of State for Sport. The minister recently announced an additional investment of \$30 million for sport in Canada. I would ask the minister to tell the House what these funds might be used for.

● (2015)

Hon. Stephen Owen (Minister of Western Economic Diversification and Minister of State (Sport), Lib.): Mr. Chair, I am immensely grateful to my hon. colleague for asking that important question, but also I am extremely pleased to be able to welcome him to the House. He clearly makes a great addition to the important policies of this government, taking them forth for the benefit of all Canadians.

Sport and participation in physical activity is of course one of the ways in which we enjoy the quality of life in this country, which probably is unrivalled anywhere in the world.

I was very pleased to hear of the very in-depth knowledge my colleague has of the importance of sport, from participation in our everyday life through physical activity, games, school sports and community sports, but also of the long development time people take to reach a really high performance level for international competition. Of course those athletes have to be assisted in their development. Also, when they reach that high level they must have access to the best coaches. They must have expenses covered for international competitions and international competitions must be hosted in Canada, something that is immensely important.

We have to do this together. The Government of Canada cannot fund all of this itself, but it is the largest funder of sports and athletic activity in Canada. That is even before we added \$30 million in this year's budget to assist our athletes in reaching the highest performance and becoming the inspiration that they are to all Canadians, so that even if they do not reach a podium themselves, they will understand the advantages of healthy living and the joy of sport.

Even with all this extra funding, it has to be understood that the expense is really not very much compared to the advantages we Canadians get from it. It is relatively inexpensive for the benefits we get. It is fun. It is value based. It is rules based. It promotes collaboration, playing by the rules, gender equity and respect for each other. This is an extremely important aspect of the quality of life of all Canadians.

I have been asked a very specific question. As well as responding generally to the importance of the expenditures that the Government of Canada makes in sport, I would like to give a bit of detail on the extra \$30 million in this year's budget, which we have been able to add, and since the budget, frankly, and which has been announced over the last two months.

This extra \$30 million, which takes our total budget this year to \$120 million, includes an extra \$4.6 million to the athlete assistance program for the year. The athlete assistance program assists developmental athletes and high performance athletes by giving them a monthly stipend, tax free, to enable them to meet the tough conditions of training to the very highest degree but still be able to live in an effective way.

The 1,400 carded athletes in Canada, as they are called, these high performance and developmental athletes, if they are at the high performance level, the highest level, they now are granted, tax free, an increase of \$4,800 a year. These 1,400 athletes include Paralympic athletes and this is immensely important. Canada is the only country in the world that treats its high performance Paralympians in exactly the same manner that it treats its Olympic athletes.

If I may digress, to underline the importance of this funding and this extra funding now, an extra \$400 a month on top of the \$1,100 already received tax free equals \$18,000 a year tax free for our Paralympians and other high performance athletes. Let us reflect on the results of the Athens Paralympic Games. We had 144 Paralympians from Canada in those games. This is one of the largest numbers. Not only were all of those people participating in the games, but they achieved number three status in terms of gold medals in the world. This is extraordinary.

● (2020)

I believe if we all think together about what indicator of the level of development of a society could best show that this development is high and people are respected, it is the way that people are able to access all of the aspects of a quality of life, including physical education and competition and being supported to the very highest levels of competition.

Our Paralympians won 72 medals. I hope this extra money will get even more medals in the next Olympics and Paralympics in Turin, in Beijing and of course in Vancouver-Whistler.

I have only begun to talk about how far this extra \$30 million this year is going to go for our Paralympians, our other Olympic athletes, our developmental athletes and the people who are inspired by their performances right across Canadian society. As they improve their health, they have fun, they learn to live by rules and rules based systems, and they enjoy the quality of life of this country.

The Chair: It was very good that the hon. minister made it all the way through without talking about the B.C. Lions. That is pretty good for the two of us.

[*Translation*]

Mr. Marc Lemay (Abitibi—Témiscamingue, BQ): Mr. Chair, let us move on to serious things. The way the government treats Canadian athletes is not serious. They deserve more respect than to be talked about once every four years.

I watch and I completely agree that Olympic athletes are an image of Canada, Quebec and all the other provinces. I have some questions for the minister of state for sport.

First, I would like to explain my knowledge of sport to the minister. I come from the world of sports. I climbed up the levels in mountain biking to become world president in 1991. From 1981 to 1992, I represented Canada as president of the Canadian Cycling Association. Thus, I know both elite and developmental sport, as well as the ministers who preceded this minister, including, of course, the hon. member for Outremont who is present in this House, and the minister, who was then the hon. member for Bourassa.

Supply

We succeeded in bringing the World Anti-Doping Agency and several world championships to Canada. I always asked myself why the government was so little involved with assisting athletes with potential.

Sport does not consist only of our elite athletes, certainly not. When I look at the elite athletes who just competed in Athens and who won medals, who took to the podium at the Paralympic and Olympic Games, very few of them have trouble attracting major financial sponsors who will help them continue until Beijing or wherever the summer Olympic games will be held in 2012.

I have some questions for the minister. I am looking at the document called Canadian Heritage: Estimates 2004-2005. I am on page 5; it is very precise. Under the heading "Development of excellence in the Canadian Sport System" \$60 million has been budgeted for 2004-05. For 2005-06, this amount drops to \$10 million. That is a \$50 million hole in the funding for our athletes. Worse yet, in 2006-07, it remains at \$10 million.

Thus, the \$30 million the hon. minister has found for the athletes is non-renewable. That is very important. It is only a one shot deal. But, oops, as the hon. members opposite might say, what does the minister intend to do to restore the \$50 million the athletes will lose? Unless, of course, the figures in the document before us are not correct.

● (2025)

[*English*]

Hon. Stephen Owen: Mr. Chair, first let me congratulate the hon. member for his presence in the House and also for his contribution to Canadian sport through the development of the recognition of mountain biking and broader cycling activities into the Olympic Games, as well as into high performance sport. I think his contribution to this development in Canada is well recognized. It gives me great pleasure to work with him on an issue that is so important to both of us.

The hon. member raises a very good point about the estimates and the \$50 million that is shown for this particular item to be reduced in the budget next year. The reason for that appearing in the estimates at this time is that the \$50 million was a three year sunsetted program which ends this fiscal year and so the extra \$50 million must be restored in next year's budget. I would like to assure the hon. member that I am making representations that this will be continued as a very important support for our sport system in the country.

I would just like to say one other thing in terms of the inspiration that the hon. member has made in his sport's career along with other high performance athletes and reflect on Athens and our Olympic team. I talked a little bit previously about our Paralympic team but the Olympic team had 264 members and 80% of those world champions came in the top eight in the world in the summer Olympics in Athens. This was extraordinary.

I think on a per capita basis there are very few countries in the world that had such a large Olympic team. The funding question that was asked is very important. Funding is essential to ensuring that at the end of the day we have high performance athletes who can perform as world champions, which they are, as I mentioned earlier.

Supply

Another indicator of the level of development of a country is the ratio between men and women on their Olympic teams. I am proud to say, although it gives me some misgiving, that there are more women on our Olympic team than men. So, gentlemen, start your engines.

[*Translation*]

Mr. Marc Lemay: Mr. Chair, I like what I am hearing from the Minister of State for Sport. However, there is something I want to know, so allow me to ask him the following question. Do we have right now in Canada a policy to help our Olympic athletes achieve and maintain their top level of performance? I, for one, have already given up on Turin in 2006; it is already too late for *Torino*, we can all agree on that.

Let us talk about the 2008 Games, the 2010 Games in Vancouver-Whistler and those in 2012 because that is what we have to focus on. It takes 4 to 12 years to train an athlete to reach a high level.

I want to ask the minister the following: do we currently have a formal policy that will allow us to reach Olympic standards for 2008, 2010 and 2012?

• (2030)

[*English*]

Hon. Stephen Owen: Mr. Chair, the member is absolutely right. It does take six, eight or ten years for an athlete to develop into a worldclass standing and that level of high performance. We do have a long term development strategy, which has been instituted in partnership with the national sports organizations, and it is receiving extra funding.

We are also appointing a Canada sports council of experts to work with us and to work with this long term development program with the national sports organizations to ensure that for each particular sport and for a more generic approach to high performance athletes that we are working together and having the very best advice and best practices identified in the country to work together. That deserves and is receiving funding and attention, as it must.

I had the opportunity three weeks ago to meet with a consortium of high performance institutions and organizations in the country that have presented a plan called "Own the Podium". It goes forward in the way the hon. member mentioned, to look into the future for six, eight, ten years to ensure that, with respect to the 2010 winter Olympics in Canada, that we will come first in the world. That is their target. They presented a very interesting array of recommendations, which we are considering and we will be responding to soon. Of course it includes extra funding but, more than ever, it includes determination, long term planning, sharing of strategic advice and to ensure that the Coaches Association, the Vancouver Olympic Committee, AthletesCan, SportsCan, all of the groups together with the federal government come together in this long term plan.

[*Translation*]

Mr. Marc Lemay: Mr. Chair, I agree with the hon. minister, but I have a serious problem.

Indeed, we will study, analyze, suggest, recommend, but the minister should be reminded that the next generation of Olympic athletes cannot wait for studies. You have the studies.

The hon. minister should know that for the past six years, studies have been carried out in Australia, in New Zealand and in all the Commonwealth countries, on performance and how to reach the highest levels. The minister has received these documents.

What guarantee do we have that the next budget will provide the necessary funds so that our athletes can reach these performance levels?

In closing, I would like an answer, since the minister has not given one, regarding the events, the hosting of events like world cups, world championships and other international events, in order to plan our athletes' quest for gold.

• (2035)

[*English*]

Hon. Stephen Owen: Mr. Chair, I apologize to my hon. friend. He asked a number of questions in his last address and I did not answer the question in terms of the Canadian sport hosting policy.

This fiscal year we are spending \$27 million on hosting some 40 international events in this country, multiple sports as well as individual sports, including world championships, which provide the very important opportunities for our developing athletes who may not yet be at the stage where they will be at the Olympics, the Pan American Games or the Commonwealth Games yet need that sharpening of their performance through international competitions. Therefore the international hosting policy of events in Canada is a very important part of our policy.

Let me just say in response to the first question that, yes, the government, in its wisdom, did provide \$30 million extra this year to attempt to address the very question that the hon. member raised in terms of developmental and high performance funding. Under this policy, in Whistler, B.C. in 2010 we will come first in the world with a minimum of 35 medals.

Hon. Hedy Fry (Parliamentary Secretary to the Minister of Citizenship and Immigration, Lib.): Mr. Chair, I want to speak first and foremost very quickly about the Department of Canadian Heritage. This department is basically the soul of our country. It defines our values, history and heritage. Within the department, it is multiculturalism, bilingualism, aboriginal culture and language, sports, arts and culture and women's equality. However, I want to focus tonight on arts and culture.

People talk about the arts and culture of a country as its soul, defining us, telling us who we are not only to ourselves but to the world, speaking, especially in Canada, of our diversity, both regionally and in terms of our people. It speaks to our quality of life. Indeed a Decima 2004 poll told us that Canadians believed that it increased the livability of their communities and improved the quality of their lives.

We know that Richard Florida, who has written many books on the bohemian index, speaks of world-class cities as having a very strong arts and cultural component to them. This is what we are looking at when we talk about arts and culture.

Supply

We are also talking about cultural diversity not only in terms of our geography. We have people who have come here from every corner of the world, who define us and tell us about the history of the country, how we have built it, where we are going and who we are. That makes a strong statement to the world about our ability to live together in peaceful coexistence, to tolerate and respect each other.

Those are the warm, real soulful things about arts and culture. I want to talk about what arts and culture do to contribute to the economy of this country. The arts and culture last year brought \$28 billion into our GDP and \$4.5 billion in exports. It also creates just under 800,000 jobs. Statistics Canada has said that those 800,000 jobs created by arts and culture are equal to jobs in agriculture, fishing, mining, oil and gas and utilities combined. We are talking about a huge economic boon to our country in terms of arts and culture.

That does not even include the spinoff in cultural tourism. It is now projected that cultural tourism will grow globally by 15% to the year 2010. In a two year period in Canada, it was estimated that of the 808 million people who came to Canada as tourists, each one of them had at least four cultural or heritage experiences. People come to Canada and pay to see the things we have. With our cultural diversity, I think we can safely say, "Come to Canada and see the world". We know that aboriginal culture and tourism brought in about \$450 million in 2002, employing over 30,000 people.

I want to highlight the economic boon that the arts and cultural industries are to Canada. Then I want to turn to things like music, our place in the world. Factor is a program within Heritage Canada that gives about \$8 million to the music industry. It has contributed 60% of the professional Canadian recording artists, 49% of which have been Juno award nominees, groups like Chocclair, Nickelback, Blue Rodeo and of course Sara McLaughlin and Alanis Morissette who are known around the world as Canada's world international divas.

These five groups, including Alanis Morissette and Sara McLaughlin, alone have sold 84 million records worldwide, which is a value of \$2 billion. We are talking about five groups. We have earned a reputation around the world as having the divas of singers and having a hugely important music industry.

Let us talk about film. Our films tend to win awards at Cannes. They tend to win awards around the world. Let us talk about books in terms of the publishing component of the arts and culture. Authors like Pico Lyer, Rohinton Mistry, Michael Ondaatje, Jane Urquhart got their start in Heritage Canada. Not only that, when people walk around the major airports in the world, they see these authors and one feels proud to be a Canadian because they have earned international stature.

I want to talk also about the fact that healthy and creative communities come out of arts and culture. We talk about community and civic engagement. In 2000, 50 million people volunteered in the arts and cultural industries. We talk about academic assistance for youth at risk. Young people who begin to learn about and become involved in arts and culture do better in math. They tend to have an increased socialization, increased social development, increased self-esteem and increased interpersonal skills. These are things that are really documented.

● (2040)

We now know that most Canadians think that 92% of Canadian artists, and I use the word broadly written, can hold their own in the world stage. These Canadian artists and our own sense of arts and culture have told the world that we are a country that fosters respect, tolerance and inclusion, in terms of our cultural diversity.

In summary, the arts and culture is not just a warm fuzzy and it is not only about creativity, but it is about social inclusion. It is about defining our values, our creativity, our history and our heritage. It is about creating a strong domestic economy that makes us competitive worldwide. It is about looking at the issue of tourism, and the cultural tourism is a growing industry. It is about looking at the creativity and excellence, helping our young people to develop strong, healthy psyches. It is about the well-being of Canada.

This is probably one of the most important departments. Creating cities, building world-class institutions, putting our face to the world, creating a burgeoning economy, a very broad economy that reaches across all sectors are hugely important things.

As a result of all that, and knowing how important arts and culture is to Canada, I would like to ask the minister this. Given the importance of the arts, what is the federal government doing to ensure that they are receiving the funding they deserve and that programs, like Tomorrow Starts Today, will be refunded and will carry on to continue to build cultural spaces and foster this hugely important economic and social program within Canada?

● (2045)

Hon. Sarmite Bulte (Parliamentary Secretary to the Minister of Canadian Heritage, Lib.): Mr. Chair, first, it is a hard act to follow my colleague, the Parliamentary Secretary to the Minister of Citizenship and Immigration. However, many may well know that I had the opportunity to work with her when she was the secretary of state for multiculturalism and the status of women. Therefore, I know that she knows this department intimately. When she said that she wanted to talk about how important the department was, I only have until 10:30 tonight, so we have to cut our comments short.

I concur with everything she has said. However, sometimes I think a lot of us forget. We talk about how important the arts are in terms of defining who we are. We talk about how important the arts are in terms of our communities. When my hon. colleague asks what our commitment is, just look at the Speech from the Throne. We talked about the arts being the essence of our communities. It is the cultural soul of our communities. It is what builds our communities.

There is also another thing that we sometimes forget when we dispose of or think that the arts are fluffy.

I had an opportunity to travel with the Governor General and artists to Chile many years ago. We met artists from Chile. We travelled with Émile Martel, who was the head of P.E.N. Many may recognize the Martel name as Yann Martel who won the prestigious Booker Prize; a Canadian artist winning the Booker Prize.

Supply

I talked with President Lagos and with people of Chile. I heard how important the arts were and how they had missed it at the time that Pinochet was there. What is the first thing countries do when totalitarian governments take over? They throw out their artists. Why? Because the arts are an essential element of democracy, and that is why it is important.

I want to pick up on some specific things about which my hon. colleague spoke. She talked about Factor. I know that the hon. opposition critic talked about Tomorrow Starts Today and Factor is a part of the Canadian music fund which is part of Tomorrow Starts Today. When she talked about the people who define who we are, let us not forget about Diana Krall. It is not just the pop stars. That fund has helped to create our artists today.

I am sure many of the members know that Factor saved Canadian music. I know that this minister and this government are committed to saving Canadian music.

When we talk about Tomorrow Starts Today—

Mr. James Rojotte: That is not what the artists are saying, Sam.

Hon. Sarmite Bulte: The hon. critic across the way is saying that is not what the artists are saying. It is a funny thing, when the Prime Minister appointed me the parliamentary secretary in conjunction with the department, I started consultations in my city of Toronto. I met with Heather Ostertag. Do members know who she is? She would be the head of Factor. It is a funny thing how I know that.

I have so many artists in my riding. Do members know who Jane Bunnett is? An award winning jazz artist in my riding. Those are the people who have benefited from this. They have talked to us and they want that program.

The members on this side of the House in this caucus have made presentations to the Prime Minister that we want Tomorrow Starts Today renewed. It is the members on this side who will make it happen. It is the opposition saying, “You’re fearmongering”. No, we are not fearmongering, but we make sure that the taxpayer moneys we invest are transparent, accountable and yield results. When we need new programs, we will do so to show that not only the results are there from an economic, transparent and accountable point of view, but also to show that they yield the benefits of defining who we are.

We have heard the minister of sport speak tonight about the importance of sport and how proud we are of the Olympians.

● (2050)

Peter Herrndorf, who is the executive director of the National Arts Centre, wrote an article at that time to the paper when we were also talking about the Olympics. He said it was a funny thing that every once in a while or every few years we get a big lump in our throats by being so excited about our athletes. We cry when the flag is raised, but it is really our artists who define us every day.

Ask people who were in Greece to even name one of our politicians. They may know our Prime Minister, but they may not know very much more about us. They may recognize our flag, but if we ask them what they know about being Canadian, it is about our musicians. It is about the music that we hear every day on the radio,

part of our everyday lives. It is about the authors, people such as Yann Martel, Margaret Atwood, and Alice Munro, who actually just won the Giller Prize last week. Those are the people who define those things.

Those people have been able to plant seeds here in Canada and define who we are, both at home and internationally. When we talk about Tomorrow Starts Today, we forget that it was this government that provided the largest reinvestment in the arts in 2001 after 40 years. We have to be proud of that.

Is there more to do? Absolutely. Tomorrow Starts Today is just the beginning. Tomorrow Starts Today provided additional moneys for the Canada Council, something my friend talked about. Tomorrow Starts Today provided specific funding for cultural spaces. What will cultural spaces mean? It means spaces in every community, not just theatres and libraries but all sorts of things that build healthy communities, that let people get out on the street. These communities are prosperous communities and prosperous communities are safe communities, and they are usually also full of culture and excitement. Is there much to do? Absolutely.

I will tell members one thing that this government and this side of the House knows, the arts are not corporate welfare. They are the most important thing that define Canadians as Canadian.

Mr. Jim Abbott (Kootenay—Columbia, CPC): Mr. Chair, I will be splitting my time with the member for Calgary Centre-North and the member for St. John's South—Mount Pearl.

I will only be asking questions. The minister of course would recognize this document that we worked on together. Does she still agree with the recommendations that were made in this document that she co-authored?

[Translation]

Hon. Liza Frulla: Mr. Chair, we have indeed worked together. I would remind the honourable member that in those days, the Alliance had also prepared its own version of the review of the Broadcasting Act. So it is unfortunately a dissenting report. It would have been nice to have a unanimous report.

This being said, the Standing Committee on Canadian Heritage put the report back on the table. We have 150 days to respond. Members will remember that the report was presented to the Committee on Canadian Heritage while I was there. Before the election, the then minister had submitted a short version—

The Chair: I am sorry to interrupt the honourable Minister of Canadian Heritage, but she will understand that it has been decided that she would be allowed the same time to answer that the speaker had taken to ask the question. Thank you Madam Minister.

The honourable member for Kootenay—Columbia.

[English]

Mr. Jim Abbott: Mr. Chair, in recommendation 6.3 the committee recommended that the CBC deliver a strategic plan with an estimated resource requirement to Parliament within one year of tabling of this report on how this would fulfill its public mandate. The report was tabled in June 2003. This is November 2004. Where is the report?

Supply

• (2055)

[*Translation*]

Hon. Liza Frulla: Mr. Chair, I find it a bit ironic that the member will be studying the recommendations one by one when, at the time, he was opposed, although it was always a pleasure to work with him.

That being said, members will remember that there has first been a response to the committee's report. Then we went into the election. The report has been tabled and we will respond to it.

I will also say at this point that I will come back to it.

[*English*]

Mr. Jim Abbott: Mr. Chair, the minister would know, at least she should know, that there were some sections of the report that I objected to. This was not one of them. We want the CBC to be accountable.

Recommendation 8.5 referred to part II licensing fees being eliminated or reduced. It is noteworthy that in February 2004 the Standing Joint Committee for the Scrutiny of Regulations had all party support that the part II fees should be eliminated. Why has the department not done something about part II fees since February 2004?

[*Translation*]

Hon. Liza Frulla: Mr. Chair, I also have to say that during the electoral campaign, the Conservatives talk about privatizing Radio-Canada and the CBC. I find a bit ironic that they are now asking us to be accountable for the crown corporation.

That being said, on part II, I shall invoke my right not to comment since we all know that this is before the courts. It is thus difficult for me to comment on this. I am being given the signal to remain silent, just to be cautious.

[*English*]

Mr. Jim Abbott: Mr. Chair, on November 10, 2004, the minister is quoted in *Le Devoir* as saying that cutting public support to museums across Canada is easier than cutting funds to broadcasters. I wonder why she says we must act now because our cultural heritage is disappearing, and yet she seems to have given up according to that report that we have. Given the Auditor General's call for immediate action, how could the minister be so willing to cut support to museums?

[*Translation*]

Hon. Liza Frulla: Mr. Chair, let me repeat what I stated a while back, which is that it is a part of the reallocation process. Last week, furthermore, on the occasion of a speech, I was asked if, under that reallocation, there would be cuts affecting artists and producers, more broadly those who currently benefit from programs to create, and I said no.

When I talked about museums, I was talking first about national museums and, second, about the 5% we request in the area of administration. I was referring only to our large national museums, in the area of administration.

That being said, on this side of the Chamber, we are—

The Deputy Chair: The hon. member for Kootenay—Columbia has the floor.

[*English*]

Mr. Jim Abbott: Mr. Chair, I did not quite understand the minister's answer. I asked, why is she so willing to talk about cuts to museums? I understand she has many things in her envelope, but why is she so willing to talk about cuts to museums? They are our heritage.

[*Translation*]

Hon. Liza Frulla: Mr. Speaker, I fully agree. Museums are an important part of our heritage.

When we talk about a reallocation exercise, large institutions—I am not talking about the 2,500 museums—have been asked to ascertain whether it was possible, from an administrative point of view, to manage themselves effectively without touching collections or programming. This is what was meant, particularly since those large museums enjoy huge resources in terms of operations. This is a question our institutions are facing.

If the answer is no, well, then, we will deal with it.

• (2100)

[*English*]

Mr. Jim Abbott: Mr. Chair, through the Tomorrow Starts Today initiative, the government created incentives to the private sector to donate to the endowments of arts organizations. It is part of the arts and heritage sustainability program. Raising capital and creating endowments give these organizations a greater capacity for their mandates by supporting their long term stability. It also invites active involvement from the private sector in the cultural affairs of the community, which is exactly what is needed for the museum sector.

However, Canadian museums, that are working hard to attract both public and private sector support, are not included in the program. Could the minister comment on why museums should be ineligible for this program?

[*Translation*]

Hon. Liza Frulla: Mr. Speaker, the member is absolutely right. Talking about endowment funds, I have to say that we offer matching funds in Tomorrow Starts Today. In addition, in other programs, we have endowment funds in order to establish a long-term fund to ensure that cultural bodies can have different cash flows.

For museums, it is completely different. In that regard, there are tax incentives for those who offer collections, for instance. Those incentives, which are simply of a tax nature, are adapted to museums.

However, in terms of endowment, we have endowment funds for the funding of certain cultural organizations and of cultural expression.

[*English*]

Mr. Jim Prentice (Calgary Centre-North, CPC): Mr. Chair, the minister has testified tonight that she recognizes the concerns in the Amnesty International report “Stolen Sisters”. That report says that Canadian authorities have failed in their responsibility to protect the rights of indigenous women in Canada. Will the minister apologize to aboriginal women for the government's failure to protect them?

Supply

[*Translation*]

Hon. Liza Frulla: Mr. Chair, this is an issue we have looked into. When we are presented with reports like the ones from Amnesty International, which are serious reports, this gets us thinking. But I have also pointed out that, within the same department, \$1 million in assistance was allocated to assist organizations in dealing with violence against aboriginal women.

We are also working with the Minister of Indian Affairs and Northern Development to develop a comprehensive and more permanent plan.

I must say that we have always taken—

The Deputy Chair: The hon. member for Calgary Centre-North.
[*English*]

Mr. Jim Prentice: Mr. Chair, I did not ask the minister if she was reflecting. I asked the minister if she would apologize to aboriginal women tonight. I take it that the answer is that she will not apologize to aboriginal women for the failure of the Canadian government to protect them.

[*Translation*]

Hon. Liza Frulla: Mr. Chair, I am throwing the ball back to other governments, the Conservative government in the hon. member's province. It is true that, in some ways, we have a way to go as far as aboriginal peoples are concerned.

I must say, however, that the Prime Minister was the first to bring all aboriginal peoples together at a big round table. Following this meeting, we will continue with specific round tables, including ones to improve the status of women and children as well as social housing.

[*English*]

Ms. Bev Oda: Mr. Chair, I rise on a point of order. May I remind the minister that the length of time to respond should correspond to the length of time it took to ask the question.

The Deputy Chair: Thank you for your point of order. May I remind members that we are checking the time with clocks.

Mr. Loyola Hearn (St. John's South—Mount Pearl, CPC): Mr. Chair, the member for Parkdale—High Park mentioned FACTOR, the Foundation to Assist Canadian Talent on Records. I totally agree with her comments about the great contribution some of the artists have made. What she forgot to talk about was the funding agreement which ran out last March. It received an extension for one year until March 31 of this year. It had been asking for increased sustained funding. It cannot plan for the future if it does not have long term sustained funding.

Why has the minister not announced long term sustainable funding for people like Nickelback, Alanis Morissette, Sarah McLachlan and Blue Rodeo who received less than \$500,000 over the years but have made over \$2 billion in sales for this country? Is it because she does not think it is important to plan or is it just bad timing?

• (2105)

[*Translation*]

Hon. Liza Frulla: Mr. Chair, one must not only ask questions, but also listen to the answers.

I think that my colleague, the hon. parliamentary secretary, addressed the important role of FACTOR. I should point out that it comes under support to music, which is part of the broader Tomorrow Starts Today initiative.

We have said repeatedly since 6:30 that we intend to renew this program, as it is one of this government's most important initiatives since the establishment of the Arts Council in 1957.

Clearly, we are negotiating the overall program, and I would even say the overall budget of Canadian Heritage.

[*English*]

Mr. Jim Prentice: Mr. Chair, the minister has refused to apologize to aboriginal women but has indicated there is more work to do. Referring again to the Amnesty International report, does the work which has to be done concern the shortage of adequate housing, mass unemployment, high rates of suicide among aboriginal youth, and failure to provide safe and adequate drinking water in aboriginal communities? Is this where the work is to be done?

[*Translation*]

Hon. Liza Frulla: Mr. Chair, I think that with regard to our responsibilities, we all think that a lot of work needs to be done. I have said it. We are working very hard with first nations at the Department of Canadian Heritage and Status of Women Canada.

We are addressing the issue of violence against women as well as the preservation of native culture. Presently, a group is working on preserving aboriginal languages, some of which are disappearing.

I will let my colleague from aboriginal affairs provide answers for all the programs, tomorrow or the day after tomorrow, because I am not in a position to do so.

[*English*]

Mr. Jim Abbott (Kootenay—Columbia, CPC): Mr. Chair, referring back to “Our Cultural Sovereignty”, which I started with, recommendations 19.1 and 19.2, which the minister co-authored, recommended the creation of “a department of communications, responsible for broadcasting, telecommunications and the cultural industries”, yet we do not see it anywhere on the horizon. The point is that Bill C-18 is a warm-up of 20 year old legislation for Telefilm Canada. Why do we not see this on the horizon? What are we waiting for? What is the minister waiting for? Is she in charge of this department or not?

[*Translation*]

Hon. Liza Frulla: Mr. Chair, firstly, to the question as to whether I am in charge, I answer yes, absolutely, and with great pleasure and passion.

As for the review of the departments, the whole issue is the responsibility of the Prime Minister.

That being said, I am delighted to cooperate with the Minister of Industry, whose responsibilities include the section on telecommunications. He is also responsible, with me, for the section on copyright. We are presently drafting it together—

Supply

[English]

The Deputy Chair: Resuming debate, the hon. member for Davenport.

Mr. Mario Silva (Davenport, Lib.): Mr. Chair, I am pleased to have this opportunity to speak about the government program that means a great deal to many Canadians and is very important to Canadian society: the multiculturalism program.

Canada is known around the world as a land where people of many cultures and backgrounds live together in harmony. Canadians claim more than 200 ethnic backgrounds. Our largest cities rank among the most multicultural on the globe. Nearly 50% of the citizens in the city of Toronto were born outside of Canada. In my riding of Davenport, over 50% of the people were born outside the country.

I take great pleasure in knowing as of last week that this particular House is also unique, with many members born outside of this country. Last week I had the opportunity to find out that one of our members, the member for Charleswood St. James—Assiniboia, was actually born in Rio de Janeiro, Brazil. That is a great example of the multiculturalism of this country.

At a time when religious and racial tensions are wreaking havoc in various regions around the world, we live to a great extent in peace and harmony.

Immigration has now outpaced the natural birthrate and accounts for 52% of the overall population growth. This is what it should be. As is well known, we need immigrants to fill our future labour needs.

Canada has always been characterized by a diverse ethno-racial, ethnocultural, religious and linguistic heritage. The first people of Canada, as we all know, are not homogenous groups but rather many nations, each rooted in their own traditions, languages and practices.

Through the centuries there came the French and the English and wave upon wave of immigrants from every point of the globe, who created the multicultural Canada we enjoy today.

In recognition of who we are as Canadians, a unique multicultural mix within a bilingual society, the Government of Canada, led by Prime Minister Pierre Trudeau, made a formal commitment to multiculturalism in 1971 with the introduction of the world's first national multicultural policy.

In partnership with other departments of government, with institutions such as the police forces and other services, and with citizens' groups and individuals, the multiculturalism program works to maintain and build upon our strong and cohesive society.

The fact remains that we have a strong legal framework. The fact also remains that the constitutional measures and the legislation we have are not enough to assure equal opportunity in a diverse society. To contribute fully and to achieve this full potential, all peoples must have a voice in society.

In some cases this requires programs to help equip communities, organizations and individuals with the skills and tools they need to advance their interests. Therefore, the priorities of multicultural programs are to combat racism and discrimination, promote cross-

cultural understanding and a sense of shared citizenship, and help ensure that Canadian institutions and Canadian workplaces are representative of the face of Canadian society.

The multiculturalism program provides direct support to organizations and communities to carry out these priorities. It also has a close involvement in initiatives that enrich our culture, such as Black History Month, Asian Heritage Month and Canadian Multiculturalism Day. These commemorations serve as key focal points for a huge range of activities at the local, provincial and national levels.

In recent years the program has worked extensively with police services across the country to ensure that the cultural, social, racial, ethnic, religious and linguistic diversity of our citizens is respected.

A national-scale example is a project called the Law Enforcement Aboriginal and Diversity Network. This partnership fills an urgent need for a coordinated approach by policing agencies to better serve aboriginal and diverse ethnic, racial and religious communities.

Our approach challenges public institutions such as the police services, the education system and the health care system to ensure that they respect the cultural, social, racial, ethnic, religious and linguistic diversity of our society.

Researchers are now examining the results of the ethnic diversity survey, a partnership between the multiculturalism program and Statistics Canada. This groundbreaking survey is helping us recognize as never before trends and issues related to Canada's diverse populace.

The program also works hard to encourage federal departments to be a model in the hiring, retention and promotion of employees of all backgrounds. Through its national racism "Stop It!" campaign every March, it is getting the message out among young people that discrimination and racism are unacceptable.

•(2110)

There are many more programs too numerous to list right now, but I have tried to give a cross-section of them to present a picture of the depth and breadth of the work of the multiculturalism program.

Canadians treasure our reputation as a country where individuals are respected, but like everything of value, our Canadian models of multiculturalism must be fostered if Canadian society is to mature and thrive. Multiculturalism fosters the values of understanding and respect, encourages a common sense of identity and ensures the right to full social, political and economic access for all Canadians.

Ethnocultural groups are encouraged to nurture and preserve their traditions with our goal being not assimilation but integration, based on the celebration of and the respect for differences.

Operating within the context of two official languages and recognizing the special identity of the first nations people, multiculturalism is grounded in civility and mutual respect, values which as Canadians we all proudly share.

Supply

In a country where 13% of the population is made up visible minorities, our diversity is the hallmark of the Canadian identity. It is a source of economic and social strength and it is a success story. Pierre Trudeau once said:

A policy of multiculturalism within a bilingual framework is basically the conscious support of individual freedom of choice. We are free to be ourselves. But this cannot be left to chance. It must be fostered and pursued actively. If freedom of choice is in danger for some ethnic groups, it is in danger for all.

That is the work of all Canadians. It is also the work of the multiculturalism program. It is a program that respects in many ways the voices and interests of ethno-racial and ethnocultural groups within the federal government.

How successful is multiculturalism? It is one of those things that we perhaps tend to take for granted, but it received an important endorsement from the United Nations last summer when its latest human development index was released. The accompanying report suggests that multiculturalism is the key to building a free and equitable society and credits Canada as being the first country in the world to have a formal multicultural policy. The report also provides the best practices that governments should undertake to achieve cultural liberty in their societies.

Many of the types of policies, programs and services recommended are already being provided to Canadians through Canada's multiculturalism policy and programs, but like all societies the Canadian society is a work in progress. Despite our best efforts, some Canadians do face discrimination and hate. We have yet to eradicate racism. We all know it exists, yet we must all remain committed to stamping it out.

Therefore, I would like to ask the minister responsible for multiculturalism what he plans to do to combat racism. Is the status quo good enough or does he plan to do more?

• (2115)

Hon. Raymond Chan (Minister of State (Multiculturalism), Lib.): Mr. Chair, first I would like to congratulate my colleague. He has impressed me. His knowledge about the multicultural program and the policy was so thorough that I am speechless. He is a new member of Parliament and yet he knows so much about what we believe in and what this country is all about. He is the first member of Parliament of Portuguese descent, and I must congratulate him and welcome him to this House.

The hon. member has asked a very important question about the very important issue of racism. I am the minister in charge of multiculturalism, which is one very important task, a very important mandate. I take it very seriously. Even though Canada is multicultural and there is so much harmony in our society, yes, racism does exist in our society. We must be very vigilant in doing everything we can to combat racism. It is to our peril if we do not do that. Racism is a deterrent to participation. If we do not deal with that issue, we will not be able to build this country with all the resources that we have.

With multiculturalism, one of the most important mandates is to make sure that all Canadians can participate fully in our society economically and socially, as well as politically. Only when we do that can we make use of all the resources in Canada, particularly

human resources, to build a strong country and to be able to compete with the rest of the world.

Many people thought that multiculturalism was designed for ethnic visible minorities. This is not true. When multiculturalism was designed back in the 1960s and the 1970s, the visible minorities were a very small percentage of Canada's population, probably less than 1% of the total population.

When I came to Canada back in 1969, there was only about 15,000 Chinese Canadians in Vancouver. We would hardly see another Chinese person on the street. Every time we saw another Chinese Canadian we would be so happy, we would say hello, shake hands, take out our address books and take down each other's phone number. Now there are 400,000 Chinese Canadians in Vancouver and we hardly say hello to each other.

We have to do our best to work together to build this country. It is amazing that from time to time when I reach out across Canada these days to talk about multiculturalism, many Canadians of European descent say, "Make sure that multiculturalism includes us as well". Of course it does.

This is why I am so happy to see our first member of Parliament from Portugal, and other members of Parliament who descend from other parts of the world. It is amazing that over the years multiculturalism has worked so well.

I went to Saskatchewan and participated in a round table with the Ukrainian community. The Ukrainian leaders were so proud, when we talked about the history of multiculturalism, to tell me how it started. They said, "It was when the right hon. Pierre Trudeau had to deal with the inequality in Canada at the time. Even though the francophones in Quebec were the majority in the province, they had a hard time competing with the anglophones. Even though they were the majority, the economic control and political control in Quebec was in the hands of the anglophones. In order to have a level playing field for the francophones, the right hon. Pierre Trudeau started talking about two official languages for Canada. He brought people together to talk about how we could give all people in Canada a level playing field".

When Mr. Trudeau talked about a level playing field for the francophones and the anglophones, the Ukrainians said, "How about us?" They are present in Canada. Of course in the 1960s and the 1970s, there were many ethnic groups in Canada, the Ukrainians, the Italians, the Jewish, the Germans.

• (2120)

Canada was multicultural in reality even back then. Multiculturalism evolved because of all these ethnic groups. All should have a level playing field and our party and the right hon. Pierre Trudeau believed in that. This is how the policy came about.

The visible minorities contribute a lot to Canadian society right now. It is important, as mentioned by my colleague, that the source of immigration has shifted. About 60% or 70% of the immigrants coming into Canada are from Asia. The visible minorities are going to build up to a high percentage in Canada. Right now they constitute about 12%—

Supply

The Deputy Chair: Order. Resuming debate. Could the hon. member for Nanaimo—Cowichan tell us what her intentions are as to the rules that were adopted today? First, will you be sharing your time?

Ms. Jean Crowder (Nanaimo—Cowichan, NDP): Mr. Chair, no, I will not be sharing my time.

The Deputy Chair: Fine. What portion will be used for speeches and what portion for questions and answers?

Ms. Jean Crowder: Mr. Chair, I will be primarily focussing on questions for the Minister responsible for Status of Women which falls under the Department of Canadian Heritage.

According to the documents from the department, Status of Women Canada works to provide Canadians with strengthened and more equitable public policies by conducting gender based analysis in promoting its applications throughout the federal government.

I asked this question of officials who appeared before the Standing Committee on the Status of Women earlier today and I would like to ask the minister this as well. Why does gender based analysis not appear as a horizontal initiative in the estimates from the Treasury Board?

• (2125)

[*Translation*]

Hon. Liza Frulla: Mr. Chair, the first announcements regarding the overall policy on gender equality were made in 1995. We know that, in 2000, money was invested to give the departments the necessary research tools for them to make their announcements—or their self-assessment, let us call it that—on gender equality.

Nowadays, we provide the necessary tools to the various departments. Each individual department uses these tools to see if the Action plan for gender equality is implemented correctly.

I must say that the Department of Citizenship and Immigration is a shining example of a department that—

[*English*]

The Deputy Chair: The hon. member for Nanaimo—Cowichan.

Ms. Jean Crowder: Mr. Chair, at the Standing Committee on the Status of Women, officials from the department were very clear that through the federal government plan for gender equality which was adopted in 1995, the government has made some inroads with respect to gender based analysis. The Department of Citizenship and Immigration is an example of that.

However, it is still not the business of government on a day to day basis. A perfect example of this are the changes to employment insurance which were made in 1996. Were the changes made to the Employment Insurance Act subject to gender based analysis and if not, why not?

[*Translation*]

Hon. Liza Frulla: Mr. Chair, I have to start by saying that this is a long term undertaking. No one can say that this is easy work. No one can say either that women have won. This is a long term effort. However, significant steps have been taken.

The first of these steps is in fact the Action plan for gender equality. Second, in 2000, funds were allocated to Status of Women

Canada to design these research tools, such as the development of implementation methods for the action plan. Third, the development and delivery of training, learning and promotion programs, the coordination of activities—

[*English*]

The Deputy Chair: The hon. member for Nanaimo—Cowichan.

Ms. Jean Crowder: Mr. Chair, with all due respect to the minister, I can understand it certainly takes a long time to institute longer term institutional change. However, the plan was in 1995, which was nine years ago. The reality is that for example in the Employment Insurance Act changes made to employment insurance discriminated against women. One-third of pregnant women are not eligible for maternity or parental leave. It is more difficult to qualify for benefits and the benefit period is shorter. Clearly, this legislation would have benefited from a thorough gender analysis.

When the minister talks about long term strategy, I would again ask the minister when will other departments be subject to a mandate of gender based analysis?

[*Translation*]

Hon. Liza Frulla: Mr. Chair, when one compares oneself to others, one does not look so bad. I am referring to my former department, Social Development, and I will address the National Child Benefit, parental leave and direct assistance to families, which arises from the concern with providing support to women in their daily life. That is one thing.

Second, we must talk about the Standing Committee on the Status of Women that has been created and in which I deeply believe. It has been created by my government because this question is a top priority for us.

There is also all the vertical work that we are doing with the tools that we have for—

[*English*]

The Deputy Chair: The hon. member for Nanaimo—Cowichan.

• (2130)

Ms. Jean Crowder: Mr. Chair, I would like to remind the minister that the initiative on the status of women was actually suggested by the NDP and supported by the opposition parties before the Liberals agreed to it.

One of the priorities of the Department of Status of Women is to improve women's economic autonomy and well-being.

The reality is that Statistics Canada reports that one in five Canadian women live in a low income situation. On average a woman earns 70¢ to 80¢ for every dollar a man earns, depending on which statistics are used. More than 72% of part time workers are women.

Supply

Wage inequity follows women for life. The Canada pension plan is based on an individual's earning history and many women retire into poverty. The average Canada pension benefit currently paid to women is \$285 per month. For men it is \$410 per month. This does not sound like progress.

Would the minister comment on funding for the department? Does she feel that the money allocated to status of women is appropriate given the enormous challenges faced by Canadian women on a daily basis just to earn a living? How does she plan to increase the resources to address the realities of women living in Canada?

[*Translation*]

Hon. Liza Frulla: Mr. Chair, I am being asked if, in matters of social development, culture and assistance to women, money is enough. There is never enough; we could always do with more.

Once again, it can be said that much remains to be done; in this respect, I agree. On the other hand, it can also be said that we have made much progress and come a long way. More than 71% of women are gainfully employed today, which amounts to an important increase compared to the 44% of 30 years ago.

As I was saying a while ago, our society is evolving. Parental leave is now longer, ranging from six months to one year, under the changes made to the employment insurance program. There is an increase in child-related services for low-income families. We know that governments are committed to establishing a national learning and daycare system for young children.

Do people understand what is meant by the national daycare system for children that I announced during the electoral campaign? Its implementation is now in the hands of my colleague, the Minister of Social Development. It can be seen that—

[*English*]

The Deputy Chair: The hon. member for Nanaimo—Cowichan.

Ms. Jean Crowder: Mr. Chair, I come from British Columbia and when we talk about child care, what we have seen over the last three years, despite the framework and the early development initiative, is that child care spaces in British Columbia have been seriously reduced because of a lack of commitment by the federal and provincial governments.

Also listed as priorities for the department are eliminating systemic violence against women and children and advancing women's human rights.

I have met with national native women's organizations that cannot operate because of federal funding limits and provincial cuts. The minister is well aware, as noted earlier, of the "Stolen Sisters" report by Amnesty International, which outlines our country's failure to protect indigenous women in Canada from violence.

Why after only three years did Heritage Canada cut core funding from the aboriginal women's programs to these essential organizations?

[*Translation*]

Hon. Liza Frulla: Mr. Chair, I want to go back to my colleague's remark. Indeed, we must say that the federal government has taken its responsibilities with the national child benefit and early childhood

development. However, the province made some cuts. So, you know, when we decide to say that we are on the side of the family, we must do so collectively. We must say that some provinces are taking their responsibilities more than others.

The government is taking its responsibilities. This must also be a collective approach, and the provinces must take and keep their responsibilities.

Concerning support for aboriginal women, I said that there are several components. There is the cultural component and the violence component. We said that we are allocating \$1 million over four years to the initiative against family violence, more particularly —

[*English*]

The Deputy Chair: The hon. member for Nanaimo—Cowichan.

Ms. Jean Crowder: Mr. Chair, it is time for the government to walk the talk. If Status of Women Canada is truly a priority for the government, why will it not commit to removing it from the Department of Canadian Heritage and make it a stand alone federal government department? Status of Women Canada has been bounced from one area to another and it is time it had a home of its own.

[*Translation*]

Hon. Liza Frulla: Mr. Chair, I must tell you that I am very proud to have this position at the Status of Women. I must say that, as a well known feminist myself, I am very proud to have this portfolio. It does not mean that, because I also have the culture and the official language portfolios, I am not able to deal with something that deeply affects me, being a woman and having seen the problems of women, that is the status of women.

Now, I will not work alone. I will work—

• (2135)

[*English*]

The Deputy Chair: The hon. member for Nanaimo—Cowichan.

Ms. Jean Crowder: Mr. Chair, I come from a riding that has the second largest first nations population in British Columbia. When I hear the minister talking about \$1 million spread over four years for domestic violence, Canada has a significant first nations population and \$1 million over four years is \$250,000 a year. With all respect, that will not even begin to tackle the problems that we are seeing in first nations communities.

Where is the commitment to some long term, stable funding for first nations communities in dealing with the violence and the dismal conditions on first nations reserves?

[*Translation*]

Hon. Liza Frulla: Mr. Chair, I must admit that my colleague is right. We need to take specific action on behalf of aboriginal women. We are currently working with the Minister of Indian and Northern Affairs in setting up an important program to support aboriginal women and to prevent violence. We want to have an integrated program to counteract violence, to help families, to provide help with health and to improve social housing.

We cannot have isolated actions, they must be taken together, combined and interdependent—

[*English*]

The Deputy Chair: The hon. member for Nanaimo—Cowichan.

Ms. Jean Crowder: Mr. Chair, earlier the minister referred to the early childhood development initiative and talked about the collective responsibility and yet the federal government continues to funnel funds to provincial governments that then do not follow up on their commitments. In the early development initiative framework agreement it talked about accountability from the provinces and yet we are continuing to send money to British Columbia without it having any accountability on how it spends the money.

If we are sorting out these agreements, how are we going to hold provinces accountable, or is this just federal money thrown down the tubes?

[*Translation*]

Hon. Liza Frulla: Mr. Chair, I will once again refer to my former responsibilities, which I loved, I might add. I must make it clear that it is far from our minds to just take \$1.2 billion.

I would remind my hon. colleague that we allocated \$150 million of the last budget for early childhood development, so that the provinces could use that money for that purpose, for children from birth to school age. That was the purpose of the program.

Now we have decided to go further. With the national child care system, based on a system similar to Quebec's, parents will be able to obtain child care that is accessible, top quality and extremely reasonable, because we will be covering the costs.

So, getting back to early childhood development, the provinces file a report—

The Deputy Chair: The hon. member for Nanaimo—Cowichan.

[*English*]

Ms. Jean Crowder: Mr. Chair, in January 2003 the United Nations CEDAW committee reviewed Canada's fifth report to the UN and its adherence to the Convention on the Elimination of All Forms of Discrimination Against Women. That was ratified by Canada in July 1981. This review resulted in 23 recommendations for Canada and the provinces and demonstrated perhaps a lack of commitment to some of these initiatives.

What has Status of Women Canada done to develop an action plan to address these recommendations and when will it be fully implemented?

● (2140)

[*Translation*]

Hon. Liza Frulla: Mr. Chair, as far as the UN's CDOC recommendation is concerned, we have decided to link with the international community in order to ensure, first of all, that it is a collective effort, and second that we can—again collectively—address problems of specific concern to us, that is violence and cruelty toward women.

We have made national and international commitments, and we are going to make every effort to respect them, given the challenges associated with the Canadian reality, as well as its diversity—

Supply

The Deputy Chair: I am sorry to interrupt the hon. Minister of Canadian Heritage, but the hon. member for Lac-Saint-Louis has the floor.

Mr. Francis Scarpaleggia (Lac-Saint-Louis, Lib.): Mr. Chair, I am very pleased to take part in this debate in support of the estimates of the Department of Canadian Heritage, a very important department for the Canadian economy as well as for Canadian culture.

[*English*]

Exchange is all about sharing ideas and sharing ideas creates mutual understanding. Mutual understanding leads to cooperation and unity. Unity is good for our country, but on a broader scale unity is good for the progress of humanity.

As politicians we are necessarily concerned with society, with life in this country at the macro level. We speak of society often in abstract terms which is necessary of course if we are to grasp the complicated issues we must deal with as elected representatives and if we are to develop broad policies aimed at the country as a whole.

Underlying politics, well below the radar of the media and far from the headlines, is what someone once called the poetry of private relationships. As individuals we are all affected by philosophical trends and intellectual fashions, by the pronouncements of opinion leaders and by the values we see reflected in the mass media, in arts and culture and so on, but our individual viewpoints are also profoundly affected by our informal interactions with other individuals.

I, and I am sure many others, have heard countless stories of individuals whose political viewpoint experienced a profound shift following an intense discussion with another individual. Conversely, we know of cases where people's viewpoints have turned inward as a result of negative interaction with other individuals, perhaps individuals who were not sensitive to the person's language or cultural background.

We all know the apocryphal, now it seems, story of Jacques Parizeau who boarded a train in Montreal in the 1960s, travelled across Canada and disembarked at Vancouver. He has recounted this story often. He embarked as a federalist in Montreal and disembarked in Vancouver as a separatist. One has to wonder what interaction took place on that train. One has to wonder how the course of history would have changed if Mr. Parizeau had travelled to Vancouver with a group of young western Canadian exchange students coming back from two weeks in Quebec. Maybe the course of Canadian history would have changed.

Supply

By way of example of the positive impact of exchanges between individuals, especially youth of different backgrounds, can have, I would like to take members back to Montreal in the 1960s, a time of some division and a difficult time. At that time we still had two solitudes. The mood was tense between those who were anglophone and those who were francophone.

It was around 1965 when a young school teacher of about 39 years of age, who I am proud to say is one of my constituents today, came up with a pilot project whereby he convinced schools and school boards to allow students from a francophone school to spend two weeks in an anglophone school and vice versa to see what would happen.

This experiment was a great success. As a matter of fact *Le Devoir* devoted a newspaper article to this pilot project by Mr. Robert Kouri who is now a retired school teacher in Montreal. The headline at the time read, "Une expérience scolaire démontre que la co-existence amicale est possible".

Perhaps the most inspiring result of that pilot project and the exchanges that followed is the fact that some 40 years later Mr. Kouri told me that those students who met at a very young age in these cross-cultural encounters still continue to stay in touch today and get together regularly.

● (2145)

The point of all this is to say that individual encounters and exchanges, and the quality of those encounters and exchanges matter. The magic that occurs through this process of cultural exchanges is not usually the stuff of newspaper headlines, notwithstanding the *Le Devoir* headline regarding Mr. Kouri's project. In fact, the process of creating friendships is somewhat commonplace.

However, we can never underestimate the power of individual bonds among different cultural and language groups, bonds that are replicated a million times over. We can never underestimate their power to be the glue that keeps a society together during the difficult moments in history. In fact, this House is built on the premise that an exchange of ideas will have a lasting benefit for society through the collaborative relationships that are created here.

I remember when I first came to Parliament Hill in 1993 as a staffer, it was a watershed Parliament. For the first time we had established parties and then we had a brand new party from western Canada with brand new members and a brand new message. We had basically a brand new party from Quebec with brand new members. If one looks back at that time, there was a certain degree of mistrust. People did not know each other, did not know where they were coming from, and did not know what to expect.

Over the course of MPs from different parties working together collaboratively on committees and travelling with those committees all over Canada to solve practical problems of interest to Canadians, one could see the bonds of mutual understanding, respect and even friendship forming, friendships and bonds which are all the more important in this minority Parliament.

The exchange programs sponsored by the Department of Canadian Heritage are an expression of the need in this country to

foster encounters among Canadians, and the younger the better, from different regions and provinces.

Every year the department offers 25,000 exchange opportunities to young Canadians. Just think, Mr. Chair, 25,000 exchanges per year. Over four years we are talking about 100,000 exchanges. Over 10 years we are talking about 250,000 exchanges. I think we know what that means in a country with a population of 35 million. That is a high proportion of people getting together to share experiences and forming lasting bonds. These exchanges over time can change the outlook, the culture and the voting patterns of a country.

[Translation]

Exchange programs sponsored by the Department of Canadian Heritage do more than just establish permanent and life-changing relationships between individuals coming from diverse cultural and linguistic backgrounds; they also help shape the leaders of tomorrow, the young people of today who will take over and become leaders in various fields.

● (2150)

Take for example the Canadian International Model United Nations sponsored by the Department of Canadian Heritage. Last year some 700 young people met for one week in Ottawa to discuss international issues. Each one had to represent a country and discuss important issues faced by that country. They had to do in-depth research for three to four months on the issues faced by the country they represented. A program like that one is fantastic and helps young people understand the qualities a leader must have.

Those who were in the Montreal area in July may have been lucky enough to see the 200 000 young people who took part in the National Heritage Fairs organized by the Historica Foundation. Thanks to the financial support of the Department of Canadian Heritage, young people aged 10 to 14 were able to share their stories with other children. You should have seen how creative they were just in the way they were telling those stories.

The Canadian social fabric is made of sharing, sharing common values and sharing differences.

I have a question for the Minister of Canadian Heritage. We know that such programs are beneficial for a large number of young people and of course for our country in the long term. How does she intend to make sure that an even greater number of young people have access to such programs and are interested in them? It is often the best students who apply, students who are ambitious in their schoolwork and in their extracurricular activities. How can the minister assure us here tonight in this House that everything will be done so that these programs are accessible to all students and all young Canadians? Our country will be built not only by the best students, but by the young persons and the leaders of tomorrow.

Hon. Liza Frulla: Mr. Chair, I thank the hon. member for his question. This provides us with an opportunity to mention one of the best success stories in the Canada interchange program.

Supply

I want to reassure the hon. member that we succeed in reaching young people all across the country and from all walks of life. Our programs are just as accessible to new Canadians, young people living in rural or remote regions, young people who, economically, would not have been able to live these experiences, young people with a disability, or young aboriginals. These programs are geared to them.

In our programs and in our strategy, we want to reflect Canada in its entirety. The programs' criteria are designed to promote diversity and inclusion. The annual objective is set for underrepresented groups, based on Canadian demographics. We exceed these objectives every year.

For example, as regards participation in the programs, young aboriginals account for 6% of participants, while aboriginal people make up 5% of Canada's population. Young people in rural or remote regions account for 35% of participants, while their demographic weight is 23%. Young people with a disability account for 4%, while they represent 6% of all young Canadians. Finally, underprivileged youth account for 19% of participants, while their demographic weight is 16%. So, we reach everybody. The 2003-04 figures are about to be compiled. However, a cursory look shows that the percentages are generally the same as for 2002-03.

We are working in close partnership with service delivery organizations to reach all these groups. We are working with 4-H clubs and YMCAs, and this allows us to reach young people in rural and remote regions across Canada and also young aboriginals and underprivileged youth.

In terms of statistics—and this is important—there are 17,000 exchange opportunities for young people this year. In the end, 87% of the participants develop an increased sense of belonging to Canada.

• (2155)

[*English*]

Mrs. Lynne Yelich (Blackstrap, CPC): Mr. Chair, I will be sharing my time with the member for Edmonton—Leduc. I have two very short questions.

One of them is about Canada Day and participating in Confederation. Our province of Saskatchewan only gets \$150,000 funding for the entire province. There is over \$1 million given to the province of Quebec, over \$600,000 to Ontario, et cetera. Saskatchewan feels this is really unfair. It is part of Confederation.

The other question is for the Minister of State responsible for Sport. The member talked about the tax regime and how friendly it is towards minor sports or towards sports. In Saskatchewan our young junior hockey players are audited right now and have to pay taxes. I would like both ministers to respond to those inequities.

[*Translation*]

Hon. Liza Frulla: Mr. Chair, this year, we are reviewing the *Canada Day* program. It was not about merit, it was about the number of programs. Whether they like it or not, we will make sure that the sharing is more equitable for the provinces this year.

[*English*]

Hon. Stephen Owen: Mr. Chair, I did make the point that the athlete assistance program is tax free to the recipients. There is an addition to that of up to \$10,000 per year for tuition for high performance and developmental athletes who are training and participating in sports at universities.

Mr. James Rajotte (Edmonton—Leduc, CPC): Mr. Chair, I have some very specific questions I would like to ask the Minister of Canadian Heritage. First, why has she not amended the Copyright Act to date? Does she agree with the interim report from the heritage committee on copyright?

[*Translation*]

Hon. Liza Frulla: Mr. Chair, I will answer in 15 seconds. Both of our departments, namely the Department of Industry and the Department of Canadian Heritage, are currently drafting the act. We want to submit it to the Cabinet in 2004. My parliamentary assistant, who is in charge of the review of the Copyright Act, will gladly undertake this initiative in 2005 and bring it to completion.

[*English*]

Mr. James Rajotte: Mr. Chair, perhaps in her next answer she could state whether she agrees with the committee report.

Could the minister state if she agrees with the industry committee report, a majority report from the Liberals, agreed to by the Conservatives as well, that the Government of Canada remove all foreign ownership restrictions on cable companies and telecommunication companies? The report was signed by both Liberal and Conservative members. Does she agree with this recommendation?

[*Translation*]

Hon. Liza Frulla: Mr. Chair, to my knowledge, we have jointly signed the report of the Standing Committee on Canadian Heritage. Therefore, with respect to the department of Canadian Heritage, I will refer to the report submitted by the Standing Committee on Canadian Heritage.

[*English*]

Mr. James Rajotte: Mr. Chair, it was a report by the industry committee in April 2003. The chairman was the member for St. Catharines. It was a recommendation to remove the foreign ownership restrictions for cable companies and telecommunication companies. Does the minister agree with that recommendation?

[*Translation*]

Hon. Liza Frulla: Mr. Chair, I abide by the recommendations of the Department of Canadian Heritage. This being said, we are working with my colleague in industry. I must say that this issue is not part of the program for the time being.

• (2200)

[*English*]

Mr. James Rajotte: Mr. Chair, this summer the CRTC revoked the broadcasting licence of CHOI-FM, a popular Quebec radio station. Under the Broadcasting Act, the cabinet has the power to set aside the decision or refer the decision back to the CRTC for reconsideration to issue, amend or renew a licence within 90 days of the decision date. The cabinet and the minister decided not to do that. Why did the minister and the cabinet decide not to send the decision back to the CRTC or to renew the licence of CHOI-FM?

*Supply**[Translation]*

Hon. Liza Frulla: Mr. Chair, I apologize, but the hon. member is wrong. All of our lawyers have told us that this decision could not be revoked by the governor in council. Now, it must be understood that the CHOI-FM case is currently before the Federal Court. Hence, we are not free to make comments about it.

[English]

Mr. James Rajotte: Mr. Chair, during the last election and since that time, at least three Liberal ministers and one former minister promised the Italian Canadian community, in public, that RAI International, a popular Italian television station, would be made available in Canada. Four to five months have passed since those promises and RAI is still not available in Canada. Why not? Why did this government break its promise to the Italian Canadian community?

[Translation]

Hon. Liza Frulla: First, Mr. Chair, that is not a promise; it is a wish. Secondly, the CRTC is looking into the question. The CRTC wants to review its regulations with respect to foreign services that compete with our Canadian industry. We should have its response by the end of December.

[English]

Mr. James Rajotte: Mr. Chair, I would like to move on to Fox News. Fox News is not available to Canadians, but it is available to Canadians who happen to be members of Parliament because it is available on Parliament Hill. I want this minister to explain to constituents in my riding why they are not able to watch Fox News on their television sets but their member of Parliament can watch it here on Parliament Hill.

[Translation]

Ms. Liza Frulla: Mr. Chair, first of all, Fox News is distributed on Parliament Hill through a private network, which is non-commercial and therefore not subject to CRTC regulations.

That said, the Fox News application is being considered by the CRTC. It will be examined according to the foreign ownership rules and competition with a Canadian service.

Nevertheless, I should add that all the following news services are available to the Canadian public: CBC News World, Réseau d'information, CTV News Net, LCN, Infosport, CPAC, Headline Sports, Pulse 24, CNN, CNN Headline News, Bloomberg News, BBC World—

[English]

The Deputy Chair: The hon. member for Edmonton—Leduc.

Mr. James Rajotte: Mr. Chair, the Canadian Association of Broadcasters believes that Spike TV, which is a very popular U.S. channel made available here in Canada, should be removed from Canadian television sets because it is “a network for men” and we already have a network for men called Men TV.

Does the minister support this ridiculous endeavour or does she believe that Canadian men should perhaps be able to watch more than one channel on their television sets?

[Translation]

Hon. Liza Frulla: Mr. Chair, the decision is before the CRTC. Since the CRTC is an independent body, we shall await the results of its consultations. The CRTC reviews nearly 1,700 applications for revocation every year. This is a colossal task, but it has 400 employees to do it well.

[English]

Mr. James Rajotte: Mr. Chair, the minister often says that the CRTC is an independent body, that she cannot interfere and the fact is that she has to let it make the decisions.

The facts and the reality on certain issues like RAI International are that the Minister of Citizenship and Immigration, the minister of human resources, the former minister and the Minister of Foreign Affairs have all stood up and said RAI International will be made available in Canada. One former minister during the last election campaign said not to worry about the CRTC decision, that the government would make sure that RAI International is available in Canada.

There is a double standard here. When the government wants to have a channel available in Canada for political reasons because it is losing support in the Italian Canadian community, the government feels it can overrule the CRTC. On other issues such as Fox News, HBO or Spike TV, the government says it cannot touch them, that the CRTC is an independent body.

The government cannot have it both ways. Why does this government interfere when it suits its political purposes but refuse to give policy direction on other issues such as Spike TV, HBO and Fox News?

● (2205)

[Translation]

Hon. Liza Frulla: Mr. Chair, first, I said, it is not an intervention with the CRTC. It is a wish more than a directive. We cannot give directives to the CRTC.

Second, if we had wanted to do so for purely political reasons, RAI would be here. This suggests that the CRTC truly is an independent agency.

That said, the CRTC consulted the public in reviewing its 1986 regulations on foreign language service and the competition there might be with a similar service provided by a Canadian company. We are waiting for the CRTC decision.

We have done our share by setting up a committee chaired by Clifford Lincoln, who has given his recommendations to us and the CRTC. However, we are waiting for the CRTC decisions and we are not giving directives. We are waiting, like the rest of the population and my Italian community, for the CRTC decision.

[English]

Mr. James Rajotte: Mr. Chair, I want to clarify this issue. The minister has stated twice now that it was a wish expressed by the minister. It was not a wish expressed. It was a statement in the *Montreal Gazette*, a public statement by Denis Coderre. It was not a wish. It was a statement to the Italian Canadian community that RAI International would be made available in Canada regardless of what the CRTC decided.

I want to ask the minister, does she stand by her word that it was a wish or does she recognize that her former minister and colleague actually made a statement that contravened her own policy with respect to the CRTC?

[*Translation*]

Hon. Liza Frulla: Mr. Chair, I do not think there is anyone on this side of the House who does not respect the authority and the quasi-judicial status of the CRTC.

The CRTC is an independent agency. It will make its decision, and we are going to respect that decision. I must say that we have nonetheless contributed to thoughts on this matter by setting up the committee on access to public foreign television broadcasts, chaired by Clifford Lincoln.

[*English*]

Mr. James Rajotte: Mr. Chair, I will read the exact quote. Let me have the minister state that either this is a false quote we have here or she was in fact not accurate in what she was saying. This is what the former minister of the Privy Council stated:

It is for this reason that today we are undertaking to assure your community that no matter what the outcome, you will have access to Italian language TV programming including television from Italy available in Canada.

That was in the Montreal *Gazette* on June 9, 2004.

Either this statement is false, in which case I would ask the minister to stand and say that it is false, or she should correct what she said.

[*Translation*]

Hon. Liza Frulla: Mr. Chair, it is a newspaper article. I am telling you the truth, the facts, how this works. I am telling you that the CRTC is an independent agency. It is looking at the whole issue, not just RAI, but also access to public third-language, or foreign language, television services while balancing the effect to our Canadian industry.

The CRTC is and shall remain an independent agency, at least as far the members on this side of the House are concerned.

[*English*]

Mr. James Rajotte: Mr. Chair, in the time remaining let us review the government's policy on broadcasting.

The reality is that three-quarters of a million Canadian households, which even the government admits, are accessing services outside the broadcasting system in Canada. That means they are accessing either the black or the grey market. They are choosing pirated systems, which should be and is illegal, or they are choosing to access foreign programming like RAI International through services from the United States or other nations.

What is the government response? The response is that the government twice introduced a bill to amend the Radiocommunication Act, which would have criminalized Italian Canadians for watching RAI International. That is what it would have done. It would have criminalized Canadians.

The Conservative Party opposed that at committee. The government finally backed off, realizing that it was going to lose votes. It backed off and pulled the bill back. Here is what happened at

Supply

committee. One of its own members, Joe Fontana, moved that the committee address this issue, address the broadcasting industry, by looking at amending the Broadcasting Act to allow more choice and competition for Canadian consumers so they do not have to get an illegal service or a pirated system to watch Portuguese television or Italian soccer. They want more choice here in Canada so they can obey Canadian laws.

The government's response is to do nothing. It did not act on its own member's motion in the industry committee. It is the government member's motion.

What has happened since then? A court decision in Quebec basically legalized the grey market. This government is the one that has put the entire Canadian broadcasting industry in peril because it has refused to act and allow choice and competition. When will the government finally allow choice and competition and ensure a lively and active Canadian broadcasting industry that survives well into the future?

• (2210)

[*Translation*]

Hon. Liza Frulla: Mr. Chair, the issues are being muddled here. First, we represent the Department of Canadian Heritage. Our committee is the Canadian heritage committee, not the industry committee. Our topics of consideration are the protection of our culture, our cultural industry and our Canadian broadcasters.

Let me point out, however, that the Broadcasting Act is designed to prevent the sale or import of illegal devices in Canada. The grey or black market is illegal. The changes contemplated would strengthen penalties and establish more efficient import controls with respect to satellite television decoders.

As we know, the Court of Quebec has handed down a decision in the D'Argy case. The government is seriously considering reintroducing the bill in the House to increase control over the grey and black markets and better protect our Canadian industry, which is after all creating jobs.

I might add that we have access to 350 television channels. There are 24 hours in a day. I do not think we can watch all these channels at the same time. Neither can we—

The Deputy Chair: Resuming debate. The hon. member for Honoré-Mercier.

Mr. Pablo Rodriguez (Honoré-Mercier, Lib.): Mr. Chair, I would like to take a few minutes to talk about a subject of great interest to me, literature. I know that a good number of my colleagues here share the same passion.

You all know that Canadian literature has grown remarkably over the past 25 years. Thirty years ago, foreign editors had taken over nearly the whole market, and foreign books dominated on the shelves of Canadian bookstores. Today, Canadian owned publishing companies have recovered a substantial part of the Canadian market.

Supply

They have increased their share by 26% in 20 years and they now control more than half the domestic market. Compared with 25 years ago, there are three times the number of publishers owned by Canadian interests, four times the number of books published every year and five times the number of Canadian authors recognized nationally and internationally.

As Alice Munro said in her words of thanks Thursday night at the Giller Prize ceremony—and the minister was there—Canadian literature has come a long way since the time when she was working in a Victoria bookstore and clients were telling her, with some pride unfortunately, that they were not reading Canadian authors.

Today, Canadians are proud to read Canadian literature and understand the importance of Canadian fiction. Nowadays, Canadian literature is one of the richest in the world. In both official languages, our children's literature tells stories taking place in Canada, illustrates our values and is a testimony to our history. In addition, our fiction publishing is of unparalleled quality thanks to the major publishing firms belonging to Canadian interests, such as Boréal and McClelland & Stewart. The Canadian stories published by these firms are of vital importance to our nation because they reflect the regional, linguistic and ethnocultural vitality of Canada and remind us of our common values.

The money paid by the government to Canadian authors and publishers has contributed to creating a niche for these stories and, by and large, to the success of Canadian books.

Canadians are now thrilled by Canadian literature and celebrate our authors and their work through award presentations including the Giller Prize, the Athanase-David Prize and the Governor General's literary awards as well as through literary festivals and book fairs held throughout Canada every year. It is important to mention that.

In fact, this week, on Thursday, November 18, the 27th Annual Salon du livre de Montréal will open its doors. I will certainly be there. This bookfair is not only the most important French fair in North America, it is also the second largest francophone event of its kind in the world. The ever-increasing interest for awards and fairs, such as the Salon du livre de Montréal, is another monument to the success of Canadian literature.

Canadians love Canadian books because they are diverse enough to please all readers.

The unprecedented success of Canadian literature and the important part played by the government in that success are absolutely undeniable. However, the problems that our publishers face while developing literary content for a population as small and diverse as Canada's are also very real.

I would like the Minister of Canadian Heritage to tell this House how the government can ensure that our book industry can continue to meet these challenges and to maintain its status as a world-renowned producer of literature.

• (2215)

Hon. Liza Frulla: Mr. Chair, I want to thank my colleague for his question because it gives me an opportunity to talk about our 25 years of contribution and action in the area of literature.

I would like, first, to congratulate Ms. Alice Munro for her second Giller Prize which she won for her short story collection last week. One had to be there, in Toronto, to see the pride not only of Ms. Munro, but also of people around her who were giving her this prize.

In that context, I would like to highlight what the *New York Times* writes in its November 14 issue about Alice Munro. I quote from the *Book Review* section:

[*English*]

“Alice Munro has a strong claim to being the best fiction writer now working in North America”, *The New York Times* said today.

An hon. member: *The New York Times*. Wow.

[*Translation*]

Hon. Liza Frulla: In light of everything that was just said, it is only fair to say that Canadian literature is one of our great causes for national pride. Works by such writers as Margaret Atwood, Michael Ondaatje, Gilles Courtemanche, Anne Hébert and Alice Munro are translated in dozens of languages and appreciated the world over.

The fact that Canadian literature has garnered such success is all the more impressive considering that our country comprises two relatively small linguistic markets.

Therefore, support by the government of Canada is crucial to the success of Canadian literature here at home and abroad. Our framework of regulatory measures and targeted aid has ensured that Canadian creators and producers possess the tools they need to succeed.

Part of this strategy consists of supporting important cultural elements such as the Giller Prize and also the Salon du livre de Montréal, the Montreal Book Fair, which will hold its 27th edition beginning Thursday, as well as all other book fairs — it is totally true — all over Quebec. There is one in Quebec City, one in Gatineau. They are everywhere.

The year 2004 is the 25th anniversary of the Book Publishing Industry Development Program. That program remains a significant factor underpinning the success of Canadian literature. It helps Canadian publishing companies to grow and to publish more Canadian authors. By the way, Ms. Munro's works are published by a Canadian publishing house.

Thanks to this program, these books are available in all the major world markets. The program also ensures that such awards as the Giller Prize play a key role in enhancing the visibility of Canadian books.

The first works by all 2004 Giller finalists were published by Canadian-owned publishing houses in receipt of assistance from the department. Without that assistance, they would find it very risky to publish any new writers. The government will continue to work with Canadian authors and publishers in order to continue this momentum.

Canadian literature will therefore be able to sustain the unprecedented commercial and artistic successes it now enjoys. I believe it is appropriate in this, our 25th year of helping literature, to congratulate all Canadian and Quebec authors, both anglophone and francophone, who have done us proud everywhere in the world.

• (2220)

[English]

Mr. Jason Kenney (Calgary Southeast, CPC): Mr. Chair, the *Toronto Star* of November 13 quoted Kevin Garland, executive director of the National Ballet, as saying that the minister said, “There are questions being raised in the House about the ways funds are being administered on the Tomorrow Starts Today program”.

Apparently the minister on the weekend told people in Toronto that questions had been raised in the House about the way funds were being administered in this program. Did the Minister of Canadian Heritage tell people in Toronto this past weekend that questions had been raised on this program, yes or no?

Hon. Sarmite Bulte (Parliamentary Secretary to the Minister of Canadian Heritage, Lib.): Mr. Chair, it was interesting to hear the hon. member actually quoting Kevin Garland, the executive director of the National Ballet. In fact, one of the things I know is that the minister was meeting him, and I met with Kevin Garland as well, along with other major cultural institutions in the city of Toronto, such as the Toronto symphony, the Canadian opera and Canadian stage, to discuss the renewal of Tomorrow Starts Today.

What Mr. Ouzounian, I believe, may have written is one thing, but I know that all the meetings were held to support the minister as we move forward with Tomorrow Starts Today.

Mr. Jason Kenney: Mr. Chair, we have this process for a reason. It is for us to ask questions and for the minister to whom they are directed to answer. I asked a very simple question.

Did the minister tell people on the weekend that questions had been raised in the House with respect to this program, yes or no?

[Translation]

Hon. Liza Frulla: Mr. Chair, the answer is no. But I have the feeling they referred to a November 3 letter sent by the Leader of the Opposition. We had this letter in our possession. It says about Tomorrow Starts Today that the Conservative Party Supports Funding for the Arts:

[English]

“However, while we support funding for the arts, there are some basic principles that have to go along with this money. We believe that accountability must be promoted. There must be measurable results and to determine whether or not there is a starting and ending point to the program—

The Deputy Chair: The hon. member for Calgary Southeast.

Mr. Jason Kenney: Mr. Chair, I rise on a point of order. I was under the impression that answers would be equivalent in time to questions. Is that not the rule?

The Deputy Chair: The rule is that the same time applies, but there is a certain minimum of time for the minister to get up and answer your question. We are checking it with the clock.

Supply

Mr. Jason Kenney: I will be doing that as well. The reason I raise that question, Mr. Chair, is simply because the minister apparently told people on the weekend that questions have been raised about a program. She was trying to create hysteria about an opposition attack on a particular program. We have checked *Hansard*. Nobody has asked any question about this program. Therefore, I wonder why the minister would want to be misleading, perhaps inadvertently, members of the cultural community into this kind of hysteria.

I want to ask the minister about the veracity of a media report on October 7 of this year entitled “Poor attendance may cost [Minister of Canadian Heritage] seat on key committee”. It said:

Heritage Minister... risked being dumped from a key Cabinet committee in charge of implementing the Liberal government's agenda because of poor attendance, federal officials say. [The Minister of Canadian Heritage] confirmed yesterday she missed three weeks of meetings of the cabinet operations committee in September... Senior—

• (2225)

Hon. Sarmite Bulte: Mr. Chair, I rise on a point of order. My understanding, as we finish off this evening which has been so successful, is that we are here to question the minister and the government on the estimates. With all due respect, Mr. Chair, I believe this question is totally out of order.

The Deputy Chair: Up until now I think that both side of the House have been very tolerant and I think we can continue. We have another 15 minutes left tonight, so let us try to be tolerant on both sides. The hon. member for Calgary Southeast.

Mr. Jason Kenney: Mr. Chair, I am asking about the minister's non-performance of her ministerial responsibilities. The article went on to say:

Senior officials say [the Minister of Canadian Heritage], a former Quebec cabinet minister...has not been serious about contributing to the 10-member operations committee that oversees all government policy....

Is this true? Why was she not doing her job? Why did she imperil her position on that committee?

[Translation]

Hon. Liza Frulla: Mr. Chair, I would like to answer the first part of the question first. The hon. member asked about the minister. The answer is no. The letter reads:

[English]

“The Conservative Party also has several concerns specific to the Tomorrow Starts Today program package. While the recipients of the funding may be highly deserving we feel that the process is vague and that there is a lack of precision and detailed criteria demanded in the selection of recipients”.

[Translation]

This letter was sent to Joysanne Sidimus, of the Dancer Transition Resource Centre. These letters have been sent to answer requests for support for the Tomorrow Starts Today program. The signature is Mr. Harper's.

Some hon. members: Oh, oh.

Hon. Liza Frulla: I have the feeling the opposition does not need us to provoke hysteria.

As to my presence—

Supply

The Deputy Chair: The hon. member for Calgary Southeast.
[English]

Mr. Jason Kenney: Mr. Chair, the minister is compounding her apparent contempt for a cabinet job through the non-performance and non-attendance with contempt for this committee when she refuses to answer questions.

I asked a very direct question which she did not even attempt to address in a response. The question was this. Is it true, according to public reports, that she was threatened with being dumped from the cabinet operations committee for missing critical meetings? Is it true that senior government officials have said that she is not serious about contributing to the 10-member operations committee? Why would she imperil her position on this important committee?

[Translation]

Hon. Liza Frulla: Mr. Chair, I will be pleased to answer the question.

We have now settled the mass hysteria over the Tomorrow Starts Today program caused by the opposition itself. I can tell you first that committee proceedings are confidential, and secondly that media reports were completely false.

[English]

Mr. Jason Kenney: Mr. Chair, I guess her second refusal to answer that direct question confirms that she did not attend those critical meetings. It confirms the veracity of the report that she was threatened with removal from the cabinet operations committee for incompetence and non-performance of her duties, contempt of which is compounded by her refusal to answer questions here tonight.

I would like to ask the Minister of Canadian Heritage about her decision to contract out Canada's foreign policy to her friend, the representative of the heritage ministry of the Government of Quebec.

A report on September 24 of this year with the headline, "Province can speak for Canada, Frulla says: Perfect marriage, if not a bit of incest" quotes the minister as saying, speaking of the minister of heritage for Quebec, that she "can speak for both of us very well". The minister said that Quebec and Ottawa have been speaking with "the same voice on cultural issues for a while", describing the relationship between the two governments as "a perfect marriage, if not a bit of incest".

Are these quotes attributed to the minister accurate? Why would she imply that a provincial government could speak for Canada?

[Translation]

Hon. Liza Frulla: Mr. Chair, it will give me great pleasure to reply to the hon. member. First, I did answer the first question by saying that the allegation in the newspapers was completely false. That is my reply and I think it is complete.

Of course, everyone knows that when it comes to participation in international conferences, the universal rule for the host country is that each country speaks with one voice. Still, a province or territory that is part of the Canadian delegation to the international conference, such as UNESCO, for example, can sometimes occupy Canada's official seat and present one or more aspects of the Canadian position, which is in accordance with international law and diplomacy.

For example, in education, provincial participation is coordinated by the Council of Ministers of Education, Canada, which designates one province or territory in turn to represent all the ministers at UNESCO meetings. In 1998, British Columbia was head of mission and in October 2003, Canada's delegation to the Education Commission was led by Manitoba minister McGifford, who represented the Council.

● (2230)

[English]

Mr. Jason Kenney: Mr. Chair, I can understand why the minister would want to backpedal and obfuscate, because she does not want to take ownership of her comments which said that a provincial minister could speak for the Government of Canada. I am surprised to see my Liberal friends who normally pride themselves on being nationalists applauding a minister who is contracting out Canadian foreign policy to a provincial government.

I have a very simple question. If this was simply a matter of form, why did she say that the Quebec culture minister could speak for Canada at UNESCO? Would she take the same position for a minister from another province? I doubt it.

Speaking of UNESCO and in so far as the minister and her department are in part responsible for Canada's policies articulated at UNESCO, I would like to ask her whether or not she or her predecessor were consulted by the Ministry of Foreign Affairs regarding the appointment of Yvon Charbonneau as Canadian ambassador to UNESCO.

According to the Canadian Jewish Congress, Mr. Charbonneau has made anti-Semitic remarks and has called upon him to condemn anti-Semitism and to clarify his views upon his appointment. Among other things he has referred to Israel as a rogue state and referred to its terror campaign. He has referred to the policies of the United States as comparable to those of the Third Reich.

Do the comments of Mr. Charbonneau at UNESCO represent the views of the Department of Canadian Heritage or the Government of Canada?

Hon. Sarmite Bulte: Mr. Chair, I rise on a point of order. I do not like to interrupt the hon. member across the way but we have been here for over four hours. We have tried to focus our discussions on the estimates and things within the purview of the department and the Minister of Canadian Heritage. Therefore, I respectfully submit that this question is totally out of order.

The Deputy Chair: On this point of order, may I remind the hon. member for Calgary Southeast to be somewhat more judicious in his questioning. This is in regard to estimates.

Mr. Jason Kenney: Mr. Chair, as I pointed out, UNESCO is partly the responsibility of the minister. She attends UNESCO meetings and the ambassador speaks in part on her behalf when there. The ambassador is a man with a record of anti-Semitic comments, anti-American comments and anti-Israeli comments.

My question was very precise and relevant to her responsibilities. Was she consulted about the employment of somebody with a track record of anti-Semitic, anti-American comments to represent her department and Canada abroad, yes or no?

[*Translation*]

Hon. Liza Frulla: Mr. Chair, before answering the question, I would remind my honourable colleague that on the subject of UNESCO which is of so much interest to him, and also on the issue of cultural diversity, which is of even greater interest to him, two weeks ago, in Halifax, a proposal on cultural diversity and a commitment by the provinces to contribute to that debate was put forward by Saskatchewan and seconded by Alberta.

I should mention that, by Friday, we will present our report on cultural diversity at UNESCO, and I stress that all provinces have made an input. Our position is to count on the provinces as partners.

That being said, I would suggest to the hon. member that he saves his question about the appointment for tomorrow and puts it to my colleague, the Minister of Foreign Affairs, who is responsible for appointments.

[*English*]

Mr. Jason Kenney: Mr. Chair, I would like to ask the minister whether or not she is aware of any members of her department meeting with representatives of the CRTC to discuss CHOI FM.

• (2235)

[*Translation*]

Hon. Liza Frulla: Mr. Chair, in the matter of CHOI-FM which is before the Federal Court, obviously, we all have reserve rights. I have been at my department for four months now and, so far, none of my officials has met with the members of the CRTC to discuss specifically the matter of CHOI-FM.

Ms. Françoise Boivin (Gatineau, Lib.): Mr. Chair, four hours later, I would like to begin by thanking all colleagues in the House for making me live an absolutely extraordinary moment in my young political career. This is quite exceptional. It is even more extraordinary, because it has not rekindled my flame—it was never extinguished—but it has certainly nourished it about the importance of culture and my pride of being part of this government, which believes in the importance of culture, heritage, the status of women, sports, being a great sport fan, of course, and so on.

That being said, also as the former president of the Maison de la culture, you understand why this is even more important to me, because I think that culture is the heart of a country. Here, on this side of the House, we feel that there is a lot of heart.

However, tonight, I would like to bring this debate to an issue that we did not hear much about. I would have a question to ask a minister that I admire enormously, because she went through this kind of process. Everyone knows also that I am very proud to be a member—and this, for the first time, and I hope for several other times—of the Standing Committee on Official Languages.

I think this is an important issue. It is unfortunate that my hon. colleague opposite, who had so much fun asking all these questions based on newspapers, is not even listening to me while I am addressing him. However, the questions of linguistic duality and

Supply

official languages are also at the core of our Canadian identity. It is part of our heritage. It is our reality.

It is impossible to imagine Canada today without recognizing the importance of French and English for our entire society.

The official languages policy put forward by the federal government in the seventies reflects a vision of a country of openness where francophones and anglophones can feel at home wherever they live. To feel at home is to be able to realize our potential and to contribute fully to the economic, social and cultural life of our country.

The efforts made by the Canadian government for over the 30 years to promote official languages from coast to coast to coast is a logical extension of this vision. And today we can appreciate its positive impacts.

The Department of Canadian Heritage is at the centre of the Canadian government's efforts to support the official languages communities and to promote linguistic duality. As a member of the committee, and on a more personal note as a Quebecker and a Gatinoise, the cause of minorities living in a minority situation and the position of the French language and culture are very close to my heart.

Our efforts were rewarded and today French communities have more tools to ensure their development. Thanks to their determination, and oftentimes to the federal government's support, francophones have succeeded in developing the required solidarity in order to invest in all the critical areas of society. They have started successful businesses and created their own jobs. They have opened theatres, newspapers, radio stations and publishing companies that reflect their cultural force and vitality. Here in the beautiful National Capital Region, I have had the opportunity of seeing how Franco-Ontarians have taken charge and launched a number of interesting initiatives like the Festival franco-ontarien, the Nouvelle scène and others.

Whether for the entrenchment of language rights in the Canadian Charter of Rights and Freedoms, the recognition of the right to school management or access to services in French, francophones and anglophones have worked on all fronts.

Barely 20 years ago, let us not forget it, there were no french-speaking schools in several provinces. In 1990, except for New Brunswick and some francophone communities in Ontario, no minority community in the country was managing its schools. Today, in each province and territory, those communities manage all their schools. On this continent with a vast anglophone majority, we, Francophones, must redouble our efforts, our perseverance, our resolve, even audacity to guarantee coming generations an even better future in French.

Some say that in the current political context, support given to official languages is insufficient. Others feel that in the current economic situation, our linguistic policies are much too costly and yield little. Of course, the economic context demands that we show initiative, even *avant-gardism* to continue supporting in an effective manner the development and fulfilment of official language communities in a minority situation.

Supply

● (2240)

The Deputy Chair: It being 10:40 p.m., all the votes are deemed to have been reported, pursuant to Standing Order 81(4).

The Committee will rise, and I will now leave the chair.

The Deputy Chair: This House stands adjourned until tomorrow at 2 p.m., pursuant to Standing Order 24(1).

(The House adjourned at 10.41 p.m.)

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Published under the authority of the Speaker of the House of Commons

Publié en conformité de l'autorité du Président de la Chambre des communes

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