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OFFICIAL REPORT
(HANSARD)

Wednesday, March 13, 2002

—

Speaker: The Honourable Peter Milliken

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HOUSE OF COMMONS

Wednesday, March 13, 2002

The House met at 2 p.m.

Prayers

• (1400)

[English]

The Speaker: As is our practice on Wednesday we will now sing O Canada, and we will be led by the hon. member for Winnipeg North Centre.

[Editor's Note: Members sang the national anthem]

STATEMENTS BY MEMBERS

[English]

HERB GRAY

Mr. Jerry Pickard (Chatham—Kent Essex, Lib.): Mr. Speaker, today we pay tribute to the Right Hon. Herb Gray who has been devoted to his community and his country for nearly 40 years of service in this place.

Mr. Gray is a gentleman who always worked selflessly and tirelessly to make this nation great, well respected and successful. He always showed concern and compassion for issues of importance to his colleagues and constituents.

Everyone remembers the great effort Mr. Gray made to help Chrysler Canada in more difficult times. Mr. Gray is a successful and effective leader who made an immense difference in Canada and inspired all of us to do our best.

May I join with my colleagues on behalf of all Canadians in saying our thanks to Herb for making this world a better place.

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CANADIAN BROADCASTING CORPORATION

Mr. Jim Abbott (Kootenay—Columbia, Canadian Alliance): Mr. Speaker, in a world of political spin doctors and image makers Canadians are understandably cynical about the House of Commons and the political process. They want and deserve access and accountability from their politicians in a thorough and thoughtful format.

There is a radio program that does just that. It is called *The House*. It is heard for one hour every Saturday morning on CBC Radio One.

For Canadians who want to be informed about what is really going on in Ottawa, the program digs through the spin and image making.

The House has a huge listening audience but that is not good enough for CBC management. As the CBC thrashes around looking for the perfect listener, as it tries to attract a younger audience, it is thinking about dropping *The House*. *The House* audience does not represent the CBC's new target listeners. CBC Radio One, paid for by Canadian taxpayers, is the perfect medium to give Canadians a realistic snapshot of politics in Canada.

Hundreds of thousands of Canadians have said they want *The House* or they would not be listening. This is not rocket science, it is radio reality.

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2002 ARCTIC WINTER GAMES

Ms. Nancy Karetak-Lindell (Nunavut, Lib.): Mr. Speaker, I am proud to announce that the 2002 Arctic Winter Games will officially open on Sunday, March 17 in Iqaluit, Nunavut.

These games are a bi-annual, multinational and multicultural sporting event attended by athletes from across the north. They will be co-hosted by Iqaluit, Nunavut and Nuuk, Greenland. This is the first time that the games are co-hosted by two countries.

Canada Mortgage and Housing Corporation is one of the official sponsors of the games and its funding has been used to upgrade the Arctic College Ukiivik residence in Iqaluit which will be the athletes' home away from home during the games. Following the games CMHC, in partnership with the Nunavut Housing Corporation, will conduct a study to determine the long-term potential of this facility.

May I offer my best wishes to all the athletes during these games.

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• (1405)

DIAMOND INDUSTRY

Mr. David Pratt (Nepean—Carleton, Lib.): Mr. Speaker, Canadians are concerned over the link between the trade in illicit diamonds and armed conflict in parts of Africa. Since May 2000, Canada has actively participated in an intergovernmental process which aims to develop an international certification scheme for rough diamonds known as the Kimberley Process.

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I am pleased to inform the House that on March 18 the Government of Canada will host the next meeting of the Kimberley Process in Ottawa. This important meeting is sponsored by the Human Security Program of the Department of Foreign Affairs and International Trade. The problem of conflict diamonds must be addressed in order to advance international peace and security and to protect the legitimate diamond industry in Canada.

I hope all members of the House will join me in wishing all of the Kimberley Process participants a very successful meeting next week.

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THOMAS D'ARCY MCGEE

Mr. Pat O'Brien (London—Fanshawe, Lib.): Mr. Speaker, earlier today the Minister of Public Works and Government Services showed his keen understanding of Canadian history.

The minister dedicated the former Royal Bank building at 90 Sparks Street to the memory of Thomas D'Arcy McGee, the visionary father of Confederation. This building is just a few steps from the spot where McGee, a true and lasting Canadian hero, was assassinated early on the morning of Tuesday, April 7, 1868. He was brutally cut down in the prime of his life because of his vigorous and courageous defence of Canada, the nation he did so much to help create.

D'Arcy McGee was a journalist, poet, Irish patriot, member of parliament, cabinet minister, and the first most eloquent Canadian leader to call for a confederation of the British North American provinces. Today the Government of Canada has further honoured his memory in a most deserving and fitting tribute.

Long live the memory of D'Arcy McGee. Vive le Canada.

* * *

[*Translation*]

SPEAKER OF NATIONAL ASSEMBLY

Ms. Caroline St-Hilaire (Longueuil, BQ): Mr. Speaker, for the first time in the history of Quebec, a woman will serve as Speaker of the National Assembly.

Women have served in the National Assembly for 40 years, yet this is the first time this role has been filled by a woman. It brings me great pleasure and pride to congratulate Louise Harel, MNA for the riding of Hochelaga—Maisonnette since April 13, 1981, on being elected Speaker.

Louise Harel is a woman of convictions, a woman of her word and a woman with a good heart. She is a woman of resolve who has always reconciled feminism and femininity. She has remained true to her roots and to the beliefs she holds deeply, including sovereignty for Quebec. As well, her respect for community organizations, political institutions, and especially for the people of Quebec has always been unwavering, just like her commitment toward them.

In every fight that she has led, she has demonstrated courage, passion and a sensitivity and integrity that will no doubt enhance the prestige of the National Assembly and honour the men and women of Quebec.

My colleagues join me in congratulating Louise Harel, the new Speaker of the National Assembly.

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[*English*]

JAMES TOBIN

Hon. Lorne Nystrom (Regina—Qu'Appelle, NDP): Mr. Speaker, today I rise to pay tribute to James Tobin, one of the most influential economists of our time who passed away yesterday at the age of 84.

James Tobin won the Nobel prize in economics and belongs to a rare breed of economists who believed that economic policy must serve the common good. Tobin will be remembered for his vision of a tax on international currency transactions, the Tobin tax, which would have helped alleviate the devastating effects of financial speculation.

In Canada, James Tobin inspired the passage of Motion No. 239 in support of the Tobin tax which I had the honour to present to the House. The passage on March 23, 1999 of the Canadian motion, was a world premiere and sparked a global movement from parliamentarians, NGOs and civil society. The French parliament has recently taken the Canadian motion to a new level by amending the 2002 finance law to institute the Tobin tax once other countries in the European Union follow in step.

Thanks to James Tobin the world will eventually be a better place for all of us to live in.

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MIDDLE EAST

Mrs. Carolyn Parrish (Mississauga Centre, Lib.): Mr. Speaker, I rise to update the House on the death toll in the Middle East. On Monday another 18 Palestinian civilians were killed as Israeli soldiers raided UN protected refugee camps.

Israel occupied Ramallah which resulted in 40 injuries and deaths last night alone. The world cannot simply sit by and accept these casualties. Sadly, many of the victims of this war are innocent women, children and the elderly, on both sides of the conflict. Instability in the Middle East is not only tragic for them, it is a real threat to the security of the entire world.

The time is long past for Canada and other civilized countries to do everything in their power to bring an end to this unnecessary violence. We must begin once again working on a real and lasting peace in the Middle East. To stand by and do nothing is an affront to humanity and a blight on the civilized world.

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● (1410)

FISHERIES

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC/DR): Mr. Speaker, I rise again to bring attention to the plight which has befallen the historic fishing town of Canso, Nova Scotia.

The only major industry in the town, Seafreez Foods, remains closed due to the lack of quota. The Minister of Fisheries and Oceans could put the people back to work by ensuring access to resource and accepting the 30 redfish proposal.

While the town is struggling the real tragedy lies in the human impact of a permanent plant closure. Loss of livelihood in this case dooms the town. In Canso four out of five children are using the breakfast program at the elementary school while 23 properties will go up for sale because of tax arrears and last week the only sit down restaurant in town joined other businesses in going under.

Recent census figures indicate that Guysborough county, where Canso is located, has the third highest figures of out migration in Canada. Monday evening villagers gathered for an ecumenical service at the Star of the Sea Church, not to mourn but to pray for help, hope and inspiration for their town.

The Minister of Fisheries and Oceans very much holds the fate of fellow Nova Scotians in his hands. I urge the minister in the strongest possible way to come to the aid of Canso in its time of crisis.

* * *

JUSTICE

Mr. Larry Spencer (Regina—Lumsden—Lake Centre, Canadian Alliance): Mr. Speaker, every year through no fault of their own thousands of innocent Canadian children are denied access to their grandparents when decisions are made concerning custody and access in divorce cases. This happens often in spite of the desire of both the children and the grandparents to spend meaningful time together.

Children and grandparents across the country want to know whether the new Minister of Justice will address this grave injustice which denies the rights of innocent children to access their grandparents. New legislation amending the Divorce Act is required. It has been over three years since the previous minister of justice said the following to the *National Post*:

If it is clear that under our existing law, or the ways in which the law is applied, that the best interests of the child are not always first and foremost, then...we will look at what we can do to change that.

The Divorce Act fails to protect the right of children to access their grandparents. I ask the new Minister of Justice, is that failure always in the best interest of children?

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[Translation]

JEAN-PAUL RIOPELLE

Hon. Gilbert Normand (Bellechasse—Etchemins—Montmagny—L'Islet, Lib.): Mr. Speaker, yesterday a truly great Quebecer and Canadian, painter Jean-Paul Riopelle, passed away.

This man, whom I knew personally, was also a close friend. He was a painter, yes, but also a true, independent and free man.

In signing *Refus global*, he fought against the post-war obscurantism in Quebec.

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His paintings depicted wide open spaces, the fauna, and the wonders of nature, the islands of the St. Lawrence, the geese of Île-aux-Grues where he lived and painted, and also the icebergs of the far north.

For 40 years he lived in France, and he took up French citizenship. Yet he returned to finish his work and die in his birthplace, in the natural surroundings he loved so dearly. He is a great international painter who was an honour to our country, Canada.

Jean-Paul Riopelle was a man who had no time for political correctness. He was a model of independence and freedom for all Canadians who took a stand.

I extend my condolences to his family and friends.

* * *

JEAN-PAUL RIOPELLE

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, yesterday evening, we were extremely saddened to learn that painter Jean-Paul Riopelle had died.

Jean-Paul Riopelle, the Quebecer, not only left us some fabulous paintings, making him one of the world's greatest contemporary painters, but, as a signatory of *Refus global*, in 1948, he was also an architect of modern Quebec, which finally came out of its dark ages.

In the mid-1980s, I had the pleasure and the tremendous privilege of meeting Mr. Riopelle on several occasions and discussing all sorts of issues with him, with Madeleine Arbour, who also signed *Refus global*, with Martin Gauvreau and with others who had the privilege of sharing their views with him.

I will never forget these too rare occasions, these evenings with a good bottle at his studio, in Sainte-Marguerite, at Madeleine's place, or elsewhere. I pay tribute to this prominent Quebec figure, this critic who could sometimes turn into a lampoonist but, above all, I pay tribute to the man I knew and will never forget.

On behalf of the Bloc Québécois and myself, I extend my most sincere condolences to his family, particularly his daughter Yseult, to Madeleine, Martin and to all the others for whom Riopelle's memory will never fade.

* * *

●(1415)

[English]

HERB GRAY

Mr. Steve Mahoney (Mississauga West, Lib.): Mr. Speaker, Herb Gray was first elected to parliament on June 18, 1962. He served for 39 years, six months and 28 days. Herb has done it all.

In government he was parliamentary secretary: minister of national revenue; minister of consumer and corporate affairs; minister of industry, trade and commerce; minister of regional economic expansion; and President of the treasury board.

In opposition he was finance critic; House leader; deputy leader; and leader of the official opposition.

Oral Questions

Back in government he was House leader; solicitor general; Deputy Prime Minister, in charge of the millennium bureau, Indian residential schools resolution and any other difficult issue.

Herb's peers in this place recognize his strength, courage, compassion and dedication. We and all Canadians owe him a debt of gratitude for his dedicated service over the last 40 years. We thank Herb. May God bless him.

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VETERANS AFFAIRS

Mr. Roy Bailey (Souris—Moose Mountain, Canadian Alliance): Mr. Speaker, today the Ontario Court of Appeal ruled that the government had a legal obligation to invest or pay interest on the money it managed on behalf of severely disabled veterans. What the government actually did was take money from disabled veterans and use it for its own purposes.

Since the 1970s the minister's own staff, the auditor general, an Ontario superior court and today the Ontario Court of Appeal have all said that the government was wrong to do this.

In the past 30 years the government turned its own mistake costing millions of dollars into a debt today of \$1.5 billion. The Minister of Veterans Affairs has a moral and legal responsibility to settle this issue as quickly as possible out of court.

The government pays interest on money it manages in trust for prisoners, but will not pay back the money it owes to our disabled veterans. That is not only shameful, it is despicable as well.

* * *

MEMBER FOR EDMONTON NORTH

Right Hon. Joe Clark (Calgary Centre, PC/DR): Mr. Speaker, this will turn out to be a great Grey day in the House of Commons.

I rise to draw the attention of colleagues to a significant anniversary in the political history of our country. On March 13, 1989 the member for Edmonton North became the first member of the Reform Party to ever be elected to the House of Commons.

I remember that day very well. There is no doubt it was a turning point in Canadian history. As usual, being the first took courage and conviction, but more than being the first, the hon. member has been one of the most effective members of the House. She is a devastating opponent and she is an inspiring colleague when she is on one's side. I know both experiences and let me tell you, Mr. Speaker, I prefer the latter.

I salute my friend and colleague, my caucus chair, the member for Edmonton North on her 13th anniversary in the House. May she keep on marching.

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PRESENCE IN GALLERY

The Speaker: I draw the attention of hon. members to the presence in the gallery of the Hon. Pat Binns, premier of the province of Prince Edward Island.

Some hon. members: Hear, hear.

ORAL QUESTION PERIOD*[English]***SOFTWOOD LUMBER**

Mr. John Reynolds (Leader of the Opposition, Canadian Alliance): Mr. Speaker, before the Prime Minister meets with President Bush, he needs to explain what he will say about softwood lumber. Business, labour, local leaders, the B.C. government and even the Minister for International Trade are warning that Canada might not get a deal, but the Prime Minister has boasted so often and so confidently that he will.

Will the Prime Minister explain to Canadians how he can be so confident of reaching a good deal on softwood lumber with the president of the United States?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I will meet the president tomorrow. I will express the views of all Canadians that we want the Americans to respect the free trade agreement that we have with them on all aspects, including softwood lumber. At this time there are some people in the administration in Washington who are looking at some aspects of it. We hope that by the end of the month there will be some concrete proposition forthcoming.

At this moment the minister is meeting with representatives of the provinces. A few days ago I met with the minister from British Columbia and a delegation of businessmen, union people and native people from British Columbia. They were in agreement that we are on the right track. They hope, as I do, that we will have an agreement that will respect the free trade agreement.

* * *

● (1420)

TERRORISM

Mr. John Reynolds (Leader of the Opposition, Canadian Alliance): Mr. Speaker, all Canadians wish the Prime Minister well because we want those people back working again.

Before the Prime Minister goes to Washington, he also needs to tell Canadians if he is willing to be a full partner in the war on terrorism. President Bush has made it clear that the war against terrorism is about to widen and that Iraq is his next target.

Can the Prime Minister explain to Canadians what it will take, what evidence will President Bush have to show the Prime Minister to convince him that Iraq is a threat to all of us?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we made it very clear to the United States administration that we were with the United States in the fight against terrorism. We do not intend to change our position.

The question of Iraq is at this moment a hypothetical one. We are involved. Our troops are doing us a great honour in Afghanistan fighting on the front in the snow and apparently are doing extremely well. That is our contribution. When there are other requests, we will analyze them and give our opinion after discussions with the House of Commons.

ZIMBABWE

Mr. John Reynolds (Leader of the Opposition, Canadian Alliance): Mr. Speaker, there is one other item before the Prime Minister leaves Canada.

He spent a lot of time in Australia convincing our Commonwealth partners to not do anything about Robert Mugabe and the election in Zimbabwe. The Prime Minister made repeated promises that he would act if Robert Mugabe stole the election in Zimbabwe. It is clear now that Mugabe has stolen the election in Zimbabwe.

Is the Prime Minister finally prepared to deliver on the promises he made at that conference and other areas? Will he tell the Zimbabwe government that there is no more support from Canada and ask its high commissioner to go home until it gets its act straightened out?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, a process was established unanimously at the Commonwealth conference.

Observers from the Commonwealth will be there as well as observers from the Canadian government. They will report to the Commonwealth and to us. There is a committee made up of three heads of government and state who will be meeting within two weeks to analyze the report of the observers and render a decision.

I agree with the Leader of the Opposition that it does not look very good, but we have to follow the process of receiving the report from the observers before coming to a definite conclusion.

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GRANTS AND CONTRIBUTIONS

Mr. Rahim Jaffer (Edmonton—Strathcona, Canadian Alliance): Mr. Speaker, it is a shame how many more people will be dead until that two week process is over.

[*Translation*]

The Minister of Public Works is trying to come across as “Mr. Clean” in the “group inaction” scandal. He is, however, starting to look more like Mr. Nepotism Cover-up”, the same as his predecessor.

He has had 24 hours to find the report. He appears to be telling us that his department is quite simply too poorly organized to find it. Where is this wonderful \$500,000 report?

Hon. Don Boudria (Minister of Public Works and Government Services, Lib.): Mr. Speaker, the accusations against the thousands of employees of my department are totally unjustified. I would hope the member would stick to the substance of the matter.

As for the report, as I have said, if I had it I would table it in the House.

[*English*]

Mr. Rahim Jaffer (Edmonton—Strathcona, Canadian Alliance): Mr. Speaker, this is just a shame. The minister cannot find a \$500,000 report and if it were not for our pushing, the minister would not even care. This report was commissioned by Alfonso Gagliano who left embroiled in scandal. The company he hired to produce the report donated \$70,000 to the Liberals. It probably was written on a cocktail napkin.

Oral Questions

My question for the minister is simple. Has he asked the RCMP to investigate what happened to this half a million dollar missing report?

Hon. Don Boudria (Minister of Public Works and Government Services, Lib.): Mr. Speaker, I am glad the hon. member is raising this. He claims to be interested in finding out what was in those documents. Yesterday before the committee and in the House I offered members access to all of the supporting documents which I have here. How many took me up on the offer? How many came, Mr. Speaker? Zero members of the House. That is how much the hon. member and his colleagues are interested in the facts. They have zero interest.

* * *

● (1425)

[*Translation*]

TAXATION

Mr. Gilles Dupeppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, the Minister of Finance can deny the existence of fiscal imbalance all he likes, but this reality, with its serious impact on health and education in Quebec and the provinces, will not go away just because he refuses to talk about it. The problem must be addressed.

Instead of stubbornly denying something which has been acknowledged not only by Bernard Landry, but by Mario Dumont, as well as by Jean Charest—who is not a sovereignist—and by all Canada's finance ministers, will the minister agree to talk about fiscal imbalance with his provincial colleagues at the next meeting of finance ministers?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, I am certainly prepared to talk with my colleagues about topics that interest them.

That having been said, it is the Chambre de commerce du Quebec and the Conseil du patronat that are denying fiscal imbalance, not me.

According to the Conference Board projections for the next five years submitted by the Séguin commission, there is no imbalance.

Mr. Gilles Dupeppe (Laurier—Sainte-Marie, BQ): That is an odd reaction and an odd way of reasoning, Mr. Speaker. He takes the part of the report which suits him and ignores the overall conclusion that fiscal imbalance exists.

I therefore ask the Prime Minister, who set up the Romanow commission on health, an area which clearly falls under the jurisdiction of Quebec and of the provinces, if it would not be worth it to set up a commission to study all aspects of taxation and how it is shared, because that is an area which affects the federal government directly.

Is it not time to set up this sort of commission, which we have not had since the Carter commission in 1964, and ask the real questions

The Speaker: The hon. Minister of Finance.

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, whenever I meet with my provincial counterparts, we talk about all aspects of taxation. We did so at our last meeting, and we will do so at our upcoming meetings.

Oral Questions

That having been said, I am happy to see that the Bloc Québécois leader now agrees that by making projections for the next five years, the Conference Board has clearly established that there is no fiscal imbalance.

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, according to the Conference Board, “There is unquestionably a problem of fiscal imbalance”.

All over the country, in Quebec, in all the newspapers, major topics are being discussed and analyzed, such as a common currency, equalization payments, fiscal imbalance and globalization, while this government is ignoring the real issues and governing on a piecemeal basis.

Since the Carter commission in 1964, there has not been any substantial review of taxation. Will the Minister of Finance agree that it is high time for him to assume his responsibilities and to strike a commission on the sharing of fiscal resources, as soon as possible?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, I repeat once again that I am certainly prepared to discuss with my provincial counterparts any topics they wish to address.

Now, speaking of taxation, I ought perhaps to just remind the Bloc Québécois critic that, with the October budget, Canada reduced taxes by the greatest amount ever in our history: \$100 billion over five years.

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, the government is quick to invade areas that are not under its jurisdiction, and quicker still to sweep under the rug the problems it has created.

I am asking the Prime Minister whether he can call his Minister of Finance to order and inform him that he would be well advised to strike a commission on tax sharing, because there is a real problem of fiscal imbalance in this federation, and this is an area that affects him first and foremost. For once, let him take care of business and get busy doing something. It is time.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the Minister of Finance has done a very good job over the past eight and one half years. One of the problems we have at the present time, according to the opposition, is that we have done our job too well.

When he became Minister of Finance in 1993, we had a deficit of \$42 billion. Today we have a surplus. The provincial government wants to lower its taxes. It does so and then wants us to pay in its stead. We have done our job properly. Let the province do its job properly as well.

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[English]

INFRASTRUCTURE

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, the latest census confirms that 80% of Canadians live in urban centres today.

While in opposition, the finance minister headed up an urban task force to propose solutions for urgent problems already plaguing our cities. Once in government, the Liberals tossed the proposals in the garbage and 10 years later municipalities are still waiting.

Recently the Minister of Finance offered a ray of hope stating “Our cities are entitled to a new deal”.

Could the minister tell Canadians what is the new deal to reverse the neglect of our Canadian municipalities?

• (1430)

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, two weeks ago, at a very important meeting with a number of the big city mayors, a number of ministers present here today met with them, discussed their financial problems, talked about the necessity of a new deal and recognized the very severe financial constraints under which they operate.

It is our intention to continue with those discussions because we recognize the urbanization of Canada. At the same time we also recognize the very real needs which exist in the regions of Canada. We will approach both with the same degree of dedication.

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, I think Canadians are well aware that the big city mayors came to Ottawa, but they went away empty handed. They tried to persuade the government that our cities could not survive the continued neglect of the government.

It is time for a cabinet level commitment to reverse urban deterioration with strategic infrastructure investments. Is there any plan to do that? The minister says “let’s have a new deal”, so where is the proposal? Where is the deal, not the rhetoric but the deal?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, the deal can be seen in the unprecedented number of major infrastructure programs in terms of highways, in terms of clean water, in terms of the amount of money, with the doubling of funds, that has gone to the municipalities for green infrastructure, the strategic infrastructure fund under the Deputy Prime Minister, and in terms of the very active and in fact unprecedented work that has been taken by the caucus transport committee on urban issues.

The fact is that this side of the House and that side of the House in that corner have taken their responsibility very—

The Speaker: The right hon. member for Calgary Centre.

* * *

HEALTH

Right Hon. Joe Clark (Calgary Centre, PC/DR): Mr. Speaker, the Prime Minister knows that unilateral cuts by the federal government devastated health care and education in Canada. They reflected combative federalism at its very worst.

Now the conference board confirms that the costs the provinces must pay are going up sharply while their revenues grow much more slowly. The opposite is the case federally. The surplus is growing. There is a fundamental imbalance in our federation.

Rather than camouflage the problem with transfer payments, will the government ask the Standing Committee on Finance to look seriously at repairing the serious fiscal imbalance in Canada?

Oral Questions

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the committee is the master of its own rule and if the members of the committee want to look into that they can.

The reality is that when his party was in power the federal government had no surplus. Since replacing the Conservative Party, we have a surplus. While the provinces are reducing their taxes they would like us to give them the money that they have used to reduce the taxes rather than use their own money for their own programs.

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[Translation]

TAXATION

Right Hon. Joe Clark (Calgary Centre, PC/DR): Mr. Speaker, last week Yves Séguin, a Quebec federalist, acknowledged the need to rectify the fiscal imbalance that exists between the federal and provincial levels.

The same thing is being heard elsewhere. The provincial premiers agree on the fundamental importance of this problem. They say so at every conference. There is a consensus everywhere except in the federal cabinet, which will not acknowledge this reality.

Can the Prime Minister assure us that fiscal imbalance will be on the agenda of the next first ministers' conference?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, at the last conference with the provincial first ministers, we committed \$23 billion to help them with the health system. They were very pleased with this and signed on for five years. They were not obliged to do so.

If we have a surplus at this time, it is simply because we have had good administration since Canadians decided to vote the fifth party out of power.

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[English]

GRANTS AND CONTRIBUTIONS

Mr. Peter Goldring (Edmonton Centre-East, Canadian Alliance): Mr. Speaker, a report ordered by the Liberals on government visibility is itself invisible. This invisible report on government visibility cost taxpayers \$550,000. The \$550,000 cheque to Groupaction was very visible. Groupaction's cheque of \$70,000 to the Liberal Party was very visible.

Will the minister rise and confirm to the House that the invisible report never was, that there never was a report?

• (1435)

Hon. Don Boudria (Minister of Public Works and Government Services, Lib.): Mr. Speaker, let me offer some visibility for the member who has chosen to make invisible his presence to look at the documents which are very visible and which I have in front of me.

I offered him, all his colleagues and the entire House yesterday to see all the supporting documents but he did not even avail himself of that. Obviously finding out the facts and finding out the truth does not seem to be a priority for those making these accusations.

Mr. Peter Goldring (Edmonton Centre-East, Canadian Alliance): Mr. Speaker, obviously the minister is confusing documents with the report. Any way we look at it, Canada's taxpayers have been stiffed by the Liberal government through either a fraudulent act or gross incompetence: fraud, if the invisible report was never produced; gross incompetence, if the invisible report was lost.

Could the minister tell the House which it is? Are the Liberals concealing gross incompetence or are they concealing fraud?

Hon. Don Boudria (Minister of Public Works and Government Services, Lib.): Mr. Speaker, I find these questions about asking me to table a document that I do not have particularly interesting, especially when the hon. member across refuses to look at the documents that we do have to prove in fact that the document exists.

If the hon. member across is willing, I will read some of it to him later on today if he has the time.

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[Translation]

FOREIGN AFFAIRS

Mr. Yves Rocheleau (Trois-Rivières, BQ): Mr. Speaker, last night, the UN Security Council adopted a historic resolution drafted by the United States, which affirms the existence of two states, Israel and Palestine, living side by side within secure and recognized borders.

Will the Prime Minister lend his full support to President Bush for this resolution, and does he plan on supporting him in his efforts to get negotiations underway?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I believe that the Security Council's resolution, adopted yesterday, was excellent and Canada is fully behind it.

I hope that discussions will resume between the parties as soon as possible, and I am very pleased that the American government has decided at this time to send Vice-President Cheney to the region, and that General Zinni is expected there.

On Saturday I had the opportunity to speak with Mr. Arafat on the telephone, and he was insistent that the United States get involved in this capacity. I am pleased that the Americans are there to help put an end to this unacceptable carnage.

Mr. Yves Rocheleau (Trois-Rivières, BQ): Mr. Speaker, in the past, UN members have not hesitated to set up peacekeeping forces, such as in Cyprus, Suez, the Golan Heights and Kosovo, to prevent the slaughter of innocent populations.

Is it the Prime Minister's intention to promote a similar approach in the Middle East, by proposing the establishment of a security zone where peacekeepers could ensure the peaceful cohabitation of Israelis and Palestinians?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, a proposal was made several months ago, by Mr. Mitchell I believe, to have troops present over there.

Oral Questions

I have told both parties, on several occasions, that if there was an agreement to have peacekeeping troops under the auspices of the United Nations or even otherwise, Canada would seriously consider taking part. I think that it would be our duty to be there.

* * *

[English]

EMPLOYMENT INSURANCE

Mr. Randy White (Langley—Abbotsford, Canadian Alliance): Mr. Speaker, let me quote the Minister of HRDC in the House yesterday.

—it is only in cases of fraud when EI claimants are required to pay back more than what they have taken.

This statement is not correct. In saying it, the minister called my constituent, Cher Kinamore, and thousands of other EI claimants over the last five years, fraud artists.

I would like to know if the minister would be willing to step outside this Chamber and call my constituent and thousands like her fraud artists, or perhaps she would like to have a good look in the mirror and put a better perspective on the issue.

Hon. Jane Stewart (Minister of Human Resources Development, Lib.): Mr. Speaker, the hon. member is wrong. He is wrong either because he does not understand the process or because he is deliberately trying to confuse Canadians.

What we are talking about here are individuals who were in receipt of employment insurance benefits for which they were not eligible because they had earnings that they did not declare.

Let me further confirm that the only time that administrative penalties were assessed were in cases where fraud was determined.

• (1440)

Mr. Randy White (Langley—Abbotsford, Canadian Alliance): Mr. Speaker, that is odd. Let us go to an audit of 65 overpayment files that has been completed in the Nanaimo HRDC office. It was found that under the 1996 rules 47 claimants would have wrongfully repaid a total of \$81,000 in penalties over and above any amount legitimately owing to the government. I would like to table that little report for the minister's eyes.

When the cases in the minister's own department proved how bad section 19(3) of the EI Act was, why did she continue to rip off those workers?

Hon. Jane Stewart (Minister of Human Resources Development, Lib.): Mr. Speaker, again I categorically reject the premise of the hon. member's question.

Let us be clear here. It is this government that has made administrative improvements to the undeclared earnings provision. If that party had its way, those changes would not have occurred. That party stood in the House and said that it categorically rejected our intention to make those changes.

[Translation]

CANADIAN BROADCASTING CORPORATION

Ms. Christiane Gagnon (Québec, BQ): Mr. Speaker, the salaries paid to men and women working for the CBC in Ontario and elsewhere in Canada are higher than those paid to men and women working for the Société Radio-Canada, in Quebec. The gap is 11% for men and 20% for women, even though the French network has a much higher audience rating than the English network.

Does the Minister of Canadian Heritage intend to remain passive much longer regarding the existing wage discrimination at the CBC, which adversely affects Quebec employees?

Hon. Sheila Copps (Minister of Canadian Heritage, Lib.): Mr. Speaker, unfortunately, it is all French language employees across Canada who are being discriminated against. Unfortunately this issue has never been raised by the union.

I am pleased to see that the union is now raising it for the first time. I hope this discrimination will be eliminated as quickly as possible.

Ms. Christiane Gagnon (Québec, BQ): Mr. Speaker, that is a clear answer.

The gap between men and women earning \$45,000 or more is 18% in Ontario and 27% in Quebec.

Does the minister intend to express her disagreement with the injustice that the CBC is doing to women?

Hon. Sheila Copps (Minister of Canadian Heritage, Lib.): Mr. Speaker, the hon. member claims that this is an issue involving Ontario and Quebec. That is not the case. I was in Alberta last week. There are CBC female employees who are being subjected to the same discrimination.

Unfortunately, the CBC never put forward pay equity at the negotiating table. Now, the union has done so for all female employees of the CBC across the country, from Newfoundland to British Columbia. These women deserve equal treatment.

* * *

[English]

EMPLOYMENT INSURANCE

Mr. John Duncan (Vancouver Island North, Canadian Alliance): Mr. Speaker, yesterday, the minister said that the opposition had not complained about unfair EI rules. I will quote from my letter to the minister in 1999:

A large number of applicants now find themselves in receipt of letters accusing them of fraud. These same people have never before had problems with the EI program and they have not done anything different than past practice.

I asked the minister to fix the problem at that time and the minister said no.

Will the minister admit that the government created a huge problem and then tried to bury it?

Oral Questions

Hon. Jane Stewart (Minister of Human Resources Development, Lib.): Mr. Speaker, if the hon. member wrote to me, I would have thought he might have talked to his own critic. A year ago in the House we talked specifically about making changes to the undeclared earnings provision. The critic at the time for that party said “it is hard to justify not penalizing someone who has misrepresented the facts”. She went on to say “It is hard to imagine that people would not be penalized for doing so”.

Do they not talk among themselves?

Mr. John Duncan (Vancouver Island North, Canadian Alliance): Mr. Speaker, the minister is comparing apples with oranges here.

I will further quote from my 1999 letter to the HRDC minister. It reads:

Communicating and educating the public on the major changes to the EI system has been a disaster.

Again I asked the minister to fix these problems. Local departmental HRDC officials administering the problems were pleading for changes and quietly agreeing with my office and with me.

Why is the government so callous in its disregard for people?

•(1445)

Hon. Jane Stewart (Minister of Human Resources Development, Lib.): Mr. Speaker, on the contrary, last summer we used regulations to improve the administration of the undeclared earnings provisions. There was a 30 day period of consultation, of talking specifically with and asking Canadians for their views on this. Did we hear from that member? Did we hear from that party? Not at all.

* * *

PUBLIC WORKS

Mr. Joe McGuire (Egmont, Lib.): Mr. Speaker, the Minister of Public Works and Government Services has announced that the recently acquired Royal Bank building on Sparks Street would be renamed in honour of the Hon. Thomas D'Arcy McGee. Could the minister elaborate on this very visible and concrete decision?

Hon. Don Boudria (Minister of Public Works and Government Services, Lib.): Mr. Speaker, Thomas D'Arcy McGee was without any doubt the greatest orator this country has ever had. He was a father of Confederation, the only one who gave his life and who died in service at the federal level.

Earlier today I had the opportunity to unveil a plaque to honour one of the finest buildings in Ottawa in his name. I am very proud of the contribution of Thomas D'Arcy McGee and I am pleased to honour him today.

* * *

THE ENVIRONMENT

Mr. Joe Comartin (Windsor—St. Clair, NDP): Mr. Speaker, a detailed independent report prepared for the Dutch government demonstrates that the cost to Canada of reducing greenhouse gases under the Kyoto protocol would be \$200 million to \$700 million, not \$40 billion as predicted by Alberta and the oil companies.

The report also finds that the concessions which have already been made to Canada allow us to meet 25% to 30% of our reductions with little or no impact on our economy.

I would like to ask the Prime Minister, why is it that other governments are able to provide this type of scientific and economic analysis that would debunk the fearmongering of some provinces and big business but this government cannot?

Hon. Herb Dhaliwal (Minister of Natural Resources, Lib.): Mr. Speaker, the government is looking at having a clear plan. We are working with provincial and territorial governments. We want to make sure that all those factors are taken into consideration.

Of course this is a complex problem. Depending on what assumptions are made we come up with different costs, so we need to make sure we have the facts on the table. We need to make sure that we have all the information so we can make a sound decision on the ratification of Kyoto, but we will do this with the provinces, working with the territories, industry and Canadians. We are committed to doing that.

Mr. Joe Comartin (Windsor—St. Clair, NDP): Mr. Speaker, I could offer the minister the report. Maybe that would help him get some of the information.

Let me go to another point. Like many European countries and even the U.S., Canada has no requirement for gas companies to blend their products to make them burn cleaner and reduce harmful emissions.

Canada's Iogen Corporation, a world leader in alternative fuel development, touted by the Environment Canada department, has said that Canada is missing out on the potential of new clean energy technologies and that there is no future in Canada for this company or companies like this. When will the government get serious about the environment and introduce mandatory blended fuels?

Hon. Herb Dhaliwal (Minister of Natural Resources, Lib.): Mr. Speaker, in fact if we examine the program and the \$1.5 billion that this government has put forward to deal with climate change, many of those programs talk about alternative fuels, about renewable resources.

In fact, just in the wind energy area we are looking at \$260 million to make sure that we take advantage of the opportunities in alternative fuels. We made commitments to the fuel cell as well.

Oral Questions

The hon. member should take a closer look at the plan that we have put forward. He will be assured that we have taken action on alternative fuels and on renewable resources as well.

* * *

GRANTS AND CONTRIBUTIONS

Miss Deborah Grey (Edmonton North, PC/DR): Mr. Speaker, the ad agency Groupaction is a happy, proud, paid up Liberal donor: 70,000 bucks from 1998 to 2000, then, abracadabra, out come the patronage government appointments.

This public works magician has put out the all points bulletin to help him find this famous half million dollar missing report. His Liberal logic would try to dictate to us that these so-called supporting documents he keeps talking about ought to be enough and why is anyone worried or embarrassed about it.

The question is this: why and how does the government keep taxpayers' dollars just vanishing into thin air?

Hon. Don Boudria (Minister of Public Works and Government Services, Lib.): Mr. Speaker, let me start by thanking the hon. member for her question on this very solemn day for her, the anniversary of her election.

In terms of the answer to the hon. member's question, like the rest of her colleagues, particularly her colleague from the back row who was in committee yesterday, she is talking about the supporting documents which she has not read, has not asked to see. She did not come by my office, did not phone and did not otherwise inquire of them, other than making these accusations today.

• (1450)

Miss Deborah Grey (Edmonton North, PC/DR): Mr. Speaker, this is not about supporting documents. It is about an actual document that someone paid half a million dollars to see. The government just simply cannot continue its patronage trickery and get away with it. His answer is just nonsense.

Gagliano may be away in Denmark right now safely out of the way, but something sure still smells here in Ottawa. This Liberal logic that this minister keeps saying is ridiculous. This report that taxpayers paid half a million dollars for is either a figment of someone's imagination, is carelessly misplaced, has been deliberately destroyed or has yet to be created. Which is it?

Hon. Don Boudria (Minister of Public Works and Government Services, Lib.): Mr. Speaker, I indicated to the hon. member and to all her colleagues yesterday, and I am sure she is listening as attentively to the answer as I listened to her question, which of course she is not but that does not shock any of us, that in fact the supporting documents are made available to all hon. members, that the senior civil servant has actually made the progress payments and has signed under the Financial Administration Act that all of these documents are there.

To repeat the answer I gave yesterday, as soon I have the report she will have it too.

EMPLOYMENT INSURANCE

Mrs. Carol Skelton (Saskatoon—Rosetown—Biggar, Canadian Alliance): Mr. Speaker, yesterday the minister threw red herrings all over the place to try to hide her own guilt about EI undeclared earnings.

She quoted the opposition out of context. She blamed the opposition. She said that EI claimants could appeal when she knows full well that numerous appeals have already been dismissed. In fact, this is what one umpire said: "If the legislation is unfair, then only Parliament can change it".

Why did the minister support an unjust law that took millions of dollars—

The Speaker: The hon. Minister of Human Resources Development.

Hon. Jane Stewart (Minister of Human Resources Development, Lib.): Mr. Speaker, we did improve the administration of this aspect of the Employment Insurance Act. The only guilt that should be felt in the House is the guilt of that party standing up here asking questions when time after time it rejected the intention and the action of the government to improve the process.

Mrs. Carol Skelton (Saskatoon—Rosetown—Biggar, Canadian Alliance): Mr. Speaker, we received our access to information two days ago. Yesterday the minister had the gall to say that EI claimants who do not like what happened could write to her department, as if the onus for justice rests on the criminals. The responsibility of the undeclared earnings fiasco rests squarely on the minister, not on the workers she victimized.

When is she going to do the right thing and pay back these workers?

Hon. Jane Stewart (Minister of Human Resources Development, Lib.): Mr. Speaker, this is laughable. The hon. member is suggesting that the only reason she would raise a question is because she got an access to information request served. We have discussed this in the House on a number of occasions. Their critic has debated this issue in the House. It is the government that has made administrative changes to the provisions and if that party had had its way nothing would have changed.

* * *

[Translation]

PUBLIC WORKS AND GOVERNMENT SERVICES

Mr. Ghislain Lebel (Chambly, BQ): Mr. Speaker, the Minister of Public Works admits to having lost a report prepared by Groupaction which cost taxpayers \$550,000.

There must surely be someone within the department, someone who can be held responsible for the loss of the document, and who is perhaps also aware of its content.

Does the Minister of Public Works intend to take steps to identify the person or persons responsible for the loss of this report which cost us over half a million dollars?

Hon. Don Boudria (Minister of Public Works and Government Services, Lib.): Mr. Speaker, in response to the first part of the hon. member's question, I must say that I did not lose the report.

The report was already missing when I too asked to see it. If I had had a copy, I would not have lost it; I would have given it to the member. So the report is missing.

As for the identity of the public servants who received the report, this information is already in the media. It was in the newspapers a few days ago. Furthermore, it was in the consultation document which I provided to the member and which he has still not consulted.

• (1455)

Mr. Ghislain Lebel (Chambly, BQ): Mr. Speaker, perhaps we could suggest that the minister have a look around Denmark; he might find the document there.

The fact remains that we asked him yesterday, and I am asking him again today, for his own credibility, whether he feels that a public investigation into the report's disappearance is indicated in order to show that he had nothing to do with its disappearance and that he is doing his job responsibly.

Hon. Don Boudria (Minister of Public Works and Government Services, Lib.): Mr. Speaker, as I told the member in response to his first question, yesterday, in parliamentary committee and on other occasions, there are two reports; one will be tabled in the House of Commons today and the other, the supporting documents which have still not been consulted, are available to him and any other parliamentarian wishing to see them.

As soon as I have the other report, I will table it. He asked the same question and he gets the same answer as earlier.

* * *

[English]

RESEARCH AND DEVELOPMENT

Mr. James Lunney (Nanaimo—Alberni, Canadian Alliance): Mr. Speaker, last week's CIHR announcement approving the use of embryos for research is a flagrant violation of the right and role of this House to legislate.

Who are the lawmakers in this country? Why has the health minister delegated the rights of this House to a non-elected government agency? It is absolutely outrageous.

[Translation]

Mr. Jeannot Castonguay (Parliamentary Secretary to the Minister of Health, Lib.): Mr. Speaker, I remind the House that on Monday the minister informed the House that she will be introducing a bill in the House before May 10, further to the recommendations of the Standing Committee on Health, of which my colleague is a member, for the very purpose of addressing this issue.

It is also important to understand that CIHR, which was also to provide funding for research dealing specifically, in this case, with embryonic stem cells, was to provide guidelines, and that is what has been done.

[English]

Mr. James Lunney (Nanaimo—Alberni, Canadian Alliance): Mr. Speaker, the parliamentary secretary himself was part of that committee, a committee that was mandated and spent months studying issues related to reproductive technology, including the controversial stem cell issue.

Oral Questions

Based on the scientific evidence, the all party committee placed strong emphasis on adult stem cell research. We made clear recommendations on the form and makeup of a regulatory body. This CIHR initiative discards our work entirely.

Will the minister suspend this outrageous act of parliamentary piracy and bring legislation to the House post-haste?

[Translation]

Mr. Jeannot Castonguay (Parliamentary Secretary to the Minister of Health, Lib.): Mr. Speaker, perhaps the member should have listened to my answer rather than reading his second question.

Once again, further to the recommendations of the committee, the minister has made a commitment to introduce legislation in the House before May 10. That is what was said, and the member should listen.

It is important to realize that I too was a member of this committee. It is true that we heard from many witnesses. It is a very complex issue that is of interest to all Canadians, and for this reason, we took quite some time in preparing our report.

Once the bill is introduced, it will be discussed in the House and then it will be referred to the committee, before coming back for third reading. That is what is happening.

* * *

[English]

NATIONAL DEFENCE

Mr. Mac Harb (Ottawa Centre, Lib.): Mr. Speaker, Canadians are very concerned about the welfare of our troops in the situation in Afghanistan. The Minister of National Defence just held a press conference on Anaconda and Harpoon.

I want to ask the minister if he could give the House more details on the operation in these areas.

Hon. Art Eggleton (Minister of National Defence, Lib.): Mr. Speaker, Operation Anaconda has ended with a meaningful Canadian contribution to the fight against terrorism.

Operation Harpoon began in the early hours of this morning. It involves an offensive against the al-Qaeda in the eastern Afghanistan mountains and involves a battalion, a coalition of Canadian and American forces, led by a Canadian. Lieutenant-Colonel Stogran of the PPCLI is the commander of the force. This is a major contribution to this campaign. Let us support our troops. Let our thoughts and our prayers be with our troops and may they return home safely.

* * *

• (1500)

AIRLINE SAFETY

Mr. John Cummins (Delta—South Richmond, Canadian Alliance): Mr. Speaker, Vancouver International Airport is a busy place with over 1,000 aircraft movements a day, the majority of which are large commercial aircraft whose flight path takes them over the mud flats on the Straits of Georgia.

Tributes

Both the coast guard and the airport disaster plan call for the availability of two hovercraft to provide continuous, round the clock emergency services on the water.

We are now told that the replacement for the aging, soon to be retired back up hovercraft is unfit for service in extreme weather, undermining continuity of service.

Why does the government not believe that the over 16 million passengers who will use the Vancouver airport this year are not entitled to round the clock emergency services?

Hon. David Collette (Minister of Transport, Lib.): Mr. Speaker, I am very grateful that the hon. member has raised this matter with me. Of course security and safety at our airports are of paramount importance. I will undertake to him to look into the situation to see if there is a suitable answer for the problem he has raised. I will also talk to the Minister of Fisheries and Oceans who is responsible for the coast guard to see what can be done.

* * *

[Translation]

STRATEGIC INFRASTRUCTURE FUND

Ms. Jocelyne Girard-Bujold (Jonquière, BQ): Mr. Speaker, a backgrounder from the Department of Finance dated February 5 states that moneys for the strategic infrastructure fund will be made available thanks to interest saved by paying down the debt.

In other words, the total amount will not be available for seven years, a fact confirmed by officials from the Department of Finance.

Why then does the Deputy Prime Minister not ask that the sum of \$2 billion be made available before the end of the fiscal year, March 31, to enable him to sign the five memoranda of understanding submitted by Quebec right away?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, what the Department of Finance said was that savings from the debt paydown will be used for this purpose, in other words, building strategic infrastructure. However, we did not say that would be the only source of funds.

* * *

[English]

CROWN CORPORATIONS

Mr. Jim Pankiw (Saskatoon—Humboldt, PC/DR): Mr. Speaker, when in opposition, the public works minister said this about the bid rigging of federal land sales:

Is it not about time that this issue be referred to a parliamentary committee so we can investigate it, not next year, not after the election, but this week?

We all know the Liberals forced the sale of valuable federal land in Montreal to a Liberal supporter for only one-quarter of its value. Will the minister put aside his double standard on integrity, take his own advice and refer this shady land deal to a parliamentary committee or the RCMP?

Hon. John Manley (Deputy Prime Minister and Minister of Infrastructure and Crown Corporations, Lib.): Mr. Speaker, we have dealt with the disposition of lands by Canada Lands Company in the past. As the hon. member knows, these sales occur as a result

of a request for offers. The best offer is accepted. It is very difficult to sell land for more than the offering price.

* * *

[Translation]

MADAGASCAR

Ms. Diane St-Jacques (Shefford, Lib.): Mr. Speaker, over the past few weeks, we have been following the general election in Madagascar.

In spite of an inconclusive first ballot, the opposition candidate declared himself the winner and then enjoined his supporters to go on a general strike and to organize protests. According to the latest news, there are now two parallel governments and two capitals.

Could the Secretary of State for Latin America, Africa and the Francophonie tell us what Canada is doing to try to solve this issue?

Hon. Denis Paradis (Secretary of State (Latin America and Africa) (Francophonie), Lib.): Mr. Speaker, the situation in Madagascar is very disturbing. However, we learned that, in a report tabled yesterday, the Organization of African Unity is proposing a national reconciliation government.

Yesterday I met with the ambassador of Madagascar. This morning I talked to our ambassador for the francophonie and I asked him to seek the support of the francophonie, in particular of Secretary General Boutros Boutros-Ghali, whom he will meet tomorrow in Paris, to continue to put pressure on the parties to arrive at a peaceful solution.

The Speaker: Order, please. It being 3 p.m., and pursuant to order made on Friday, March 1, it is my pleasure to invite the Right Hon. Herb Gray to sit at the bar of the House of Commons.

* * *

● (1505)

[English]

RIGHT HONOURABLE HERB GRAY

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, this is one of those very rare days in this place where we amaze Canadians by setting aside our partisan differences to offer a singular tribute to a singular man of this honourable House, someone who has earned the respect and affection of all members, a true patriot, a legend: the Right Hon. Herb Gray.

His record speaks for itself: 13 straight times elected a member of parliament; over 14,000 straight days as an MP; and a record for consecutive years of service. He served in nine cabinet posts. He served as leader of the opposition. He served in my cabinet with great distinction as leader of the government in the House, as solicitor general and as deputy prime minister.

Tributes

[*Translation*]

Figures and titles, however, do not do proper justice to all that Herb Gray has represented for the Liberal Party, for the entire country, for our government, for this House and for myself personally.

I remember back to my arrival in the House in 1963, when not much French was spoken here. Herb, however, was one of the few who made an effort to speak French. He took the trouble to reach out to those of us who did not speak English.

We moved up through cabinet together. We went through the political good times, and there were many, and the bad times together.

When things were bad, his unfailing instinct came to the forefront. He was the very incarnation of coolness and a source of wise counsel. He was the voice of the Liberal Party's conscience, a truly progressive spirit with a firm conviction that government could make an active contribution to improving society.

He was one of the founders and most staunch defenders of our social programs. Thanks to his leadership during a very difficult period, the auto industry remains today one of the pillars of Canada's prosperity.

At a time when it is said that political allegiances are no longer very solid, Herb Gray's career is all the more impressive.

His relationship with the people of Windsor West has been extraordinary, and most indicative of his devotion to his riding. What distinguishes the man more than anything else, however, is his attachment to the House of Commons, its rules and its traditions.

[*English*]

He was a tough partisan fighter, and I considered it a privilege to have fought by his side. One of the greatest pleasures of my time in the House was to watch him perform in question period, to watch the "Gray" fog roll in and to see him defeat attack after attack. For me he always will be the master of the forum. Indeed, I would like to ask him to name his favourite answer, but I fear that he will reject the premise of my question.

Herb was a tough fighter but he was also fair, always respected by his opponents and he respected them too. Despite our differences, he recognized that we were all in the business of the people. We are all committed to public service and this perspective has earned him the respect of all parties, a respect that could not be more eloquently expressed than by this celebration today.

Herb Gray has been a public servant in the truest and the best sense and is more than worthy of the highest title that can be given to public office holders in Canada, that of right honourable. It has been an honour for me to serve with him in opposition and in government. We all admire him and we will miss him a lot. However we also know that he will continue to serve the people of Canada with his customary dedication with the International Joint Commission.

Come what may, I know that all members will join me when I say, Herb, our friend, this House will always be your home.

● (1510)

Mr. John Reynolds (Leader of the Opposition, Canadian Alliance): Mr. Speaker, it is not only as Leader of the Opposition but as one of the class of 72 who are still in the House that I am pleased to be here today to honour Herb Gray. I know we do not usually mention this, but on an occasion like this it is nice to see in the galleries people like Eugene Whelan, Mitchell Sharp and other people from 1972. It shows the respect we all have for Herb Gray.

I learned of this great honour from the Liberal caucus chairman. When I learned Mr. Gray he was being called before the bar of the House I was a bit alarmed because, as members know, people usually appear before the bar to be admonished by the Chair. I could not imagine what Herb could have done to deserve such an admonishment from the Speaker.

However I then thought of a few reasons. I had the idea of rotating certain members into the chair to share the admonishment because we cannot let you have all the fun, Mr. Speaker.

Here are my suggested categories for the admonishments and the most appropriate members to carry them out. First, the right hon. gentleman could be admonished for his ministerial performance. As minister, Herb Gray received thousands of questions from the opposition that were carefully crafted and rehearsed. He never actually answered a single one. As Leader of the Opposition I would be the appropriate admonisher for this category.

Second, Herb Gray could be admonished as the member for Windsor West. For 40 years he hogged the riding, never sharing it with any of his friends on this side of the House. He never understood that in politics change is healthy. To take the chair for this category I recommend the leader of the NDP. For the majority of elections from 1962 to 2000 her party played the role of bridesmaid in Windsor West and never the bride.

Third, Herb Gray could be admonished for his incredible loyalty to his constituents, his party and his leader. Does he not know this kind of behaviour is no longer in vogue? No one does it any more. Choosing the appropriate candidate to take the chair for this category proved most difficult. There were so many members to choose from that I decided to put the decision to an expert panel: the DRC. The DRC, to be known as the academy for this purpose, struggled with its choice but finally came up with a candidate. As I look at all the hopeful faces in the House it is unfortunate the academy could only choose one member. The lucky winner to take the chair to admonish Herb Gray for his loyalty is the hon. member for Richmond.

Tributes

Fourth, Mr. Gray could be admonished for promoting a nickname. The recommendation for this category came from heaven. It was an e-mail from the late Mel Torme who raised a copyright issue with our right hon. guest. As we all know, Mr. Torme's vocal talents earned him the nickname the velvet fog. There appears to be concern in the Torme camp that there is potential for confusion and thus copyright infringement with respect to our guest's promotion of the name the Gray fog. Mr. Speaker, the admonishment to cease and desist advocating fog in any way should come directly from you given the clarity and brightness of your rulings and answers.

All kidding aside, the official opposition is honoured to pay tribute to the Right Hon. Herb Gray who competently served the House, his constituents and his country with dignity and grace. He was a fierce opponent in the House but always a gentleman. We wish Herb and his family well in their life after parliament.

There is one thing I regret. I am sorry I will never get a chance to look across at the opposite benches, see Herb standing there and ask him a question. I wanted to look him in the eye and tell him I did not agree with the premise of his question.

● (1515)

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, it is not every day that the House of Commons has the special opportunity to highlight the work of one of its members and his departure from this House. Today, as we pay tribute to Herb Gray, we have such an opportunity.

The man who was the member for Windsor West for nearly 40 years was certainly a pillar for all of the prime ministers that he served. By sitting in the House of Commons uninterrupted since 1963 he has become one of the most experienced parliamentarians in Canada. In addition, he has held various cabinet positions over the years and even became the deputy prime minister in 1997.

Those who decided, election after election, to put their trust in him to represent them in this House have no doubt already had the opportunity to express their feelings to Mr. Gray. Today, it is as colleagues that we will share our feelings with him.

The former deputy prime minister and I do not share the same political convictions. This will not come as a surprise to anybody, nor will it surprise Mr. Gray if I mention it. However, he may be surprised to hear me say that his 40 years of service in this House do deserve to be acknowledged.

Political life is demanding; it is difficult for us, but also for our close ones. Mr. Gray could surely tell us about it. However I am convinced that if we asked him what he remembers from all his years in government, and also in opposition, he might tell us about democracy, about his responsibilities as a member of parliament and a minister, or about the importance of fulfilling one's duties to the best of one's knowledge and skills.

Our duties as parliamentarians are often criticized and misunderstood. Yet they are essential to the democratic life of our societies. I hope that all these years as a parliamentarian will help Mr. Gray stress the importance of the job that he did, so that our fellow citizens can better understand the work that we do here collectively.

Mr. Gray has left the hectic and somewhat crazy life that we live when we are in the limelight. He should be able to enjoy his new life, even though his departure from the House of Commons does not necessarily mean that he is retiring from active life. I wish his family and friends the opportunity to spend more time with him.

The former deputy prime minister was a difficult adversary for us. On behalf of my Bloc Québécois colleagues, I salute that adversary. I am convinced that Mr. Gray will miss the House of Commons, and he might even miss the questions put to him by Bloc Québécois members. Then again, he might also tell me that the premise of my comment is false, that it is not just his sense of duty that kept him here for so long, but also the pleasure and the satisfaction that he derived from representing his constituents and sitting in cabinet.

Mr. Gray, in all friendship, I wish you good luck in this new stage of your career and your life.

● (1520)

[*English*]

Hon. Lorne Nystrom (Regina—Qu'Appelle, NDP): Mr. Speaker, I have served along with Mr. Gray since I arrived here in 1968 when he was only in his 6th year in parliament. On behalf of our caucus I am proud to rise and pay tribute to a great Canadian and great parliamentarian, the Right Hon. Herb Gray.

Mr. Gray is the third longest serving member of parliament in the history of our country. He has served with eight prime ministers and politically outlived all but one of them. He was a great parliamentarian. He was a model public servant. He was at the same time intensely political. He has a mastery of our procedure and a mastery of the House of Commons.

[*Translation*]

He was elected in 1962. Re-elected 12 times in a row, he has been an MP, minister, leader of the opposition, minister again and, finally, deputy prime minister of Canada.

Now he is entering a new incarnation as chair of the International Joint Commission. He is a veritable force of nature.

[*English*]

When I reflect on Herb Gray whom I have known well since 1968 I have in mind four images and four different Herbs. First, there is Herb the parliamentarian, the Gray fog. He was a master at frustrating opposition questions. Mr. Gray, those of us in opposition look forward to the day when we are on the government side responding to questions from opposition Liberal MPs and saying we reject the premise of the hon. member's question.

Second, I think of Herb the comeback kid. He was in cabinet. He was later relieved of his cabinet duties. He later came back to cabinet. He was also the comeback kid in terms of health. He came back from a serious illness and is now fit and trim. Both these events are a tribute to his strength, perseverance and determination.

Tributes

Third, I remember Herbmania, the phenomenon that scared the member from Shawinigan about 11 or 12 years ago. In 1990 as the then leader of the opposition Mr. Gray made a famous self-deprecating speech at the press gallery dinner during the course of a Liberal leadership campaign. The speech sparked an instant draft Herb campaign and chants of Herb, Herb, Herb. His response to the draft campaign was that if he ran he would put a paper hanger on every Liberal delegate's hotel door that read "Do not disturb, I'm with Herb". He just told me he should have run.

Fourth, I think of Herb Gray's personal side. I think of disco Herb, the king of rock and roll. He kept this side of his personality a bit of a secret for a long time but his love of rock and roll and of visiting discos soon became legendary around Ottawa and Windsor. He also had a sense of humour. Mind you, being a member of the Liberal government requires a sense of humour.

We are sorry to see him go. We wish him well. We offer well wishes to his wife Sharon Sholzberg-Gray who is a strong advocate of public health care. We wish his children and family well.

I will conclude by quoting the immortal words of Mr. Gray's fellow rocker, the great Canadian entertainer Neil Young who sang "Keep on rockin' in the free world".

• (1525)

[*Translation*]

Mr. Gray, I wish you good health and good luck. Au revoir.

[*English*]

Right Hon. Joe Clark (Calgary Centre, PC/DR): Mr. Speaker, it gives me great pleasure to join in the tributes to the Right Hon. Herb Gray, a man respected by all parties in this House. I regard him as a sort of companion in charisma. My colleague from Saskatchewan noticed that rarest of occurrences: Herb Gray actually smiled at that line.

I have to say this. He is also a man of some precision and he would know that my colleague from Saskatchewan made a slight error in his comments. Mr. Gray has outlasted all but two of the prime ministers with whom he has worked. Of course, as I have reason to know, I say to the Prime Minister that there is no reason to think he will not be back.

I personally am delighted that he has finally been called to the bar of the House. There were several times during his parliamentary career when I tried to get him called there, but he was always too cagey for that.

Since we are making new precedents in the House today, Sir, it might be appropriate to retire the phrase for which Herb Gray was so well known. I am sure that Mr. Speaker could find unanimous consent in the House if he would declare as unparliamentary language the phrase "I reject the premise of the hon. member's question".

I am glad that the government has found a way for the House to pay tribute to Herb Gray's nearly 40 years of outstanding service to our country. Mr. Gray has seen many changes in this House. He has seen many changes in this country since his first election.

He was part of the government that brought in the new Canadian flag. He was here when the Royal Commission on Bilingualism and Biculturalism reported. He saw the Canada pension plan created, the auto pact signed. It is only a rumour that he was here when the railway was built, but he was here for the patriation of the constitution and the introduction of the charter of rights and freedoms.

Mr. Gray and I often disagreed. That is the nature of democracy. He fought my party on free trade. We disagreed on foreign investment rules. We disagreed on the GST.

Although we have opposed each other on important issues, no one on this side of the House will ever question or ever debate Herb Gray's love of his country. His belief in the Canadian dream of working hard to create a better life and a better country has characterized his service to Canada.

[*Translation*]

We will miss Herb Gray's wisdom greatly. The legacy he leaves us is his integrity, his strength of character, his great respect, and his understanding of the entity known as the House of Commons. These are qualities to which any parliamentarian should aspire.

We pay tribute to Mr. Gray's tireless work. We wish him and his wife, Sharon Sholzberg Gray, and his children much happiness and success in their future endeavours.

[*English*]

I said earlier this year that Herb Gray was effective in both government and opposition and that he was the steady centre of his party in good times and in turbulence. He will be remembered for his dedication to this House as the institution that is the very foundation of our democracy. Ten years ago, on the occasion of his 30th anniversary, he said in this House:

Standing here, speaking in this marvellous place, in spite of its problems, is still the focal point to which Canadians look when it comes to the protection and enhancement of their liberties and well-being. May it always be such.

We join in wishing Herb Gray the greatest success as chair of the International Joint Commission. We thank him for years of work on behalf of Canada. We will continue his work to ensure that the House of Commons remains the institution that preserves and enhances the liberties and well-being of Canadians. Thank you, Herb Gray.

• (1530)

The Speaker: It is with great pleasure that I invite the Right Hon. Herb Gray to address the House.

Right Hon. Herb Gray: Mr. Speaker, I must begin by saying that today is an exception to my usual practice. I have to tell you I accept the premise of each and every word spoken in the House today.

I want to thank the House most sincerely for this unique honour bestowed upon me today in allowing me to be in the House of Commons when it is in session, inside the bar of the House, and to be able to speak even though I am no longer a member.

Tributes

I must say that I am delighted that none of the people who have spoken have ever had to join me outside the bar of the House for words spoken or not spoken but, as I said, I appreciate their remarks very much and I appreciate very much the honour bestowed upon me.

I have to thank the constituents of Windsor West, the people who elected me 13 times in a row, the people who saw something in me beyond the fact that I was the standard bearer for a party and a leader. I have to thank the hundreds and hundreds of people who came forward to work with me to help me get elected and re-elected, people young and old, new people who were not around when I first ran only yesterday.

I must also say that I owe so much to my family for their love and support, particularly my wife and children, because what they have done has made this record of achievement possible.

I have to say that my family life was not interrupted or turned aside by my political life. It actually grew out of my political life. It was inspired by my political life.

I have to mention just one evidence of this, and that was only yesterday in 1964. I met the lady who was to become my wife at a young Liberal Party reception in room 209 of the West Block.

I want to propose here today, and perhaps I can make a formal motion since I am already inside the bar of the House, that the commissioners of internal economy agree to put a plaque on the wall of room 209 of the West Block to mark and recognize that historic occasion because, as my wife always said, things started happening for me only after we got married.

I want to go on to thank the people I worked with in the Liberal caucus and the Liberal Party. They have not only been colleagues but friends. I also want to recognize the friendship of people on the opposition side of the House. I want to thank them particularly for giving me such wonderful raw material to use in my answers and my speeches.

• (1535)

[*Translation*]

They were a great help to me in my efforts to support the government. The Bloc Québécois, for example, supported Canadian institutions most actively, and I must thank them before I leave.

[*English*]

I cannot give examples of what I am talking about in terms of raw material, but actually it is only a rumour that I did not answer the questions. I answered them but the opposition parties were not willing to listen.

I want to thank the Liberal prime ministers who enabled me to work on behalf of my constituents and on behalf of all Canadians as a member of their cabinets. I want to pay special tribute to the Prime Minister, the member from Shawinigan, for asking me to become the first full time deputy prime minister and allowing me to give meaning and substance to something that before was only a title added on to another responsibility.

I am very proud of the fact that because of the support from the Prime Minister in my giving meaning and substance to the position

when my successor was announced it was considered and is a great promotion.

I am also proud of the fact that I occupied a premier parliamentary post as leader of the opposition. I thank my colleagues of that day, for example the current Liberal caucus chairman and the Right Hon. John Turner, for that. I also have to thank the Governor General for the rare distinction of being named the right honourable. Being named the right honourable in our system is quite marvellous.

I want to say that in serving as leader of the opposition, in serving as the first full time deputy prime minister, I did so as someone who is the first generation of his immediate family to be born in Canada. My parents came to this country from Eastern Europe, from Belarus, as Jewish immigrants in search of freedoms and opportunities not available to them in the land of their birth. They found those opportunities here. Like so many other families who form part of our great Canadian family, they made a wonderful contribution and enabled me to serve my community and my country in the House of Commons and in the Government of Canada in so many wonderful ways.

I mention this not in any vain sense but only because it indicates something of the story of Canada. My story is also the story of millions of other people who make up the story of Canada. The history of my family is part of the history of those who make up the great Canadian family building together what so far is the only truly successful multicultural and pluralistic country in the world. We have done this together. We have been building what Sir Wilfrid Laurier said 100 years ago was to be a Canada united in its diversity.

Each of us brings our respective heritage to add and form part of the great Canadian heritage. My Jewish heritage has inspired me in my work as a member of parliament and as a minister. I have always been inspired by the words of the Hebrew prophets when they called out for us to do judgment and justice, when they called out for us to do judgment for the afflicted and the needy.

These are part of what has kept me so interested and involved and committed in parliamentary and public life for all these years. In working in the House of Commons with all of you and others who are not here, I want to say that this has meant that we together are building the framework for the kind of country we want, a country where individual initiative counts but is partnered with the organized community through government bringing forward values of concern and compassion.

One thousand years ago a great Jewish sage said in the book of the Talmud, Pirke Aboth: Sayings of the Fathers, "Pray for the welfare of the government because without it, men would swallow each other alive". These wise words are relevant today. These words are also relevant in terms of our parliamentary institutions and how they form part of government today.

There are people who say that the House of Commons is no longer relevant and meaningful. I do not agree with them. One example for me to make my point is to go back to when we first took office in 1993 and we set up the present prebudget process giving a new meaning to consultation in the key part of the work of the House of Commons and parliament.

There are those who would say that things are not getting done, that things take too long. Pierre Elliott Trudeau said:

● (1540)

A country, after all, is not something you build as the pharaohs built the pyramids, and leave standing there to defy eternity. A country is something that is built every day out of certain basic shared values.

Pierre Elliott Trudeau also said:

—if the Canadian nation must survive, it will only survive in mutual respect and in love for one another. Each of you, each of us, must work toward that goal with our every fibre in the reality of our daily lives.

Mr. Speaker, if our parliamentary institutions, in particular this House of Commons, is to be relevant and to have meaning, then I call upon you to do your work in the spirit of the words of Sir Wilfrid Laurier when in a parliamentary debate he said “So long as I have a position in this House, so long as I occupy the position I do now, whenever it shall become my duty to take a stand on any question whatsoever, that stand I will take upon grounds that can appeal to the consciences of all, upon grounds which can be occupied by all who love justice, freedom and toleration”.

Some hon. members: Hear, hear.

Right Hon. Herb Gray: Mr. Speaker, the members of this House through their applause show that those words ring as true today as they did when they were spoken by Laurier almost 100 years ago.

I have already gone on to another challenge as chair of the International Joint Commission.

● (1545)

[*Translation*]

I am now the chair of the International Joint Commission, which deals with the important issues that have interested me throughout my years of public life.

[*English*]

Yes, the International Joint Commission deals with great issues and questions that have concerned me throughout my public career: the relations between Canada and the United States; the management of our shared border from the Pacific to the Atlantic; the preservation and quality of the waters forming that border and across that border; the elimination of what is threatening our future and those of our children, transboundary air and water pollution.

We are rightfully focusing on winning the fight against terrorism, but we are doing it for reasons of maintaining and extending our freedom and that of other people in the world and for reasons of maintaining, strengthening and preserving the quality of life for ourselves and our grandchildren. This means putting a priority on the improvement, the strengthening of our human and natural environment.

I want to say by way of conclusion that I am very pleased to have left this wonderful place at a time when my skills are strong and evident, and I thank God for this, so that I can apply them in the challenges that I have mentioned and in the spirit of the words of Tennyson in his great poem *Ulysses* when he said:

How dull it is to pause,
to make an end, to rust unburnished,

Business of the House

not to shine in use!
Some work of noble note may yet be done.

I hope to have that opportunity for you and all Canadians. I conclude with further words of Tennyson from his great poem, *Ulysses*. He said:

I am a part of all that I have met,
Though much is taken, much abides;
That which we are, we are;
One equal temper of heroic hearts,
...strong in will,
To strive, to seek, to find, and not to yield.

I urge all of you to continue your work here in this House and with all Canadians so that together you will strive to seek, to find, and not to yield in building an even better Canada in a much better and peaceful world.

Thank you very much, merci beaucoup.

Some hon. members: Hear, hear.

[*Translation*]

The Speaker: On behalf of the House, I wish to thank the Right Hon. Herb Gray.

● (1550)

[*English*]

I will not be adding my own good wishes to those already presented here in the Chamber since I will have an opportunity to take part in the continuation of the celebration of Mr. Gray's career at the reception in the railway committee room that will follow immediately.

[*Translation*]

I invite all members to join us.

* * *

[*English*]

BUSINESS OF THE HOUSE

The Speaker: It is my duty pursuant to Standing Order 81(14) to inform the House that the motion to be considered tomorrow during consideration of the business of supply is as follows:

That in the opinion of this House, the principles and provisions of the Canada-U.S. Free Trade Agreement (FTA) and the North American Free Trade Agreement (NAFTA), including their dispute resolution mechanisms, should be fully applied to trade in softwood lumber and, it urges the government not to accept any negotiated settlement of the current softwood lumber dispute outside of the FTA and the NAFTA unless it guarantees free and unfettered access to the U.S. market, and includes dispute resolution mechanisms capable of overriding domestic trade measures to resolve future disputes.

Copies of the motion are available at the table.

*Routine Proceedings***ROUTINE PROCEEDINGS***[English]***GOVERNMENT RESPONSE TO PETITIONS**

Mr. Geoff Regan (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.): Mr. Speaker, pursuant to Standing Order 36(8) I have the honour to table, in both official languages, the government's response to one petition.

* * *

*[Translation]***INTERPARLIAMENTARY DELEGATIONS**

Ms. Madeleine Dalphond-Guiral (Laval Centre, BQ): Mr. Speaker, pursuant to Standing Order 34(1), I have the honour to table in the House, in both official languages, the report of the Canada-France Interparliamentary Association, following its 33rd annual meeting, held in Toronto and in New Brunswick, Nova Scotia and Prince Edward Island, from September 3 to 10, 2001.

[English]

Mrs. Carolyn Parrish (Mississauga Centre, Lib.): Mr. Speaker, pursuant to Standing Order 34(1) I have the honour to present, in both official languages, the 11th report of the Canadian NATO Parliamentary Association, which represented Canada at the meeting of the Defence and Security Committee of the NATO Parliamentary Assembly held in Washington, D.C. and Tampa from January 27 to February 2.

* * *

ALLOTTED DAY

Mr. Randy White (Langley—Abbotsford): Mr. Speaker, I seek the unanimous consent of the House to adopt the following motion. I move:

That, notwithstanding any ruling of the Chair, and recognizing the importance of maintaining the integrity of the supply process, the party allotment of opposition motions on allotted days, and their votable status during a normal supply year beginning July 1 and ending June 30, be as follows: the Canadian Alliance shall be allotted 11 days total with no more than eight being allowed to come to a vote; the Bloc Québécois shall be allotted six days in total with no more than four being allowed to come to a vote; the New Democratic Party shall be allotted two days in total with no more than one being allowed to come to a vote; and the Progressive Conservative Democratic Representative caucus shall be allotted two days in total with no more than one being allowed to come to a vote.

● (1555)

The Speaker: Does the hon. member have the unanimous consent of the House to introduce this motion?

Some hon. members: Agreed.

The 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)

PETITIONS

VIOLENCE

Mrs. Rose-Marie Ur (Lambton—Kent—Middlesex, Lib.): Mr. Speaker, pursuant to Standing Order 36 I wish to present these petitions on behalf of constituents living in Lambton—Kent—Middlesex. The petitioners call upon parliament to take action by the end of this calendar year to monitor scenes of violence in movies, television and video games.

VIA RAIL

Mr. John Herron (Fundy—Royal, PC/DR): Mr. Speaker, I am pleased to present a petition today on behalf of the constituents of the riding I represent of Fundy—Royal. This petition has been duly certified by the House.

The petition calls upon the House of Commons, through Transport Canada and VIA Rail, to restore passenger train service linking Saint John and Fredericton, westward through that great town of McAdam, New Brunswick, where my dad is from, through Sherbrooke to Montreal and east through Moncton to Halifax.

The petitioners notes that this train link, which was discontinued in 1994, had 66% occupancy. Options for public transportation should be the focus of government attention, and it is my pleasure to present this petition at this time.

* * *

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. Geoff Regan (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.): Mr. Speaker, if Question No. 104 could be made an order for return, the return would be tabled immediately.

The Speaker: Is that agreed?

Some hon. members: Agreed.

[Text]

Question No. 104—**Mr. John Williams:**

With regard to performance pay for public servants in the Executive (EX) category and the Deputy Minister (DM) category in fiscal year 2000-2001 for each department, agency or Crown corporation: (a) how many employees received performance pay, broken down by EX level (i.e. EX-1, EX-2, etc.); (b) how many employees are there in each EX level; (c) how many employees received performance pay, broken down by DM level (i.e. DM-1, DM-2, etc.); (d) how many employees are there at each DM level; and (e) what was the total amount paid out in performance pay?

Return tabled.

* * *

*[English]***QUESTIONS ON THE ORDER PAPER**

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

The Speaker: Is that agreed?

Some hon. members: Agreed.

*Government Orders***GOVERNMENT ORDERS****MOTIONS FOR PAPERS**

Mr. Geoff Regan (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.): Mr. Speaker, Notice of Motion for the Production of Papers No. P-25, in the name of the hon. member for Skeena, is acceptable to the government, except for those documents which cannot be released pursuant to the Access to Information Act, and the papers are tabled immediately.

Motion No. P-25

That an Order of the House do issue for copies of all documents, reports, memos, letters, invoices, e-mails and correspondence of any kind pertaining to the \$612,250 effectiveness study conducted by Groupaction Marketing regarding the government's sponsorship of hunting, fishing and recreation events.

The Speaker: Subject to the reservations expressed by the parliamentary secretary, is it the pleasure of the House that Motion No. P-25 be deemed to have been adopted?

Some hon. members: Agreed.

(Motion agreed to)

Mr. Geoff Regan: Mr. Speaker, would you be so kind as to call Notice of Motion for the Production of Papers No. P-41, in the name of the hon. member for Winnipeg Centre.

Motion No. P-41

That an Order of the House do issue for copies of any letters, memos, papers or other communications pertinent to considerations by Revenue Canada and/or Canada Customs and Revenue Agency and/or related departments, from the Leader of the Government in the House of Commons and/or the Clerk of the Privy Council to Ministers and/or Deputy Ministers concerning the 1999 Supreme Court ruling that businesses may deduct fines, levies or penalties as a business expense on their income tax if such penalties are incurred for activities undertaken for the purpose of earning income.

Mr. Geoff Regan: Mr. Speaker, insofar as requested, no such documents exist. Therefore I ask the hon. member to withdraw his motion.

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, in light of what the parliamentary secretary tells us, I agree to withdraw my motion for the production of papers.

The Speaker: Is that agreed?

Some hon. members: Agreed.

(Motion withdrawn)

Mr. Geoff Regan: Mr. Speaker, I ask that the other Notices of Motions for the Production of Papers be allowed to stand.

The Speaker: Is that agreed?

Some hon. members: Agreed.

* * *

BUSINESS OF THE HOUSE

The Speaker: With respect to the opposition motion, notice of which was given for tomorrow, March 14, this motion is votable pursuant to the sessional order made earlier this day.

I wish to inform the House that pursuant to order made on Friday, March 1, because of the tributes, government orders will be extended by 42 minutes.

● (1600)

[English]

BUDGET IMPLEMENTATION ACT, 2001

Hon. Ralph Goodale (for Minister of Finance) moved that Bill C-49, an act to implement certain provisions of the budget tabled in Parliament on December 10, 2001, be read the third time and passed.

Mr. Roy Cullen (Etobicoke North, Lib.): Mr. Speaker, I am pleased to rise to enter the debate on Bill C-49. This bill would implement the provisions of the budget that the Minister of Finance brought down on December 10, 2001, a budget that was cast in the midst of unprecedented uncertainty, with an economy that was in a slow down and, of course, it was post the terrible events of September 11.

The finance committee, of which I am a member, travelled across Canada on a prebudget consultation exercise and listened to what Canadians had to say. I am very pleased to say that the Minister of Finance and the government listened to the priorities that Canadians reflected in the consultations that we undertook. Basically, there were four main areas that Canadians talked to us about. There were other areas of course, some very specific, and other proposals but there were many common themes. These themes centred on four major factors.

First, Canadians told us that they wanted the government to respond to the national security agenda. They wanted the Minister of Finance to provide the funding that was necessary to assist Canada in dealing with the threat of terrorism that presented itself so horribly on September 11.

Second, they wanted the government to protect the \$100 billion tax cut that was introduced in budget 2000 and the economic update in the fall of 2000, the largest single tax cut in Canadian history.

Third, they wanted the government to protect the \$21 billion invested in health care and post-secondary education, an historic agreement that was reached by the government, provinces and territories. A further \$2.5 billion was dedicated to early childhood development. Canadians told us they wanted us to protect those investments in health care, post-secondary education and early childhood development.

Fourth, Canadians told us that, after all the hard work that had gone into eliminating the deficit, they wanted us not to go back into deficit at all costs.

Those were the main themes that were presented to us as we travelled across Canada. As I said, there were other proposals, propositions and concerns but those were the major themes that were expressed by Canadians.

I can say that our Minister of Finance and the government listened. The minister protected the tax cut in the budget that he delivered on December 10. The government will not be going into deficit this year or for the next two or three years at least. He protected the investments in health care and also provided \$7 billion in funding for the national security agenda.

Government Orders

The national security agenda will encompass a range of things. It will include money to deal with the needs of CSIS and the RCMP, as well as the needs at our borders for the Canada Customs and Revenue Agency to improve the movement of goods and people across our borders in a secure and efficient manner.

The budget will also provide additional funding for the Department of Citizenship and Immigration so that it can improve the processing of applicants for immigration as well as refugees. It will do a number of other things but those are the essentials. It will provide a significant amount of funding to achieve those ends.

I am very happy to speak to some of the detail in the budget because I know there has been a lot of discussion in the House and in committee on the provisions of the airport security fee for example. I for one, and I know the feeling is shared by many of my colleagues on both sides of the House, am sensitive to the fact that the airport security fee, which is \$24 for a round trip and \$12 for a one way ticket with no stops, should be monitored very carefully to ensure that the small communities which are accessible only through short haul flights are not jeopardized. A \$12 or \$24 tax on an airfare of \$100 or \$200 is a very significant amount. We want to ensure that this is monitored carefully.

● (1605)

The fee may end up being too high because the data, that the government had at the time when it had to come up with the tax, was fragile. Looking at the post-September 11 events we were presented with a situation leading into a budget in November where we had to firm up certain assumptions with respect to air travel. One can imagine the situation that put the Minister of Finance in where he had to guesstimate as best he could the air traffic volumes that would be going through this upcoming fiscal year.

The minister sought advice from Transport Canada and the airlines and got whatever information he could. However he was estimating under difficult circumstances. Therefore the airport security fee at \$24 for a round trip was developed. That fee will cover the cost of improving security at 90 of Canada's main airports. There will be better equipment and more trained people to process people going through airports.

One of the points that is sometimes lost in the House is that members opposite say it is a fixed fee and therefore for someone travelling on a \$100 or \$200 ticket that is a huge percentage and is a tough thing to face. Granted that can be a challenge but we need to remember another thing and that is if individuals are going through airport security it does not really matter if they are travelling from Toronto to Vancouver or from Victoria to Kelowna, the same amount of effort is required to process them through security. Basically it is a fixed cost.

We cannot always look at these things in strictly economic terms. There have been discussions and proposals that the airport security fee be based on what we call *ad valorem* or a percentage of a passenger ticket amount so that, for example, on a longer haul in absolute terms the airport security fee would be higher.

That would mean that people travelling on longer trips would subsidize the cost of those travelling on shorter hauls. There is an argument for that I suppose but there is also an argument to say that

if one is presented with a fixed cost then the people who choose to travel, the users, need to understand that there is a cost of processing them through measures that Canadians look to in terms of the standards of excellence and diligence that are required to make sure that people getting on aircraft are indeed secure. That is the reality.

Some ask why that fee would not be abolished completely and be borne by general taxpayers. A good part of the \$7 billion that I mentioned earlier for security measures is being borne largely by the taxpayer in general, as a whole. However the feeling of the government was that for the user fee, for the tax, it should be focused on those people who choose to travel.

It is a very small part of the total security cost that the government has absorbed and all Canadians, including those in the gallery and in the House today, are absorbing. This is a very small element of the national security agenda that is being passed on to users.

The Minister of Finance indicated clearly that this situation would be monitored very carefully to determine whether the fee was too high, in other words, whether it was more than was needed to pay for the additional cost of security, as that was the only thing this tax would be used for.

If members opposite would read the budget papers they would see that the revenue that comes in from this airport security fee over five years, if it matches the cost over the five years, would be incurred by the government to increase security at airports.

Of course the costs are higher in the first year because there is the purchase of equipment and the training of individuals who will have to be in these situations. Therefore in the first year the costs are higher than the revenues, but over the five years the whole account balances out.

● (1610)

This is not a money making exercise but an attempt by the government to match revenues to be brought in with the cost of improving security at our airports so that passengers can travel safely and securely. That is what it is about.

If after six months, or a year or two, the government becomes aware that the fee is too high and it is more than what is needed, I am sure that it would review it. The Minister of Finance said quite categorically that he would review the fee and if necessary bring it down. If it has the effect of jeopardizing communities that rely on these short haul routes then that is something I am sure the government would also review.

However there are no easy solutions. For easy answers members opposite would be on this side solving everything in one easy moment. These are tough and difficult times.

The bill would implement another element to establish the authority that would oversee these security measures. It would have 11 board of directors, a broad range of people. There was an amendment considered by the Standing Committee on Finance that would put a representative from labour on the board. I supported that because, as I said in committee, when we go through security at airports we all have various experiences.

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For example, the other day I had a pair of little scissors that we use to trim the hair out of our noses or whatever. They went through the screening and the person asked me to unzip my bag. They were taken out and confiscated.

It is a hard thing to take. I have had people tell me, I have never checked it myself but I am sure it is probably true, that one can actually walk from outside the security area and buy a pair of these little nose scissors in one of the convenience stores. I do not know. I have not tried it.

The point is that there are a lot of people who are working in security. They probably see things and have some wisdom and experience to share. I think that if they fed that to a board rep we would probably get some good enhanced decision-making by the authority.

The Minister of Transport has said that he would absolutely make sure that whoever goes on the board would have a knowledge of labour and who are plugged in to labour because this is a resource that we should be tapping into. Why do we avoid it? I do not understand but there are only so many board seats available. I suppose it comes down to that.

I do not know if members read a book that is old now called "Managing by wandering about". It was written by a former chief executive officer of a corporation. Instead of being stuck in his office with all the trappings of power, fame and all that, he went out and walked around. He visited people at machines, in the warehouse and people who were keeping the cardex of the inventory in the warehouse. He kept wandering around. He said he got more answers about the business than by sitting in meeting upon meeting with all his management staff and executives, and others.

The point is we should reach out to these people. They have a lot of experience. They see a lot of things right at the job site of which we should be taking advantage and I think that our government understands that.

The bill would implement some other important items that were included in budget 2001. One is the Africa development fund, a half billion dollars that would go toward assisting those countries in Africa that have dedicated and committed themselves to good governance and have a respect for democracy and human rights.

Africa is a very complicated place. I know my colleague sitting here has, for many years, worked diligently and forcefully in understanding Africa, so I feel somewhat humbled by speaking on Africa in this House.

• (1615)

We have some significant challenges. We want to help Africans help themselves but by the same token we want to ensure that they are committed to good governance, transparency, accountability and fighting corruption.

The residents in my community are saying that if they send \$1 of tax to Ottawa and we send that to Africa, 40 cents of it ends up in some Swiss bank account of some corrupt leader and the other 60 cents goes to help the people. I am sure that is not acceptable to the people in the House and to the people of Canada. We need to ensure that our government is committed to those principles, that we would

only support those countries in Africa, and indeed around the world, that need a helping hand and are committed to good governance.

We read in the paper about the various things that are going on in Africa and the troubling news out of Zimbabwe, but we cannot turn back our eyes from this hugely important continent. We need to help those people help themselves. This fund of half a billion dollars would be used for those purposes. The Prime Minister, in chairing the upcoming G-8 meeting in Kananaskis, has said that Africa would be a priority and that this fund would be used to assist those in need.

I have heard some Canadians ask, "Why are we helping them when we have difficulties and poor people in Canada?" That is true. However, as a government, we must take our responsibilities on a number of different fronts. We must ensure, as part of the global world in which we live, that we are playing our role helping others help themselves. That is why this is so important.

Another initiative that is encompassed in the bill before us today would put into play \$2 billion of funding that would be earmarked for strategic infrastructure. These would be projects of national significance across Canada. They would depart significantly from the infrastructure programs that the government has put in place already.

There have been three of them and the amount of funding provided has been significant. The last round was approximately \$3.7 billion. The federal government puts up money and that is leveraged with moneys from the provinces and municipalities. A whole host of projects are done, from sewer and water systems to cultural initiatives. However, that is a separate program.

The \$2 billion announced by the government in budget 2001 would be used for larger projects. They would be strategic in focus and national in significance. This budget would allow for that fund to be set up. Originally, it was to be a foundation. That is how it was announced in the budget. The advantage of a foundation is that it provides a continuity of funding. There is no difficulty in terms of lapsed funds. There is a question of governance and of it being at more arm's length from the government. Some would argue that is a good thing.

The government, in its wisdom, decided to move that from a foundation into an annual appropriation. That would mean that members of the House, people who are elected by the citizens of Canada, would be able to influence the priorities that are established for these national infrastructure projects. The minister responsible is looking forward to working with members on this side and that side of the House for input into what those guidelines should be and what criteria should be applied to the various projects as these proposals come forward.

• (1620)

We need to invest in infrastructure. Not only is it sound public policy but it would create employment, economic activity and makes us more competitive. Many of the projects make us more competitive and some make us a better nation. I am very happy that the budget puts in place the funding required to implement the \$2 billion of federal funding leverage with other funds over the next few years.

Government Orders

The budget also implements a number of other measures. What is often lost in the debate in the House, especially by the members opposite, is the tax holiday the Minister of Finance announced for small businesses. Their income taxes will be deferred for about a year. It is especially helpful to them in these difficult economic times in their cashflow management. That is a very significant measure that was incorporated into the bill.

I have other examples. I know there has been much interest and debate in the House about mechanics' tools. I know on this side of the House we have looked at a number of different initiatives. The initiatives that were placed before the House in the past basically did not differentiate between the tools used by mechanics and the tools used by people in other employment. If we had adopted some of those proposed measures we would have left the door open for people who work in offices to write off the cost of their computers, their palms or their research in motion gizmos.

Some would say that would have been a good thing. Any time we cut taxes it is a good thing for taxpayers but taxpayers pay us to manage the fiscal resources in the wisest and most prudent way possible. When we look at a tax measure and say that we will just deal with tools used by employees, and we do not restrict it or ring fence the issue, a term used by the Department of Finance, there could suddenly be a whole host of other implications such as someone who needs research materials for a job or needs to subscribe to publications, et cetera.

The problem with that proposition before the House in the past was that it could be as wide as it was broad and there was no way for the government to contain its exposure. When I say the government would contain its exposure, I mean on behalf of all taxpayers. Many people work as individual contractors, as entrepreneurs and in many different ways. If we had allowed this type of employment expense deduction it would have opened things up very widely. I certainly support the government's decision.

In budget 2001, the minister came out with provisions that would allow the deduction of mechanics' tools for apprentices if they were part of a recognized apprenticeship program in a province or territory. The amount they could deduct would be limited to the extraordinary costs they incurred and would be based on a certain percentage of income.

We all know that the income of an apprentice mechanic is very low. At the same time the apprentice has to build up his or her tool kit by investing in tools. Therefore the bill would enact those provisions. It states that if one is an apprentice mechanic and part of an approved apprenticeship program in a province or territory, one can deduct one's costs up to a certain point of one's income, and in fact can carry the costs over. Let us say in the first year an apprentice has to buy a big chest and put a lot of tools into it. Because the apprentice's income is low, \$24,000 or \$25,000, he or she might be limited that year but would be able to carry the amount over. I think that is a fair way to proceed.

•(1625)

Likewise, we had to look at other trades. What about electricians, plumbers and carpenters? The government, through the Department of Finance, actually surveyed the various trades. It discovered in the data, which I think was available at Human Resources Development

Canada and from various associations, that mechanics' tools were by far a significantly higher expenditure than the tools used in other trades. That is what the data showed and that is intuitively what one would think.

There is a question in all this. If one were a salaried employee of, let us say, Midas Muffler, why would Midas Muffler not supply the tools? However, it apparently does not. The rationale for that is that these tools walk, and I am sure tools do walk.

We have many situations in workplace environments where organizations, companies, whatever they might be, have to put in controls necessary to safeguard these tools, this equipment, these drugs, whatever they are. I am not sure that is a totally persuasive argument but the reality is that the people working at many of the shops are contract employees.

It is interesting to note that self-employed people can buy tools, set them up as a capital cost and the tools can actually be depreciated for tax purposes. Someone might ask why it would be different for a contractor versus an employee. The rationale is that a contractor, in most cases, has additional business risks.

If a person had one employment contract with one employer, the tax department would probably come along and say that the person was not really a contractor but an employee because the employee was taking his or her direction for the day to day work from the employer.

Since a true contractor has more business or personal risk than an employee, the income tax allows the contractor more latitude with respect to the tools he or she can claim as a business expense through a capital cost allowance.

Bill C-49 would implement the provisions to allow apprentice mechanics to deduct the extraordinary costs of tools against their employment income.

Bill C-49 has other very positive features, basically implementing the provisions of budget 2001. Tax incentives to encourage organizations to move from non-renewable energy sources to renewable energy sources is another feature in the bill. These are tax incentives for producers to move to renewable energy sources as opposed to non-renewable.

I think all of us in the House and indeed across Canada probably support the government in its efforts to reduce emissions and take us toward our Kyoto target of reducing greenhouse gases and cleaning up our air. This is one measure, in addition to the many other initiatives, that the government has financed over the last few years. In budget 2000 and in the economic and fiscal update, I think the government committed about \$1.2 billion to cleaning up the environment. However, more has to be done. An issue before us is Kyoto and what that does. I am sure the government is examining that very carefully.

We know the United States is doing something but it is certainly not ratifying Kyoto. I for one believe greenhouse gases are a problem and I think most people in the House believe that as well. We need to deal with the problem but with the Americans dragging their feet, we need to be careful.

Government Orders

• (1630)

On the one hand, we want a sovereign, independent policy and we want to deal with the issues as we see them, but if we were to put restrictions or impose conditions on companies in Canada which were not prevalent in the United States, we could create some competitive difficulties for them and that could translate into jobs and economic activity. I am not sure how that will be factored into the equation but I know the government is seized with the issue and wants to ensure there is more data, more information.

Various organizations have said that the costs of implementing Kyoto are in the billions of dollars. We have another study saying that it will cost \$500 million at most. The numbers are all over the page. What we need to do in the House, in fact it might make a good study for a committee of parliament, is look at the economic costs and benefits of implementing Kyoto and maybe look at the costs and risks of not implementing Kyoto to see how all those factors fit into the equation.

In conclusion, I believe the bill, which would enact the budget that was tabled by the Minister of Finance on December 10, should be supported by the House. It was an incredibly brave and courageous budget that was brought out in very turbulent times and meets the objectives that were presented by Canadians as we travelled across Canada. It is a well-crafted budget. As the bill would allow the government to implement the budget, I would ask members to support it.

Mr. Ken Epp: Mr. Speaker, I rise on a point of order. Notwithstanding the standing orders, I wonder whether there would be unanimous consent for us to engage the member in questions and comments for up to 10 minutes.

The Acting Speaker (Mr. Bélair): Is there unanimous consent to ask questions of the hon. member for Etobicoke North?

Some hon. members: Agreed.

Some hon. members: No.

Mr. Monte Solberg (Medicine Hat, Canadian Alliance): Mr. Speaker, it is a pleasure to rise and address Bill C-49, the budget implementation act. Although there are things in the bill I will speak to specifically I will start by talking about the overall budget and addressing some issues my hon. friend raised a moment ago.

The hon. member said he thought it was a courageous budget. I could not disagree more. As I have said various times in the House in the last month when I have had a chance, it is the worst budget the government has ever brought down. In the past the government has done things I grudgingly had to admit were good. However this is the worst budget it has ever brought down.

Not only did the government raise the level of spending dramatically in the budget by 9.3%. It was also careless. It brought in all kinds of innovations it later had to turn around and change because the budget was not well thought out. The government had to change how it would handle the Africa fund. The infrastructure program is another example.

There is no excuse. This was the first budget in about a year and a half. The Liberals had lots of time to think about it. It is not like they

were pushed into coming up with something at the last moment. They had lots of time to consider it but they absolutely blew it.

As important as what is in the budget are the things the government left out. I will start at the top. The thing that characterizes the budget and the government the most is a complete lack of vision. When looking at the budget there is no sense that the government understands Canada is losing the competitive battle in the world. We are falling further and further behind. This is reflected in our falling dollar and our falling standard of living. It is never seriously addressed. It is like an elephant in the middle of the room that no one wants to talk about. However we face it every day as citizens trying to make a living and scrape by.

As responsible adults we have an obligation to leave the country better than we found it. We are not meeting that obligation. The country is getting poorer and poorer. We are losing many of our young people to the United States. That is the vision that is not in the budget. There is no ability or willingness to confront the fact that Canada is losing the competitive battle in the world.

There are many things we could do. My hon. friend spoke a moment ago about Kyoto. Is it not wonderful that the government is coming to grips with Kyoto? However there are many other issues. The government wants to take the initiative on Kyoto even though we would be completely out of step with the Americans. However in terms of the day to day things that fundamentally affect people the government is completely out of touch.

What could the government have done? There is no question that in the wake of September 11 security spending has been necessary. The government has never addressed the question of why it cut defence and security spending so deeply in the past while maintaining high levels of spending for grants and subsidies.

However let us set that aside for the moment. The truth is that we need to invest more in our military, in intelligence gathering, and in defending our borders through increased enforcement by customs and immigration officials. We need to do these things. The opposition does not quibble with that. We have absolutely no objections.

Instead of raising the overall level of spending we should be cutting spending in other areas. The auditor general brought out her report not long ago which mentioned many areas where the government is failing the test of fiscal prudence.

• (1635)

One example is ACOA. ACOA is a regional development agency in Atlantic Canada. It provides what it calls non-repayable loans to different groups which sounds an awful lot like grants. The auditor general noted in chapter six of her report that ACOA had "not reported publicly on its performance in managing \$400 million of repayable contributions". This should give us pause. An agency supposedly answerable to parliament and the Canadian people has for some reason not reported publicly on the management of \$400 million in repayable contributions.

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An hon. member: It could have bought a report for that.

Mr. Monte Solberg: My hon. friend says it could have bought a report for that. It is a good point.

Given what we have seen in the last few days with the missing report, some of the scandal that has come out of public works, and the Canada Lands Corporation scandal if I can call it that, we have good reason to wonder what is going on with the \$400 million in repayable loans that has been handed out to different companies through ACOA. We know the government is prone to helping its political friends with taxpayers' money. What has happened to the \$400 million? If the government cannot answer the question the money should not be spent. The government could get funding for its security measures from this area instead of driving up spending by a whopping 9.3%.

As an aside, between 1996-97 and 2005 the government will increase its overall program spending by around 33% or somewhere in that range. The overall level of spending will go up dramatically. We should be concerned about that. I will say more about some of the big reasons we should be concerned about it in a few minutes.

There is another example of how the government has been lax with taxpayer money: the GST home heating rebate. The auditor general's report pointed out that "At least 4,000 Canadian taxpayers who did not live in Canada and 7,500 deceased people received cheques". It also said "about 1,600 prisoners could have received cheques". It is pretty obvious the government does not have its eye on the bottom line when it comes to expenditures.

An example I hear about over and over again in my riding is the firearms registry. It is an especially sore point with people who are being required to register their firearms. My hon. friend from Yukon is here. I have no doubt he is getting lots of calls about the issue. People are concerned because they think the firearms registry will be completely ineffective. I agree with them 100%. They think it will breed false security. They have concerns about privacy. Their other big concern is how inefficient the government is when it comes to big registries.

I talked about the home heating rebate and how frequently the government got it wrong. I will tell the House about other things I am hearing from people in my riding.

A fellow contacted me the other day who said he had already registered handguns on the handgun registry. He is now being asked to re-register them. Why is that? I did some poking around to find out. It is because the government has lost the information for about 300,000 registered handguns. That is unbelievable. Speaking of things that go missing, there is still the half million dollar ACOA report that went missing.

• (1640)

There have been more mess ups in the firearms registry which I could talk about endlessly. Recently my hon. friend from Yorkton-Melville got up in the House and told the story of a man in Vancouver who heard a knock at the door. The man went to the door to find a SWAT team. Someone had told the SWAT team the man had unregistered firearms that he owned illegally. The SWAT team came to the door only to find a man who was able to produce a certificate showing he was registered with the government.

My point is this: The government is famous for being inefficient when it comes to the delivery of programs and services. There are billions of dollars it could find if it wanted to reduce overall spending. The firearms registry is costing around \$640 million. It was supposed to cost \$72 million when the government announced it in 1995. It is now approaching a billion dollars. The government is completely out of control when it comes to these issues.

I could give many examples but I will touch briefly on some of the big areas where there is tremendous waste. Aside from ACOA there is waste in other regional development programs and western diversification programs. All these departments have oodles and oodles of waste. We completely disagree with the idea that government should be involved in funding businesses. It is crazy but that is what the government does.

We disagree with the ridiculous spending that occurs in departments like CIDA. We have deep concerns about it. The previous auditor general said many programs did not have proper monitoring or accounting so the government could not tell whether the programs were working. This seems a rather obvious criteria for going ahead and funding a program. The government should know if a program it is funding is working. However that is another example.

Let us look at Indian affairs. Auditor generals have said much of the money that goes to Indian reserves and band councils disappears. A colleague told me the other day about problems on one of the reserves in Alberta. The chief is being paid \$400,000 and there is no money left for some of the health care services on the reserve. That is obviously a concern. Perhaps the government should propose deep reform of Indian affairs before it advocates spending more money.

There are many other examples. I could talk about them all day. The Department of Canadian Heritage devotes much of its efforts to handing out grants and subsidies. There are deep concerns about whether that is the best use of taxpayers' money.

I will not go into all the examples. Suffice it to say the government has not done a good job of managing the public's money. It has not been a good steward of precious taxpayer dollars. We disagree fundamentally with the idea of raising spending as dramatically as the government has done in the budget.

That is one of the big reasons we oppose Bill C-49, the budget implementation act. However it is not the only reason. I will say more about that in a moment.

Another thing that concerns us, which I mentioned at the outset, is that the government has no vision or strategy for making Canada more productive and competitive in the world. This is obvious in the budget which does not even give a nod to the need to dramatically reduce taxes.

Government Orders

People on the government side will say they have reduced taxes. To be fair, they have reduced some taxes. Others have gone up. The government has reduced income taxes a little. That is fine. However we need to understand that we are not in a closed environment. Canada, the businesses that set up shop here and the people who earn their livings here are in competition with other countries around the world, primarily the United States. Having the United States on our southern border should be a huge advantage but because of the business environment in Canada it is not.

• (1645)

What happens is that instead of people mining that \$11 trillion economy, the largest economy in the world, with 25% of the world's GDP coming from the United States, instead of using it to our advantage, too often we are becoming victims of that big economy because people are leaving Canada and going to the United States to set up shop. We could do so much more in Canada. What I mean by that is that we should be lowering taxes. We should have a long term strategy for lowering taxes of all kinds, personal income taxes certainly, but also getting the high marginal rates down and much more aggressively than the government has already proposed.

We think corporate taxes have to come down. I know that members on the government side will say that overall corporate tax rates are lower in Canada than they are in the United States, but that is only one of the factors when it comes to determining where a company will set up shop. We need to be quite a bit lower in order to lure some of these companies and this investment into Canada or to keep companies here that are already here. It is only one of the factors.

Another factor is access to the U.S. market since September 11. A large business casting about for a place to set up a new factory or plant might have considered Canada before September 11, but now because of increased uncertainty about the ability to have access to the United States from Canada because of border restrictions and that kind of thing, it will say that this tiny little difference in tax rates on the corporate side really is not enough of a difference to cause it to stay or to set up shop in Canada. Those companies will go to where they have access to the U.S. market. They will go directly into the United States.

We need to have a strategy which guarantees that Canada will be a leader when it comes to luring investment from around the world and keeping investment here. Part of that is lower taxes of all kinds. On capital gains taxes the government will say it has lowered them, but it has not lowered them anywhere near enough to encourage investment in Canada and to lure people to Canada as opposed to other places around the world.

It is almost as though the government, and I would characterize the government as operating this way on just about all issues, always manages the issue by taking it off the front burner and putting it on the back burner. It does not fix the problem. It does just enough to remove it as a constant irritant in the public's mind. It just pushes it off onto the back burner where it simmers and is not dealt with completely. It simmers away until it starts to boil over again and then the government again manages it a bit and it goes away for a little while. That is how the government deals with many issues.

We believe that taxes have to come down dramatically across Canada, but what else should the government be doing? One thing it should be doing is dealing with issues like internal trade barriers. In the Canadian constitution it is left to the federal government to establish the rules for commerce in the country, but for some reason over a period of 100 years in Confederation the provinces have started to set up interprovincial trade barriers.

I saw one report from the Fraser Institute, from a number of a years ago now, which indicated that internal trade barriers were costing the country between \$6 billion and \$40 billion a year in productivity. That is a tremendous amount of wealth that we forgo because of internal trade barriers. I think it is time for the federal government to assert its authority when it comes to commerce and knock down those trade barriers.

When we do that we should do some other things too. We should re-balance the federation and allow the provinces some freedom in areas that they currently do not have freedom in. I think that would be a good quid pro quo, but again, this is a federal power that the federal government has ceded to the provinces over a number of years and in my judgment it should not have done that.

There are many other things we could do. We should be freeing up trade with our trading partners because that benefits everyone. One of the big frustrations for me is to know that on the one hand Canada claims to care about continents like Africa, and my friend across the way spoke a few minutes ago about the Africa fund, but it is also true in Canada that we have tariffs in place, for instance, against textiles and agricultural products from developing countries.

• (1650)

If a developing country's biggest exports are textiles or agricultural products, which very often they are from these developing countries, it cannot easily get things into Canada. Why? Because we have tariffs in place. We never do allow those countries to become developed countries. We stand in the way of that, so how can we make any claim to be truly compassionate about these other countries when we do those sorts of things?

Again, the quid pro quo is that we should have access to their markets and we should be allowed to sell products into their markets. In doing that, every economist will tell us that free trade improves both parties when they engage in these voluntary exchanges. It does not matter whether we are trading with somebody in the next room or around the world. It makes no difference. The fact is that trade always leaves both parties better off. We should be encouraging that. I think that the government has not done a good enough job on encouraging trade around the world.

To be fair, I realize that sometimes, for instance, the United States does not play fair when it comes to trade. The softwood lumber dispute is a perfect example. I would even point to the tariffs it has raised on steel, which are not affecting Canada because we are part of NAFTA, but the big tariffs it has placed on steel imports from around the world into the United States to me demonstrate that the U.S. has lost its way to some degree when it comes to free trade. However, having said that, I will say that Canada could do a lot more to push trade issues. If we did those sorts of things, Canada would be a lot wealthier.

Government Orders

Another thing we need to do is undertake regulatory reform. I will tell the House about something that people should do once in a while just to get a sense of how overregulated Canada is. Some day people should go to the Government of Canada website on the Internet and look at the website that displays regulations in Canada. It is absolutely amazing. It is a website without end. It goes on and on and on. There is no question that this costs business in Canada today tremendous amounts of money.

When President Reagan was in office in the United States the Americans undertook regulatory reform. They reduced regulations dramatically. I have forgotten just how many. I think they cut something like 50,000 regulations. They knew at the time that there would be a direct impact from doing that. Of course the direct impact is that the compliance costs for business go down so they have more money for other things, rather obviously. One of the things they did not realize is that by reducing those regulations they dramatically improved the efficiency of the trucking industry in the United States, because there were so many regulations that bogged down the ability to move trucks across state lines and that kind of thing. As a result of that, the concept of just in time delivery was born or at least realized in the United States and it had a dramatic impact on improving the output of the economy, the productivity of the economy. It was not something that people really predicted, but it was a result.

The same sorts of things can happen in Canada if we start to take that issue seriously. That is something else the government should be doing when it comes to bringing down budgets. It should be producing budgets always with an eye to making Canada more productive. The former chair of the finance committee often spoke of the need for a productivity covenant in Canada. Although we crossed swords from time to time, I think my friend was on to something when he proposed that. Unfortunately his own government has not adopted it.

We do need a government that takes the issue of productivity seriously. These are some of ways in which we could start to deal with it: lower taxes; reduce spending; deal with regulatory reform; knock down interprovincial trade barriers; and promote free trade. Those things all make the economy much more productive.

Why is it important to make the economy more productive? Because that is how real incomes are raised. The only way we can become wealthier is to produce more. It does not mean we have to work harder, but it means that we have to produce more by using our enterprise and our knowledge and by using capital to invest in machinery and equipment that will allow us to produce more goods and services. If we do that, everyone benefits, but do we know who benefits most? It is people on the low end. It is counterintuitive, I know, but it is people on the low end of the income scale.

• (1655)

Why is that? Because, rather obviously, an already wealthy person who has enough to look after all of his or her needs does not benefit nearly as much when the economy picks up or when the nation produces more goods and services. It is the people on the low end, the people who are unemployed or underemployed today, who are working in entry level positions at middle age, for instance, who could be doing much better if there were more activity in the economy, so that instead of three people chasing one job we would

have three jobs chasing one person. If we had that kind of an environment, that kind of an economy, people on the low end, who are struggling to find work that will allow them to look after their families, pay for the basics, buy homes and those sorts of things, will benefit the most.

That is one of the big reasons why the government should never take its eye off the ball when it comes to improving productivity. It is not just because we get those big boxcar numbers in terms of our overall GDP. Yes, we want to see the GDP grow bigger and we want to see more wealth created, but really it is the people who have not had the opportunities thus far who would benefit the most.

I have often used this example in the House, and at the risk of doing it to the point of boring people I will do it one more time. The best example of how this can work is what happened in the United States during the recent expansion. At the height of the expansion, the poorest quintile, the poorest 20% of the black population in the United States, which is the poorest population overall in the United States broken down by ethnic groups, by race, had an unemployment rate of 7%. That was the same average that we had across Canada at the very same time.

We would think that the unemployment rate of those people would be 15%, 20%, 25%, but because the economy was so hot in the U.S. and it was producing so much wealth, what we found was that all these businesses could not find workers so they went into areas of high unemployment and offered jobs to people. They said to people "We know you don't have any skills, perhaps, in this line of work, maybe you didn't finish high school or maybe you've been on welfare your whole life, but we will give you a job because we need workers". These people, who had no hope previous to that, who could not find jobs and were trapped in this cycle of poverty, finally were given jobs and given contacts. They got a paycheque and of course they got some hope, which is what governments should be doing.

Another example is Ireland, a perfect example. It is a country that for 150 years had as its biggest export its people. Ireland decided to change how it structured its economy, saying that it could not continue to try to get by on the sort of semi-socialist economy it had. It was losing people. It had unemployment rates that were through the roof. It was a disaster. It was running big deficits.

Ireland took a different approach, saying that it would buy some labour peace, settle down and see if it could work out something with the unions. Ireland bought labour peace. It balanced its budget and dramatically lowered taxes. As a result, it saw billions of dollars of investment flow into Ireland, to the point where it now, with 1% of Europe's population, gets 20% of all the new investment. There is so much money coming in the door in Ireland right now that it is able to provide its people not only with very low taxes, cutting the corporate rate from 40% to 10%, but it also has so much money coming in now it provides all its people with free university education.

Government Orders

That is what can be done with an economy that is really on fire. The way to do that is to give the rest of the world an incentive to come to that country and invest. That is what Ireland did. Just ahead of St. Patrick's Day we thought we should pay a compliment to the people of Ireland on the fantastic job they have done in turning around their economy. They really are a fantastic example. I will point out, too, that Ireland is a country that is stuck out in the Atlantic, a long ways away from big markets and a long ways away from having resources. It does not have resources like we do.

• (1700)

If we applied that same approach in Canada, can we imagine what would happen? We are a country that is blessed with resources, really unparalleled in the world. We sit north of the United States with an \$11 trillion economy, the biggest economy in the world. Can we imagine if we applied the same sorts of policies in Canada? Our economy would go through the roof. It would be unbelievable. People from around the country who have never had a chance at getting a good job all of a sudden would be breaking down doors for people to hire them to work at different things.

The government cannot seem to get out of the rut it is in. It only moves in fits and starts when it absolutely has to and put band-aids on whatever is the problem. It never fundamentally takes on this challenge. That is a shame because if it did Canada would blossom as a country. Unfortunately we do not see any sign of that happening.

I want to talk for a moment about the air traveller security charge which is part of Bill C-49. The official opposition is very concerned about what the government is doing with the air traveller security charge. This charge, by the way, will raise the cost of a ticket to \$24 for a round trip fare. Previous to this about \$72 million a year were being spent by airlines to provide security for the travelling public around Canada. This will raise the average cost per passenger for security from about \$1.10 to \$24. That is a huge increase. On a one way fare it would go up \$12 or over 1,000%.

The impact that has on short hop flights rather obviously is dramatic. If someone was paying \$60 for a ticket and now has to pay \$24 more to meet the security charge, all of a sudden there is a big incentive not to fly. People will find other ways of travelling or they simply will not go. That is bad for the economy. That is a disastrous thing for the economy and certainly a disaster for airlines like WestJet that really rely on a lot of the short hops. We think the government has made a grave error.

Actually I am pleased to announce that many government members are deeply concerned about this matter. The member for Hillsborough from Prince Edward Island spoke up when he was on the finance committee. He thought the government was out to lunch in this regard. I have some quotes which I cannot find right now, but he pointed out at the finance committee that this would have a dramatic negative impact on small airports like the one at Charlottetown where people have to make short hops, or Victoria to Vancouver or Calgary to Edmonton.

These short hops for some people will not be economical any more so they will simply not do it. Airlines like WestJet and some of the smaller airlines will face real challenges in staying afloat because of this issue. The government has made a big error.

That is not to say there should not be increased security. Of course there should be. Our party believes that we should first of all respect the recommendation of the transportation committee that any increase in funding for air travel security should be funded both by a security fee and out of the consolidated revenue fund, out of general revenues, because public security is a public good. It is not like a special program that only a few people use. It is really a public good.

We need to remember, as my friend has pointed out in the past, that when the airplanes hit the World Trade Center many people were obviously killed in the buildings themselves. All of the public is in danger when someone hijacks a plane. The entire population of a country could be in some kind of jeopardy when such things happen. We argue it is a public good and therefore at least to a large degree should be funded out of general revenues.

I simply say this is an important fact with which I am not certain the government has ever come to grips. In my riding of Medicine Hat there is a small airport that will be dramatically affected by the security charge. I can assure everyone of that.

• (1705)

People in the past have flown from Medicine Hat to Calgary. Now it may not be economical for them to do it. They may just drive instead, and that would be a real blow to regional carriers. We are quite concerned about that.

When this whole issue was first debated in the finance committee a number of things were raised and good amendments were brought forward which unfortunately were defeated by the committee. One of them was a proposal by the Canadian Alliance that these fees be determined on the basis of distance.

My friend spoke a minute ago about not wanting to do that and suggested that people who go on longer hauls would subsidize people on shorter hauls. I understand his argument, but rather obviously it would minimize the impact of the security fee in terms of being a disincentive to travel. A small percentage more will not necessarily deter those who are already paying \$3,000 for a ticket to go across the country, but a \$24 fee on a \$60 trip could absolutely be a very big deterrent to people travelling. That is something we proposed which the Liberals in the finance committee denied.

We also proposed that there be greater accountability when it comes to the authority that is to oversee the new fee and security at the airports. We asked that a representative of the travel industry be put on that authority. Unfortunately Liberal members voted it down. That is regrettable because it would have ensured some accountability. It would have put people on that authority who understand the issues and who can see the direct impact of that kind of security charge.

Along with my friend across the way we also voted in favour of having a labour representative. My friend spoke on that a moment ago and pointed out that people who were a part of the labour force understood better than most the problems when providing security in an airport. It was a very good point. Unfortunately the government has moved an amendment to change that, which is regrettable because it would have been good to have someone from labour on it as well.

Government Orders

These are some of the very specific things we regret in Bill C-49 when it comes to the air travel security charge. We think that the government has not done the country a service by bringing in that security charge without some of the amendments I have just talked about.

As I said at the outset, overall I am alarmed by the budget. I have said that in every speech I have given on the budget. It really misses a tremendous opportunity to improve Canada's competitive position. It misses the opportunity to deal with reckless spending. It misses the opportunity to act aggressively to bring about fundamental change in how we provide security in Canada when the country is demanding it.

We have not done a good job in the past. The government has ripped the heart out of funding for the RCMP, CSIS and national defence. It has not even begun to address the funding issue for some of those agencies even yet, even after the budget. Those are some of the things it could have done and did not do, and that is regrettable.

I will simply conclude by issuing a charge to the Liberals across the way. The government will be in power for a couple more years at least before an election. I urge them to take the opportunity, with the official opposition supporting them, to bring about some of the changes I have talked about that would make Canada a leader again when it comes to providing well-being for its people.

• (1710)

[*Translation*]

Ms. Pauline Picard (Drummond, BQ): Mr. Speaker, in the wake of September 11, the Minister of Finance brought down in December his budget entitled "Securing Progress in an Uncertain World".

Now, as then, the minister has not succeeded in convincing anyone of the merits of his budget, which many criticized then, and are still criticizing today. The government was going to make security its top priority and relegate its health funding obligations to second place.

During the prebudget consultations, the Standing Committee on Finance, of which I am a member, heard from many witnesses, here on the Hill, and during cross country meetings. Many people recommended that the federal government give the economy a boost. Instead, the Minister of finance was satisfied with a budget just for the sake of form, without any measures to revive the economy and reverse the slowdown.

This budget boils down to a series of spending programs, the main purpose of which was to reassure the Americans. It contained very few measures to ensure the economic security of our citizens. The budget contained nothing new for health, the government merely reiterating old announcements, and nothing, of course, about equalization.

Sticking with the approach it has taken since 1994, the federal government decided to leave the provinces to find their way out of their financial difficulties. The Minister of Finance preferred to turn a deaf ear to the requests for assistance he received.

I also wish to speak about part 1 of the budget, which deals with air transport security. Having turned over responsibility for airport security to the airlines, the government has decided to take back

control by establishing the Canadian Air Transport Security Authority. The agency's mandate is to provide key air transport security services in a uniform and comprehensive manner throughout the country, and to provide performance standards and improved security services.

Just days away from the introduction of this new federal agency, air industry officials note that its mandate is not clearly defined. It has the mandate to screen persons and their belongings at airport screening points. But what about the people working in proximity to airplanes: mechanics, baggage handlers and others? The Canadian Air Line Pilots Association has not hesitated to criticize the oversights noted.

Does the Minister of Transport intend to hand over other responsibilities to this new agency? If so, why not have spelled them out?

In connection with the training of security personnel, creation of the Canadian Air Transport Security Authority suggested improved quality. The general principles call for staff less subject to turnover, and equipped with the appropriate skills and equipment. Now we learn that this federal agency can contract out airport security to the companies already providing it. Will this bring any new and real improvements?

Passengers are already undergoing longer and more stringent controls before takeoff, yet their baggage is being loaded onto planes without a proper inspection.

The act contains transitional provisions to ensure a smooth transition from the old regime to the new. The minister has, however, taken care not to indicate exactly when these new measures and new equipment will be in place.

The government has not succeeded in convincing us of the utility of creating a new authority to provide security services. This is, in fact, just one more structure and one more expense.

• (1715)

What more is this new agency going to do to provide security that is not already being done in our airports? What is this highly professional service the Minister of Transport is promising?

The second part refers to the security charge. According to the announcement, the creation of the Canadian Air Transport Security Authority will cost \$2.2 billion. One cannot oppose a good thing, of course. Improving security is a laudable objective in itself. The bad news for air travellers is—and this is the rub—they are the ones who will be paying for the measures put in place.

Many feel that security is a national issue. What then are we to make of the decision this government has made to make air travellers pay? Why not extend this to all taxpayers? Is travel by ship, rail or road any less risky?

Government Orders

The Minister of Finance's decision is unfair and certainly will not help the tourism and airline industries get back on their feet again after the events of September 11. In addition, already in the first year of this new tax being implemented, there is a surplus of approximately \$223 million being forecast. The tax then will be bringing in more money than needed. Perhaps the Minister of Finance is not aware that this is called a surplus, that it can be forecasted, that it matters and that it comes out of the pockets of taxpayers.

The Liberals would like everyone to think that they are a good government that is ensuring everyone's security. However, it is travellers who are footing the bill. Not only must they pay for the cost of these new anti-terrorism measures, such as the presence of police onboard aircraft, but they will also pay for passenger screening, something that used to be done by airlines and airport authorities.

This September 11 tax is regressive and does not amount to any savings, particularly since it is added to the list of fees that are paid when purchasing a plane ticket. It is in addition to the fuel surcharge, airport improvement fees, the GST and other security charges that are paid out. Now, on a ticket that costs \$800 with Air Canada, or \$150 with WestJet, consumers will have to pay a \$24 fee for a return trip, while the American government is charging a maximum fee of \$10. This suggests that security is more expensive on our side of the border.

If the mandate given to the new security authority is similar to that of Nav Canada, how can the government justify a new structure? Why should we pay more when the airlines were providing the service for \$72 million?

Does the Minister of Finance believe that this tax grab of \$2.2 billion from travellers' pockets over five years will improve the situation of this industry that has been badly shaken since September 11? Is he not aware that there have been significant financial losses suffered by travel agencies and others, to the tune of more than \$20 million, and that he has done nothing to respond to demands from the Tourism Industry Association of Canada and airlines, for compensation for the losses incurred when airspace was shut down?

Do our constituents not have the right to expect adequate security? From that perspective, these measures should have been implemented a long time ago. The commitment to improve aviation safety made in the 2001 budget will be financed through this new airport security tax that will take effect on April 1. It is not an additional cost to the government. Travellers are going to be paying for that. As surprising as it may seem, the government is going ahead with this initiative without first assessing the impact of this new tax.

• (1720)

The government does not yet know what the economic impact of this new measure could be. It is an aberration.

The Minister of Finance and the secretary of State have both been telling anyone willing to listen that the introduction of this tax would have hardly any impact; we even heard them say it would have no impact on demand in the air travel industry, regional development and tourism. On what basis did they make such statements? There was no basis. These were totally unjustified. Does the government

realize how serious this is? Since when do responsible politicians manage by instinct?

We asked that all impact studies related to the introduction of this new tax be tabled, but to no avail. The minister's officials remained silent. The Minister of Finance told us on several occasions that he had to act quickly. It was our American neighbours who were targeted in the unprecedented events that occurred on September 11.

With this kind of approach, the government is giving us the impression that it neglected our own security.

The Liberal government is invoking the urgency of the situation, but the evidence heard by the powerful Standing Committee on Finance should not be ignored. Witnesses from all sectors of the economy told members that this new tax will have devastating effects. Airline carriers fear that it will result in fewer people flying. Why did the government not conduct studies? What good would be the hours spent in committee if the government turns a deaf ear to our recommendations? By acting in this fashion, the federal government is being irresponsible.

The government, which has a duty to ensure national security, could have fully funded the improvement of security on board aircraft and at airports, with the budget surpluses that it has, without imposing another tax on users.

Instead, the government smelled an opportunity. A sniffer dog would certainly think that it stinks. But the minister is going ahead anyway. The Minister of Finance will become the minister of surpluses, and his security tax is just one more tool in his hands.

Somebody once said "Why have teeth so white when your tongue is so dirty?" Why is the Minister of Finance promising to review the relevancy of this tax in the fall, when his party got elected on the promise to abolish the GST?

The government is in such a hurry to tax travellers that it has not yet put everything in place to ensure the smooth implementation of that tax. It is surprising to read that, with less than 19 days left, the travel industry is still wondering how to accurately measure the impact on airfares. There are still doubts as to whether that tax may be imposed on stopovers and connections.

Airlines must prepare for major changes to their computer systems. Will these changes be completed on time? And has the minister included a grace period, in case mistakes are made in collecting the tax?

The stakeholders whom we met suggested that, while the tax seems easy to understand—\$12 for a one way trip and \$24 for a return trip—calculating it may be complicated. The definition of a continuous trip is not clear and suggests that a traveller could sometimes be taxed twice when he makes a stopover or catches a connecting flight.

The vice-president of the Air Transport Association of Canada feels that the number of hours that a stopover can last without imposing a new security tax on the second leg of a trip is ambiguous.

Government Orders

What will the government do in the case of clients who believe they have paid too much for security on their tickets? To whom do they file a complaint? The agency that issued the ticket, the airline or directly with the Canada Customs and Revenue Agency? These are questions that have yet to be answered.

The government ministers are not acting on this issue with the same sense of urgency. The Minister of Finance sets a tax, in a rush to take action, he says, because of events. His colleague over at Transport however, is unable to say exactly when the new measures will be implemented and the new equipment will be in place.

Our neighbours to the south say that all baggage will be screened for explosives before the year is out. In Canada, the Minister of Transport raises his eyebrows at the Americans' assertions and admits that it will take us between three and five years to get there.

The government announced that it would spend \$1 billion to purchase explosive detection systems, provided such equipment is available. As I have already said in the House, there are only two companies in the entire world that manufacture this equipment, and they cannot keep up with the demand.

● (1725)

After the explosion of the Air India flight at the Toronto airport, we implemented a system whereby baggage was matched with the passenger list. The purpose was simple: preventing baggage from traveling without its owner. Many airlines found the idea to be a good one and implemented it. However, this system does not eliminate the possibility of a suicidal passenger being on board.

In the new security measures it announced, the government decided to put undercover police officers on board aircraft. While the cabinet is unanimous that this should occur, union representatives of both pilots and flight attendants have yet to see them. The only times that these constables have been seen was on flights to Reagan airport in Washington.

The government has yet to set up its software to screen passengers that may represent a threat to security. The software should be able to do this by reading the passenger list. The plodding pace of progress on this is causing concern among airlines that travel to the United States.

We know that no system is failsafe, but a good knowledge of the identity of passengers, combined with explosives detection and stricter security screening measures at boarding can improve our security.

Not only do we need to wait for these mechanisms to be put in place, but as well the government needs to demand more of the RCMP and CSIS.

It is particularly disturbing to see this Liberal government putting its hands on \$2.2 billion over five years without being in a position to provide us with a detailed breakdown of the costs that make up this amount.

Are we going to be witness to another misappropriation of funds, like what this Liberal government has done with the EI fund? We are not the only ones to doubt the government; the Canadian Taxpayers Association finds that there is something a bit fishy about this. The

associations representing travel agents and the tourist industry are opposed to this tax. The Bloc Québécois is opposed to the imposition of this tax, imposed willy-nilly as it is. Our colleagues in the other opposition parties also agree with us on this.

The Canadian tourism industry, ACTA, describes this tax as punitive and feels it will have serious impacts on their industry. A poll by Ekos, a firm known to those across the way, which was commissioned by the CAA, produced some food for thought. It reports that 16% of people who currently travel by air have said that they will travel less once the tax is in place.

Is this what the secretary of state calls minimal impact?

Even the representatives of WestJet told the Standing Committee on Finance that this new security charge will have a negative impact if it is imposed regressively, as is the plan at present. Why? Because this approach means that the amount paid is a higher percentage of the cost of short flights, and this will be counterproductive, stopping new competitors from entering the market. We must not forget that Air Canada has a virtual monopoly.

By maintaining its decision to impose this tax, the government is acting in a remarkably cavalier way.

We are afraid that smaller communities will no longer have air service, because it is not cost effective. A number of regional airports have already been dropped by the major carriers in recent weeks.

The people of New Brunswick can attest to that. The Charlo airport has never recovered from the disappearance of InterCanadien when Canadian merged with Air Canada. In January 2001, Air Labrador also packed it in, so this airport no longer has any regularly scheduled flights.

Most fortunately, a new airline, Baie Chaleur Air, will soon be plying the skies over Montreal and Toronto. Baie Chaleur Air will be offering service to the peripheral regions of Quebec and Canada, regions that are experiencing difficulty maintaining air service.

● (1730)

Will the impact of Bill C-49 undo the efforts of areas such as the Gaspé, Lac-Saint-Jean and the North Shore, to name just a few, which have been fighting for years to find a viable solution to the monopoly of Air Nova, Air Canada's regional service in Quebec.

The number of questions which remain unanswered show just how imperative it is that there be studies of the impact of this tax on air fares. Candidly admitting that none were requested shows an unacceptable lack of concern.

Part 3 of the budget deals with employment insurance. As we have been telling people for years, the Minister of Finance is helping himself to the surplus in the EI fund in order to pay for the measures in his budget.

Government Orders

The Bloc Québécois has repeatedly said that this diversion of funds must stop, and the Canadian Taxpayers Federation supports our position. My colleague from the Lower St. Lawrence can attest to this, as he has been denouncing what can practically be described as the theft from the EI fund since we have been here, in other words since 1993-94.

We were expecting reductions in EI premiums, as were workers and employers.

True to form, the government is using the surplus in the fund to improve its financial situation.

This budget contains nothing for workers, and SMBs are fed up with paying more than necessary for the EI fund.

Instead of getting the message, the government conceals from us the report of the actuary for Human Resources Development Canada, a report that would show us the real needs of the fund so that premiums could be set accordingly. That is what clarity means to this Liberal government.

Part 6 of the budget deals with the Canada strategic infrastructure fund. Another aspect of this bill particularly caught our attention: the decision to invest \$2 billion in this fund, with part of it to be available for fiscal year 2001-02. We are a few days away from the end of the year and all signs are that the fund is empty.

I am dismayed. The Minister of Finance said in his budget, and I quote:

This budget commits a minimum federal contribution of \$2 billion...with an initial allocation from this year's surplus funds at year-end.

More recently still, on February 5, the backgrounder put out when the bill implementing the 2001 budgetary initiatives was introduced says:

In the 2001 budget, the government announced that it would provide at least \$2 billion for major infrastructure projects. These goals and this \$2 billion initiative, as set out in the budget, are those of the Canada Strategic Infrastructure Fund

My hon. colleague from Jonquière who has a special interest in regional development and the implementation of infrastructure projects, has tried several times in this House to get information concerning this fund and to find out when the money will be made available.

Time is running out and the government must act quickly if it intends to use the surplus from the current fiscal year, since March 31 is the deadline. What makes it even more troublesome is that no amount appeared for the Strategic Infrastructure Fund in the Supplementary Estimates tabled on February 28, 2002.

Need I remind the House that Bill C-49 has yet to be passed and that the infrastructure fund has not been officially established yet? Therefore, the money that was announced cannot be made available. Once Bill C-49 is passed, we will need another bill to allocate part of the surplus to the fund.

Given the situation, how could the Deputy Prime Minister maintain, in an interview he gave on March 6, that this \$2 billion fund is a good start?

The Deputy Prime Minister then added that the launch of this program would probably be postponed until next autumn and that

the eligibility criteria would be submitted to cabinet somewhere around April or May.

This total lack of planning makes the government look pretty bad.
● (1735)

I am curious to hear how Liberal members will explain the fact that all the highway construction projects that they promised are now at risk because of a lack of funds.

Voters should know that this government is incapable of fulfilling its commitments. Back home, this is called lying through one's teeth.

It may be that members opposite have a rabbit hidden in their hat. They should bring it out soon. But we all know that the Liberals, and particularly their leader, do not really take seriously the promises they made during the last election campaign.

If these election promises were fulfilled, it would force the government to come up with \$1.9 billion, that is 50% of the money needed to complete the projects that they pledged to do, and 80% of the funding that is necessary for highway 185. The Liberals promised a federal contribution of \$1.1 billion for highways 175, 185 and 30. Currently, there is only \$108 million available, over a four year period, for these projects.

Where is the money that should come from the Canadian strategic infrastructure fund for this year? What is the basis of the comment made by the member for Beauharnois—Salaberry during the election campaign, to the effect that the bridges on highway 30 were a done deal?

In conclusion, the federal government has been achieving significant surpluses since the mid-nineties. Since 1997-98, federal budgets have always generated surpluses ranging from \$2.9 billion to \$17.1 billion in 2000-2001.

The conference board itself feels that the current positive gap between federal revenues and expenditures will continue in the future and will even increase, because the debt is going to be paid off with the employment insurance surpluses, with the new tax on security and with the unpaid benefits to seniors under the guaranteed income supplement program.

From the time he delivered his budget until the time he introduced this bill to implement it, the minister has missed the boat.

This government does only as it pleases. It did not take into account the work of parliamentarians and the needs expressed by the witnesses who appeared before the Standing Committee on Finance.

The government keeps governing by acting unilaterally to ensure that it enjoys surpluses.

The provinces, the workers, the employers and the unemployed all told this government what they expected from it. The government replied by tipping the scale in its favour and by ignoring the needs of these people. The government let them down, as it always does when there is a consensus.

Sovereignty is the only option for Quebecers who want to get out of a system that stifles them.

Government Orders

• (1740)

[English]

Mrs. Bev Desjarlais (Churchill, NDP): Madam Speaker, I do not know whether I am pleased to speak to Bill C-49 or just pleased once again to have the opportunity to comment on the government's performance and its commitment to Canadians which is sorely lacking.

Bill C-49 was presented as a budget bill. As has been stated in the House, it really does not do a whole lot to provide the funding needed for Canadians in a number of areas.

It does not provide the dollars needed in health care funding throughout the nation. The premiers of all provinces called on the government to once again take its 50% share of health care funding. Was there even a point to getting to that level of funding by increasing it to 25%? Let us get on the road to improving the health care situation in Canada. That was not there.

There is nothing to assist post-secondary students with funding. However in the past we surely saw attacks on students by not allowing them to claim bankruptcy at the same level as other Canadians if they were in financial difficulty. It must be recognized that something like 92% of students pay back their loans. Compare that to corporations that receive government loans but do not pay them back at near that level. A great deal of dollars are owed.

The government has failed to put enough dollars into the employment insurance program to provide needed benefits to workers and the unemployed in Canada as well as to provide dollars for training needed throughout the country.

It is recognized that there are huge gaps in our workforce where training is needed. The government could use those EI dollars to do that. Instead it is using employment insurance premiums to provide the finance minister with a surplus that he keeps touting has come about by his great management of funds. The bottom line is that the surplus came about mainly by taking pension dollars and EI benefit dollars.

There was a very minimal approach to put dollars into infrastructure. The \$2 billion infrastructure fund does not nearly address the infrastructure needs. The government consistently has not funded infrastructure over a number of years. We all know if a leak is not fixed, pretty soon the roof will need to be fixed, or pretty soon the walls will need repairs and then there will be nothing left. That is pretty much what the government has done to Canada's infrastructure over the last number of years.

Talking about leaking roofs, there is the housing situation in Canada. There is a need for affordable housing throughout the nation.

As far as Bill C-49 being a budget bill, it really was not much. Maybe people do not realize that the bill has over 70 pages on how the government will collect a \$24 security tax. There are over 70 pages to get that additional \$24 security tax, and it is a security tax. It is not an airline flying tax. It is not a user fee. It is an airline security tax.

The bottom line is we are not just dealing with airline security. What took place on September 11 was not just about airline security. It was about a nation's security. That is what we are talking about.

Have we resorted to charging individuals for their security? Is that what we are doing here? What will happen down the road when there is a robbery in a community? Will we charge the family for the police to respond? Is that what we are talking about in Canada, that individuals pay to get security?

Since when should the victims, and quite frankly I believe them to be the airline passengers, become the victims of the September 11 attacks? Those airline passengers lost their lives. What are we saying to airline passengers now? They are being told they will pay a security tax because by golly those other passengers got themselves killed. Is that what we have resorted to? It is despicable.

• (1745)

It is utterly despicable that any party or any member of the House would support a user fee on security, or even for one minute would suggest that it should be \$2.50 or \$5 or whatever. We are a nation that should be standing together recognizing that what happens in those airplanes could affect each and every one of us. That was proven on September 11 when those aircraft flew into the World Trade towers. That is what this is about.

I believe that as a result of what happened on September 11 the government is exploiting the airline industry and airline passengers. It is making them responsible for paying for security. It is not acceptable. It will cause devastation to a good number of smaller airlines and a good number of smaller communities and to individual travellers who are already paying high airline costs.

On that note, I have heard the transport minister's comments and answers, that if \$24 is too much for people to handle, make the airlines reduce their fares. For crying out loud, he has been trying to make the airlines reduce their fares for years and he cannot do it. He has reduced the airlines. He has certainly been the transport minister while we have watched one airline after the other die in Canada. That is a given. What is his answer? Make them lower their fares.

After years a number of communities finally have low cost carriers which provide those lower fares. Now he is saying they should reduce the fares even more because he wants \$24 from them as an airline security tax. If that is the answer the transport minister has, he should not be there. He could not get those airlines to reduce their fares. Actually he could by putting some regulations in place to get them to do it. That may not be the answer either, but the answer is certainly not to say that because he wants to charge a tax, the airlines should reduce their fares.

If I thought for one second that this was strictly an airline security issue and it was because of something the airlines were doing, then I would say we have to do this, but that is not the case. We are talking about national security and about taxing individuals because of that. It will not just apply in the airline industry. If it is allowed to proceed, this is what we will be looking at in each and every instance of some kind of terrorist attack.

Government Orders

What if something happens in one of the ports? Will we charge a security fee for any person hopping on a ship in case something happens? Will each and every passenger on buses crossing the border be charged a security tax? It is not the answer.

The answer is to take those dollars that are needed out of general revenues. The minister touts his surplus. I have indicated where I believe it came from. Until such time as it is realized whether there is a need for the security tax, or if there are additional dollars, it should be taken out of the surplus.

I have listened to the finance minister over the past number of weeks comment that he will review it in the fall. I then listened to the transport minister who believes that somehow the airlines should reduce their fares. That is his answer. I have listened to the finance minister say he will review it in the fall and I have listened to the transport minister say there will not even be a security agency up and operating by the fall. Boy, that is one heck of a picture.

There have been comments. I will read a couple of headlines: "Air security test results kept secret. September 11 attacks make documents too sensitive". After September 11 we will no longer be able to find out whether there is good security at the airports because now it is a national secret. It is for national security. If it is national security then we cannot release those airport security test results. Why are individual passengers paying for security? "Airline security tax will raise \$130 million surplus". It sounds like a bit of a windfall to me. "Air security fee a rip off. Critics say a \$24 ticket charge a revenue grab". "Air safety tax hits new heights for waste".

• (1750)

Let me just read from the Toronto *Sun*. It talks about the bomb detectors. My colleague from the Bloc mentioned the bomb detectors. It states that the leading manufacturer of these particular machines, one of only two U.S. approved suppliers, put out a press release a few weeks back indicating that Canada was ordering maybe five of the devices.

The government had indicated earlier that it was going to get 600 of them. It has ordered five so far and that leaves only 595 more units to order. It has \$992,500 or whatever left. The U.S. for all of its airports is only ordering 100 scanners.

There was no impact study done by the government as to what would be the results of its security tax. There was no study done of the impact on the airline industry, the tourism industry and numerous other industries that will be hit by this. There is no understanding that municipalities will have those additional dollars taken out of their local economies any time someone needs to fly.

In the past I have listened to the Alliance members tell the Liberals that every time they cut a tax point more money goes into the local economies. How many tax points did the government just add to dollars coming out of the local economies? It is shameful.

It is hard for me to get my head around this whole picture when the transport minister says it should not be called a tax, that it is a user fee. If it is a user fee I present to the House that yes, the government is charging a security user fee and we can call it a user fee. If it is a user fee there is an understanding in Canada that the government has done some consultation and impact studies. The government members do not pop out of bed one morning and say

"How much can we get out of these Canadians? They are afraid, so let us go big. We will not go just for two bucks or five bucks. Let us go big because we will have much more money".

I and Canadians in general will have to be forgiven for not believing that it will only be used for airport security as such. Quite frankly, just too much money will be coming in. Not for one second do I believe that is strictly what will happen to the money. The way the bill is presented the money will go into general revenues, except for a certain amount which will be allocated to the Canadian air transportation security agency which still has not been set up.

On that note I have a question for the government. I ask Canadians to question the government as well. Why on earth are we setting up a separate agency for security at airports? What ever happened to the solicitor general's office, to the RCMP, the most trusted security people in Canada, those who know the business? Why are they not looking after airport security? Why are they not setting the rules and the guidelines? Why are they not putting the practices in place?

Why are we putting in place a number of government appointees who will get paid Liberal patronage dollars, probably \$100,000 to \$150,000 to be on this new airport security agency when there is a department that is supposed to be in charge of security for Canadians? Between the RCMP and CSIS certainly we are capable of doing that. Or is it that somehow we have more faith in the transport minister than the solicitor general as the head of that security agency? Maybe that is the case.

It is wrong. If we are talking about the security of the people in this country, a security agency should be in charge of it. It should not be the transport minister. What the heck does the man know about security? He is not even going to be dealing with those who fall under his department and are specialists in security. It was the Department of Transport that was in charge of security when those numerous incidents came before the House. There were numerous cases of failures within the system. The security at airports and the baggage checks went out to the lowest bidder. Is that the transport minister's idea of security? Whatever we could get for the cheapest price, we got it.

• (1755)

We do not have a system in place that is seamless. We do not have a system that people consider safe. I ask the House and Canadians to challenge the government on what it is doing. This is literally the security of the nation and the lives of the people travelling in Canada. We are leaving it up to the transport minister who, quite frankly, has done a very poor job.

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Another issue that came up in discussion on the bill and was approved in committee dealt with representation on the board. I want to go on the record as saying that I firmly recommended, as the critic for the NDP on the transportation committee, that this issue should be under the solicitor general's office. It should be under a security agency. We do not need a separate agency of Liberal appointees, making \$100,000 or \$150,000 a year, using that money which could be used for other things. That is where I stand.

We talk about this security agency and about who would be appointed to the agency. We had a committee agreement that there would be representation from labour groups as well as government appointees. We would have representatives from the airline industry. It was bidding out the contracting of the security services to the lowest bidder. We would ensure they are on there because this is a business decision.

We would have the airport authorities on there because we all know that the airport authorities are not trying to make a buck. Who are we trying to kid? That was recognized. The airport authorities are now competing with each other so if they have to somehow cover the cost of the security they would put it out to the lowest bidder because they are trying to make a buck.

Who is really caring about the security of Canadians and passengers in our airlines? It was suggested that there be some labour appointees to represent the workers in the industry. We have the airlines, the airport authorities, and the Liberal government appointees. We all know that the airport authorities are Liberal appointed airport authorities so it is a double whammy.

It was recommended and agreed to by the committee that we would have labour representatives. What did we see in the House? The government brought an amendment to not have any labour reps. Why? What did the transport minister say? He said that it would only be the one union right now and what would we do when it is representing another union and what if there are other workers involved or labour groups involved? So what? It is a labour rep.

It did not recommend one union, one particular person or individual. All workers involved would have some representation. They are being recognized to have a say in the security. How many members of parliament from the Liberal side were on those planes when they went down? I can say that there were a lot of workers. There were pilots, flight attendants and other crew members. They deserve to have a say in what happens with the airport security after September 11. But not this minister. It is more important that we look at the business aspect. That is much more important.

The government has exploited the September 11 issue, pure and simple, no question about it. It is exploiting the September 11 incident to get more money so the finance minister can talk about a surplus. It is absolutely wrong to charge Canadians for security.

I will not call on the government to lower the tax. There should be no tax. No individual in the country should have to pay for his or her own security. No one industry should be made responsible for the events of September 11. That responsibility belongs to each and every one of us. It is time that we stood firm and said that this should not happen and we should not allow the government to pass the bill.

●(1800)

Mr. Pat Martin (Winnipeg Centre, NDP): Madam Speaker, I just arrived and I heard most of my hon. colleague's speech. There is one thing I would like some additional information on. I was recently at the executive council of the Canadian Labour Congress. They were speaking about the new air transportation security agency and the composition of the board of directors.

At the transport committee meeting they had reason to believe and they were led to believe that there would be labour representation on the 11 person board of directors of the air transportation security agency. I am wondering what happened.

I am at one meeting and I get a report that even though people are apprehensive about the creation of this new arm's length agency, at least they are kind of relieved that they will in fact have proper representation and an opportunity to get labour's points of view put forward as this agency moves forward. Then I come to the House of Commons where I work and find out that the rug has been pulled out from under that idea. The transport committee recommended it and had a tacit agreement from all parties. Then what happened?

Perhaps the hon. member, because she is a member of the transport committee, could tell me what the heck happened there and how did we lose those seats on the board?

Mrs. Bev Desjarlais: Madam Speaker, it is pretty simple. We lost it because we cannot trust whatever comes out of Liberals' mouths.

There was a tacit agreement that there would be representation. The minister's comments were debated at length at the department, in cabinet and in committee. He understood that there would be pressure from labour for dedicated labour representation on the board.

However, there are other parties who are affected by the operations of the security authority. Yes, there are other parties involved and there is the entire nation. I have indicated the number of workers, pilots, flight attendants and other crew people that lost their lives on those flights. They have an extremely important interest in what happens with airport security. They are the ones that are on those planes when something happens with a passenger who becomes enraged. I have yet to see a member of parliament from the Liberal side be damaged or injured on a plane as a result of lack of security. We certainly see it happening to airline workers all the time.

Who has the greatest interest here? They are the workers in that industry and the passengers that quite frankly they are standing up for as well. The government is not.

●(1805)

Mr. Ken Epp (Elk Island, Canadian Alliance): Madam Speaker, I know the member who just spoke has a compelling interest in the rights and advantages to workers as I do. I grew up in Saskatchewan, good CCF country when I was a kid and later NDP country.

I have always felt that it was important to fight for the little guy, the one struggling to make ends meet. In fact what brought me into parliament was observing so many people struggling to make ends meet because of their high tax load.

The question I wish to ask the hon. member has to do with this new exemption for tools for mechanics. I do not know how aware she is of this. I know she is not a regular member of the finance committee but I am wondering if she has had some input from her constituents on this issue.

In my view that measure in the bill is completely inadequate. It has a \$1,000 ceiling on the amount of expenses that can be claimed to reduce one's taxable income. It is even lower than that if one's income is less than \$20,000. It would only apply to apprentice students and not to people who work as mechanics day after day and suffer the long term losses of their tools or needing to replace them because of obsolescence.

Has the hon. member had any input from her constituents on that question?

Mrs. Bev Desjarlais: Madam Speaker, I have had a lot of input from mechanics in my riding and have discussed with them over the last number of years their ability to deduct the cost of their tools. Coming from a riding with a number of industrial sites I recognize the high cost of tools for trades people.

In answer to my colleague, he is absolutely right. The bill does not seem to address the need of students by only allowing them to claim a certain amount. The legislation is totally inadequate. Quite frankly, I see it as a double standard by the government. A professional worker is able to claim a business lunch, a box at the Blue Jays stadium, or a Senators box here in Ottawa. A dentist and a doctor can claim their tools.

The government is using a double standard by not recognizing trades people as equal and valued partners in society and not allowing them to claim the tools they need for their business. It is disgusting and shows the double standard the government uses for ordinary working people. The government probably thinks these other people deserve a bit more. The member is absolutely right. Mechanics, carpenters, electricians, trades people or any worker who need tools to do their job should be able to claim them as a tax deduction.

Mr. Scott Brison (Kings—Hants, PC/DR): Madam Speaker, I want to thank my colleague from the New Democratic Party for her compelling presentation in the House today. She, like other members on both sides of the House, is very concerned about this new air security tax.

This poll driven, focus group economics government does not build public policy around what Canadians need but rather builds public policy around the fears driving the polls today. It is such a focus group, poll driven government that everything is focused on what it believes will quell public opinion in the short term, but very clearly ignores the long term needs of Canadians.

The air security tax is based on fear. The government is trying to raise a \$1 billion surplus to what is actually needed to provide the security Canadians require. The air security tax would raise an additional \$1 billion which is like EI fund 2 or Liberal gouge 2, the sequel to the EI fund. The finance department has underestimated air traffic over the next several years in such a way that this tax is inflated to create a \$1 billion surplus over the next several years. How unconscionable can the government behave when we see it use

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September 11 as a vehicle through which to raise \$1 billion for other spending activities?

At a time of economic tumult the government has put a \$2.2 billion tax on Canada's most vulnerable industry, the airline industry. It carried out no impact analysis on the regions of the country, on smaller struggling airports that are having difficulty making ends meet or on competition in Canadian air space which we have already seen with the loss of Canadian, Canada 3000, Royal and CanJet under the government's stewardship.

• (1810)

The Acting Speaker (Ms. Bakopanos): It being 6.12 p.m. the House will now proceed to the consideration of private members' business as listed on today's order paper.

PRIVATE MEMBERS' BUSINESS

[English]

CANADA ELECTIONS ACT

Mr. Jay Hill (Prince George—Peace River, PC/DR) moved:

That, in the opinion of this House, the government should consider amending the Canada Elections Act in order to grant the right to vote to those residing in Canada with landed immigrant status.

He said: Madam Speaker, it is indeed a pleasure for me to rise this evening to debate my private member's Motion No. 122. At the outset, I would say that I have been extremely fortunate in this parliament, since I joined the coalition in particular, to have motions and bills selected for debate. Of course it was not due to some prodding from my Progressive Conservative colleagues that I would say such a thing. I would have admitted that freely even if they had not prodded me to do so.

I am pleased to bring this motion before the House to be debated among all colleagues. After all that is one of the principal functions of this Chamber, a place in which to consider, to discuss and to exchange opinions and ideas. With this motion, that is what I am asking today. I propose that the House and this government consider amending the Canada Elections Act in order to grant the right to vote to those residing in Canada with landed immigrant status.

We are seeing unprecedented levels of voter apathy and voter disillusionment in the country. The credibility of our democratic and parliamentary institutions are in question by many Canadians. Their confidence that their opinions and that exercising their democratic rights will actually make a difference has been severely eroded in recent years. Why would their faith in our democratic process not be shaken?

In the 2000 general election, Canadians who actually voted for this so-called majority government were fewer than eligible voters who did not cast a vote at all. Furthermore, just 61% of eligible voters actually cast a vote in that election. It is sad to note that is an all-time low.

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I could spend a very long time here listing the reasons why many Canadians have turned away from the electoral process such as a government that rules with empty promises and encourages arrogant disregard of basic democratic parliamentary and political processes, even within its own party.

However, I suggest we set aside the debate over how voter cynicism and apathy have reached such critical levels and move forward to find new ways and improved methods of boosting participation in the democratic process, otherwise we will continue on in this vicious downward cycle that is counterproductive to Canada's progress and evolution.

The need for democratic renewal also kick-started the initiatives recently proposed by the Progressive Conservative Democratic Representative coalition. That discussion paper on democratic reform is a co-operative and meaningful effort to resuscitate our political, democratic and parliamentary institutions. It includes substantial proposals and reforms that would empower those affected by the policies and decisions of the federal government; the people. In that same spirit of revitalizing democracy, I propose we discuss the merits of including landed immigrants who are permanent residents of Canada in our electoral process.

Throughout my political career, I have continued to be impressed by the active interest of landed immigrants in our affairs of state. Many of these immigrants have a keen desire to participate in the political process and to provide input into the government of their adopted country.

There are a number of reasons for this particularly elevated level of interest, including the fact that immigrants may be less likely to take democracy for granted. Most have chosen to live in Canada, as many of my colleagues will agree. When people have chosen a path or have made a very careful decision, they are much more likely to maintain interest in the consequences of that decision or more closely guard any benefits that arise from that choice.

In other cases, immigrants have originated from countries bereft of democracy or human rights. They may have seen horrible poverty and human suffering. They have a real appreciation for the quality of life in Canada and they wish to preserve it. The best way to preserve what one values is to become involved and make one's opinions known; to vote.

•(1815)

A landed immigrant is "a person who comes to settle in Canada as a permanent resident". These individuals are part of our communities and part of our society. In 1996 there were nearly five million immigrants in our country. Their rights are equal to those of Canadian citizens in every way except one. They do not have the right to vote in a federal election. Imagine denying the entire city of Toronto or more than the population of British Columbia the right to democratic representation.

I propose that we ask ourselves whether their exclusion from the federal electoral process is justified. Landed immigrants work, they pay taxes, their children go to public schools, they have chosen to become permanent residents in Canada and they are participants in our society. Just like every Canadian citizen, their lives are affected by the decisions made at all levels of government including those

before the House, decisions that will affect their present and their future and perhaps more important, their children's futures.

Many eventually will become Canadian citizens. In the meantime, is it justified to deny them a say in the future of their new country? If they do not plan on becoming citizens, and there are various legitimate reasons both practical and personal for such a decision, are we certain we wish to dangle the right to vote as some kind of a reward for choosing official Canadian citizenship? Is citizenship in our communities not enough, in and of itself?

Some undoubtedly will answer that yes, certainly the right to vote should be a privilege enjoyed only by citizens. That is fine. Again, I remind the House that I am encouraging this debate to bring all opinions forward. While the idea of granting voting rights to landed immigrants has not really been the subject of much consideration before, at least not in Canada, there are other countries where some non-citizens have the right to vote.

For example, there are a number of countries that grant the right to vote to non-citizen residents coming from specific countries only. In Australia, the United Kingdom, Barbados, Belize, Guyana, Jamaica, St. Lucia, St. Vincent and the Grenadines, Trinidad and Tobago, those holding citizenship in another Commonwealth country may vote, though all but the United Kingdom require minimum periods of residence in that country ranging from one year to seven years. Portugal grants voting rights, without residency requirements, to citizens of the European Union member states or Brazilian citizens carrying equal rights status.

However it is the voting eligibility rules of New Zealand which deserve particular note. New Zealand has the most inclusive view on voting rights of any other nation and we have very good reason for taking a good look at the example they have set. After all New Zealand was the first country in the world to grant women the right to vote.

There is even further reason to consider following their lead. Voter turnout in New Zealand's 1999 general election was 85%. As I reminded the House earlier, voter turnout in Canada's 2000 general election was just 61%. It was pretty dismal.

New Zealand must be doing something right in to garner such an impressively high participation level in its electoral process. No doubt it is partly due to the fact that everyone is made to feel as though they are part of the democratic process in New Zealand. Any resident 18 years of age and older who has been continuously resident in New Zealand for one year is eligible to vote. In the New Zealand perspective, if one resides in the country, one probably is paying taxes and contributing to the community. It then follows that one has the right to be involved in the political and democratic systems.

That raises issues of taxation without representation. Need I remind anyone that the independence of our great neighbour to the south was forged over this concept? Canada's landed immigrants are obligated as residents to pay Canadian income tax on their worldwide earnings. Are we justified in forcing them to pay taxes while denying them the right to help determine how that money is spent like all other taxpayers? I know how frustrated I would feel if I were denied any say in how my tax dollars were spent.

Though this issue of granting voting rights to landed immigrants has not been widely debated before now, I firmly believe that it will become a much larger subject of discussion in the near future.

• (1820)

One need only look at the census results which were released today in papers across the country. They show how much immigration means to our country because of the declining birth rate of Canadian citizens.

The world has changed and continues to change considerably with regard to immigration, trade and our increasingly international and mobile workforce. Nations are recruiting skilled workers from all over the world to fill shortages in entire sectors of their economies. Canada has been actively recruiting workers from other countries to fill vacancies in our high tech industry, for example.

As the worldwide trend toward a migrant workforce expands, we must consider all the implications. As increasing numbers of landed immigrants contribute to our labour force and we become more and more dependent upon them to lend expertise in certain sectors of our economy, do we continue to deny them the right to vote?

Landed immigrants have committed, in good faith, to participate and contribute to our country. I propose we indicate that we value that commitment by acknowledging that it is reasonable for them to ask for equal rights in every way, including the right to vote.

[Translation]

Mr. Geoff Regan (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.): Madam Speaker, I want to thank you for giving me this opportunity to speak to the motion that would grant the right to vote to those residing in Canada with landed immigrant status.

I am thrilled because this debate touches on two special issues that I hold very dear, the sustainable contribution of immigrants to Canada and the fundamental role of elections and the right to vote in our democracy.

• (1825)

[English]

To begin with, I am sure all of us in the House recognize the tremendous contribution that has been made to the development of this country by immigrants. This is seen in every area of Canadian life: business, government, academia, culture and the arts. All of us recognize that our country has been enriched by their accomplishments and by their descendents who are now playing their own part in our national saga.

Indeed, it is no exaggeration to say that all of us in Canada are either immigrants or descendents of immigrants. For whether it was tens of thousands of years ago in the case of aboriginal Canadians or more recently as with other Canadians, all of us or our ancestors came from somewhere else. As a result, Canadians cherish their immigrant heritage and offer a warm welcome to newcomers to our country.

Unlike our neighbours to the south who take a melting pot approach, we in Canada view diversity as a valuable asset to be treasured and nurtured rather than a potential source of conflict that must be eliminated at all cost. Not surprisingly, we have been quick

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to accord many rights to landed immigrants or permanent residents as they are more properly known in Canadian law. These include the right to receive Canada student loans and vote in municipal elections, to name just a few. The Canada Elections Act extends to permanent residents the right to encourage electors to vote for or against a particular candidate and to make electoral contributions.

[Translation]

We are also aware that the first few years in Canada can often be a destabilizing factor for many new immigrants, who have to get to know a new country and a new people and to take major decisions concerning their families, their financial situation and their work.

Besides granting new immigrants a number of rights, we also impose a few restrictions on them.

For instance, should they need help, permanent residents have to rely on their sponsors and they also have to wait to benefit from medicare, at least three months in Ontario.

[English]

We also prevent them from voting in federal and provincial elections, a right they will, however, be able to exercise fully once they have taken Canadian citizenship. The reason for this is that over the years Canadians of all political persuasions have agreed that the right to determine the future of this country is so important that it should be reserved for those who have made a permanent commitment to it by taking Canadian citizenship.

This was underlined in the 1991 Royal Commission on Electoral Reform and Party Financing, or the Lortie commission as it is popularly known. It recommended that we continue to require that people be Canadian citizens before they can vote in federal elections. It stated that:

Those who wish to participate in Canada's political life must commit themselves to a permanent stake in our government and share in its risks; they have an obligation to seek Canadian citizenship. The right conduct of politics in representative governance implies that the vote is significant to citizens. This demands that only citizens possess the franchise.

In its report the commission laid out a number of criteria for deciding who should have the right to vote. These criteria included: holding a stake in the governance of society; the ability to cast a rational and informed vote; and conforming to the norms of responsible citizenships.

[Translation]

It does not take long to realize that these criteria are totally reasonable. It is quite normal that only the people directly concerned by the future of a country should have a say in the governance of that country. The best way to show their dedication to this country is to become a Canadian citizen.

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[English]

Then, too, if voters are to make a rational and informed decision about the issues of the day they must be familiar with the history, values and character of the country and have a good knowledge of its laws and the operation of our institutions of government. This is clearly not something that can be learned in a few days, weeks or months. Rather, it can only be done by living in Canada for an extended period of time and sharing in the life of the nation, as occurs when people are permanent residents for a few years prior to applying for citizenship.

I might add that requiring people to be citizens before they can vote is not something that is peculiar to Canada. Rather, it is the standard for most if not all of the major democracies, including the United States, Great Britain and France for example. Nor do any of the provinces allow non-citizens to vote in their elections. For these reasons, it seems wise to retain the current restrictions in the right to vote to just Canadian citizens.

Therefore I will not be supporting this motion and would urge other members to do likewise.

• (1830)

[Translation]

Having said that, I want to thank the hon. member for his interest and deep commitment to making citizenship meaningful and to urging Canadians to participate as much as possible in our political institutions. This is also what our government and I are aiming for.

[English]

I would urge all members to work with the government in this area so that we can share our insights, ideas and dreams, for it is only then that our country and its people will be able to realize their full potential.

Mr. Paul Forseth (New Westminster—Coquitlam—Burnaby, Canadian Alliance): Madam Speaker, Motion No. 122 before us reads specifically as follows on page 39 of the Wednesday, March 13, 2002, Order Paper and Notice Paper:

That, in the opinion of this House, the government should consider amending the Canada Elections Act in order to grant the right to vote to those residing in Canada with landed immigrant status.

In the usual pattern, the member has reasoned himself into an illogical position.

We can just think back to recently here in the city of Ottawa, the capital, to January 2, 1997. At that time, the Minister of Citizenship and Immigration noted that it was the beginning of the celebrations of the 50th anniversary of the Canadian law under which we are Canadian citizens, for we must remember that in January 1947 the Canadian Citizenship Act first came into effect.

Prior to this event, people living in our country were considered British subjects residing in Canada. The passage of the act signified that Canada was at last a full fledged and equal member of the community of nations. We had a lot of celebrations that year. It was certainly a chance to reflect on the successes of our country and what we enjoyed over the previous decades. It was also a chance to think about the rights that we share as Canadian citizens and the responsibilities that go with such a distinction. We had special

ceremonies and since then there is often a citizenship week in February.

Let us just look for a moment at what it really means to be a Canadian citizen, for Canadian history and traditions have created a country where our values include tolerance and respect for cultural differences and a commitment to social justice. We are proud of the fact that we are a peaceful nation and that we are accepted in many places around the world as peacekeepers. It does mean something when we wear the Canadian flag on our lapels when we travel abroad.

As a small population occupying a vast northern land enriched by immigration throughout its history, Canadians have developed a kind of genius, I think, for compromise and coexistence, which lie at the heart of our federal system of government. We value the fact that we live in a democracy where every citizen is encouraged to do his or her share. Our democratic values are the basis of our laws. These values include, among other things, equality. In other words, we respect everyone's rights, including the right to speak out and express ideas that others might disagree with, and we never take up arms as a result of that. Governments have to treat everyone with equal dignity and respect, which are both fundamental to our form of democracy.

Second in the values that I am talking about is tolerance. We try to understand and appreciate the cultures, the customs and the traditions of our neighbours.

Next is the ethos of peace. We are proud of our non-violent society and our international role as peacekeepers.

Next, then, is law and order. We respect democratic decision making and the rule of law. We promote due process so that the courts and the police will treat everyone fairly and reasonably and we ensure that our elected governments remain accountable to Canadians.

As we reflect on these values, we ask ourselves what responsibilities we can take around citizenship. One of those fundamental benefits that really makes citizenship valuable and that makes it mean something is that we have the right to vote. We have equality rights, democratic rights, legal rights, mobility rights, language rights, minority language rights and education rights. These are some of the general rights that come to us as benefits of being a Canadian citizen.

Also with being a Canadian citizen come some responsibilities. Canadians also share common responsibilities such as understanding and obeying Canadian laws, participating in Canada's democratic political system, voting in elections, allowing other Canadians to enjoy their rights and freedoms and appreciating and helping to preserve Canada's multicultural heritage. All Canadians are encouraged to become informed about political activities and to help better their communities. Also, we have a multicultural heritage.

However, we must also look at the charter. Under democratic rights, the charter states:

Every citizen of Canada has the right to vote in an election of members of the House of Commons or of a legislative assembly and to be qualified for membership therein.

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Therefore I have to pose this question to the member proposing the motion. Is the member also suggesting changes to the constitution of the country, to the charter of rights and freedoms and so on, before he proposes a change to our law here?

The problem is that the motion has an inherent meaning of undermining the value and the legal significance of citizenship. We must reflect on how such a high price was paid for citizenship of our country and what it really means in its fullest sense, represented, perhaps, by the graves of our soldiers around the world.

Canadian citizenship is a great gift, perhaps next to the charter of rights and freedoms which talks about life and security of the person. Consequently it would be most disrespectful, I think, to support the motion before us today. We need to better promote Canada and what it means to be a Canadian citizen and to defend that from all those who would diminish the culmination of our great national achievement: to be a citizen of Canada.

• (1835)

[*Translation*]

Mr. Pierre Brien (Témiscamingue, BQ): Madam Speaker, we are debating tonight Motion M-122, which says, and I quote:

That, in the opinion of this House, the government should consider amending the Canada Elections Act in order to grant the right to vote to those residing in Canada with landed immigrant status.

I have listened carefully to the speech of the member for Prince George—Peace River, who introduced the motion, in order to understand. At first glance, I asked myself what could motivate him today to introduce a motion which would give landed immigrants the right to vote in the future. I will come back to that issue because one of the arguments formulated has not convinced me.

It is a given—and I believe that everyone has said it, even though it is not the subject of this debate—that we all recognize the importance of the contribution of immigrants to an open and democratic society. Any society which wants to expand and progress should show some openness. This was the case of Quebec and Canada who have successively considerably expanded and which will continue to do so thanks to what immigration has helped us to become. But this is not the issue. I believe there is some kind of consensus in society about that.

However, I have not felt that the right to vote for immigrants was an important demand in Quebec these past few years. I did not feel that many people were asking for that because everyone agrees quite clearly that the right to vote comes as a result of citizenship. Citizenship entails a certain number of privileges and responsibilities, but also a certain number of other things. The Canadian Charter of Rights and Freedoms says clearly, under section 3 if I am not mistaken, that every citizen of Canada has the right to vote in an election of members of the House of Commons or of a legislative assembly.

From the moment someone chooses to become citizen of a country, in this case Canada, from the moment they get their citizenship, they have that privilege.

I was not convinced by the argument according to which people should have the right to vote from the moment they become residents, pay taxes and contribute to our society. That reasoning

could actually apply to 16 or 17 year old citizens who work and pay taxes. Based on that argument, those people should also have the right to vote.

I do not think therefore that this is an argument which necessarily leads to the conclusion that, just because an individual has come here and is in the process of integrating with society, he or she is automatically entitled to vote. A period of acclimatization, transition, adaptation to a society is defined as the time between arrival and obtaining Canadian citizenship, before one is able to participate in the choices made by the community to which one has decided to belong in future. This strikes me as fairly reasonable, and is the way things are at present. It seems to me that there is a pretty strong consensus within society on this. This criterion is not being challenged by anyone, and is reasonably well accepted by all.

The other argument I heard at the beginning of the speech was the point made, and rightly so, about the disconcertingly low turnout rate, particularly in the last federal election. Barely 60% of eligible voters exercised their right to vote. This is extremely worrisome.

It leads us to wonder about the nature of what we do, the distance that is developing between politicians and ordinary citizens, and the way issues are being defended. People's degree of involvement depends on the issues, and on how they identify with those issues.

I am more familiar with the situation in Quebec. For example, I know that the participation rate in provincial elections in Quebec is always around 80 or 85%. The reason for that is that people feel close to the issues. They vote and they get involved in the campaigns. We had referendums, including the last one, in 1995, where 97% of Quebecers chose to exercise their right to vote.

So I think that, when important issues that people can identify with are at stake, people do participate.

As for the fact that 39% of people did not vote in the last election, it sends us various signals, but we have to try to decipher them. Saying that we will automatically give landed immigrants the right to vote to solve the problem of low participation rates seems to me like a shortcut. I am not saying that the member suggested that it was the only way. I understand that he said that it could be part of the solution.

• (1840)

I think there are other elements that explain the increasingly low participation rates in federal elections. That argument did not convince me any more than the tax argument.

What we have in place now seems normal to me: when a person is granted citizenship, he or she acquires the right to vote and the right to run for office in a federal election. After listening to the debate so far, I believe that the majority of members still agree on that.

But I certainly do not want to criticize the member for raising this issue. In a democratic society, issues are debated. The member who brought forward this motion has a different point of view. I respect his point of view, but I do not share it. Nevertheless, this motion allowed us to reflect on our democratic practices and to initiate all kinds of interesting debates.

Private Members' Business

I hope that we will also reflect on other variables of our democratic system. While we are talking about the importance of the right to vote in our society, I have serious concerns about the fact that there often is very little control regarding the way voting is conducted.

In the last election, and in the past—this is nothing new—people have used other people's identities. I would like to see more care taken in federal elections to check the identity of voters who come to cast their ballot. This does not strike me as unreasonable either. It would also be very much in our interest to ensure that a citizen's right to vote, which is extremely precious and powerful as well, is exercised by the right person. Much work remains to be done on this score.

Other aspects of this issue are worth looking at in order to ensure that people identify more with the issues. There are all sorts of debates. Should we have elections with a certain degree of proportionality? This would allow particular groups to be heard, to get their point across, and citizens who identify less with the mainstream to vote for parties which defend more specific causes. This also deserves some thought.

Unfortunately, there is no forum as such to frame this debate, and the government has no desire to open up the debate on this for now. However, people are talking about these issues. I know that very shortly, in Quebec, a parliamentary committee will be studying the future of the democratic system because many people are saying that we need to improve our voting system, and perhaps consider proportional elections, for example, as is done elsewhere in the world.

So there is a whole series of questions that are being raised. Regardless of whether someone is for or against the idea, the debate will take place. But at the federal level, no one is receptive right now to this, or no one is sending this message to the government, telling it that we do need to ask these questions. We need to ask ourselves why so few people go out to vote.

There is the process as such, and then there is what is at stake. This does not seem to be a problem that the government wants to acknowledge right now. This is understandable, they are in office and, therefore, they are benefiting from the current system. Yet this is cause for concern, and the government should be worried about this variable that the member was justified in raising at the beginning of his comments, that of the poor turnout.

In concluding, I would say that, in my opinion, the motion before us today is not going to solve the problem. The issue is much more about what citizenship brings or not. I believe, as many if not all of my colleagues do, that there is a consensus that citizenship and the right to vote go hand in hand. This is the normal and reasonable direction to go in a democratic society. This standard is being applied in Quebec, in Canada and in several other societies.

It has been said that some countries allow permanent residents to vote, depending on the country they come from. This worries me somewhat. How do we define discrimination? If they come from a specific country, they would be allowed to vote when they become permanent residents and, if they are from another country, they would not be allowed to vote. This seems like a troubling

discrimination, and I am not sure that it is in keeping with the values held by our society.

There is a consensus about the status quo. I hope that some points of the debate will be discussed further, including the low turnout at federal elections and the weakening of democracy that may result. This is a great concern to me. I think this is a debate that should be pursued.

In closing, I am clearly not in favour of the motion as such, and even if it is not votable, it has still allowed us to address the issue of the principles and values that we want in our democracy.

● (1845)

[English]

Mr. Pat Martin (Winnipeg Centre, NDP): Madam Speaker, I thank the member for Prince George—Peace River for raising this interesting subject and stimulating the debate we are having which has grown into quite a pluralistic kind of debate.

It quickly moved off the simple goal of the motion put forward by the hon. member and has broadened to a much larger debate about immigration generally, growing our country through immigration, citizenship, and now electoral reform because this is what the motion would entail. It would have Canadians revisit our electoral system to decide whether or not we would allow landed immigrants to vote.

I note from other speeches the point that there is precedence in some other countries that allows landed immigrants the franchise to vote. It is not an outlandish idea. Nor is it a particularly radical idea when we consider that landed immigrants in this country are not allowed to become citizens until they have spent 1,095 days or a full three years here.

If an election occurs during that period of time, it is a full three year wait even if a person had every intention of seeking Canadian citizenship at the earliest opportunity. Perhaps that is another issue we should add to the growing list of sequential issues to the original motion. Perhaps we should revisit the length of time that landed immigrants have to wait prior to being allowed to become Canadian citizens.

The shocking truth or keynote of a number of speeches was that an awful lot of Canadian citizens do not vote. That is the real tragic issue with which we are coming to grips. So many Canadians have lost faith, hope and confidence in their electoral system that they simply ask why bother and do not show up to vote. The figure used from the last election was that 61% of Canadians voted. In actual fact 61% of registered voters came out to vote. It was only 50% of all Canadians who were 18 years of age and eligible to vote. Only 50% of all eligible voters actually chose to cast a ballot for any political party. That is something that is very worrisome.

I come to this argument from a different angle than perhaps the previous three speakers who spoke against the idea. I like the idea. It would be an important vote of confidence and an important gesture on the part of Canada if we allowed landed immigrants to vote during the period of time prior to becoming Canadian citizens.

Private Members' Business

The logic I use is that landed immigrants are subject to the terms, conditions and rules set out by the Government of Canada through the political process. They live under those rules. It is a natural justice issue. They should have some right to influence the terms, conditions and laws under which they live.

As soon as they get here they start paying taxes. As soon as they get here and achieve landed status virtually all the rights and benefits of Canadian citizenship are available to them except for the right to vote.

I do not believe it would end there. I honestly believe that we would be better off and would get a more honest input in terms of whether the country is serving their needs as it should. That would be a valuable contribution and an enabling measure, a gesture to the world, that we value their presence in our country, that we want them to come to our country and help us grow this great land.

When I was a member of the Standing Committee on Citizenship and Immigration we dealt with the citizenship bill. We wrestled for a long time with what it means to be granted the right to be a Canadian citizen and how much we value it.

All member should be aware of the conclusion we came to, that when we extend rights to a certain group it does not diminish the rights of others. In fact it strengthens the rights of others. The idea of rights is not some finite pie that if I give someone else too much I have to accept less. It does not cheapen or diminish my Canadian citizenship to extend the rights of citizenship to others, even prior to their actually taking out that piece of paper. I think it is an excellent debate and it helps us to achieve our immigration goals.

• (1850)

The Standing Committee on Citizenship and Immigration also dealt with the very compelling fact that without immigration we are at a below zero population growth. At the current level of population growth in Canada we would be a country of 18 million people in 50 years without immigration. We would have shrunk from 33 million people to 18 million people or about the size of Minneapolis in 2050.

It is critical we encourage more and more people to choose to make Canada their home. If they are to have this three year waiting period of 1,095 days prior to which they can actually get Canadian citizenship, surely in the interim we should be able to tell them that they will enjoy the rights and privileges of all Canadians as soon as they become landed immigrants, including the right to cast a ballot or vote in a federal election.

Landed immigrants are free to take part in the political process. They can join political parties. They can make political campaign contributions. They can be elected delegates to political conventions. They can go to nomination meetings and choose candidates. They can do everything short of voting.

It has become a bit of an emotional argument or there must be some kind of a sentiment that it will somehow diminish or cheapen my citizenship to offer the right to vote to landed immigrants. I urge members to get beyond that point of view. It is not positive and it is not helpful to the larger debate.

As the hon. member mentioned, the issue of electoral reform is critical. We should all be concerned with these terrible numbers, that

only 50% of eligible voters cast their ballots. The issue of proportional representation has been raised. Our political party has been doing some work on that by meeting with the fair elections league which advocates PR for the simple reason that votes are not wasted.

In other words, if I were an NDP voter living in Edmonton my vote would be lost in the haystack. With PR one's vote counts no matter what because if one's party gets 10% of the vote nationally it gets 10% of the seats.

It would encourage more people to come out and vote if they knew their vote would not be wasted or lost. Whatever political stripe, they would be comfortable that their vote would actually mean something and they would not just be going through an exercise.

I know we will not get a chance to vote on this motion because unfortunately it has been deemed non-votable. It is something Canadians should address in a far more serious way.

I encourage members of the Standing Committee on Citizenship and Immigration to look into this area of study. Standing committees have a right to choose what areas of research they undertake. I think they should dig into this area more deeply and perhaps they will be motivated to do so because of the debate we are having today.

At least two out of five speeches agree that it is an excellent idea. I think it is an idea that has enough merit. It should be dealt with further at the standing committee and perhaps adopted and introduced. It would be a very proud day for Canada to be able to announce to landed immigrants that in the next federal election they will be asked to cast their ballots and that their views will be valued in our electoral process.

• (1855)

Mr. Paul Szabo (Parliamentary Secretary to the Minister of Public Works and Government Services, Lib.): Madam Speaker, this is an interesting motion. It raises interesting points for debate. I like private members' business and initiatives that allow an exchange of ideas. It gives us a chance to point out different ways in which people look at issues before the House.

The member who just spoke referred to the certificate of citizenship as "that piece of paper". It is much more than a piece of paper. That so-called piece of paper means a person is entitled to hold a passport that is respected around the world because Canadians have earned a reputation that is respected around the world. It is not just a piece of paper.

A person who is not a Canadian citizen and has committed a criminal offence is subject to deportation under the laws of Canada. Citizenship is a declaration of commitment to Canada. To get that piece of paper people must demonstrate they can speak and read functionally one of our official languages. They must study an introductory book about Canada and be able to demonstrate a knowledge of our country. People under the age of 18 and over the age of 59 do not have to take the test. They are exempt. However those between the ages of 19 to 59 are subject to a written or oral test of their knowledge of Canada.

Private Members' Business

Citizenship is not just a piece of paper. It is something we have earned. It is something we cherish. It is something that gives us benefits and rights.

Most of the hon. member's motion deals with voting rights. It would allow immigrants to vote because they pay taxes and participate in society in other ways. The premise is that this would somehow fix voter turnout rates. The reality is different. Voter turnouts in various political jurisdictions can go higher or lower depending on the circumstances.

For example, in the city of Mississauga we have nine councillors and a mayor. An election comes up every three years. We have a popular and long serving mayor, Hazel McCallion, who is over 80 years old. During the last municipal election she was on a trade mission to China. She was running for election but was out of the country. She won because she had already earned enough support. The voter turnout was less than 30%. It was around 22%. I am a longtime resident of Mississauga. When there have been contested mayoralty races the turnout has been 60%, three times higher, because the principal position in the municipality has been contested by at least one credible opposition candidate.

In recent elections Canada has shown a slight decline in the number of voters who have turned out to exercise their right and, I believe, their responsibility to vote for the people who represent them in their various jurisdictions. However there have been varying circumstances during this period. One of them, and the hon. member will not like this, is the fact that in 1993 the Conservative Party had so turned off the people of Canada that it was reduced to two seats after being a majority government. There was a big negative vote against the party. At the same time a new party was created but it was an unproven party. Canadians will only elect a party if it demonstrates that it is a government in waiting.

● (1900)

We had a situation where one party was being thrown out for its bad government and a new party was coming in that had not had an opportunity to demonstrate its ability to lead the country. The electorate did not have a choice. It had to make sure we had a stable government in place.

Quite frankly, these have been the circumstances in the 1993, 1997 and 2000 elections. The opposition parties have not demonstrated that they are governments in waiting. For that reason I have had people tell me we would win automatically. They have told me it was obvious because of all the seats we had in Ontario and elsewhere. This may be oversimplifying but circumstances in Canada have demonstrated it.

There is another aspect I thought was interesting. Over the years we have had a significant increase in the number of new Canadians because of the aging of our society. Many new Canadians come here and take out citizenship after their four year waiting period. Sometimes they do not vote. People have told me they are citizens and are on the voters list but do not vote. Many new Canadians come from countries where the political process is corrupt, jaundiced and vicious. Let us look at what is happening in Zimbabwe and other countries. There is a fear of politics. There is a fear of voting. This is a reality.

We must earn the respect of new Canadians by demonstrating that the democracy we enjoy in Canada is a friendly democracy. We must show them it is not only a privilege but a right and a responsibility to participate in the electoral process. We must show them that as citizens they can be elected representatives in our country.

Many hon. members in this place were not born Canadians. They emigrated here. There are many examples. On the parliamentary website there is a special section with a list of all of members of parliament who were not born in Canada.

Allowing immigrants to vote may increase the number of voters but I doubt it would increase voter turnout. I suggest it would decrease average voter turnout because many immigrants come from places where the electoral process is a negative for them. They have lived in fear. They have lived in repressive regimes. They have lived in dictatorships. They have lived in places like Zimbabwe where police chase them away from voting stations. They have lived in places like Romania which has had a dictatorial system. They have lived in other countries with longstanding practices of suppressing the democratic process and punishing people who speak out.

Considering the circumstances some new Canadians come from we can imagine their shock when they come here. They realized they were coming to a free, peaceful and democratic country but are amazed at what a beautiful country this is because of the rights and freedoms we all enjoy.

We welcome all Canadians regardless of whether they take out citizenship. People coming to our shores enjoy the protection of our charter of rights and freedoms. It is part of our value system that we extend the rights and privileges of Canadian citizens to all who come to our shores.

However we have rules for becoming a citizen. There is an important reason for this. We need to hold on to our value system. Canada is a sovereign country. It is a place that gives hope to people seeking a better life. We changed the coat of arms of Canada. We added a ribbon and put in the phrase "they seek a better life". We did so because Canada has grown and prospered because of new Canadians. We have embraced them. We have demonstrated to them that we are not only everything they thought we were. We are much more. That is why citizenship must be encouraged. It should carry rights and privileges as well.

● (1905)

I want people to become citizens of Canada. I want them to participate in the electoral process. Unfortunately we cannot legislate that. It has to be earned. I am delighted at how that works.

I encourage all members to look at a booklet that is available from the House that can be used to inform people in our communities who have not taken out citizenship but who are eligible, on how to become a citizen so we will have more citizens on the electoral roles.

Private Members' Business

Mr. Jay Hill (Prince George—Peace River, PC/DR): Madam Speaker, in the five minutes I have to close, I first want to thank my hon. colleagues for participating this evening. I refer to my Liberal colleague from Halifax West who first addressed the motion following my intervention; the Canadian Alliance member for New Westminster—Coquitlam—Burnaby; the Bloc member for Témiscamingue; the New Democratic Party member for Winnipeg Center; and the Liberal member for Mississauga South who most recently rose to participate in the debate.

Part of what I intended to do was accomplished tonight. Part of the purpose of private members' business, whether it is a motion or a bill, is to bring debate to the floor of the House of Commons and to get, hopefully, some stimulating debate on certain issues that are important to the people in the real world outside this place.

Some of what I heard tonight was reasonably informative but some of what I heard is of concern to me. A couple of points the member for Mississauga South made seemed to imply that because new citizens take a test they are somehow better equipped to understand politics and therefore cast a ballot.

I have often heard that there should be some sort of means test. I have heard many people who actively and consistently participate in the democratic process by casting their ballot, whether in a municipal, provincial or federal election, suggest that many people do not follow the issues sufficiently before casting their ballot.

I do not think we can pass judgment on landed immigrants in such a cavalier manner. Just because they may only have been here a short time does not mean they do not take enough of an active interest in the election campaign to cast an informed vote. That is not fair to them. It was a bit presumptuous on the part of the member for Mississauga South to make a statement like that.

It is interesting to note as well that he did not take any responsibility for the drop in voter turnout, something I addressed, albeit briefly, in my remarks, almost as an aside to this whole issue of whether landed immigrants should be granted the right to vote.

I and a lot of members on the opposition benches accept the fact that we need to take some responsibility for the drop in voter turnout. We are not presenting a legitimate government in waiting to the voters and, in some respects, perhaps in their minds, not presenting

them with a viable choice between the existing government and a government in waiting. I accept that but I think the member for Mississauga South is skirting the responsibility he and his government should be taking for fueling the cynicism and distrust that we see constantly building out in the real world between people and their government.

Several comments made by various members were based on the premise that if we were to grant landed immigrants the right to vote that would somehow fix the problem of voter turnout. That was not the thrust of my speech nor the thrust of me bringing forward this particular motion.

I fundamentally believe, as does the member for Winnipeg Centre, that at minimum we should have an informed, wide ranging debate on this particular issue. We should engage as many Canadians as possible in this debate, landed immigrants included, to see if there should be some changes made. That was the purpose of my bringing the motion forward.

I am extremely disappointed, as I have often been, in the fact that there are many good issues, and this is just one example, that warrant more debate and ultimately a vote in the House of Commons.

• (1910)

This motion is about voting and we do not even get the opportunity to vote on it in the House of Commons. I do not think that is right. All private members' business, be it motions or bills, deserve the right to more debate and subsequently a vote in the Chamber.

The Acting Speaker (Ms. Bakopanos): The time provided for the consideration of private members' business is now expired.

[*Translation*]

Since the motion is not votable the item is dropped from the order paper.

[*English*]

It being 7.12 p.m. the House stands adjourned until tomorrow at 10 a.m. pursuant to Standing Order 24(1).

(The House adjourned at 7.12 p.m.)

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