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(HANSARD)

Tuesday, March 13, 2012

—

Speaker: The Honourable Andrew Scheer

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HOUSE OF COMMONS

Tuesday, March 13, 2012

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

•(1005)

[English]

GOVERNMENT RESPONSE TO PETITIONS

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

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COMMITTEES OF THE HOUSE

ENVIRONMENT AND SUSTAINABLE DEVELOPMENT

Mr. Mark Warawa (Langley, CPC): Mr. Speaker, I have the honour to present, in both official languages, the first report of the Standing Committee on the Environment and Sustainable Development in relation to its statutory review of the Canadian Environmental Assessment Act.

Pursuant to Standing Order 109, the committee requests that the government table a comprehensive response to this report.

AGRICULTURE AND AGRI-FOOD

Mr. Larry Miller (Bruce—Grey—Owen Sound, CPC): Mr. Speaker, I have the honour to present, in both official languages, the second report of the Standing Committee on Agriculture and Agri-Food.

I am very pleased to report that the committee has considered the votes of the main estimates 2012-13 under agriculture and agri-food and reports the same.

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PETITIONS

POVERTY

Mr. Ron Cannan (Kelowna—Lake Country, CPC): Mr. Speaker, it is a pleasure to table a couple of petitions on behalf of some constituents.

The first petition is with regard to Bill C-233, An Act to eliminate poverty in Canada.

IMPORTATION OF INTOXICATING LIQUORS ACT

Mr. Ron Cannan (Kelowna—Lake Country, CPC): Mr. Speaker, the second petition pertains to something which members on all sides of the House have been supportive of, my colleague's Bill C-311, to modernize the archaic 1928 Importation of Intoxicating Liquors Act.

We want to free our grapes and let the wine flow across the provincial borders, so we can have a much more enjoyable Canada from coast to coast to coast.

ELECTRO-MOTIVE DIESEL

Ms. Irene Mathyssen (London—Fanshawe, NDP): Mr. Speaker, I have two petitions. The first is from the community of London and former workers of Electro-Motive Diesel.

The petitioners want the Parliament of Canada to know that Caterpillar illegally removed production equipment from EMD in London against the collective agreement. It forced a lockout on December 30, 2011, and demanded that the workers take a reduction in wages and benefits in excess of 50%, and accept a reduced and insecure pension plan. All of this is despite the fact that these workers had made Electro-Motive Diesel a very profitable company. In fact, productivity had increased by 20%, and the profits were up in the billions of dollars over last year.

The petitioners are requesting that the Parliament of Canada investigate the conditions of the sale of Electro-Motive Diesel to Caterpillar, and to immediately enforce any and all appropriate penalties should there be violations under the Investment Canada Act.

I might add that in light of the recent debate in the House about the need to strengthen the Investment Canada Act, it is most appropriate that the petitioners are calling on the government to make improvements to the Investment Canada Act so that the travesty which happened to the EMD workers, their families and the London community does not happen again.

PENSIONS

Ms. Irene Mathyssen (London—Fanshawe, NDP): Mr. Speaker, there is great concern about threatened changes to the old age security program. The petitioners regard this as a direct attack on the poorest seniors who rely on that money for daily living expenses.

Routine Proceedings

In February of this year, the official opposition moved a motion which called on the House to reject the proposal by the Prime Minister to increase the eligibility age for old age security and also called on the government to take the necessary measures to eliminate poverty among seniors.

Therefore, the petitioners are calling upon Parliament to maintain funding for the OAS and make the requisite investment in the guaranteed income supplement to lift every senior out of poverty.

SUICIDE PREVENTION

Mr. Harold Albrecht (Kitchener—Conestoga, CPC): Mr. Speaker, I have the honour to present a number of petitions signed by people from Ontario and Alberta pointing out that suicide kills, on average, 10 Canadians each and every day, which means there are almost 4,000 preventable deaths each year. The petitioners also point out that suicide is not only a mental health issue but it is also a public health issue.

Therefore, the petitioners are calling on Parliament to adopt measures to recognize suicide as a public health issue, provide guidelines for suicide prevention, promote collaboration and knowledge exchange regarding suicide, and promote evidence-based solutions to prevent suicide and its aftermath, and to define best practices for the prevention of suicide.

THE ENVIRONMENT

Ms. Elizabeth May (Saanich—Gulf Islands, GP): Mr. Speaker, I rise this morning to present two petitions. The first is entirely from constituents in my riding of Saanich—Gulf Islands, from Mayne Island, Pender Island, Victoria and North Saanich.

The constituents petition the House to take action on the climate crisis, specifically to put in place real plans to meet targets set by the House in votes in the 40th Parliament to reduce greenhouse gases by 25% against 1990 levels by 2020, and by 80% against 1990 levels by 2050. We are lagging woefully behind in having any plans at all.

Mr. Speaker, the second petition deals with the proposed Enbridge project across northern British Columbia leading to supertankers along the coastline of British Columbia. The petition is signed by residents of Grande Prairie and Calgary, Alberta, residents of Whistler and Vancouver, British Columbia, and residents of Ottawa.

The petitioners beseech the government to cease and desist from acting as the public relations arm of industry and to await the fulfillment of environmental assessment reviews before taking a position on the project.

HUMAN RIGHTS

Ms. Rathika Sitsabaiesan (Scarborough—Rouge River, NDP): Mr. Speaker, I rise to submit petitions on behalf of petitioners in the greater Toronto area on the issue of human rights in Sri Lanka.

The petitioners point out that the report of the United Nations Secretary-General's panel of experts on accountability in Sri Lanka has found credible allegations which, if proven, would indicate that war crimes and crimes against humanity took place in the last days of the war. The petitioners indicate that the establishment of an independent, impartial, transnational justice mechanism to investigate the allegations is necessary. They also indicate that it is a duty under international law to address the violations of international

humanitarian human rights. They also indicate that Canada has been recognized internationally as a champion of human rights and justice.

The petitioners call upon the Government of Canada to urge the United Nations to immediately establish an independent, international and impartial mechanism to ensure truth, accountability and justice in Sri Lanka.

• (1010)

REPUBLIC OF THE FIJI ISLANDS

Mr. Don Davies (Vancouver Kingsway, NDP): Mr. Speaker, I continue to receive many petitions from thousands of Canadians across the country pointing out that Canada has closed its high commission serving the Republic of the Fiji Islands. They point out that Fiji is a member of the Commonwealth of Nations, that all immigration business and other matters between Canada and Fiji must now be handled through the Canadian High Commission in Sydney, Australia. The petitioners point out that this causes inordinate delays and inefficient service for tourists, and with respect to visa business and immigration issues for Canadian and Fijian citizens. The petitioners point out that the United States, Australia, New Zealand, China and India all have embassies or high commissions in Fiji.

There are over 100,000 Canadians of Fijian descent who travel very extensively between Canada and Fiji. The petitioners therefore request that the government reopen the high commission in Fiji in order to provide the kind of consular services that these Canadians both need and deserve.

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QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons, CPC): Mr. Speaker, if Questions Nos. 412 and 415 could be made orders for return, these returns would be tabled immediately.

The Speaker: Is that agreed?

Some hon. members: Agreed.

Government Orders

[Text]

Question No. 412—**Mr. Hoang Mai:**

With regard to the Canada Revenue Agency's (CRA) responses to the provisions of the Internal Revenue Service (IRS) regarding the Report of Foreign Bank and Financial Accounts (FBAR): (a) according to the government's analysis, do the IRS provisions comply with the provisions of the Convention Between Canada and the United States of America With Respect to Taxes on Income and on Capital and its amending Protocol (2007); (b) are there Canadian exemptions to FBAR; (c) has Canada negotiated the FBAR provisions with United States Treasury Officials or the IRS; (d) at what time was the government made aware of these provisions; (e) how long did it take for Canada to respond to the changes made by the IRS and the United States Treasury; (f) how will the government ensure that the CRA does not act on behalf of the IRS to collect revenues and penalties; (g) has Canada informed dual citizens about their tax obligations resulting from FBAR; (h) what was the number of exchanges of information between Canada and the United States of America this year and during the past ten years regarding FBAR; (i) has the CRA set internal deadlines to be able to respond to exchange of information requests in a timely manner; (ii) will Canada work to improve bilateral cooperation on this issue; (iii) has there been an increase of exchange of information requests at the CRA due to FBAR; (iv) will the government lose revenue as a result of the implementation of FBAR; (v) what are the cost implications emanating from FBAR (i) for the government, (ii) for the CRA, (iii) for Canadian banks, (iv) who will absorb these costs, (v) are there other types of non-financial costs such as efficiency or fairness reductions; (vi) how many complaints has the CRA received regarding FBAR or related vexatious inquiries by the IRS; (vii) what are the main complaints; (viii) what has the CRA done concerning these complaints; (ix) what department at the CRA is in charge of dealing with complaints of this nature; (x) will the CRA cut Full-Time Equivalents from that department or reduce its funding; (xi) has the office of the Taxpayers' Ombudsman looked into the matter; (xii) will FBAR prevent double taxation of pre-migration gain; (xiii) has there been an increase in arbitration cases due to active procedures by the IRS; (xiv) what departments are most affected; (xv) has the CRA cut Full-Time Equivalents from each of these affected departments or reduced their funding; (xvi) will FBAR affect different saving vehicles such as, but not limited to, (i) Registered Retirement Savings Plans, (ii) Registered Education Savings Plans, (iii) Registered Disability Savings Plans, (iv) Tax-Free Savings Accounts; and (xvii) how many Canadian-American dual citizens are affected by FBAR and does Canada have contact information for the dual citizens affected by FBAR?

(Return tabled)

Question No. 415—**Mrs. Anne-Marie Day:**

With regard to Natural Resources Canada's ecoENERGY program: (a) what is the total amount spent, broken down by year and province, since the program's first year of operation up to and including the current fiscal year on (i) ecoENERGY Retrofit – Homes, (ii) ecoENERGY Efficiency, (iii) marine renewable energy enabling measures, (iv) the clean energy policy group, (v) ecoENERGY for biofuels, (vi) ecoENERGY Innovation Initiative; (b) how many individuals or organizations have received grants for each of the programs listed in (a), since the first year of operation up to and including the current fiscal year, broken down by year and province, (i) what is the average amount of the grants awarded, (ii) how many applications were submitted and how many rejected, (iii) what was identified as an "acceptable" turnaround time for the receipt of grant funding, (iv) how many approved grants were processed beyond a "reasonable" turnaround time; and (c) other than the programs listed in (a), which programs to combat climate change and promote energy efficiency are currently funded by Natural Resources Canada, and what is the total amount spent on each of these programs?

(Return tabled)

[English]

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

The Speaker: Is that agreed?

Some hon. members: Agreed.

PRIVATE MEMBERS' BUSINESS

The Speaker: The Chair would like to take a moment to provide some information to the House regarding the management of private members' business.

[Translation]

As members know, after the order of precedence is replenished, the Chair reviews the new items so as to alert the House to bills which at first glance appear to impinge on the financial prerogative of the Crown. This allows members the opportunity to intervene in a timely fashion to present their views about the need for those bills to be accompanied by a royal recommendation.

[English]

Accordingly, following the February 16, 2012 replenishment of the order of precedence with 15 new items, I wish to inform the House that there is one bill that gives the Chair some concern as to the spending provisions it contemplates. It is Bill C-383, An Act to amend the International Boundary Waters Treaty Act and the International River Improvements Act, standing in the name of the member for Bruce—Grey—Owen Sound.

[Translation]

I would encourage hon. members who would like to make arguments regarding the need for a royal recommendation for this bill, or any other bills now on the order of precedence, to do so at an early opportunity.

[English]

I thank hon. members for their attention.

GOVERNMENT ORDERS

[Translation]

SAFER RAILWAYS ACT

Hon. Denis Lebel (Minister of Transport, Infrastructure and Communities and Minister of the Economic Development Agency of Canada for the Regions of Quebec, CPC) moved that Bill S-4, An Act to amend the Railway Safety Act and to make consequential amendments to the Canada Transportation Act, be read the second time and referred to a committee.

He said: Mr. Speaker, I am very pleased to present to you today for second reading Bill S-4, An Act to amend the Railway Safety Act and to make consequential amendments to the Canada Transportation Act.

I believe this is the first time I have ever had the honour of presenting a bill that is as finely crafted, broadly applauded and widely supported as Bill S-4.

This legislation has been in development for more than three years, with constant consultation and input from all levels of government, industry and labour stakeholders. It has also been commented on by witnesses, dissected clause by clause by standing committees on two separate occasions, and approved unanimously by all parties both times.

Government Orders

Clearly, the debate is over. It is now time to pass this important bill as quickly as possible to ensure the safety of Canadians.

Bill S-4 is clearly a progressive and forward-looking bill, and the amendments it contains will mean better safety for Canadians and Canadian communities, better protection for our fragile environment, and a stronger Canadian rail industry in a stronger national economy.

All of these things are priorities for our government, and I believe that they are priorities for all members in the House.

There is nothing more important than the safety and prosperity of Canadians.

• (1015)

[English]

As many members may know, the bill has quite a bit of history. For many years, the safety of Canada's federal railways was regulated under the Railway Act, which originated at the turn of the century when Canada's railway system was rapidly expanding. The Railway Act was designed for an older era. At that time, much of the national rail system was under construction to open up new territories to encourage settlement.

In 1989, the Railway Act was replaced by the Railway Safety Act, which was designed to achieve the objectives of the national transportation policy relating to the safety of railway operations and to address the many changes that had taken place in the rail transportation industry in recent years. The Railway Safety Act gave direct jurisdiction over safety matters to the Minister of Transport, to be administered by Transport Canada where the responsibility for other federally regulated modes of transportation resides.

Following a review of the Railway Safety Act in 1994, the act was amended in 1999 to further improve the legislation and to make the railway system even safer. Those amendments were designed to fully modernize the legislative and regulatory framework of Canada's rail transportation system. They were also designed to make railway companies more responsible for managing their operations safely and to give the general public and interested parties a greater say on issues of railway safety.

[Translation]

These changes were commendable, but there was a problem. A number of high-profile train derailments in 2005 and 2006 across the country—in Alberta, British Columbia, Quebec and in other provinces—resulted in fatalities, serious injuries, significant environmental damage and negative economic impacts for railways and communities.

These tragic accidents caused concern for the public and the government and focused national attention on rail safety. They also provided the impetus, in part, for the Minister of Transport to launch a full review of the Railway Safety Act in 2007. The objective of the review was to identify possible gaps in the act and to make recommendations to further strengthen the regulatory regime.

[English]

The seriousness of those derailments also provided the incentive for the Standing Committee on Transport, Infrastructure and Communities to begin its own railway safety study. The Railway

Safety Act review was led by an independent panel of experts who commissioned research and held extensive public consultations across the country. Interest in the consultations was high and all key stakeholders participated, including railway companies and associations, labour organizations, national associations, other levels of government, municipalities and the public.

The panel's final report, "Stronger Ties: A Shared Commitment to Railway Safety", was tabled in the House by the Minister of Transport in March 2008. In the report, the panellists noted that although the Railway Safety Act and its principles are fundamentally sound, more work is needed and a number of legislative improvements are required. The report contained 56 recommendations to improve railway safety in Canada.

[Translation]

The standing committee, which also conducted extensive stakeholder consultations, accepted the panel's recommendations and tabled its own report in the House in May 2008. The committee's report also made 14 recommendations, many of which built on those that came from the Railway Safety Act review.

The authors of both reports identified the main areas that required improvement and recommended increasing Transport Canada's resources in order to increase its ability to monitor compliance and enforce the legislation and take new rail safety initiatives.

Transport Canada agrees with the recommendations made in both reports and has taken steps to implement them through a variety of government-industry-union initiatives and through these proposed legislative amendments to the Railway Safety Act, which are required to address key recommendations and enable many safety initiatives.

In fact, Transport Canada took action to address these concerns almost immediately after receiving them.

In March 2008, following the publication of the report on the review of the Railway Safety Act, we established the Advisory Council on Railway Safety in order to get the process of consultation started again and to consider future directions in railway safety, the development of rules, regulation, policies and other matters of concern. The advisory council is made up of representatives of the main stakeholder groups, including Transport Canada, railway companies such as CN, CP and VIA, short line and commuter rail companies, the Railway Association of Canada, shippers, suppliers, other levels of government, and unions. The council has met three or four times per year since it was established, in order to work collaboratively on the strategic matters of railway safety that were raised in the report.

Government Orders

Additionally, working with the railways and the major unions, Transport Canada has established a steering committee, made up of representatives of Transport Canada, the industry and the unions, to oversee the development of action plans for implementing the recommendations in the report on the Railway Safety Act review and the report on the study conducted by the Standing Committee on Transport, Infrastructure and Communities. The committee has been supported by six technical working groups in addressing ways in which to implement the recommendations of concern not only to the regulatory body, but also to the industry and the unions, and in keeping the ACRS informed of their progress.

• (1020)

[*English*]

These joint technical working groups included teams devoted to the rule making process, safety management systems, information collection and analysis, proximity and operations, environment and new safety technologies. Together, those groups were assigned 24 recommendations by the steering committee. All of them have completed their work. Their recommendations have been, or are being, implemented. In addition to the work of these groups, Transport Canada implemented eight internal recommendations. Industry implemented three recommendations that pertained to the companies. The final 21 recommendations are related to legislative changes which we are discussing today. In short, these amendments to the Railway Safety Act are the final component of a well-orchestrated and well-funded drive to make our railways safer.

[*Translation*]

In budget 2009, the government affirmed its commitment to a safe, reliable transportation system by earmarking \$72 million over five years to implement important rail safety measures and legislative initiatives. These amendments to the Railway Safety Act that we see before us today are the fruit of that commitment. This initiative also shows how important these amendments are to the government, and it reflects the government's commitment to seeing these amendments implemented as soon as possible so that Canada can reap the benefits from them immediately.

In March 2010, the government introduced Bill C-33, An Act to amend the Railway Safety Act. It contained essentially the same range of changes as the bill before us today does. Bill C-33, which all the parties in the House supported, was considered in detail by the Standing Committee on Transport, Infrastructure and Communities and then approved unanimously by all hon. members after some minor changes were made.

Unfortunately, Bill C-33 died on the order paper after many consultations, analyses and a very favourable reception, because the opposition chose an unnecessary election over the safety of Canadians. Knowing how important these essential amendments are with regard to safety, we reintroduced the same bill in the Senate, with the changes that everyone had agreed on.

Since then, a number of witnesses representing stakeholders have expressed their views and the bill has been reviewed and discussed at length in the standing committee of the other place. I am very pleased to say that the Senate committee, like ours, unanimously approved the bill with a slight change that was essentially administrative in nature.

[*English*]

There is clearly a lot of support for this bill from all parties. There have been thorough consultations over several years. The bill has been agreed upon in its various formats by all key industry stakeholders, as well as members of both the House and the other place. It is our responsibility to end this long debate and expedite the passage of this important legislation for the benefit of all Canadians. The safer railways act is acknowledged as the blueprint for the future of rail safety in this country. It would directly address the safety challenges that have been identified by two national reviews with innovative legislative solutions that would help make our railways and communities safer for years to come.

[*Translation*]

Mr. Speaker, allow me to highlight some of the key amendments included in Bill S-4. Each one is an important part of a comprehensive safety package.

In accordance with the recommendations arising from the Railway Safety Act review and the study by the Standing Committee on Transport, Infrastructure and Communities, the amendments under review will improve Transport Canada's oversight capacity by conferring on the Governor in Council the authority to require railway companies to obtain a railway operating certificate, attesting that they have met basic safety requirements, before commencing their activities.

The operating certificate, which will demonstrate that the company complies with baseline safety requirements, will apply to all railways under federal jurisdiction. Existing companies will have a two-year period from the coming into force of the amendments under review in which to meet the requirements for the certificate.

The amendments in Bill S-4 will also strengthen Transport Canada's enforcement capacity in order to ensure better railway company compliance with safety rules and regulations. To that end, the department will apply monetary penalties to improve rail safety. The maximum amount of the penalties will be \$50,000 for an individual and \$250,000 for a corporation.

The new act will also strengthen Transport Canada's enforcement powers by increasing fines to levels consistent with those for other modes of transportation. Maximum fines for convictions on indictment for a contravention of the act would be \$1 million for a corporation and \$50,000 for an individual. Maximum fines on summary conviction for contravention of the act would be \$500,000 for a corporation and \$25,000 for an individual.

Government Orders

• (1025)

[*English*]

One of the most important benefits of Bill S-4 is the increased focus on the importance of safety management systems. As members may know, a safety management system is a formal framework for integrating safety into day-to-day railway operations. During the Railway Safety Act review, stakeholders were supportive of the SMS approach to safety, but some felt that improvements were required before SMS could be considered fully implemented.

The amendments we are discussing today address those concerns. For example, under Bill S-4 all railway companies would be required to appoint an accountable executive responsible for all matters of safety. The legislation would also require all railway companies to implement whistleblower protection so that employees felt encouraged to report safety violations without fear of reprimand.

Railway companies would also be required, through the auditing process, to demonstrate that they continuously manage risks related to safety matters through the use of safety management systems. Changes like these would encourage the growth of a true culture of safety at both the corporate and operating levels of railway companies.

[*Translation*]

I noted earlier that the Senate committee had unanimously approved this bill with one minor change related to safety reporting. Although this bill originally called for the development of a new safety reporting process with the Transportation Safety Board and Transport Canada, all parties agreed that a reporting system already exists—the Transportation Safety Board—so that clause was struck. The rest, as mentioned, was agreed on unchanged.

The Safer Railways Act is clearly a step forward in terms of oversight, enforcement and the implementation of a safety system in the industry. It also advances safety in the administrative area by clarifying the authority and responsibilities of the minister in respect of railway matters. For example, these amendments will clarify that the legislation applies to all companies operating on federal track and will ensure that those companies are subject to the same high safety standards.

Bill S-4 is about safety. It is also about protecting our environment. By expanding regulation-making authorities, this legislation will allow Transport Canada to request an environmental management plan from all railways for federal review.

It will also allow a requirement for increased environmental information collection and railway equipment labelling related to emissions. These amendments plus an additional amendment to provide regulatory authority to control and prevent fires on railway rights-of-way are critical to strengthening environmental protection in the industry.

And that is what the amendments to Bill S-4 are basically all about: better oversight tools to ensure safety; enhanced safety management systems to build a stronger rail safety culture; and additional authority to help protect our environment from unnecessary degradation.

It is hard to argue with the importance of these amendments. Railways are an integral part of our infrastructure now, and they will be so in the future. We need them to be strong. We need them to be dependable. And we need them to be safe. All Canadians can benefit from that.

We believe that these amendments to the Railway Safety Act are essential and timely. Bill S-4 modernizes the Railway Safety Act to reflect the requirements of a growing and increasingly complex rail industry, and I believe that we can all agree to the important safety amendments contained in this bill both quickly and unanimously.

• (1030)

[*English*]

The bill is a step forward for Canadians, for safety and for the rail industry. With the agreement of the members today, we can take these steps together today, for a safe, reliable and economically viable freight and passenger railway system in Canada. The bill has been extensively debated over several years and has received wide support. I recommend that it be submitted to the Standing Committee on Transport, Infrastructure and Communities for further discussion.

I urge all hon. members to give this important bill their unanimous support.

Mr. Randall Garrison (Esquimalt—Juan de Fuca, NDP): Mr. Speaker, on behalf of this side of the House, we certainly do welcome this long overdue legislation. We will be hearing more from our critic from Trinity—Spadina in a few minutes.

However, I would like to take this opportunity to ask the minister a question I have asked him before with respect to rail safety for Vancouver Island. Members are aware that VIA Rail suspended passenger service on the island nearly a year ago. At that time, the province offered to put up \$7.5 million, half of the costs of repairing the railbed, to get safe passenger service moving again. I have asked the minister several times whether the federal government would come up with its share of those costs. I was assured that the minister is studying the request.

My question again today is this. When can we expect to see a positive answer with respect to getting the passenger rail service, which I note was promised in Confederation for British Columbia, back onto the rails in Vancouver Island?

Hon. Denis Lebel: Mr. Speaker, today we are speaking about safety and security for all of the country.

“Several” does not have the same meaning for the member as it does for me. He asked me and I gave him an answer. We are still analyzing the issue. That is what we will continue to do.

Government Orders

However, today I ask for his support to provide safety for all of the railways in the country.

Hon. John McCallum (Markham—Unionville, Lib.): Mr. Speaker, I can say that the Liberal Party will certainly be supporting the bill.

I was the transport critic when we considered this bill in committee. A number of issues arose which we were not able to deal with, such as the light rail transit situation with GO trains and VIA Rail running on the same tracks, and when the railways wanted to have a certain degree of control over municipal developments close to the railway lines.

My question is this. Would the minister be open to amendments on issues such as these when the bill goes back to committee?

Hon. Denis Lebel: We will consider public transit in the bill, Mr. Speaker. It is very important for us to offer safer services on all railways in the country, including public transit. On this matter, we will let the committee continue its work on that.

As I said before, these discussions have been under way for several years since 2007-08. We will surely hear comments and the committee will decide, but we will surely be in touch with all transit across the country.

Ms. Elizabeth May (Saanich—Gulf Islands, GP): Mr. Speaker, I thank the minister for his speech and for the improvements in railway safety represented in Bill S-4.

I would like to ask him if we could take it further. I certainly agree with my colleague, the hon. member for Esquimalt—Juan de Fuca, about how tragic it is when rail lines are not making their way to city centres the way they should and we are losing service across the country.

As a frequent VIA passenger myself, I have noticed that there are often rail delays, which then lead to the crews trying to make up with speed later on, and we know that can have tragic consequences.

A lot of this is due to the fact that the railway sidings are shorter now than the average length of a freight train, and since passenger rail must lease space and rely on freight for its signalling and safety, we have conflicts.

Is there anything the minister thinks can be done to invest in longer sidings and better transit connections so there is better sharing of the rails between passenger and freight in the interests of safety?

• (1035)

Hon. Denis Lebel: Mr. Speaker, for sure and the way we will manage the bill and the continuation of it, we will respect the jurisdiction of provinces and municipalities. We are working with them. We have invested over \$5 billion in public transit in the last years since 2006 and we will continue to do so. That is very important for us.

With regard to signalling, we have some very important changes in the bill, which have already been implemented by Transport Canada, and for sure everything will become safer. With all the railways in this country, we will do what we are able to do about that.

Ms. Linda Duncan (Edmonton—Strathcona, NDP): Mr. Speaker, I am pleased that the government is moving forward on some amendments and improvements on rail safety.

I would appreciate the minister's answer to my question regarding Transport Canada's report on the derailment at Lake Wabumun and the largest spill of bunker C oil in history in North America, and that same week a monumental spill in Cheakamus River that wiped out a just recovered salmon fishery.

Transport Canada identified significant errors and problems. One of the problems was the turning over of inspection to the companies rather than the government intervening, and significant deficiencies in regulation, including replacement rails.

I am wondering if the minister could speak to that and to the fact that the Government of Canada completely dropped the ball on emergency response, and if he would be tabling a new emergency response protocol for the federal government to deal with emergency response in the event of derailment.

[*Translation*]

Hon. Denis Lebel: Mr. Speaker, I completely disagree with the remarks my colleague made leading up to her question. Earlier, when I referred to incidents and derailments that have occurred across Canada, I was also referring to the one she mentioned.

We know that, for various reasons, derailments often occur in less populated areas. As a result, it can take a little longer to get to the site of an incident, but we always get there. We are always on site with our partners to ensure that we respond to all incidents across Canada as quickly as possible.

Our objective in introducing this bill is to do more in that sense. Of course, given the kilometres and kilometres of rail in this country, there will always be things that we cannot control. Incident reports show that various factors contribute to these unfortunate events. We will continue to work with rail companies, all stakeholders and unions to make sure that everything we do improves the services we provide to ensure rail safety in Canada.

[*English*]

Hon. John McCallum (Markham—Unionville, Lib.): Mr. Speaker, when the transport committee last held hearings on this bill it was about a year ago, and in the Senate it was last fall. Since that time, of course, we have had the tragic event in Burlington.

I think some of the implications arising from that tragic event might give rise to possible amendments, including issues like cabin voice recorders.

I wonder if the minister would be open to amendments arising from this more recent event.

Government Orders

Hon. Denis Lebel: Mr. Speaker, as I said before, the Advisory Council on Railway Safety is in place and working three or four times a year. I have already tasked the council with giving us an analysis, on an urgent basis, of the installation of voice recorders in locomotive cabs. That has been discussed in the past. It involves owners and managers of companies as well as unions. Companies have different points of view about that. However, that will surely be discussed and we will see what happens. We will see what we can do about it.

Mr. Wayne Marston (Hamilton East—Stoney Creek, NDP): Mr. Speaker, for nine years from 1965 to 1974 I worked for Canadian National Railway as a signal maintainer. One of the things one learns in spending any time around the railway is how labour intensive it is to maintain the track alone. One of the things that happens in the rail services, like many other services in the country, is cutbacks. I am very concerned about that.

What is important is that government listen to the grassroots workers when it is involved with safety aspects. The mistakes that were just made in the tragedy in Burlington flowed obviously from the train moving too quickly.

I just wanted to pass those comments on. I look forward to the bill going to committee.

• (1040)

Hon. Denis Lebel: Mr. Speaker, last year we continuously invested in infrastructure. Through the economic action plan we invested over \$700 million in VIA Rail from April 2009 to March 2011. I totally agree with the member that we have to continue in that way.

The workers are working very hard on all railways in this country.

Mr. Don Davies (Vancouver Kingsway, NDP): Mr. Speaker, it is a rare opportunity to stand in the House and congratulate a minister and a government on what is an excellent piece of legislation and, more importantly, that follows a process that has gained the buy-in of industry, labour and government. If we are going to stand and make criticisms in the House when things do not go the way we want, then it is important to also stand and congratulate a government when it does something well.

I consulted with the Teamsters Canada Rail Conference on this bill. It was very proud to have participated in the bill and wants to pass on its congratulations to the minister and the government for a piece of legislation that has the buy-in of industry and labour. It is a solid piece of legislation.

I just want to congratulate the minister for shepherding the bill through Parliament. I look forward to more pieces of legislation coming forward from the government that follow this process.

[*Translation*]

Hon. Denis Lebel: Mr. Speaker, with my background in sports, I believe that team work is very important. We will continue working hard together.

[*English*]

That is very important.

I would like to respond as well on the positive train control system, which I have not yet had a chance to mention. We are closely

monitoring the implementation of positive train control in the United States. I would like to remind my colleague that the technology to which his party is referring will not be mandatory until 2015. Technical challenges are being experienced that will likely delay its implementation. However, Transport Canada is following that closely.

Ms. Olivia Chow (Trinity—Spadina, NDP): Mr. Speaker, with its far flung population centres, Canada has been compared to a string of beads and an island archipelago. This is as true today as it was 176 years ago when the first railway was built in our great country.

Railways are not just a means of transportation; they tie us together at a much deeper level. Without them, Confederation would not have been possible. One of the few things that the separate colonial governments could agree on when they founded our nation was the desire to be linked and to thrive through the railways.

The Maritimes only joined Confederation because the building of an intercolonial railway was promised. Likewise, British Columbia only acceded because it was promised it would be connected to the rest of the country through a transcontinental railway.

The fathers of Confederation grasped the immense importance of railways for such a vast and sparsely populated country. This is why Canadian governments in the past have been supportive and involved in railways since the inception of our nation.

Depending on the types and location of railway projects, different approaches were taken by the government. The Intercolonial Railway was built under direct government supervision. Other railway links were established because loans were underwritten by the state. The most famous and important of the nation shaping railway projects was the Canadian Pacific Railway. It was made possible by private and public funds, as well as through massive land grants in the Canadian Prairies. The railway, the longest in the world at the time, was completed in 1885 to great fanfare.

Creating a coast to coast railway connection was not only an economic imperative to string the provinces together, but it was also an act of nation building. The construction of railways created the economic basis for large parts of Canada. It also made our nation a diverse and striving one by bringing in immigrants from around the world as railway workers. Fifteen thousand Chinese workers built the most challenging and dangerous portion of the Canadian Pacific Railway.

Long after the transcontinental links were built, a strong sense of federal responsibility remained, especially when times were tough. When the economy was down and the supply of immigrants had dried up during World War I, the government salvaged the assets of the three railways and merged them to form the Canadian National Railway.

Government Orders

After World War II, the slow decline of passenger railway services began. The large duopolists did not have a serious interest in passenger lines, as they focused on freight. Again, the federal government acted to protect national interests. Instead of letting passenger services disappear altogether under private sector management, VIA Rail was established in 1978 to ensure that passenger services would continue to connect Canadian cities. Yes, it was important to celebrate that year.

Unfortunately, more recent federal governments have tended to ignore the vast potential that rail services, both for freight and passengers, hold for our great country. Under the Conservatives, railways were largely deregulated in 1987. Railway lines that were built to serve public needs with public money and land were now allowed to be abandoned by rail companies. As a result, Canada has lost over 10,000 kilometres in active rail lines since then, a loss of almost 20% of our rail network.

Another deliberate setback took place in 1995 when the Liberals and the Liberal government privatized the Canadian National Railway. In order to cash in on the coveted national asset, the government at the time sold CN on the stock market.

The benefits of railways are clear. Trains are substantially more fuel efficient than motor vehicles when it comes to moving passengers and cargo. By electrifying railway lines, greenhouse gas emissions can be reduced.

• (1045)

Despite the shortcomings of federal safety regulations, travelling by train is roughly five times safer than using a car and it is still the main mode of transportation for our Canadian goods, with 70% of all freight in our country shipped by rail. Rail lines provide crucial links to our southern neighbour and its important markets for Canadian companies around the world.

In large urban centres, commuting by rail is vital in getting millions of Canadians to their workplace every day. VIA Rail connects our country's most vibrant cities, carrying more than four million passengers a year, and it can do a lot more if it has government support.

Despite the impressive numbers, the picture is not so rosy. What used to be our nation's prime mode of transportation and springboard for our national aspirations have been relegated to a back-row seat. The changes that the advent of air travel and cars have brought about cannot be denied or reversed. However, we are foolish to believe that we are helpless and that the only modern way to move goods and people is through airports and highways. Railways can—

The Acting Speaker (Mr. Bruce Stanton): Order, please. There are a number of conversations commencing in the chamber. The hon. member for Trinity—Spadina has the floor. I would ask members who wish to carry on conversations to do so in their respective lobbies.

The hon. member for Trinity—Spadina.

Ms. Olivia Chow: Mr. Speaker, railways can be competitive and highly successful commercially. CN, for example, made billions of dollars last year. It takes the right government mindset and political will.

Countries in Europe and Asia, and lately even the United States, are showing us how efficient, fast and profitable railway passenger services can be. Instead of high-speed trains that run on their tracks, Canadians are stuck with slow diesel trains that roll on bumpy tracks that are owned by the monopolized CN and CP Rail. It is their tracks, their train-controlled centres and their trains that take precedence over any passenger train, a situation unheard of in countries like France or China.

Via Rail is forced to lease essentially all its tracks, as it owns close to none of them. By allowing the big private rail companies to abandon Canadian rail lines, both the passenger and freight customers, they are freer than ever to expand elsewhere, which means the lucrative U.S. market. CN has gobbled up various railway companies with its network stretching all the way to the Gulf of Mexico. CPR has made similar moves, purchasing thousands of kilometres of tracks in the United States to the tune of several billion dollars. No wonder Canadians are left behind.

The lack of attention from both large rail companies results in underserved rural areas with farmers who cannot ship their agricultural products, logging and mining companies that become uncompetitive as they cannot ship on time and car manufacturers whose sophisticated supply systems are upended by dismal rail services.

I have met many of the farm lobbying groups, whether it is Pulse Canada, Canadian Soybean or the wheat farmers. They have all said that they are losing millions of dollars because of unreliable rail service. Unfortunately the Conservative government has only made token efforts so far to address these issues.

To make the situation worse, passengers in Canada are left out in the cold as well. The government is slashing funding to VIA Rail by \$200 million this year, according to its estimates. Crucial investment in overhauling aging cars and engines, as well as safety upgrades, cannot be made. The combined neglect of railway companies and the federal government has reached an unprecedented level of under-investment across the country.

A crucial link from Vancouver Island, and my colleagues know this very well, was recently shut down as it had become unsafe after years of pent-up maintenance. Likewise, the rail connection between Montreal and the Gaspé has been severed, leaving passengers stranded and a whole region cut off after 150 years of rail history.

The overall service levels have decreased so much that various train connections in 2012 are slower than they were in the early 1990s. The connecting Winnipeg-Churchill train has seen its schedule lengthened by about five hours since 2008. The Halifax-Montreal train is now almost three hours slower than it was in 1993. Not surprisingly, ridership has gone down from 279,000 in 1996 to 127,000 in 2010, which is more than half.

Even the service on the connection between Canada's two largest cities, Montreal and Toronto, is slower than it was in 1992. Back then the train ride was just below four hours. Now it takes close to five hours.

Government Orders

The current state of Canada's railways is made even harder because of government policies that favour air and road travel over rail. For the financial year of 2009-10, all levels of government, taken together, spent \$1.2 billion on subsidizing air travel. This number is more than twice the amount that was spent in 2001-02. Likewise, government support for marine transportation increased by 90% over the same time span, now reaching \$1.8 billion.

●(1050)

What about roads? They are our government's pet projects. All levels of government spend close to \$30 billion a year on highways and roads. Again, this amount has more than doubled since 2001.

Judging by the public discourse, transit is the ugly duckling when it comes to government support, but not quite. With almost \$6 billion in government support, that is still light years away from passenger rail services. The rail service is treated as an afterthought. This is evidenced by the dismal amount of \$430 million in government spending in 2009 and 2010. That is only a small increase of 12% over the 2001 levels, barely enough to keep up with inflation.

The new federal budget will put an X through that number, making it even lower, and more than a third of VIA Rail support is expected to be chopped, along with cuts to overall rail safety programs. Without a doubt, rail transport needs to be put on the national agenda again, not just for economic reasons but also to improve the safety and give Canadians the confidence they need when they make their travel arrangements.

As the transport critic, I welcome Bill S-4 and the step forward that it represents for Canada's rail safety. I am joined in my appreciation of the safer railways act by my New Democrat colleagues. However, it can be argued that it has taken far too long to get this bill to the current stage. By the time the bill receives royal assent, it will be over five years since an independent panel made 56 recommendations to Transport Canada on how to make our railways safer. It is in the interest of all Canadians to make the bill a reality as soon as possible.

The tragic VIA Rail collision in Burlington last month shows that we need to do more to prevent future derailments, fatalities and injuries. It is time for the Conservative government to take action and satisfy long-standing demands from the independent experts on the Transportation Safety Board. The agency has been calling for voice recorders on locomotives since 2003 and they are still not in place. More talk is not what we need; it is action that we want. Likewise, the Transportation Safety Board has been calling for automatic safety back-up measures, in the case of equipment failure or human error, to prevent tragic accidents.

In 2008 the United States acted after a horrendous crash in California. By making positive train control mandatory, the U.S. is ensuring that an automatic safety system is in place, just like the one the Transportation Safety Board has been requesting for more than 10 years. Seeing the life-saving value of this technology, the experts on the board have refined the cause and have specifically demanded the introduction of mandatory positive train control in Canada since 2010.

The New Democrats urge the Conservative government to heed the Transportation Safety Board's request to make our railways safer

for passengers and rail workers alike. To enable VIA Rail to make its operations safer and to improve service levels, we also call on the federal government to reverse its funding cuts. Only by giving VIA Rail the financial resources that it needs, can we increase safety levels and restore confidence of Canadian confidence in rail travel.

Our demands are clear. We need Bill S-4 to pass. We want to ensure the Transportation Safety Board's recommendation for voice recorders and positive train controls are implemented as soon as possible. We have to make passenger rail services safe and reliable again by restoring VIA Rail's funding. The time to act is now. By taking those measures, we continue to build on the legacy that was accomplished by our predecessors. Without the vision of this honourable House, that famous last spike would not have been driven into the transcontinental railway in 1885. Let us have similar foresight in making railways a national priority again.

●(1100)

Mr. Mike Wallace (Burlington, CPC): Mr. Speaker, the hon. member made comments about the tragic train accident in my riding of Burlington and I appreciate her thoughts on the matter.

The NDP has indicated its support on moving this bill forward in a timely manner, getting it to committee and back to the House. Are there amendments we should be aware of that the NDP will be putting forward to the bill as it is presently written?

Ms. Olivia Chow: Mr. Speaker, as you have heard from what I said earlier, this side of the House would prefer to see detailed regulations in the bill mandating positive train control systems and voice recording systems in locomotive cabs. However, we are not going to put that forward as an amendment because I detect an unwillingness at this point by the government to support it. That is unfortunate, because by 2015 the United States will make it mandatory for all trains to have positive train control systems and a large number of our trains travel to the United States. As I said earlier, if we made that an amendment, my guess is that the Conservative government would not support it and it would delay the bill.

Since the member is from an area where there was a tragic accident, I want to point out that in 2010 the Transportation Safety Board recommended making positive train control systems mandatory. I hope the government will act on that recommendation as soon as possible.

Government Orders

Hon. John McCallum (Markham—Unionville, Lib.): Mr. Speaker, I might point out to my colleague that earlier today, I asked the minister about the possibility of amendments. He said he would be open to possible changes at committee. I do not know how serious that is compared with what she might have heard, but I thought I would put it on the record.

My question has to do with her comments about speed rail in Canada being bad versus speed rail in other places like Europe, China and the U.S. being good. She seems to attribute that difference mainly to the fact that VIA Rail does not have its own tracks and has to use the tracks of CN and CP, whereas in those other places they have their own tracks.

What is her solution? If the idea is to build new tracks across Canada for VIA Rail, that would cost billions or tens of billions of dollars. I agree with her. I have travelled on the fast trains in some of those places and they are far better than what we have in Canada. What is her solution to this problem?

Ms. Olivia Chow: Mr. Speaker, there are several areas where there can be improvements. Regulations or legislation to ensure there are service agreements between the customers of CN and CP would help freight services. It would ensure that deliveries were made on time. Train arrival times would be given in advance, for example, to farmers, the logging industry and coal companies. That would be one solution.

The second solution, using the Quebec City to Windsor rail line as an example, is we could certainly upgrade the tracks. There is no reason not to have high-speed rail through this corridor. We could upgrade the VIA Rail services incrementally to make sure that eventually there is a high-speed electric train in this corridor.

• (1105)

Mr. Bruce Hyer (Thunder Bay—Superior North, NDP): Mr. Speaker, I congratulate the hon. member for Trinity—Spadina. She has been a strong and relentless voice for building safety and infrastructure in the rail industry. I also congratulate the Minister of Transport on Bill S-4. It is a good effort. It is good to see parties working together to build this good legislation.

Previous Conservative and Liberal governments have allowed or even caused the decline and degradation of Canadian freight and passenger rail. For example, in my riding we have lost passenger rail on the north shore of Lake Superior through Thunder Bay.

I have a provocative question for the member for Trinity—Spadina. How can we work effectively with the Conservatives to build rail infrastructure across Canada, or will we have to wait until we form government in four years?

Ms. Olivia Chow: Mr. Speaker, my colleague is absolutely correct. Canada has lost over 10,000 kilometres of active rail lines since the deregulation of railways in 1987. The money needed to improve our networks is mostly siphoned off by CN and CP. First a Conservative government and then a Liberal government privatized CNR in 1995. It was sold on the stock market. VIA Rail was left holding the bag. Unfortunately, until we change our policies and regulations, or are willing to invest some money into electric trains and repairing the tracks, I am afraid the slow decline is going to continue.

[*Translation*]

Mr. Jean Rousseau (Compton—Stanstead, NDP): Mr. Speaker, I wish to congratulate my colleague from Trinity—Spadina once again on her wonderful speech.

But, why is it important to ensure rail safety? For one thing, we must remember that, historically, the railway united Canada. So it is very important in uniting Canada, from east to west, and in encouraging the economic development of many communities that would really like to have more rail services, particularly from VIA Rail.

In my riding in the Eastern Townships, for instance, Sherbrooke is no longer served by VIA Rail. Although some routes are being used less and less, other sectors want more services—high-quality, safe services.

In my colleague's opinion, for Canada's unity, for the safety and economic development of the regions, why is it so important to emphasize rail development?

[*English*]

Ms. Olivia Chow: Mr. Speaker, travelling by rail is safe, comfortable, fast, reliable and environmentally sustainable. If we look at all different modes of transportation, rail is by far the best way to go. With modern technology it can be extremely fast.

It is tragic that we see the technology is there, but the government is unwilling to regulate it. For example, in Quebec there was a tragic derailment in 2010. The Transportation Safety Board recently reported that the positive train control system would have made a difference and slowed down the train. The train would not have derailed and people would not have been injured.

That is one of the ways to keep train travel even safer than it is now.

[*Translation*]

Hon. Denis Coderre (Bourassa, Lib.): Mr. Speaker, as the member for Bourassa and on behalf of my party, I would like to start by commending the work that was done in the other chamber. Obviously, we all remember that this bill is a revival of former Bill C-33 and that a good job was done with the amendments. People did a great job.

At the time, the hon. member for Markham—Unionville was on the Standing Committee on Transport, Infrastructure and Communities and the work done there was quite outstanding. Since the work was well done and everyone decided to work together to ensure everyone's safety, the bill deserves our support today. We most definitely have to send it to committee as soon as possible in order to look into certain aspects and see if we have to make some improvements.

Government Orders

In the other chamber, Senator Mercer, together with the other hon. senators—from both the government side and our side—have already done a thorough job. All players had a chance to speak their minds. We realize that there is already a lot of support and a series of amendments has been moved as a result of the work accomplished on the former bill.

It is only fair to say that we must support this bill and find the proper way to do so. Obviously, pulling on a flower does not make it grow faster. However, we certainly want to make sure that things will be done as quickly as possible. The bill has to be sent to the Standing Committee on Transport, Infrastructure and Communities so that we can do a proper job and quickly address the issue to determine whether adjustments have to be made. The Parliamentary Secretary to the Minister of Transport, Infrastructure and Communities and for the Federal Economic Development Agency for Southern Ontario will agree with me in saying that Bill S-4 is a good bill and that, as a result, we should support it, given the significant work that was done in the other chamber.

I want to explain to the thousands of television viewers watching us today what Bill S-4 is all about. It is intended, of course, to amend the Railway Safety Act, specifically to improve the oversight capacity of the Department of Transport, to strengthen that department's enforcement powers by introducing administrative monetary penalties and increasing fines, to enhance the role of safety management systems by including a provision for a railway executive who is accountable for safety—and the word accountable is important here—and to implement a confidential non-punitive reporting system for employees of railway companies. It also seeks to clarify the authority and responsibilities of the Minister of Transport, Infrastructure and Communities with respect to railway matters.

It is important that, as the representative of the people, the minister have those powers and, clearly, the regulation-making powers must be expanded, including those dealing with environmental management. The process for rule making by railway companies must also be clarified.

What I find interesting about this approach is that, for the most part, all partners support this bill. The unions, as well as the Railway Association of Canada, are generally in favour of this legislation. Naturally, the RAC is not in a position to say at this time if the industry will support the bill without reservation because, after appearing twice before the parliamentary committee that studied Bill S-4 and Bill S-33—the predecessor to the bill we are studying today—the RAC had proposed seven amendments to improve safety, all of which were rejected.

It is fair to say that our system is quite safe, but we need to make the necessary changes to make it safer. Naturally, I acknowledge my colleague from Burlington, who had that tragic accident in his riding. We will let the investigation take its course, but we must ensure that we develop the necessary tools to guarantee safety.

● (1110)

[*English*]

I truly believe in rail transportation. We all know that this country has been built on that vision. It is a great way to bridge rural and urban Canada. However, I think we need to provide better tools to

make sure that citizens from coast to coast to coast feel that they are first-class citizens with that mode of transportation. Bill S-4 would provide that and some problems would be prevented.

Let us take a look at infrastructure. Certain areas may have some situations, such as the one my colleague for Trinity—Spadina spoke about in eastern Quebec. Of course, we would promote specific programs on infrastructure to make sure that we have the capacity for the track to be accurate. We must make sure we are providing the service which, in certain areas, is an essential service. It is important that we take a look at that.

We would not play with security. At times it might be used in partisan ways, such as on Bill C-10, but for the railway I think it is a non-partisan issue. I think that all sides believe in security.

However, this bill needs to be quickly sent to committee. I think that we need to look further at the bill. My colleague suggested that the Canadian Urban Transit Association, in approaching the committee, was concerned about how the provisions of the bill would affect the operation of light rail transit that operates on federally regulated rail lines. There are only a few examples of this in the country. For example, the Lakeshore line of GO Transit moves an incredibly large number of people each day. Therefore, the committee concerns must be twofold.

First, overly large increases to the administrative burden on authorities like GO Transit would negatively impact ridership and fares. However, considering the volume of riders and the number of level crossings on the Lakeshore line, it is also important that the Government of Canada ensure that these trains operate with the highest level of safety possible.

Second, the Railway Association of Canada made a request that the bill be amended by adding to subclause 24(1) the following:

Respecting notices to be given to railways regarding any proposed local plan of subdivision or zoning by-law or proposed amendment thereof in respect of land that is located within 300 meters of a line of railway or railway yard.

This amendment would require municipalities to notify and consult the railway if they made any zoning amendments on land within 300 metres of a railway or railway yard. The Federation of Canadian Municipalities was understandably concerned about this measure. At the heart of its concern was this requirement for communities to inform railways of changes from adjacent land to proximate land. As it was explained to the committee, municipalities across Canada already inform railways when their zoning plans affect land adjacent to the railway's right of way.

Government Orders

The FCM's objection to this change was twofold. Primarily there is a concern that the 300 metre limit is overly burdensome on municipalities that already inform railways of land use changes on property adjacent to the rail line. There is also a concern about the federal government mandating a provision that directly interferes with how provinces legislate municipal power and zoning laws. As these laws and powers vary drastically across the provinces, it would be inappropriate for the federal government to simply override them all. It could also create needless red tape for the local transit association.

These are just some of the issues that the transport committee could consider taking up at its hearings. However, I think everyone has done a great job in the other chamber.

• (1115)

[*Translation*]

I believe it is a good idea to pass this bill very quickly in order to provide the minister and the department with the necessary authority to enact regulations, and to ensure better safety and greater consistency of the regulations. Partners must be heard quickly one last time by the Standing Committee on Transport to ensure, as we all wish, better safety for all Canadians.

• (1120)

[*English*]

Ms. Linda Duncan (Edmonton—Strathcona, NDP): Mr. Speaker, I thank the hon. member for his comments on the bill. Members will note that a couple of my colleagues have commended the minister of transport for consulting relevant persons in development of the bill.

One aspect that seems to be lacking in the tabling of the bill is an anticipated regulatory agenda and timeline for the regulations to be implemented, which is merely an enabling statute. Also missing is the tabling of an enforcement and compliance policy. Why do I raise that? As a former environmental enforcer, I know that the proof is in the pudding. What is most important is the commitment of the government to actually enforce these improved safety standards.

Over a 20 year period, the Transportation Safety Board investigation reports have cited serious continuous operating regulatory enforcement deficiencies, overreliance and outdated, ineffective inspection techniques, inadequate emergency response training and supervision.

Would the hon. member support a call for the tabling of a regulatory agenda and timeline, an enforcement and compliance strategy, and a commitment to actually enforce this new law?

[*Translation*]

Hon. Denis Coderre: Mr. Speaker, I want to thank the hon. member for her question. I was a minister in another government and the important thing is to be pragmatic and find a way to put some teeth in the regulations.

My colleague asked some good questions. They are the types of questions we can ask the minister and all the stakeholders directly in committee in order to make the bill effective. This is not just lip service. We want to reduce the red tape and have the necessary tools to ensure greater safety, including environmental safety.

Earlier I was talking about municipal zoning. We have to respect the jurisdictions. These are the types of questions we can ask in order to assess the feasibility of this bill and ensure that it is not just wishful thinking, that it could indeed work. Given the work that has already been done in the other place and all the amendments that were proposed and approved regarding the previous Bill C-33, this is a good bill, but there is always room for improvement. We will ask questions, but not to the detriment of passing this bill.

Hon. John McCallum (Markham—Unionville, Lib.): Mr. Speaker, I would like to commend the hon. member on his excellent speech. I have a question for him. I was under the impression that the minister might accept amendments, but the hon. member for Trinity—Spadina suggested otherwise.

[*English*]

It is true that in the previous parliament, a minority government at the time, the transport committee accepted a number of amendments. Given the diversity of views on the likelihood of the majority government now accepting amendments, is my colleague leaning on the side of optimism or pessimism with respect to the question?

[*Translation*]

Hon. Denis Coderre: Mr. Speaker, that is a great existential question. Are we optimists or pessimists? I know the minister well enough to know that he does not play with safety and that he is open-minded. I like trusting people. I do not want to indulge in crass partisanship like certain NDP members who are saying that he is not open-minded and that he will not accept amendments. He has proven in the past that he can listen. This is a truly non-partisan issue. I am going to be fairly optimistic and realistic. I do not see why I would doubt the integrity of one of our colleagues. It would be unparliamentary.

Given that he has already said that he is open to discussion and amendments, we should believe him. The work that has been done, mainly in the other chamber, shows without a shadow of a doubt that they listened to us. At the time of Bill C-33, the Liberal Party and my colleague proposed amendments that were accepted. I do not think that this is a matter of minority or majority, but of doing what is necessary to help Canadians.

[*English*]

Mrs. Carol Hughes (Algoma—Manitoulin—Kapusksing, NDP): Mr. Speaker, I cannot help but think as we are discussing this today that you were just at the Little Native Hockey League in Sudbury. I am glad that you were there supporting them. I think that it is really important we support them.

There is a train service that goes from Sudbury to Toronto and, eventually, to Ottawa and Montreal. I cannot help but think if it were faster, how much of an imprint that would have on the environment and how much the tourism would mean to our economy. I know that I would take train more often if it were faster.

Government Orders

As my colleague knows, the bill was actually tabled in the House in the previous Parliament, as Bill C-33. I wonder whether he wants to comment on the amendments which made it possible to have the bill before the House again. I am sure that he would agree with me that my colleague, the member for the Western Arctic, was instrumental in having that amendment tabled.

• (1125)

[*Translation*]

Hon. Denis Coderre: Mr. Speaker, I do not intend to go over old territory and say that one member was better than another in the previous Parliament. I am not sure whether the Sudbury team would get ahead faster in a faster train. This is an old issue; it goes back 30 years. A high-speed train was discussed and many studies were done. There are economic considerations. In the Liberal Party, we feel that we should have more of a railway culture. Canada's vision and the connection between the east and the west were possible because of the railway. So we must work accordingly.

Having said that, we want a high-speed train, but do we want this bill to pass at high speed? We have to do things right. We will be here to make sure that the bill works properly.

I said from the outset that I support the work done by the other chamber. Our committee is not too partisan. When they go too far, we call them to order. But I think we have a good transport committee and we can get things done very quickly. Our respective leaders will then be able to work together to ensure we move on to something else, since it is about time to pass this bill.

[*English*]

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, the member makes reference to western Canada. Many individuals in western Canada would welcome the opportunity to be able to ride a train, recognizing that there are many deficiencies in services provided. We like to think that in the future, as the west continues to develop, especially at today's rapid pace, we will eventually see more VIA Rail services so that one could take a train from Winnipeg to Regina, for example.

Would the member comment about whether in the future it would be good to see VIA Rail enhanced to provide more service to areas that do not have as much as service as the Ontario-Quebec region?

[*Translation*]

Hon. Denis Coderre: Mr. Speaker, that is a very relevant question and I thank the hon. member for Winnipeg North for asking it.

I am one of those people who thinks that we should change the transportation culture in this country and that it should definitely be built around the railway. This is a vast country. Napoleon said that geography dictates politics.

[*English*]

If we want to ensure that all Canadians from coast to coast to coast feel like first-class citizens, we have to provide proper services. Is it an essential service? What is the government's role in that area? I truly believe that we should invest. It is not an expense.

We spoke about Quebec-Windsor. I heard we also spoke about Calgary-Edmonton. However, we have to look at all of those communities, including the small communities. We spoke about the

Arctic. We spoke about western Canada. It is imperative, if we want to ensure that this country has first-class citizens everywhere, that we provide all the tools to ensure that we can reach them. It is not just a social matter. It is also a matter of economics. The basic economy starts with infrastructure. I believe that through the rail strategy we can ensure that everybody, no matter where in this country, feels at home.

Mr. Pierre Poilievre (Parliamentary Secretary to the Minister of Transport, Infrastructure and Communities and for the Federal Economic Development Agency for Southern Ontario, CPC): Mr. Speaker, I think it is best to start our remarks in the House of Commons on this or any subject by addressing first principles.

I believe the first principle is the government should only do what only government can do. Public safety is one of those areas that the citizen or the enterprise cannot simply manage all by themselves. As a result, protecting the security and the safety of the individual is a primary responsibility of government. Thus, we have Bill S-4, which deals in particular with railway safety and the statute assigned to that goal.

I will go into the history of this statute and the framework of legislation that has existed and continues to do so. Before I do that though, I will state my full support for the bill. It is a bill to amend the Railway Safety Act. It furthers our government's agenda to ensure a safe, reliable and economically viable freight and passenger railway system.

The amendments proposed in the bill will increase the public safety of Canadians, enhance the safety of our communities, and contribute to a stronger economy, a modern infrastructure and a cleaner environment.

The Railway Safety Act came into force in 1989 during a period of significant transformation in the Canadian rail industry. It was a time of privatization and restructuring, supported by a new federal policy that separated economic and safety legislation to provide the railway companies with flexibility so that they could grow and prosper.

I should mention in passing that Conservative and Liberal governments in the last two and a half decades have moved toward greater privatization and less government control in all areas of transportation, including ports, railways, airports, airlines and a whole series of other specific areas within the country's transportation system. That decision by both Liberals and Conservatives to move toward privatization has been a resounding and unmitigated success for Canada and for Canadians.

Today, economic regulation of the rail industry is guided by the Canada Transportation Act, which provides an overall framework to ensure a national transportation system that is competitive, economic and efficient. The act, which came into effect in 1996, also established the Canadian Transportation Agency, which is responsible for dispute resolution and economic regulation of all modes of transportation under federal jurisdiction, including rail.

Government Orders

Rail safety regulation on the other hand is governed by the Railway Safety Act, which was developed in the spirit of co-operation between industry and government. This act moved away from a fully prescriptive regulatory approach to one that recognized the responsibility of railway companies for the safety of their own operations.

At the same time, the federal government through Transport Canada retained the responsibility and the power to protect people, property and the environment by ensuring that the railway companies operate safely within that national framework. Once again, we liberated the market to find the best ways to achieve safety, but we created a legal framework to ensure that people and property and the environment are protected as the industry does its work.

Transport Canada undertakes its responsibility to maintain a safe national rail system through a policy and regulatory development, through outreach and education, through oversight and enforcement of the rules and regulations it implements under the Railway Safety Act.

Applied in tandem, the Railway Safety Act and the Canada Transportation Act have successfully guided the growth of Canada's rail sector since the 1990s, but there are issues and challenges. As it stands today, the interrelationship of these two acts has created a notable gap in railway safety oversight that must be addressed if we are to ensure the continuing safety of our national railway system.

• (1130)

Currently under the Canada Transportation Act a new railway company is allowed to begin operations immediately upon receiving a certificate of fitness from the Canadian Transportation Agency. This certificate indicates that the railway is under federal jurisdiction, has sufficient financial capacity to operate, and has obtained appropriate third party liability insurance coverage. This is in keeping with the economic mandate of the Canadian Transportation Agency. It is not, however, fully in keeping with the national safety mandate of the Railway Safety Act.

In accordance with the Railway Safety Act, a new railway must comply with all safety regulations in force at the time it begins operations. It is important to recognize that there are no regulated requirements in the Canada Transportation Act to verify the safety capacity of the company before a certificate of fitness is issued and the company's operations begin.

As the Railway Safety Act does not currently specify minimum baseline safety requirements for a new railway company either, a gap in oversight is created and a new railway could theoretically operate for a year or more before the effectiveness of its safety systems was formally verified. This is an important safety issue which the government is striving to correct through these amendments.

The introduction of a railway operating certificate is a key component of this bill, and will continue to resolve this long-standing safety issue in our railway system. The amendment represents an important step in the right direction to strengthen the safety of our vital rail industry. Anyone who likes to eat food, consume retail goods, drive a car, basically perform any function as part of a modern society requires the use of goods that are brought

by rail. We cannot underestimate the importance of this industry to the operation of the Canadian economy.

When the Minister of Transport appointed the independent advisory panel to lead the Railway Safety Act review in 2007, he provided them with a clear mandate to identify steps in the Railway Safety Act and make recommendations to strengthen the regulatory regime to ensure the changing nature of the railway industry and its operations were protected.

Following extensive consultation with stakeholders and careful consideration of these consultations during the year-long course of review, the advisory panel specifically recommended in its final report in 2008:

A railway should be required to obtain a Rail Operating Certificate (ROC) as a precondition to obtaining a Certificate of Fitness (from the Canadian Transportation Agency) and to commencing or continuing operations.

The intent of this recommendation is clear. This government emphatically agrees that the implementation of railway operating certificates is an optimal solution to improve regulatory oversight and ensure that new railways have met clearly defined baseline safety requirements before they begin operations anywhere in the country.

Bill S-4, the safer railways act which we are discussing today, will give the Governor in Council, that is the cabinet, the authority to require railway companies to apply for and receive a railway operating certificate. Bill S-4 will also give Transport Canada the power to establish the baseline safety requirements for the certificate by regulation. Establishing these requirements by regulation will provide Transport Canada with the authority to undertake a comprehensive safety review for every new railway to determine whether it complies with the regulatory framework proposed.

• (1135)

Once the regulator is satisfied that all baseline safety requirements have been met, an operating certificate will be issued. It is important to note that this requirement for railway operating certificates will apply to all railways under federal jurisdiction, including those already in operation, such as CN, CP, VIA Rail and numerous other short lines. It is obviously impractical and economically unviable for these companies to cease operations until a certificate can be issued. As such, existing railways will have a grace period of two years from the coming into force of the new regulations to meet the requirement for the certificate.

Government Orders

Should there be instances where the railway operating certificate is refused, suspended or cancelled, the applicant will have the right to appeal by requesting a review by the Transportation Appeal Tribunal of Canada. That being said, it is critical to add that this government is committed to ensuring that the introduction of railway operating certificates will be developed and implemented in the same spirit of co-operation between government and all stakeholders which guided the creation of the Railway Safety Act nearly two decades ago. Once this bill is passed, Transport Canada will consult stakeholders on the development of regulations that relate to this important new initiative to improve railway safety in this country.

In summary, I will say that the safety benefits of this proposal for the introduction of a railway operating certificate are clearly evident. An important regulatory gap will be effectively and efficiently addressed. Transport Canada's railway safety oversight powers will be enhanced to meet the changing nature of the industry over the long term. Canadians from coast to coast will reap the personal and economic advantages of a safer and more secure Canadian rail system.

When the Minister of Transport launched the Railway Safety Act review, Canada had recently suffered a series of devastating train derailments. These derailments caused the death of loved ones, the disruption of businesses and the serious pollution of trackside lakes, rivers and communities. During the course of extensive inspections and audits undertaken by Transport Canada following these incidents, the regulator identified numerous deficiencies that contributed to the decreased safety levels, including non-compliance by the railway companies with various safety requirements.

There was a general concern with the level of the railways' compliance with the regulations. Accordingly, the terms of reference for the Railway Safety Act review specifically directed the independent panel to examine the adequacy of Transport Canada's enforcement powers and to consider whether administrative monetary penalties should be added to the range of enforcement powers available to the department. Upon examination, it became clear that Transport Canada's enforcement powers under the Railway Safety Act needed to be strengthened to encourage better regulatory compliance, increased safety and help to prevent further incidents like those that originally triggered the review.

The independent panel's final recommendation on the issue, as detailed in its report of March 2008, plainly stated that an administrative monetary penalty scheme should be included in the Railway Safety Act as an additional compliance tool to enhance safety in the rail industry. This government fully agrees with the panel's assessment, and the introduction of a scheme for administrative penalties has been included as an important and integral part of this plan.

• (1140)

Administrative monetary penalties are certainly not new in the transportation sector. They were successfully introduced in the air industry back in 1986 and were subsequently introduced in the marine sector in 1991.

Penalties of this nature have been introduced in the transportation industry because they work. In the simplest terms, administrative monetary penalties are similar to traffic tickets for car drivers. When

a company or individuals break the rules or do not comply with the regulations, the department can impose a pre-established administrative monetary penalty or fine to help encourage compliance in the future.

Administrative monetary penalties have other safety benefits as well. With these penalties in place, there is a perception of fairness because the operator knows in advance the cost of non-compliance and it is applied uniformly. Penalties can also be applied more uniformly as there is less discretion for giving warnings and therefore less opportunity for inconsistency.

Under the current Railway Safety Act, Transport Canada's options for enforcing non-compliance are very limited. When a violation is found during the course of an inspection or audit, an inspector will normally issue a letter of non-compliance and follow-up in a given time frame to confirm that corrective action has been taken. If the situation has not been corrected, the regulator has only one option, prosecution, which is both costly and time consuming. Therefore, it is ineffective for a large number of violations. This is a significant weakness in the current enforcement scheme of the act.

We believe administrative penalties should be implemented as an additional enforcement tool under the act to provide an efficient, effective and less costly alternative to prosecution, particularly in the cases of persistent non-compliance with the act and its safety requirements. This is consistent with the principle of minimizing the regulatory burden for Canadians, while at the same time promoting regulatory certainty and compliance.

In the interest of fairness for all parties, the proposed administrative penalty scheme will allow for a review of the regulator's penalty decisions by the Transportation Appeal Tribunal of Canada. This scheme will also include provisions related to the minister's decision to impose a penalty, the due process to be followed, the review of the decisions by the appeal tribunal and the level of fines to be paid for non-compliance and infractions. Maximum levels for administrative monetary penalties will be \$50,000 for an individual and \$250,000 for a corporation.

In addition to the implementation of an administrative penalty to improve railway safety, we propose, through these amendments, to raise existing judicial penalty levels, which were established 20 years ago and are no longer consistent with other modes of transportation. Maximum judicial fines for convictions on indictment for a contravention of the act would increase from \$200,000 to \$1 million for corporations and \$10,000 to \$50,000 for individuals. Maximum fines on summary conviction for a contravention will increase from \$100,000 to \$250,000 for corporations and \$5,000 to \$25,000 for an individual.

Government Orders

Implementing these penalties, as proposed in the bill, is clearly an important step in the development of an effective railway safety regime with sufficient scope and strength to ensure that our railways are safe and that they remain safe for the long term as the rail industry continues to evolve and to grow.

I began today with basic principles: that government should only do what only government can do. Public safety is an example of one of the things that only government can enforce. That is why we are creating a legislative framework in which free enterprise can operate in a manner that is safe, efficient and fair for the Canadian people.

• (1150)

Mr. Wayne Marston (Hamilton East—Stoney Creek, NDP): Mr. Speaker, the member for Nepean—Carleton was not in the House the last time when I spoke about the fact that I worked for the railway for nine years. He talked about the privatization of CNR and the outcomes. One of the outcomes of privatization, when companies start chasing profit, is that safety is pushed aside in many instances. Therefore, I have to commend the government, which is not something I do on very many occasions, for this legislation, primarily because the government took into account labour and the company and the legislative requirements of both. This is an example that could be used in many other areas.

It is crucially important that people understand that rail safety has such a tremendous impact on Canadians. If we think in terms of rail crossings, where pedestrians and vehicles pass in front of trains, if people in charge of those trains are in any way not following the rules, we can imagine the kinds of catastrophes that could happen. Again, I commend the government on this move forward and I hope it will use this template in other places.

Mr. Pierre Poilievre: Mr. Speaker, I appreciate very much that the New Democrats will be supporting the bill.

We all agree that the bill has undergone enormous consultation and a great deal of study. The review panel has done its homework. Industry, labour and the public have contributed and we now have an excellent product that largely implements the recommendations of the review panel. Everyone wants the bill to happen. The goal should be to pass it as quickly as possible. Let us undertake all the steps that we can, right here right now, to get the bill through the House so it can become law and Canadians can be safer.

Mr. Merv Tweed (Brandon—Souris, CPC): Mr. Speaker, I had the opportunity to sit in on most of the review that was undertaken by the committee. The government obviously recognized the support of all the parties and all the people involved, from labour to the industry itself.

Could the parliamentary secretary comment further on the urgency to get this done, with all the discussion that has taken place and the encouragement of other parties to support the bill for the sake of safety?

Mr. Pierre Poilievre: Mr. Speaker, when it comes to the bill, when all is said and done, all that needs to be said has been said. Now it is time to get it done.

Ms. Linda Duncan (Edmonton—Strathcona, NDP): Mr. Speaker, as a former environmental enforcer, I commend the government for increasing the penalties and its show of concern for

public safety and toward strict enforcement of a potentially dangerous industry.

Past governments have tabled enforcement compliance policies at the same time that they have tabled a bill calling for stricter enforcement to show good faith that they intend to show clear criteria on how they will enforce. Could the parliamentary secretary advise if in the coming budget there will be an increase in dollars for railway inspection? Could he also inform the House if the government is also changing gears and going to move toward having the rail safety officers inspecting and enforcing, not the railway company itself?

Mr. Pierre Poilievre: Mr. Speaker, when it comes to the budget, what I can say is not interesting and what is interesting I cannot say.

On the member's specific question about increased funding, I would point out that the goal is not to spend more money; the goal is to make people safer. We should not judge our success around this place by how much money we can expend. Even on worthy causes, it is not an achievement to be more expensive. The achievement is the result. We have put forward legislation that will deliver results. I encourage the member and her party to support its swift passage.

[*Translation*]

Mr. Jean Rousseau (Compton—Stanstead, NDP): Mr. Speaker, I congratulate the parliamentary secretary on his very interesting speech. We are certainly going to support the bill, which we feel is an excellent one.

On several occasions, both sides of the House have supported motions or bills that have been followed only by spoken and written words, but not by action.

This time, will there really be some action? The safety of Canadians is of concern to us all from east to west. As I said earlier today, historically, our railway system has united Canada. It is extremely important to make the development of our railway system a priority.

Can the parliamentary secretary assure me that the government will move from words to actions?

• (1155)

Mr. Pierre Poilievre: Mr. Speaker, the answer is yes.

[*English*]

Mr. Mike Sullivan (York South—Weston, NDP): Mr. Speaker, the parliamentary secretary stated in his speech that the passage of the legislation would provide for a cleaner environment. Could he give us some detail as to how we would get a cleaner environment from the passage of this legislation?

Mr. Pierre Poilievre: Mr. Speaker, it is important never to underestimate the linkages between public safety and the environment, the air we breathe, the communities we live in and the environment in which our children grow up. It is as much an ecological question as it is a public safety question.

Government Orders

Through the review panel process on the Railway Safety Act, the government has again considered all these varied questions related to safety, including environment, and has come forward with a very solid package, honouring over 80% of the review panel's recommendations, to produce an excellent bill that is unanimously supported by parliamentarians. I hope we will pass it quickly.

Mr. Jamie Nicholls (Vaudreuil—Soulanges, NDP): Mr. Speaker, I will be splitting my time with the member for York South—Weston.

[*Translation*]

First, I am very happy to see this bill before this House, but it is a pity that it has not been a priority of this government in this 41st Parliament. On a number of occasions, the government has boasted that it champions the safety of our fellow Canadians, but let it try to say that to the families of the victims of the derailment in Burlington or to the families who lost their houses in Saint-Charles-de-Bellechasse in 2010. I know very well that the government is going to say that I am playing politics by bringing up a tragedy. We know the government never does that.

The safety of Canadians is important, and this bill is needed in order to protect railway workers, passengers in the trains and people who live near railway lines.

[*English*]

The government, the minister and his parliamentary secretary in particular like to advocate for smaller government, for getting the government out of everyone's business. Large rail companies, shippers that use the rail lines and citizens who live near the railways see that the government does have a role to play. It has a role to play as a regulator, as a protector. All the groups I mentioned want to see this involvement.

Unfortunately, in the ideological zeal of the government, safety and well-being are often left to free market forces to decide. When bad things happen, such as rail accidents and conflicts between land users and railways, we see that the government likes to sweep under the carpet its role when the industry has not regulated itself.

There are examples where the industry does not regulate itself, but as my time for debate is limited, I would like to focus on some propositions we have made since the bill was introduced.

The first proposition from our party is that the government should not cut safety from its budget. The upcoming budget will cut money that could go toward safety. The parliamentary secretary mentioned that the amount of money we spend on something should not be the measure of how effective it is. People who enforce these regulations and develop new systems need to be paid. They need to be remunerated for their work. It is not work that anybody can do. It takes experts to do the work and we have to pay them. We cannot shortchange experts, nor can we cut corners. When corners are cut on safety, we see the results. People working in the transport sector say that when corners are cut, it jeopardizes safety. The government cannot say it defends safety on one hand and then cut it on the other.

We have also asked that the proposed cuts of \$200 million to VIA Rail be reversed. VIA Rail has challenges and it needs to implement certain systems. The NDP would like positive train control implemented in Canada. It was done in the United States. In

California there was a very tragic accident in 2008 and the leaders decided that positive train control should become part of the system. There are positive benefits to implementing it. Yes, it is costly, but there are companies in Canada that contribute to this technology. Investing in this technology to improve safety would also improve our economy. It would stimulate the innovators who are contributing to positive train control and other technologies that make our railways safer.

We would also like to see voice recorders in locomotives. This would help to find out what happened when things go wrong, when an accident happens. It is in the interests of everyone to find out the full story of what happened during a rail accident so that things can be improved in the future. A key benchmark to improve safety is to figure out what went wrong, to understand what went wrong and to improve things. It is common sense.

There were five amendments submitted to the Senate, two of which were taken off the table. Those two amendments had to do with land use consultations and exemptions to conduct testing. The government's argument is that railways are a federal jurisdiction, but municipalities are the creatures of the province. I agree. I understand the constitutionality of it. However, the government has a role to play in facilitating the communication between a municipality and the rail companies and those parties involved in the railways. An analogous situation would be waterways which are federal entities whereas riparian corridors are provincial entities. It would be in the best interests of everyone to ensure the health of the water system in this case, the rail system in the other, that the two parties have increased communication and that a mechanism is provided for the two parties to communicate.

● (1200)

There is a citizen in the town of Saint-Lazare who lives close to the railway. Her house vibrates whenever a train goes by. People who live near a railway know that their houses will probably vibrate. She is very frustrated that she cannot find a public entity to whom she can complain. She has gone to the private entity and the public entity, but there is no real mechanism to sort out these problems and nip them in the bud once they occur. The problems tend to get larger and larger. Citizens feel helpless. They feel that they cannot do anything about the problem.

We have to invest in railway safety. We have to put our money where our mouth is. The parliamentary secretary said that we can get improved results from spending less money. I would challenge him to cut his salary by \$110,000 and try to do his job on \$40,000 a year. I would like to see how happy he would be about that. If he thinks he would be just as efficient, why does he not save the taxpayers some money and cut his own salary?

Government Orders

This is an important bill for the NDP. We will support it. We believe it is time the government brought this legislation forward. We would have preferred to see it earlier. We do not think that Canadians should have waited so long for the government to bring these important safety measures to the House. We have a lot of work to do. This is just the beginning.

I have heard from members on the government side that they are interested in safety. I hope their vision of safety includes not only the safety of citizens and people living near railways but also the safety of railway employees. Their safety will be increased through the measures in the bill. We also think that individuals will be protected when they report wrongdoings on the part of their superiors.

The other aspect we are glad to see is with respect to the safety of passengers and motorists, of citizens travelling on the trains, on the roads, and in the surrounding areas. Railway crossings will be enhanced by the higher operational safety standards laid out in the bill.

I hope we can work together with the government to ensure that Canadians are safe when using the railway system as well as in the communities surrounding the rail lines.

• (1205)

Mrs. Carol Hughes (Algoma—Manitoulin—Kapusking, NDP): Mr. Speaker, I appreciate the debate we are having on this very important bill.

The original version of the bill left many recommendations for an in-depth inquiry into railway accidents unaddressed. I want to thank the member for Western Arctic for having tabled amendments to former Bill C-33. I congratulate the other place in tabling Bill S-4 with those NDP amendments.

The bill is about safety. The Conservative government ignored repeated calls by the Transportation Safety Board for safety measures such as voice recorders and positive train control. In 2001 and 2003, the Liberal government ignored calls from the Transportation Safety Board for additional rail safety measures. I am wondering if my colleague could elaborate on the need not only to pass this legislation quickly but also to implement it.

Mr. Jamie Nicholls: Mr. Speaker, these things tend to be more complex than we paint them. We cannot just make a law and spend money. We have to implement an entire system to improve the safety of the people using it. We cannot just say the words without taking action. Not only do we make laws, but we have to put the money where our mouth is. We have to make sure that the laws are implemented.

When we talk to people in the railway industry, not the people who work on the trains, but the people higher up in the railway industry, they would like to be involved more. We hear a lot about how government should get out of everyone's hair, but a major corporation is asking the government to get involved and to implement these measures to make their lives easier.

When we say the government should not get involved in this, that it does not have a role to play, when accidents happen, when people are put in peril, they lose trust in the system and that does not help the economy at all.

• (1210)

[*Translation*]

Mr. Jean Rousseau (Compton—Stanstead, NDP): Mr. Speaker, I would like to commend the hon. member on his excellent speech and on the great work he does as deputy critic for transport.

I would like him to talk about the relevance of moving from talk to action. Contrary to what the parliamentary secretary said earlier, Canada's railway system has been left completely abandoned for 25 years. Fortunately, the authors of the new bill included environmental measures. Today, people want to take better care of the environment and they want to use rail transportation. Why is it important to move from talk to action? What does the hon. member think about the NDP's plan to make rail transportation a priority for all Canadians, from east to west, in urban and rural areas?

Mr. Jamie Nicholls: Mr. Speaker, I would like to thank the hon. member for his excellent question.

We are of the opinion that investments must be made in the railway industry, whether it be for passenger or cargo services. We cannot simply say that a crown corporation or private companies must manage themselves and that the government does not have a role to play. If we demonstrate leadership, we have a role to play. Even the railway industry believes that governments should have a role. We often hear the members opposite say that the private sector wants the government to mind its own business, but that is completely untrue. There are times when the private sector wants the government to invest in its industry, make decisions and demonstrate leadership.

For example, the industry would like to be consulted about decisions that affect the municipalities. This falls under provincial jurisdiction, but since railways are federally regulated, the two parties should be communicating, and that is not happening right now.

[*English*]

Mr. Mike Sullivan (York South—Weston, NDP): Mr. Speaker, this bill is long due for its amendments and I am glad we are doing this.

However, I want to give some historical context of how these kinds of things have come about. I was witness to the Mississauga train derailment in November 1979, and saw out the front window of my house rail cars rising 200 feet in the air as they exploded, three of them, and then fall back to the ground. I was also part of the largest peace-time evacuation anywhere in the world, as the community of Mississauga was evacuated for fear that a whole railcar of chlorine was going to escape into the community.

I raise this because some of the safety regimens that we now have in place were created as a result of horrific accidents, rather than the other way around. Rather than preventing horrific accidents with safety regulations, we wait until there is one and then we bring in regulations. I think that is a little backwards.

Government Orders

The other piece of this puzzle that was created as a result of the Mississauga train derailment was the question of why we were transporting huge quantities of very dangerous goods through residential neighbourhoods. We should not have been doing that. Therefore, the Liberal government of the time put forward something called the Railway Relocation and Crossing Act, and suggested that the government would help railroads move their operations out of heavily built-up areas and into more rural areas. In fact there was a lot of money spent by that Liberal government moving CN Rail's big yards out of the city of Toronto and into an area quite a ways north, whose surrounding area is now completely devoid of housing.

However, the Conservative government of former Prime Minister Brian Mulroney then withdrew the funding. The act is still on the books; there is just no money attached to it.

We have this notion that it may be a bad idea to have freight trains running through densely populated areas, but we are not prepared to do anything about it. As the recent derailment of the VIA train shows, anyone or anything that was anywhere near that set of rail cars as they collided into buildings was in grave danger. That is still the case. Even after we pass this railway safety act, we still have the spectre of huge, two-mile long freight trains rumbling through cities like Toronto, and right through our communities and neighbourhoods. In my neighbourhood, it has gone from the sublime to the ridiculous.

The GO Transit folks are building an underpass under a couple of roads for their trains. Their trains are right next door to a CP Rail corridor. In order to protect their trains from a possible CP Rail derailment, they are building a crash barrier wall between the two sets of tracks. Now the houses are closer, but no one is thinking of putting a crash barrier wall anywhere along the corridor between the rail cars and the houses. The view is that we have to protect our infrastructure, this little trench that we are building. GO Transit has to protect that by building a crash barrier wall.

That makes the residents of my neighbourhood realize just how dangerous it is when a big company like GO Transit says it has to protect its investment by building a wall to keep freight trains from hitting its own trains. However, those people who live right alongside that corridor, whose land was expropriated in order to put the corridor closer to their homes, are now quite reasonably worried. They worry about their personal well-being and safety, the safety of their children and their houses.

A couple of years ago a train from Montreal derailed, and that train actually levelled a house. Luckily, no one was in it and no one was injured. However, we are not actually pretending that we are going to pass any regulations in this bill to protect people from that consequence.

• (1215)

This bill actually gives the government considerable power to pass regulations, and those regulations are in fact what will determine how safe our railroads are. The bill actually does some very good things in determining how those regulations will be put into place. However, it is the regulations themselves that we must hold the government's feet to the fire on, to make sure that these regulations are actually effective and administered properly by the government.

I will give the example of the recent derailment of the VIA Rail train in Burlington. Had there been a positive train control system on that train, that accident would not have happened because the train would have been slowed automatically if the driver or the driver's assistant had not paid attention to the signals. That system is in full use in Europe now and is how all trains are managed there.

It is being implemented in the United States starting in 2015, but the operators have been given notice since 2009 that this is coming. As of 2015 all rail systems, particular passenger rail systems that share space with freight, must have positive train control.

CP and CN travel into the U.S., as does VIA Rail. Are they going to have to retrofit their vehicles to be capable of positive train control because they are operating in the U.S.? Therefore, why are we not doing it here in Canada? It makes no sense. That is available through regulation; the government could in fact pass that regulation.

I will cite the bill. The Governor in Council may make regulations respecting "the implementation, as a result of a risk management analysis, of the remedial action required to maintain the highest level of safety".

Well, the highest level of safety is positive train control. The highest level of safety is what we should be striving for. We should not be striving for something below the highest level of safety. Worldwide, that level of safety is what has become standard. We are the outlier; we are not at the highest level of safety. As was proven unfortunately by the deaths of three VIA Rail employees two weeks ago, that highest level of safety does not apply to Canada. The consequences were tragic.

The parliamentary secretary commented on the fact that rail companies have to get a certificate before they can actually operate. I am aware of at least one rail company starting up in Canada that was given an exemption by the Canadian transportation authority and will not require a certificate and not therefore be bound by this legislation. That is the air-rail link being built from Pearson Airport to Union Station. Why it was given an exemption from having to have a certificate, I really cannot answer, because the Canadian Transportation Agency sometimes acts in mysterious ways. It is a private company. Again, the parliamentary suggested that private companies should be free to run their businesses. However, as a public duty, we have to make sure that we implement safety regulations that protect the public. One cannot do that if one gives them exemptions. If one exempts them from being a railroad under the Canadian Transportation Agency, who then provides the safety? How does that happen?

The other piece of the puzzle, of course, is voice recorders in train cabs. They are not a piece of safety equipment per se but are an effective way of determining exactly what happened so that we can make the system safer later.

Government Orders

The train cabs currently have speed control recorders. In the conversations I have had with drivers they all know that those recorders are there and that drivers can be fired for violating the effective speed control on the pieces of track they are on. It is clear that their bosses can figure out exactly how fast they were going at any given time, so they pay close attention to what their speed should be as a result of there being a speed recorder.

The same would be true of a voice recorder. They would pay much closer attention to what is said and done in the cab and focus on their job more.

• (1220)

Mr. Pierre Lemieux (Parliamentary Secretary to the Minister of Agriculture, CPC): Mr. Speaker, this is definitely an important bill as it deals with rail safety. This is certainly not the first time we have seen a version of this bill in front of Parliament.

I listened to my colleague and his earlier colleague speak about funding for rail safety. I think the NDP has a very checkered past in supporting rail safety. I point out that in 2009 our government had included a \$71 million increase for safety in the budget, but the NDP voted against that and now we have a bill in front of Parliament.

I am glad to hear that the NDP supports this bill. What I want is confirmation that it does, indeed, support this bill and that it will not delay its passage.

Mr. Mike Sullivan: Mr. Speaker, we do support it and we will not delay it.

Mrs. Carol Hughes (Algoma—Manitoulin—Kapusksing, NDP): Mr. Speaker, rail is really important. There is an organization called the Coalition for Algoma Passenger Trains, based out of Sault Ste. Marie, which has been very actively pushing its vision for passenger trains in northern Ontario. I can tell the House that the East Algoma chiefs, mayors and reeves have been working very closely with it in trying to get that to go forward. We hope that the government will give some consideration to the need to implement passenger trains across northern Ontario because we do not have a lot of public transportation there.

I noticed that my colleague across the way mentioned that the New Democrats did not support previous funding for rail, but what he neglected to say was that the reason we did not support the budget was that it contained poison pills.

My colleague talked about rail safety and I am wondering if he could elaborate on the exemptions that he spoke about on the air-rail link. I ask because I tend to think that we still have a lot of work to do in this area.

• (1225)

Mr. Mike Sullivan: Mr. Speaker, that is an excellent question. I was as shocked as anyone to discover that the Canadian Transportation Agency had in fact exempted what is being touted as a world-class railway. It will be the only diesel railway on the planet between an airport and a downtown. It is being touted as world class and it is now seeking and being given an exemption from the regulations governing railroads in this country. I am astounded that the Canadian Transportation Agency, an agency of the government, would in fact exempt any railroad in Canada from the regulations, particularly one that goes through heavily-populated

areas of the city of Toronto and for which safety should be paramount.

We note there have been some changes to who will be the operator of this railroad. Therefore, there will need to be a second application to the Canadian Transportation Agency and perhaps this time it will make sure that they are regulated.

Ms. Linda Duncan (Edmonton—Strathcona, NDP): Mr. Speaker, the hon. member gave a very cogent presentation, in which he talked not only about what is in the bill on paper but also the needed commitment from the government to actually implement and enforce the bill, which is equally important.

I note that in his 2011 report, the Commissioner of the Environment and Sustainable Development found profound problems with Transport Canada in its failure to effectively inspect and enforce, including following up and ensuring that emergency response assistance plans were effective and in place. I also note that the legislation allows for further exemptions. I wonder if the member could speak to the fact that we need not only good, strong, improved legislation, which New Democrats support, but also to have it effectively enforced.

Mr. Mike Sullivan: Clearly, Mr. Speaker, if we pass the best laws in the land and do not enforce them, there is no reason to pass them. This is a very good bill, but the member is absolutely right that without the mechanisms to enforce it and the personnel or employees at Transport Canada going forward, as they will do, and inspecting the rails and rail carriers and their adherence to pollution requirements, which is also part of this bill, then we will have wasted our time in passing this bill.

Mr. Lawrence Toet (Elmwood—Transcona, CPC): Mr. Speaker, I am pleased to have the opportunity to speak today about our government's efforts to improve the safety of Canada's national railway system through the safer railways act. For my riding of Elmwood—Transcona, the name Transcona comes from "transcontinental" which is one of the CN line's main facilities that was put into my riding many years ago. So the background of my riding is very much historically involved with the rail industry.

These amendments have been supported from the outset by all stakeholders. The government introduced a similar bill, an act to amend the railway safety act, on June 4, 2010. Also known as Bill C-33, it was studied by the Standing Committee on Transport, Infrastructure and Communities. It was approved unanimously by the committee, with minor changes, on March 10, 2011 and reported to the other House on March 11, 2011. However, the opposition prioritized politics over the safety of Canadians. This bill died on the order paper on March 25, 2011, with the call of an election.

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During the second reading debate on Bill S-4, members in the other place shared personal stories concerning the economic and environmental damage and personal tragedies that had resulted from rail accidents in their own jurisdictions. Their reactions to the proposed amendments were very positive. I believe our shared support of this important safety legislation reflects a common desire to ensure our national railway system, which is one of the most important components of our economic infrastructure, remains one of the safest in the world for the long-term benefit of our economy, our communities and our environment. The safety and prosperity of Canadians is of paramount importance to us all.

Bill S-4, An Act to amend the Railway Safety Act and to make consequential amendments to the Canada Transportation Act, was introduced in the other place on November 1, 2011. This bill was studied by the Standing Senate Committee on Transport and Communications and approved unanimously by the committee with one amendment. It was reported to the other place on November 24, 2011. By reintroducing proposed amendments to the Railway Safety Act, the government is reiterating its commitment to a safe and secure national rail transportation system, not only to communities across the country but also to Canada's economic well-being and its vision to further improve rail safety and environmental protection.

Before going further, I would like to remind hon. members of the origins and purpose of this bill. For many years, the safety of Canada's federal railways was regulated under the Railway Act, originated at the turn of the century when Canada's railway system was rapidly expanding. The Railway Act was designed for an older era. At that time, much of the national rail system was under construction to open up new territory and to encourage settlement. In 1989, the Railway Act was replaced by the Railway Safety Act, which was designed to achieve the objectives of the national transportation policy relating to the safety of railway operations and to address the many changes that had taken place in the rail transportation industry in recent years. It was a time of privatization and restructuring, supported by a new federal policy that separated economic and safety legislation to provide the railway companies with the flexibility they needed to prosper.

The Railway Safety Act gave direct jurisdiction over safety matters to the Minister of Transport, to be administered by Transport Canada where responsibility for other federally regulated modes of transportation resides. Today, economic regulation of the rail industry is guided by the Canada Transportation Act, which provides an overall framework to ensure a national transportation system that is competitive, economic and efficient. That act, which came into effect in 1996, also established the Canadian Transportation Agency which is responsible for dispute resolution and economic regulation of all modes of transport under federal jurisdiction, including rail.

Rail safety regulation, on the other hand, is governed by the Railway Safety Act which was developed in the spirit of co-operation between industry and government. The Railway Safety Act moved away from a fully prescriptive regulatory approach to one that recognized the responsibility of railway companies for the safety of their own operations.

● (1230)

At the same time, the federal government, through Transport Canada, retained the responsibility and the power to protect people, property and the environment by ensuring that the railway companies operate safely within the national framework. Transport Canada undertakes its responsibility to maintain a safe national rail system through policy and regulatory development, outreach and education, and oversight and enforcement of the rules and regulations it implements under the authority of the Railway Safety Act.

Applied in tandem, the Railway Safety Act and the Canada Transportation Act have successfully guided the growth of Canada's rail sector since the 1990s. But there are issues. As it stands today, the interrelationship of the Railway Safety Act and the Canada Transportation Act has created a notable gap in rail safety oversight that must be addressed if we are to ensure the continued safety of our national railway industry.

Following a review of the Railway Safety Act in 1994, the act was amended in 1999 to further improve the legislation and to make the railway systems even safer. Those amendments were designed to fully modernize the legislative and regulatory framework of Canada's rail transportation system. They were also designed to make railway companies more responsible for managing their operations safely. They gave the general public and interested parties a greater say on issues of rail safety.

The fundamental principles on which the regulation of railway safety in Canada is based are: to promote and provide for the safety of the public and personnel, and the protection of property and the environment in the operation of railways; to encourage the collaboration and participation of interested parties in improving railway safety; to recognize the responsibility of railway companies in ensuring the safety of their operations; and finally, to facilitate a modern, flexible and efficient regulatory scheme that will ensure the continuing enhancement of our railway safety.

The 1999 amendments to the Railway Safety Act aimed to help achieve these objectives by providing for the safety of the public and personnel and the protection of property, and the environment in the operation of railways; and by providing the regulator with the authority to require railway companies to implement safety management systems.

In 2007 the Minister of Transport, Infrastructure and Communities launched a review of the Railway Safety Act following a series of devastating train derailments that had caused the death of loved ones, the disruption of businesses, and the serious pollution of trackside lakes, rivers and communities.

Government Orders

An independent panel conducted a review of the existing Railway Safety Act. This review was intended to identify possible gaps and make recommendations for improving railway safety. The panel of experts commissioned research and held extensive public consultations across the country.

Over the course of a year that panel travelled from coast to coast gathering input from a full spectrum of concerned stakeholders, including the railway companies and their association, the railway unions, shippers, suppliers, municipalities, other national organizations, other levels of government and the public. Interest in the consultations was high and all key stakeholders participated.

The panel's final report, "Stronger Ties: A Shared Commitment to Railway Safety", was tabled in the House by the Minister of Transport in March 2008. In the report the panellists noted that although the Railway Safety Act and its principles were fundamentally sound, more work was needed. A number of legislative improvements were required. The report contained 56 recommendations to improve rail safety in Canada.

The standing committee, which also conducted extensive stakeholder consultations, accepted the panel's recommendations and tabled its own report in the House in May 2008 with 14 recommendations, many of which built on those of the Railway Safety Act review.

Both reports identified key areas for improvement and recommended increasing Transport Canada's resources to allow it to strengthen its oversight and enforcement capacity and to implement new safety initiatives.

•(1235)

Transport Canada agrees with the recommendations of these reports. It has taken steps to action them through a variety of government, industry and union initiatives, and through the proposed legislative amendments to the Railway Safety Act which are required to address key recommendations and enable many safety initiatives.

The proposed amendments would significantly modernize the current Railway Safety Act to reflect changes in the industry and provide for higher levels of oversight and enforcement. The key elements and advantages of the bill are clear and would include: a stronger oversight and enforcement capacity for Transport Canada through the introduction of safety-based railway operating certificates and monetary fines for safety violations, as well as an increase in existing judicial penalties to reflect the levels found in other modes of transport; a significantly stronger focus on the importance of railway accountability and safety management systems, which both industry and labour applaud; a clarification of the minister's authority on matters of railway safety to bridge existing gaps in the act; and, an expansion of regulation-making authorities which have particular importance and would enable Transport Canada to require annual environmental management plans from the railways as well as a requirement for railways to provide emissions labelling on equipment and emissions data for review.

In sum, these proposed amendments to the act would improve rail safety in Canada for the long term. They are the culmination of two important studies and extensive consultations. They provide increased safety for Canadians and Canadian communities; econom-

ic benefits to the industry by decreasing the likelihood of costly accidents and delays; a variety of benefits to external stakeholders, including provinces, municipalities, shippers and the travelling public; and last, but far from least, support for a stronger economy, a modern infrastructure and a cleaner environment for all Canadians.

The Standing Committee on Transport, Infrastructure and Communities, the same committee that launched its own review of rail safety and made many of the recommendations reflected in this bill, has examined the contents of these proposed amendments thoroughly. It has given the bill its unanimous blessing with only a few minor adjustments.

During this examination, the committee heard strong support for this bill from a number of key stakeholders, including railways, the unions and municipalities. Clearly, this bill has been analyzed and consulted on exhaustively. It is our responsibility to move forward with the passing of this legislation.

This bill has already gained widespread support. Witnesses before the committee expressed strong support for the implementation of safety-based railway operating certificates for railways that run on federal track. These certificates would significantly strengthen Transport Canada's oversight capacity and ensure that all companies have an effective safety management system in place before beginning operations. Companies that are already in operation would be granted a two year grace period to meet the requirements for their certificate. This would include all federally regulated railways as well as several of our largest national transit systems that use hundreds of miles of federal track and carry millions of Canadians to and from work daily. Increased safety for these travellers would be a significant benefit for businesses, communities and families.

Witnesses before the committee also expressed their support for the introduction of monetary penalties and an increase in judicial fines for serious contraventions of safety regulations. Monetary penalties already exist in other modes of transport. They serve as a complementary enforcement tool to existing notices and orders and provide additional leverage on companies that persist in safety violations. The proposed increase in judicial fines, established 20 years ago, would also strengthen Transport Canada's enforcement options and bring those fines to a level currently found in other modes.

Government Orders

●(1240)

Witnesses before the committee also spoke of the significant improvements contained in the bill, particularly for the implementation of safety management systems. There was strong support for the introduction of a requirement for a designated executive legally responsible for safety issues.

There was also strong support for an introduction of whistleblower protection for railway employees who raised safety concerns. In fact, support for this was sufficiently strong that the committee approved an amendment to the bill that would provide additional safety reporting options for employees, including direct reporting to Transport Canada. Amendments such as these will help the growth of a strong safety culture in railway companies.

I would like to point out that the expansion of reporting options for safety violations was the only significant amendment made by the committee to the original version of the bill that was referred to it after second reading. There were seven other amendments made by the committee, all of which were minor technical adjustments and clarifications of definitions.

Personally, this is a very impressive achievement, as very few bills make it through committee with such overwhelming accord.

Finally, the committee heard strong support to move the bill forward as quickly as possible so we could begin implementing an enhanced railway safety regime that would clearly benefit industry, benefit labour, benefit communities and benefit the Canadian public.

Without these amendments, the government's ability to effectively regulate railway companies in an environment of continued growth and increasing complexity would be sorely diminished. Improvement to Transport Canada's regulatory oversight and enforcement programs would be limited. The pursuit of new safety initiatives, with respect to safety management systems and environmental management, would be badly constrained. The legislative framework for railways would remain inconsistent with other transportation modes, which have a broader range of enforcement tools. Regulation-making authorities could not be expanded to allow for the creation of safety-based operating certificates and increased environmental protection.

Members' support for the bill will result in fewer long-term costs for the government and Canadians, due to reduced fatalities, serious injuries and damage to both property and the environment. There is no controversy over the intent or the content of the bill. We all want better railway safety in our country. This bill is the blueprint to ensure that we can achieve that.

The legislation would strengthen the national rail system that is so vital to our economy. By reducing the risk of accidents, we would enhance the competitiveness of our railways, increase the public safety of Canadians and add an additional layer or protection for our natural environment.

These amendments are a priority for the government. Canada's railways are vitally important to the national economy and are the most fuel-efficient form of transport for the movement of goods in our interdependent transportation system. Our railways have 73,000 kilometres of track stretching from coast to coast, more than 3,000

locomotives and handle more than 4 million carloads of freight. They operate more than 700 trains per day, moving nearly 70 million passengers and 75% of all surplus freight in the country. The railways were the foundation of our national growth in the past. They remain integral to our prosperity in the future.

Since the launch of the Railway Safety Act review in 2007, Transport Canada has worked continuously with stakeholders, through an advisory council on railway safety, joint technical working groups and individual consultations across the country to ensure the bill will meet the needs of all parties engaged in the rail industry.

We believe these proposed amendments are essential in timely. They respond directly to the recommendations of two important studies on rail safety that involved the high level of participation from all key stakeholders in the rail sector.

The bill has been exhaustively debated and analyzed for several years. It has received widespread support from all interested parties. It is now time to move forward with the passing of this important legislation for the safety of all Canadians.

We are modernizing the Railway Safety Act to reflect the requirements of a growing and increasingly complex rail industry, and these are changes all Canadians can agree upon.

●(1245)

I move:

That this question be now put.

Mr. Mike Sullivan (York South—Weston, NDP): Mr. Speaker, I note the member for Elmwood—Transcona is a member of the transportation committee and I appreciate his work there, but I would like to ask him in specific terms about his reference to environmental improvements as a result of the bill.

As he is probably aware, the railway companies in Canada have a memorandum of understanding with Environment Canada, not with Transport Canada, as far as their engine emissions go. The engines themselves pollute dramatically. They are full of nitrous oxide and particulate matter. There is a movement in North America, led usually in the United States, to reduce the amount of pollutants that will be released into the atmosphere by the engines of railway companies.

Could the member tell us how this bill would improve that?

Mr. Lawrence Toet: Mr. Speaker, the question really is one of ultimately improving the emissions of the locomotives themselves. However, the key issue is environmental protection as far as safety on the railways goes. When we have derailments, accidents and collisions, there is a very negative impact on the environment, which could be to rivers, or lakes. It could have a very negative impact on being close to homes.

Earlier the member talked about how some of these lines ran very close to residential communities and about his desire to have greater protection for those residential communities. The bill would address those impacts on the environment in a very great way because it would significantly reduce the opportunities for accidents, which would protect our environment from spills that could occur from these accidents.

Government Orders

• (1250)

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, I appreciate the comments of the member. I know the CN yards and so forth make up a good portion of the member's riding.

Rail safety is a huge concern for all people, all the different stakeholders. It is good to see this bill. We believe it will have an impact.

I wonder if the member could look into the future. Western Canada has been growing in terms of its population. There is a need to look at the possibility of where additional rail services could be offered through western Canada. One of the examples I used earlier was that VIA did not go through Regina and that people had to go through Saskatoon. Many people would welcome the opportunity to see expansion within the train industry.

Could the member share some of his thoughts in regard to the growth in western Canada and the future of railway in that area of the country?

Mr. Lawrence Toet: Mr. Speaker, the bill actually deals more with the safety aspects. The expansion of railway services or passenger rail services is really not part of the bill.

Being from western Canada, I would support seeing some growth and expansion of railway services, both freight and passenger. However, one of the key elements that was touched on was the fact that there was growth in the rail industry, and we have seen great growth. I have witnessed it in my own riding.

We have a lot of communities growing around what were originally the yards. I think of the yards in Transcona that were built in an isolated part outside of the city. Now the city has grown around them. We have this great infrastructure already in place and we want to maintain that. Therefore, it is important we have the safety measures in place to protect those residential areas that have grown around those kinds of infrastructures.

Mrs. Carol Hughes (Algoma—Manitoulin—Kapuskasing, NDP): Mr. Speaker, my colleague spoke about the safety of Canadians and indicated this was paramount to the government. I am sure he is aware that not a lot of changes were made in Bill S-4. A lot of work was done when it used to be Bill C-33, and the amendments were made by the NDP member for Western Arctic.

On that note, I would like to indicate that there are a lot of rail systems throughout northern Ontario. A number of those rail cars carry dangerous contents, so we see this as a very positive move. Could my colleague speak about the fact that there are still exemptions available to rail companies on this matter? If we talk about the safety of Canadians as a whole, we need to recognize that there should not be any exemptions at all when it comes to the well-being and safety and security of Canadians. Could he elaborate on the fact that there are exceptions from safety regulations that protect the public under the bill?

Mr. Lawrence Toet: Mr. Speaker, I am very glad to hear that she and her party are supportive of the bill and that we can move forward with it so we have greater safety and protection for the Canadian public. The bill goes a long way in moving us in the direction we need to go. Being supported by industry, the unions, across the board

by all stakeholders, goes to show that we have come up with a bill that can be used for protection of all members of our society.

• (1255)

Mr. Mike Sullivan (York South—Weston, NDP): Mr. Speaker, the other piece of the puzzle is the regulations that may ensue. As the member is aware, there has been a renewed call in Canada for positive train control to be implemented as soon as humanly possible, given the recent accident in Burlington and other accidents that have happened in the past. As he is also aware, the federal railroad administration in the United States has already moved in that direction.

Would the member like to comment as to whether his government will be proceeding with regulations on this matter?

Mr. Lawrence Toet: Mr. Speaker, I am very happy the member is pleased with the bill before us and that we are moving in a positive direction for the safety and protection of Canadians.

Regarding positive train control, we are monitoring the development of positive train control in the United States. However, we also realize and understand that it is experiencing some delays due to some technical challenges. We will continue to monitor that situation.

Mrs. Carol Hughes: Mr. Speaker, I really appreciate the fact that the member spoke to this very important issue. We all know that Jim Maloway, who was the NDP MP for Elmwood—Transcona, spoke on any issue because he was so knowledgeable.

When it comes to rail, this is extremely important. VIA Rail comes through my riding as well. I am very pleased to see the safety aspect, but when it comes to passenger trains, could he elaborate as to why his government would have large cuts, probably about \$200 million, to VIA Rail when passenger rail is the important piece we need to have in our communities?

Mr. Lawrence Toet: Mr. Speaker, I can assure the member that I will never speak as many words as my predecessor. I will allow the rest of the members of the House to have an opportunity to also speak once in a while.

In regard to her question, it is important that we look at the railway safety aspect of things. The bottom line is safety for passengers, safety for residential neighbourhoods and safety and protection of our environment. The bill addresses that.

Mr. Don Davies (Vancouver Kingsway, NDP): Mr. Speaker, I will be sharing my time with the hon. member for Notre-Dame-de-Grâce—Lachine.

It is a pleasure to speak to Bill S-4, the safer railways act. I would like to reiterate the comments I made this morning. Very often the opposition stands in the House and criticizes the government, as is our job to do and as is very often necessary in this place. However, it is also important to give credit where credit is due. I want to congratulate the government and the minister in particular on bringing forward a piece of legislation which is much needed, well crafted and will accomplish a great deal on railway safety in this country.

Government Orders

Our party's late leader, Jack Layton, used to talk about it being necessary to propose as often as oppose. The corollary to that is it is important to compliment and criticize when each is due.

The bill has been 20 years in the making. The reason the bill is in as good a shape as it is the approach that was used on this legislation. All Canadians would like to see more of that approach. The government sat down and consulted with industry, labour, and stakeholders of many different stripes. Government members sat in committee, listened to expert testimony and worked with the official opposition and all parties to make improvements to the legislation. Once again I want to thank the government and point out that its good work has resulted in a piece of legislation that is improved because of that approach. I might suggest that the government follow this procedure more often. I think it is something Canadians want to see.

The bill seeks to modify the Railway Safety Act to do a number of things. It improves the oversight capacity of the Department of Transport. It requires railway companies to obtain the safety-based railway operating certificate that indicates compliance with regulatory requirements.

The bill strengthens the department's enforcement powers by introducing administrative monetary penalties and increasing court-enforced penalties. It enhances the role of safety management systems by including a provision for the identification of a railway executive who would be legally responsible for safety, and a whistleblower protection system for employees of railway companies who raise safety concerns. I will talk about that very important aspect in a moment.

The bill clarifies the authority and responsibilities of the Minister of Transport with respect to railway matters. It expands regulation-making authorities and clarifies the process for rule making by railway companies.

By way of background, Bill S-4 was introduced on October 6, 2011 in the Senate by the leader of the government there. Bill S-4 is virtually identical to former Bill C-33, which was introduced in the House of Commons during the third session of the 40th Parliament.

Bill C-33 was studied by the House of Commons Standing Committee on Transport, Infrastructure and Communities, and was reported back to the House of Commons with amendments in March 2011. Unfortunately, the bill died on the order paper when the general election was called later that month.

The text of Bill S-4 incorporates the amendments adopted by the standing committee and otherwise differs from Bill C-33 only by the addition of one new paragraph and some minor changes in wording.

The bill was reported back to the Senate by the Senate Standing Committee on Transport and Communications with that one amendment in November 2011. The bill was sent back to this House where it received first reading in December of last year.

The Railway Safety Act was implemented in 1989. The act sets out a regulatory framework for railways under federal jurisdiction to address matters of safety, security and environmental impact. Transport Canada notes that the Canadian rail industry has changed significantly since the act was amended in 1999 and operations have

become increasingly complex and traffic is growing rapidly. Therefore, this bill is timely.

I mentioned earlier that labour supports the bill. I want to mention a couple of things which I think labour was instrumental in achieving.

● (1300)

Labour made several key important points.

It wanted to see better fatigue management. That aspect is addressed in the bill.

It wanted to see greater whistleblower protection. In particular, it wanted to see a process of non-punitive reporting whereby railway employees could report their safety concerns directly to Transport Canada and not to a company manager. If workers identified any defects or safety problems, they could without fear go directly to Transport Canada. There had been a problem. Some railway workers feared being disciplined. Some had been disciplined by companies for nothing more than reporting their safety concerns. This is a positive legislative change.

Some railway workers say that they do not want to rely on good luck and gravity for railway safety. They want to rely on careful attention to detail, and swift and accurate reporting of problems so that accidents do not occur and problems can be identified before something happens.

Bill Brehl, the president of Teamsters Canada Rail Conference, maintenance of way employees division, did stand-up work in pushing for the amendments to this bill and for the overall concept of railway safety to be included in the legislation. Rex Beatty, president of the Teamsters Canada Rail Conference, locomotive engineers, and Rob Smith, the national legislative director of that same body, also played pivotal roles in this piece of legislation.

This also shows how important it is to involve experts and Canadians from coast to coast, to bring to bear in this House their experience, knowledge and expertise. It helps make better legislation. This will make life safer not only for all Canadians, but for the thousands of women and men who work every day on the trains, tracks and rolling stock to keep them in shape.

There are some areas that need improvement. At-grade crossings are a problem in this country. Greater control of trespassing is still a problem which I do not think this bill fully addresses. The issue of track and metal fatigue is not fully addressed by the bill.

Government Orders

In terms of at-grade crossings, approximately 100 people per year are killed in railway accidents. Accidents happen frequently at the at-grade crossings. There are several ways to address this. We could raise the crossings, which is an expensive but effective way to go. We could bring in an automatic train stopping mechanism, as Sweden has done. There are automatic metal detectors and if a vehicle is on the tracks at an at-grade crossing, the train will automatically slow and stop in advance. That is something I would encourage the government to look at and implement as soon as possible.

With respect to trespassing, we need to fence off tracks especially in urban areas, which are places of death and injury. People trespass and get on the tracks, even though they should not.

Last, in terms of track maintenance and metal fatigue, there is no requirement to establish the fatigue life of rails. There are no common industry standards for rail life based on tonnage, defects or steel quality. For a country that relies so heavily on rail, we should be ensuring that we have state of the art world-class standards in this area. We can do more and better in this area.

In 2005 there was a derailment of a train near Wabamun Lake in Alberta. A report pointed out that the railway track safety rules do not provide any guidance on fatigue life, nor are there any common industry standards for rail life based on the state of the metal used on the tracks. A clear recommendation of the Transportation Safety Board was to establish those standards to ensure that the tracks upon which our trains roll are in the best shape possible.

I would like to conclude by thanking members of the committee on all sides of the House, and in particular the good work of our member for Western Arctic. He did such great work in pushing productively, proactively and in a non-partisan way for greater standards in the act.

I congratulate the government on bringing forward a piece of legislation that has the support of all parties of the House. It is a testament to a non-partisan, co-operative way of working together to get the job done which results in good legislation that every Canadian wants to see.

• (1305)

Mr. Mike Sullivan (York South—Weston, NDP): Mr. Speaker, my colleague mentioned the need for positive train control. Positive train control would have avoided three deaths and a serious amount of damage in Burlington not too long ago where a train was going too fast for the tracks. No one knows exactly why because there was no voice recorder. There are two issues, the voice recorder and the positive train control, neither of which is part of this legislation.

The minister could make regulations enforcing positive train control and voice recorders mandatory. Would the member like to comment on whether the minister should or should not do that?

Mr. Don Davies: Mr. Speaker, absolutely the minister should continue along the path he set which is a very analytical and studied way to improve rail safety. That would include positive train control.

I note that both Canadian National Railways and Canadian Pacific are very healthy financially. They routinely turn over \$1 billion or more in profits a year. I think they have the economic strength to bring in the mechanisms and new technology that would result in

saving lives. Positive train control cannot be introduced soon enough. I would hope that the minister would look at requiring such controls in the regulations. Industry can afford it. Safety demands it. The government should be committed to it.

• (1310)

[*Translation*]

Mr. François Choquette (Drummond, NDP): Mr. Speaker, I wish to thank my colleague for his excellent speech, for his very appropriate and pertinent comments. Indeed, safety is very important. When it comes to railways, safety definitely cannot be neglected.

My riding of Drummond is fortunate to have VIA Rail service, which goes right through downtown Drummondville. However, this comes with some disadvantages. Vehicular traffic has decreased because cars have to wait for the train to pass, which can take a long time when it is a freight train, or when it is a passenger train and passengers have to embark or disembark.

All that to say that safety must remain a top priority and the legislation must be strengthened. Everything must be done properly in committee. Does my colleague believe that, in committee, good reforms and good amendments to this bill can be proposed in order to create legislation that will improve the safety of Canadians, including those who take the train?

[*English*]

Mr. Don Davies: Mr. Speaker, it is my understanding that the committee has been working very well because members from all parties are getting informed on the subject matter. They are making positive suggestions and the government is listening. Again I want to commend the government for listening and taking those amendments into account. It does not always happen in this place. There are a number of examples where we quite rightfully criticized the government for not taking into account positive suggestions that would make legislation stronger. It is important that we applaud the government when it does so.

The recent tragedy in Burlington where three VIA Rail employees were killed and 42 passengers were injured is a stark reminder that more needs to be done, particularly with VIA Rail. That investigation is in its early stages, but early indications suggest that speed and a lack of signals inside the train may have played a role. This reinforces what the New Democrats have long said, that although railways in Canada are relatively safe, tragic accidents can and still do occur. These preventable accidents should be avoided at all costs. The federal government has a key role to play in the effort to make train travel safe.

Once again, I would like to see the bill passed. We need to continue to work in this area at the committee stage and with the regulations. Through working together we can ensure that Canada has the best and the safest rail transportation system in the world.

Government Orders

[*Translation*]

Ms. Isabelle Morin (Notre-Dame-de-Grâce—Lachine, NDP): Mr. Speaker, I am very pleased to rise here today to speak to Bill S-4, An Act to amend the Railway Safety Act and to make consequential amendments to the Canada Transportation Act. My riding has an abundance of train tracks that are used by CP, CN and commuter trains. I think it is very important that we take the time to debate this bill, which is a very good bill, as my colleague said. I would like to talk about it a little more, so that the people of my riding really understand what it is all about.

The purpose of the bill is to improve the oversight capacity of the Department of Transport by, for example, requiring railway companies to obtain a safety-based railway operating certificate indicating compliance with regulatory requirements; strengthen the Department of Transport's enforcement powers by introducing administrative monetary penalties and increasing fines; enhance the role of safety management systems by including provisions for a railway executive who is accountable for safety and a non-punitive reporting system for employees of railway companies; clarify the authority and responsibilities of the Minister of Transport with respect to railway matters; and expand regulation-making powers, including in respect of environmental management, and clarify the process for rule making by railway companies.

Allow me to provide some context for what we are talking about today. In 1989, the Railway Safety Act was born. Seven years later, the Canada Transportation Act was passed. Consideration was subsequently given to re-examining the Railway Safety Act, but the idea was abandoned at the time. Then, in 2000, we started seeing many railway accidents. From 2000 to 2005, there was an increase in the number of incidents, deaths and damage caused by railway accidents. In 2006, the government decided to begin a review of the Railway Safety Act. In May 2008, the Standing Committee on Transport, Infrastructure and Communities made a number of recommendations after studying the issue. In 2010, Bill C-33, which was more or less the same as this one, unfortunately died on the order paper. Finally, there was a Senate bill, which reproduced roughly everything that was in Bill C-33.

All members of our party support this bill. The NDP has often promoted railway safety. We are talking about lives and injured people. We will definitely support a bill that will improve rail safety.

The NDP fully supports the fact that the bill would provide additional powers to more closely regulate the rail system in Canada. However, we find that the bill does not contain concrete measures to achieve that. We are putting pressure on the government to make voice recorders in locomotive cabs and positive train control systems mandatory.

I will explain how a positive train control system works. If a train is going too fast, this system makes it possible to slow down the train remotely. On February 26, there was a train accident in Burlington, Ontario, that killed three people and injured 42. This should never have happened. We know that speed was a factor, but unfortunately we do not know much more than that. We do not know why or who decided this train was travelling too fast. An automatic safety system would have made it possible to control this train and reduce its

speed. This accident killed three Canadians—VIA Rail employees—and could have been prevented.

Voice recorders are mandatory for planes and ships, but for some unknown reason they are not mandatory for trains.

● (1315)

Basically, if there had been a voice recorder in the locomotive, we would know what really happened on February 26 and we might be in a position to prevent this type of accident in the future.

In my riding, the train tracks are very close to the houses of my constituents, within a few metres. There are laws about that, and the houses are built at the minimum distance required by law. That worries me.

The railway system in Canada is very safe. We live in a very safe country and we are careful, but improvements have to be made. There are still some shortcomings that allow accidents like the one on February 26 to happen. That was a passenger train. In my riding, many trains that carry hazardous materials also pass through. A speed control system and a voice recording system would enable us to go even further.

I am not really going to say more about it. On this side of the House, we are definitely in favour of the bill, and all the parties involved agree that our country's safety is very important.

Let me reiterate that I am in favour of this bill and pleased that it was introduced. That could have been done earlier. We have gone through a number of stages and we have taken some time before considering the matter. I am really pleased now that the Senate has proposed a bill that will improve our country's railway safety. I also hope that we will be able to go further by perhaps including the two solutions suggested by the NDP.

● (1320)

[*English*]

Mr. Mark Adler (York Centre, CPC): Mr. Speaker, it is always a privilege to address the House, particularly so when important issues such as the safety of Canadians, the protection of our environment and the efficiency of our economic infrastructure are on the table, as they are today.

As my hon. colleagues have recently emphasized, the government is committed to the safety and security of Canadians and Canadian communities and to a safe, dependable and modern transportation system to support the continuing well-being and prosperity of this country.

We cannot claim to have instant solutions for every new challenge that arises. Nobody can. However, as we have demonstrated time and time again, we are always willing to work openly and transparently in consultation with stakeholders and Canadians to ensure that the solutions and initiatives we develop are those this country needs to safely flourish and grow.

I believe the Safer Railways Act, brought forward today, is a fitting testimony to the success of our approach.

Government Orders

When the Minister of Transport, Infrastructure and Communities launched the Railway Safety Act review in 2007, Canada had recently suffered a series of devastating rail derailments that had caused the death of loved ones, the disruption of businesses, and a serious pollution of track-side lakes, rivers and communities.

During the course of extensive inspections and audits undertaken by Transport Canada following these accidents, the regulator identified numerous deficiencies that contributed to decreased safety levels, including non-compliance by the railway companies with various safety requirements.

There was a general concern with the level of the railways' compliance with regulations. Accordingly, the terms of reference for this Railway Safety Act review specifically directed the independent panel to examine the adequacy of Transport Canada's enforcement powers and to consider whether administrative monetary penalties should be added to the range of enforcement powers available to the department.

The minister appointed an independent advisory panel in January of 2007 to lead the review of the Railway Safety Act. This panel was given the clear mandate to uncover gaps in the Railway Safety Act and make recommendations that would make the regulatory regime more robust and adaptable to the railway industry and its operations.

The panel conducted extensive consultations across the country with railway companies, all levels of government, labour, shippers and suppliers. This approach ensured that subsequent recommendations would take into account the appropriate range of perspectives on rail safety issues. Consultations and careful consideration of these issues were carried out during the year-long course of the review and resulted in the advisory panel making a series of recommendations.

It is important to note that our government took immediate action to implement many of these recommendations. At present, Transport Canada has implemented eight internal recommendations, industry has implemented three, and the final 21 recommendations involve the legislative changes that we are discussing today.

Furthermore, an advisory council on railway safety was created, as well as a Transport Canada-industry-union steering committee and six technical working groups. These groups successfully bring together relevant stakeholders to address rail safety issues in a collaborative manner.

I specifically wish to discuss a key recommendation by the advisory panel upon its examination of the Railway Safety Act. The panel uncovered that Transport Canada's enforcement powers under the Railway Safety Act need to be strengthened to encourage better regulatory compliance, increase safety, and help prevent further incidents like those that originally triggered this review.

The independent panel's final recommendation on the issue, as detailed in its report of March 2008, plainly stated that "an administrative monetary penalty scheme should be included in the Railway Safety Act as an additional compliance tool" to enhance safety in the rail industry.

The government fully agrees with the panel's assessment, and the introduction of a scheme for administrative monetary penalties has

been included as an important and integral part of this comprehensive package of safety amendments to the Railway Safety Act.

Administrative monetary penalties are certainly not new in the transportation sector. They were successfully introduced in the air industry in 1986 and were subsequently introduced in the marine industry in 1991.

Penalties of this nature have been introduced in the transportation industry because they work. In simplest terms, administrative monetary penalties are similar to traffic tickets for car drivers. When a company or individual breaks a rule or does not comply with a regulation, the department can impose a pre-established administrative monetary penalty or fine to help encourage compliance in the future.

● (1325)

Administrative monetary penalties have other safety benefits as well. With an administrative monetary penalty scheme in place, there is the perception of fairness because the operator knows in advance the cost of non-compliance and it is applied uniformly. Penalties can also be applied more uniformly as there is less discretion for giving warnings and therefore less opportunity for inconsistency.

Under the current Railway Safety Act, Transport Canada's options for enforcing non-compliance are limited. When a violation is found during the course of an inspection or audit, an inspector will normally issue a letter of non-compliance and follow up in a given time frame to verify that corrective action has been taken. If the situation has not been corrected, the regulator has only one option, prosecution, which is both costly and time consuming and therefore ineffective for a large number of violations. This is a significant weakness in the current enforcement scheme of the act.

We believe that administrative monetary penalties should be implemented as an additional enforcement tool under the act to provide an efficient, effective and less costly alternative to prosecution, particularly in the case of persistent non-compliance with safety requirements established under the act. This is consistent with the principles of minimizing the regulatory burden for Canadians while, at the same time, promoting regulatory compliance.

Of course, in interests of fairness for all parties, the proposed administrative penalty scheme would allow for a review of the regulator's penalty decisions by the Transportation Appeal Tribunal of Canada. The scheme would also include provisions related to the minister's decision to impose a penalty, the due process to be followed, the review of decisions by the appeal tribunal and the level of fines to be paid for non-compliance infractions. Maximum levels for administrative monetary penalties would be \$50,000 for an individual and \$250,000 for a corporation, which is consistent with similar schemes in other modes of transport.

Government Orders

In addition to the implementation of an administrative monetary penalty scheme to improve railway compliance, we propose, through these amendments, to raise existing judicial penalty levels, which were established 20 years ago and are no longer consistent with those in other modes of transport. Maximum judicial fines for convictions on indictment for a contravention of the act would increase from \$200,000 to \$1 million for corporations and from \$10,000 to \$50,000 for individuals. Maximum fines on summary conviction for contravention of the act would increase from \$100,000 to \$500,000 for corporations and from \$5,000 to \$25,000 for an individual. These levels are consistent with other modes of transport, including air and marine, and the transport of dangerous goods in all modes under federal jurisdiction and reflect our view of what constitutes an effective deterrent to safety violations.

Implementing administrative monetary penalties as proposed in the safer railways act is clearly an important step in the development of an effective railway safety regime with sufficient scope and strength to ensure that our railways are safe and that they remain safe for the long term, as the railway industry continues to evolve and grow.

Administrative monetary penalties are not a stopgap measure. They were recommended by the Railway Safety Act review panel because they are a proven solution for improved compliance and safety requirements in the transport industry. Improved compliance means better safety for all Canadians and Canadian communities and a stronger foundation for our national transport system and economy for years to come.

The time is now to adopt this bill and move forward with further strengthening of the safety of our railway system. This bill has been consulted on and analyzed for several years and has received widespread approval and applause by all key industry stakeholders as well as members of both this House and the other place. I urge my colleagues to recognize that the time for debate has passed and, in the name of the safety and security of Canadians, the timely passage of this legislation is vital.

• (1330)

Mr. Jamie Nicholls (Vaudreuil—Soulanges, NDP): Mr. Speaker, we agree that the time for this bill to pass is right now. We believe it could have been sooner and hoped it would have been sooner and that it would have been priority number one of the government, the safety of Canadians.

In the submission to the Senate, five amendments were submitted. Three were taken off the table. One of those amendments is that for proximate land use consultation. Could the member across speak to why that would have been taken off the table when it was shown that municipalities want a way to communicate with railway companies to arrive at the best land use decisions? And does the federal government have a role to play in that?

Mr. Mark Adler: Mr. Speaker, this government has many priorities. The number one priority, of course, is jobs and economic growth. However, we are passing this piece of legislation swiftly and with the support of all parties.

Now the opposition claims to support this bill, yet its members rise in this House and claim that it has certain deficiencies.

Throughout committee they supported it, and all key stakeholders have supported it.

This bill protects the safety of Canadians and Canadian communities. This bill is the right piece of legislation at the right time and it deserves swift passage by all members of this House.

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, I appreciate the comments by the member, but I want to pick up on a point or two.

First, no one would question the importance of railway safety. We need to do what we can. This particular bill would have a positive impact. To that degree, I think people would be very pleased to see there is all-party support to get this measure put into place thereby making railway safety better in this country.

I also want to pick up on a point that was raised earlier by one of the member's colleagues. Today, more than ever before, we have these large rail yards in Winnipeg, the Symington Yard, the CN yard, or in Winnipeg north, the CP tracks, which have suburban areas building around them. There is always the need for us to review and look at ways in which we can do an even better job in providing comfort for those who live in this environment of large yards to make sure that all safety measures are taken.

We should also take a moment to applaud those who are the stakeholders and the employees, who do and have done a wonderful job of ensuring the track record we have had over the last number of years in providing good quality railway service.

The member might want to provide comment on that.

Mr. Mark Adler: Mr. Speaker, I would add that many of these rail yards that are now within residential neighbourhoods are a result of urban growth. The rail yards were built far before any of the urban sprawl occurred.

Having said that, I would add that we should be proud of our rail industry and those who oversee its safety, including the rail workers. They have taken great care in ensuring that these rail yards are good neighbours to the communities in which they find themselves at the current time and that all safety precautions are taken to ensure safety is paramount for our families and within our communities.

Mr. Costas Menegakis (Richmond Hill, CPC): Mr. Speaker, this bill has been exhaustively analyzed, consulted on and debated for several years. Not only has it been exhaustively analyzed, but it has also received widespread support from this House, the upper House, industry stakeholders, unions, shippers, suppliers and other interested parties.

Does my hon. colleague agree that after five years of consultation and support, it is now time to produce results for Canadians and strengthen the safety of our railways?

• (1335)

Mr. Mark Adler: Mr. Speaker, the member raises a good point. This bill has been debated ad nauseam. It is now time to act. This government has put the legislation forward, and I would expect every member of this House who has the safety of Canadians at heart as a major concern to make sure this bill passes swiftly.

Government Orders

Mr. Mike Sullivan (York South—Weston, NDP): Mr. Speaker, the parliamentary secretary in answering questions earlier ducked the question about whether or not the upcoming budget would contain cuts to the staff responsible for enforcing the legislation. Over the course of a number of speeches there has been an indication from the government side of the House that industry self-regulating is really where it wants to go with this.

I would remind the member opposite, since we were talking about land use, that his riding contains the Sunrise Propane station that blew up. It was the second largest explosion in the Toronto area after the Mississauga train derailment. There are several homes that are still unusable as a result of that explosion.

A number of comments have been made about the fact that the explosion was caused by industry self-regulation. The TSSA was given the responsibility by the government to regulate itself when it came to the handling of propane, and a number of clear deficiencies came to light, but only after the explosion. There was no oversight on the part of the government on how that regulation would take place.

I wonder if the member opposite would like to comment on whether the upcoming cuts to the budget would have an impact on the ability of rail agencies to be safe.

Mr. Mark Adler: Mr. Speaker, none of us in the House is privy to what is in the budget other than the Prime Minister and the Minister of Finance, and none of us quite frankly should be. It would be presumptuous of anybody here to assume what is in the budget, what cuts are planned in the budget and what is not planned in the budget. The member has really raised a red herring.

With respect to the Superior Propane explosion a number of years ago, the member knows quite well that propane is under provincial jurisdiction and provincial regulation. Given the situation of a minority Parliament in the Ontario legislature, I would suggest that the member ask his NDP friends in Ontario to help push for better provincial regulation over propane installations.

Ms. Elizabeth May (Saanich—Gulf Islands, GP): Mr. Speaker, I think all of us are very pleased to see Bill S-4 reflecting the spirit of co-operation of all parties who are concerned with rail safety in this country.

I would also like to ask whether we can see the kind of commitment that would extend rail safety by providing the additional kind of equipment, the automated brakes on speed and so on, that could avoid accidents. The member has spoken to this point, but I would really like to see the kind of solid commitment that goes along with this excellent legislation.

Mr. Mark Adler: Mr. Speaker, as the member knows, regulation and legislation are living, evolving creatures and are subject to debate and exchange within parliaments and committees.

We have here a great piece of legislation that really deserves the support of every member in the House so it passes swiftly and expeditiously. The safety of Canadians is at stake right now, and we have put forward a bill that would address all the safety concerns and would put the safety of Canadians first. I would urge all members in the House, rather than nitpick, to pass the bill expeditiously and swiftly.

• (1340)

[*Translation*]

Mr. Jean Rousseau (Compton—Stanstead, NDP): Mr. Speaker, I congratulate my colleague from York Centre on his excellent speech. Indeed, it is time to take action and pass this bill.

The new budget will be introduced soon. Will it include investment to modernize our rail transportation system? If the government wants to ensure rail safety, it will have to invest significant amounts of money in modernizing the system.

[*English*]

Mr. Mark Adler: Mr. Speaker, we cannot comment on what is in the budget. The member asked what investments are planned. I suggest he be here on March 29, the day the Minister of Finance will unveil the budget. He will find out at that time.

Ms. Linda Duncan (Edmonton—Strathcona, NDP): Mr. Speaker, it is with great pleasure that I stand in support of the legislation, but as will become clear in my presentation to this House, I have some reservations on the commitment of the government to actually deliver on the legislation.

As the parliamentary secretary said in his comments on Bill S-4, the government should do what only governments can do and he noted that one of those things was to ensure public safety. However, he then added that it was important to move toward greater privatization and less government control, including over the rail industry.

I would suggest these are rather contradictory statements. It is that very contradictory approach to governance, frankly, by the current government that has caused increasing risks to public health and safety.

Nonetheless, the government can be commended for including many of the recommendations made over the many years of review of the legislation to improve it, including the introduction of administrative penalties and the stricter or higher penalties for serious infractions.

The introduction of administrative penalties is long overdue. I in fact participated in an initiative by Treasury Board and the Department of Justice in 1989. I was then chief of enforcement for Environment Canada and one of the few officials in the government who was actually supportive of this measure. We had a very productive measure. We travelled in the United States and examined some European jurisdictions for more innovative approaches to ensuring compliance with federal statutes. One of those measures was administrative penalties, which have only recently been put into environmental laws. It is encouraging to see them put into this law.

However, what causes me great concern is another comment by the parliamentary secretary. He may have misspoken. He may not understand fully what is included in enforcement of compliance policy and the criteria that are normally put in place in determining what kind of penalty should be exercised. The parliamentary secretary suggested that the value of administrative penalties was in a case of persistent non-compliance. I would like to assure the House that certainly in the case of environmental statutes, a case of persistent non-compliance is generally a trigger for a serious investigation and, in all likelihood, a prosecution.

Government Orders

The very purpose of legislation and the very purpose of an enforcement compliance system is to show to the regulated industry that there is a threat of detection and, in turn, enforcement.

As an aside, Mr. Speaker, I did not realize that I was splitting my time with the member for Drummond. If you could let me know when my time is up so I do not speak over it, I would appreciate that.

It is very important when tabling an important piece of legislation like this to make it clear within the agency that is going to be responsible for ensuring compliance that a very clear and consistent enforcement and compliance strategy has been put forward.

I would like to bring to the attention of the House, including to the government of the day, the fact that a predecessor of theirs, a former environment minister, Tom McMillan, of the Progressive Conservative government of Prime Minister Mulroney, actually took that measure and had a very commendable approach to regulating at the federal level. On the day he tabled his bill, the now Canadian Environmental Protection Act, he simultaneously tabled an enforcement and compliance policy. Why did he do that? He said that a law without effective enforcement was a hollow measure.

I think that would make sense to everyone in this House. In other words, we can have the strictest penalties in the world, we can showcase the law and say that it is the best one in the western world, as we often say about our Canadian environmental statutes, but it is of little value if there is not equal commitment to effectively enforce that law and to ensure compliance.

Hearing the responses today from the government members to questions asked in this area, I am not reassured. I look forward in the future, perhaps in further discussions of the bill, for that matter to be clarified.

Why am I raising this? One of the most serious problems with rail safety in this country, in some cases, has been the failure to regulate and the failure of successive governments actually to enact the necessary regulations to give credibility to the Railway Safety Act. We have had review after review, including by the rail safety board, identifying regulatory gaps. However, the most significant problem with rail safety that has been identified by independent review bodies has been the failure of the government to effectively enforce that legislation.

● (1345)

I will refer to a report by the Commissioner of the Environment and Sustainable Development tabled in the House in December 2011, very recently. What did the commissioner find? He and his review found:

Transport Canada lacks a consistent approach to planning and implementing compliance activities [in transportation]. As a consequence, it cannot ensure that sites are inspected according to the highest risk.

He further stated:

Transport Canada has not ensured that corrective action has been taken on instances of non-compliance.

In addition, he stated:

Transport Canada has given only temporary, interim approval for nearly half of the emergency response assistance plans put in place by regulated organizations. As a consequence, many of the most dangerous products regulated under the Act have

been shipped for years without the Department having completed a detailed verification of plans for an immediate emergency response.

I have personal knowledge of these deficiencies. I happen to own property on Lake Wabumun, where in 2005 there was largest freshwater spill in the history of North America. Three-quarters of the spilled bunker C oil still lies at the bottom of Lake Wabumun. There was somewhat of an attempt to clean it up. I have to say that the Government of Canada, regrettably, did not appear on the scene until a week after the spill. Why is that critical? It is because there is a first nation located on that lake, which was monumentally impacted by that spill. The end result of the spill was a special commission by the Government of Alberta to ensure there would better emergency response measures in the future. I am sad to say there was no parallel review conducted by the Government of Canada.

It is not only the Commissioner of the Environment and Sustainable Development who has identified problems with the regulations under the statute. By the way, the new statute does provide for additional regulations, but, regrettably, the government has not simultaneously tabled the listing of regulations and the timetable wherein these regulations will be put in place. The statute is fine insofar as it is an enabling legislative measure, but the substance of this act comes with the regulations. We do not have any knowledge of when the government plans to come forward with these regulations, what the timetable and consultation program will be. I would encourage the government to bring these forward because it would give a lot of assurance to the people in the communities who live and work along the rail lines.

I would also encourage the government to table an enforcement and compliance strategy. Why is that critical? It is because it has been determined in review after review by the rail safety board that the system that the present government and the government before it have put into place is simply to abandon enforcement. It has been turned over to a self-inspection and self-enforcement system by the rail lines. That would be fine if we were not dealing with an industry that is increasingly carrying heavier loads and more dangerous cargo.

By the way, this cargo runs along most of the waterways of this country. The rail lines were originally built along the waterways to cool the trains' coal-fired engines. A good deal of the Canadian environment is potentially at risk, hence, the reason for the amendments to ensure greater rail safety in Canada. However, that is all the more reason it is incumbent upon the government to ensure those provisions are actually effectively inspected and enforced.

I would bring to the attention of the House a report by Transport Canada following the Wabumun and Cheakamus spills. It stated:

The Railway Track Safety Rules do not provide any guidance on fatigue life, nor are there common industry standards for rail life based on accumulated tonnage and the properties of the steel.

...Neither the quality of steel nor the accumulated tonnage is factored into this decision.

It further stated:

Government Orders

Recognizing the limitations of existing inspection tools, there is a requirement for additional strategies to ensure that maintenance rails are not installed where they are likely to have a shorter fatigue life than the parent rail.

It made a number of recommendations on putting more specific binding criteria in place for the maintenance of rails. Again, as I mentioned at the outset, that is very critical because many Canadians live and work along these lines and we need to ensure the public safety of Canadians.

• (1350)

Mr. Mike Sullivan (York South—Weston, NDP): Mr. Speaker, much has been said about the monetary penalties attached to this bill, but I wonder if monetary penalties mean anything if there is no enforcement. If people are not caught then there is not going to be any monetary penalty.

Second, the amounts are touted as being very high, yet I note that a million dollars is really only a couple days' bonus for the CEO of Air Canada, for example. How can we then suggest that these are actual deterrents to bad behaviour on the part of the railroads?

Ms. Linda Duncan: Mr. Speaker, I would like to thank the hon. member for his very astute question. In fact, it is now the case that with most of these kinds of offences where there may be harm to public safety or to the environment, most statutes, including federal and environmental statutes, now provide a lot of innovative order powers for the courts. As we have seen in the courts, the latter actually give preference to those alternative remedies. Those would include, in addition to any monetary penalty, that the convicted party would have to invest many more millions of dollars in improving their rail safety, training, and in providing cleanup equipment along the rail line, and so forth. Therefore, it does not matter what the monetary penalty is, unless of course the rail lines are inspected and they are in force. In fact a million dollars seems pretty small in the case of a major incident.

Ms. Elizabeth May (Saanich—Gulf Islands, GP): Mr. Speaker, I would like to ask my hon. friend from the riding of Edmonton—Strathcona to reflect more on the lessons learned from that really devastating toxic spill that occurred in Alberta near her home. If I recall, the hon. member had a cottage on that lake and experienced first hand some of the reasons for the derailment.

This legislation, while sound, in my mind will not sufficiently deal with systemic problems from the cutbacks to rail staff and cutbacks to safety regulations. I would like to ask my hon. friend if she would agree.

Ms. Linda Duncan: Mr. Speaker, I would like to thank the member for Saanich—Gulf Islands for her cogent question. I know she is a great defender of the environment as well.

Absolutely, I have witnessed first hand the devastation that can occur when we do not properly regulate, inspect, and enforce our rail laws. This is harm that should not happen to the environment. It is preventable. This is the disgrace of it. It is absolutely incumbent on the government to reverse its policy of turning over more and more of the responsibilities for inspection and the monitoring of critical laws like rail safety. I am looking forward to the government stepping up to the plate and saying that it realizes this law is important and showing good faith and actually bringing forward some cases, putting more inspectors out there and making sure that

these lines are inspected more sufficiently, and also putting in place the proper technology so that it can actually detect the rail line errors.

Ms. Megan Leslie (Halifax, NDP): Mr. Speaker, I always enjoy listening to the member for Edmonton—Strathcona when she talks about environmental safety issues. When I came in I missed the beginning of a section of a report that she was reading. My apologies to her if it was from the environment commissioner's report, but it sounded a lot like the 2011 report by the environment commissioner.

One of his recommendations dealt with the fact that Transport Canada does not conduct an adequate timely review when approving emergency response assistance plans, particularly when transporting dangerous goods. He talked about these plans. There can be an interim plan, and all that is required for the interim plan is a working telephone number. That is it, and some of these interim plans have been in place for a decade. Therefore, I would like to hear from the member what she thinks about this kind of emergency response.

• (1355)

Ms. Linda Duncan (Edmonton—Strathcona, NDP): Mr. Speaker, the member for Halifax is a hundred per cent right. I did quote from the 2011 report by the environment commissioner. He did note that the Transport Safety Board had identified deficiencies in all of the emergency procedures manuals that it had reviewed. There was no identification of hazards, no assessment of the risks posed by the hazards, no list of residents in the potential area, no map of nearby residences or evacuation routes, and no description or location of emergency response equipment. These are very significant problems.

Therefore, the government, in spite of bringing forward good legislation, has a big task ahead of it. We look forward to a substantive response on the proper investments to make sure that the public is kept safe.

[*Translation*]

Mr. François Choquette (Drummond, NDP): Mr. Speaker, I am pleased to have this opportunity to speak to Bill S-4, An Act to amend the Railway Safety Act and to make consequential amendments to the Canada Transportation Act.

I would like to begin by saying that we have been looking forward to this bill for years. We have been waiting for a rail safety overhaul for a long time, and this bill is a major step forward. We have all been looking forward to this measure, and we are happy to support this bill.

Statements by Members

I would like to mention that the railway system is very important in my riding of Drummond. This is not something that should be neglected; rather, it should be protected. VIA Rail passenger trains pass directly through Drummondville and stop to pick up and drop off many passengers who are happy to have this service. We would like VIA Rail to provide our city with even more services and we would like the government to invest even more in this magnificent mode of transportation. Freight trains also pass through our city. Residents are greatly appreciative of this fact because rail transport is one of the most environmentally friendly modes of transportation. However, it is important that investments be made in infrastructure. The hon. member for Vaudreuil-Soulanges spoke about this earlier. In Drummondville, for example, when a train passes through, three downtown streets are blocked for 5, 10, 15 or sometimes even 20 minutes, which means that people are stuck in traffic.

This bill to improve rail safety is very important because it will enhance safety, not only for train crews and passengers, but also for the people near the trains, such as drivers and pedestrians. As I mentioned, trains pass right through the middle of downtown Drummondville. Thus, it is very important to us that rail safety be improved.

I would like to add that not only does the NDP support Bill S-4 but it has also proposed some amendments. I will list a few of them. I see that I do not have much time left. For example, we know that the Conservative government has ignored repeated calls—

The Speaker: I must interrupt the hon. member as it is now time for statements by members.

The hon. member will have seven minutes to finish his speech after question period.

STATEMENTS BY MEMBERS

[*Translation*]

MADELEINE PARENT

Mr. Louis Plamondon (Bas-Richelieu—Nicolet—Bécancour, BQ): Mr. Speaker, it is with much emotion that I rise today in the House to pay a final tribute to an exceptional woman who just passed away.

Since the 1940s, Madeleine Parent has been a prominent figure in Quebec. She was a true pioneer in the union movement and in the fight against all forms of injustice.

She was also a great Quebec feminist who helped advance the fundamental rights of women, rights that the current generation unfortunately might take for granted.

Workers, especially women, are grieving the loss of a tireless woman who, with authenticity and courage, waged a battle despite the adversity she faced and the fierce opposition of certain governments.

Today, with this regressive Conservative government in power, I take up her 2006 call to unite sovereignist forces and make Quebec a more just society for all.

● (1400)

[*English*]

CURLING

Mrs. Kelly Block (Saskatoon—Rosetown—Biggar, CPC): Mr. Speaker, this past week my beautiful city of Saskatoon hosted the 2012 Tim Hortons Brier. I want to thank the organizers, the volunteers, the sponsors, the teams and most importantly of all, the fans for once again bringing the excitement of curling to the province of Saskatchewan.

I would like to congratulate all the teams across Canada who competed and especially Ontario's Team Howard on winning an exciting final.

I am sure all my colleagues will join me in wishing Glenn Howard, Wayne Middaugh, Brent Laing and Craig Savill all the best as they represent Canada at the men's world curling championship in Switzerland later this month.

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ZAPHOD BEEBLEBROX

Mr. Andrew Cash (Davenport, NDP): Mr. Speaker, 20 years ago this month, live music venue Zaphod Beeblebrox first opened its doors on York Street here in Ottawa. Today, I would like to honour this extraordinary achievement and that of the club's iconic proprietor, Eugene Haslam.

I performed in this long, narrow landmark many times over the years. Some nights we played to an empty house, some nights it was packed. But what never changed was the fair and respectful way we were treated as artists at Zaphod's. In other words, Eugene Haslam, like so many cultural pioneers in this country, has done this for the love of it, the love of music and the love of community. To run a small business for 20 years and have it survive is tough enough, but to run a live music club in Ottawa, now that is a mission of mercy.

On behalf of all music lovers, geeks and punters, wannabes and has-beens, DJs, punk rockers and even legislators, thanks to Eugene Haslam and all the great staff at Zaphod's for giving this city and this country 20 years of heart, soul, and rock and roll.

* * *

PROVINCIAL BASKETBALL CHAMPIONSHIP

Mr. Scott Armstrong (Cumberland—Colchester—Musquodoboit Valley, CPC): Mr. Speaker, I rise in the House today to congratulate three high school basketball teams in my riding for capturing the NSSAF Provincial Basketball Championship last month.

The Amherst Vikettes, the Oxford Golden Bears girls team and the Pugwash Panthers boys team all were successful and were the best in the province.

Congratulations to coaches Gillian Ellis, Peter and Tracy Swan and Vincent Pye on this tremendous achievement for them and their players.

Statements by Members

I hope that all the players have taken this opportunity to thank their coaches for all the time, effort and volunteer hours they have put in to make this such a valuable, one-time experience in their lives. All coaches across the country should be congratulated for the time and effort they put in.

* * *

AGRICULTURAL SAFETY WEEK

Hon. Wayne Easter (Malpeque, Lib.): Mr. Speaker, I stand today to recognize Agricultural Safety Week. As a farmer, I understand very well the risk and the danger to operators and employees of many of the farm jobs we do. I am sure every farmer in the House would have a story to tell on the close calls or worse that have happened on their farms.

This year, Agricultural Safety Week is focusing on the assessment, improvement and further development of safety systems. The Canadian Agricultural Safety Association, in order to help farmers build a written farm safety plan, has developed a new tool called the Canada Farm Safe Plan.

It says that “This resource is flexible enough to be used by any sector in any province and can easily be customized to each producer’s specific operation”. I encourage producers to use it.

In conclusion, I thank all farmers for the hard work they do all year round to ensure Canadians and people around the world have access to food of the utmost quality. I wish them good health as they accept the risks of life on the farm.

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TORONTO FIRE SERVICES

Ms. Roxanne James (Scarborough Centre, CPC): Mr. Speaker, I rise today in the House to honour the men and women of Toronto Fire Services, in particular the brave firefighters who risk their lives every day to protect and save the lives of others.

In my constituency of Scarborough Centre, we are fortunate to have two fire halls within our boundaries, Station 245 on Birchmount Road and Station 232 at 1550 Midland Road, which is just steps from my constituency office at the corner of Midland and Lawrence Avenues. I should also note that the fire prevention division is also located in the heart of my riding of Scarborough Centre.

I am very proud of all of our City of Toronto firefighters. I have to admit there is one I am particularly fond of, my husband, Robert, who is acting captain of Station 141. He is here in Ottawa today, along with our two children.

Today I would like to thank all Toronto Fire Services personnel, especially our firefighters. I am in awe of their bravery and their dedication to the safety of the citizens of my great city.

* * *

● (1405)

[Translation]

MADELEINE PARENT

Mrs. Djaouida Sellah (Saint-Bruno—Saint-Hubert, NDP): Mr. Speaker, Quebec lost a great woman yesterday. Madeleine Parent, a

leading advocate for workers’ and women’s rights, died at the age of 93.

Ms. Parent campaigned for women’s right to vote, fought to unionize textile workers, and helped liberate Canadian unions. She worked tirelessly to build bridges among Quebec society, aboriginals and immigrants.

Ms. Parent’s legacy is great and precious. We must continue her work to create a more egalitarian society.

Thank you for everything, Ms. Parent.

* * *

[English]

NICK ZORICIC

Ms. Kellie Leitch (Simcoe—Grey, CPC): Mr. Speaker, I rise in great sadness today to recognize and pay tribute to a great Canadian skiing athlete we lost over the weekend, Nick Zoricic.

Nick trained at the Craigeleith Ski Club in my riding of Simcoe—Grey. He was a beloved athlete and local hero in our community. He was a mentor to many young skiers. He truly set the bar high for himself and for all those who looked up to him.

Nick made his mark on the international skiing stage by competing hard, but also by demonstrating, as his colleagues have mentioned, his gentle and unassuming personality. He represented the very best in Canadian athleticism. While he was international skiing star around the world, he will always be remembered as a hometown talent who got his start on the hills in the Blue Mountains.

My thoughts and prayers are with the Zoricic family in this difficult time. I would ask all the members of this House to join me in recognizing and paying tribute to this fantastic Canadian athlete.

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BRAND INDIA EXPO

Mr. Devinder Shory (Calgary Northeast, CPC): Mr. Speaker, the 2012 Brand India Expo is taking place today and tomorrow at the Ottawa Convention Centre. I welcome the Chief Minister of Arunachal Pradesh Nabam Tuki for leading the high-level delegation and other participants.

I just returned from the grand opening. Our hard-working Minister of International Trade spoke about the tremendous economic opportunity Canada has in India. We all know that one in five Canadian jobs are trade-related, and that Canada’s economy depends on our success as a trading nation.

Statements by Members

India is one of the largest and fastest growing emerging economies in the world. I encourage all my colleagues on both sides of the House to visit the Brand India Expo. As we move forward towards our ambitious trade agreement with India, the ties between our countries, both economically and culturally, are becoming even stronger. This can only benefit Canadian jobs and economic growth.

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[*Translation*]

EDDY PROULX

Mr. Jamie Nicholls (Vaudreuil—Soulanges, NDP): Mr. Speaker, the Saint-Jean-Valleyfield branch of the Fédération de l'UPA has lost one of its great trade unionists, Eddy Proulx, an agricultural producer in the municipality of Cèdres.

Mr. Proulx was active in the UPA for some 40 years. Fair weather or foul, he attended all of the regional federation's union meetings. He never hesitated to stand up for the interests of agricultural producers in every possible forum. Everyone knows that the UPA was very dear to his heart.

Co-founder of the Table agroalimentaire de la CRÉ de la Vallée-du-Haut-Saint-Laurent and the Réseau Agriconseils Montérégie-Ouest, he earned recognition outside our region too. He spoke at a conference in Benin, Africa, on behalf of the international development arm of the UPA.

Despite illness, Mr. Proulx was involved in the UPA until his death. Agricultural producers will not soon forget him.

* * *

•(1410)

[*English*]

2012 ARCTIC WINTER GAMES

Mr. Ryan Leef (Yukon, CPC): Mr. Speaker, on behalf of the Minister of State for Sport, the minister responsible for CanNor and myself, I am pleased to rise in the House to congratulate and thank Yukon athletes, dedicated organizers, the league of volunteers and sponsors of this year's 2012 Arctic Winter Games.

These games welcomed Arctic communities from across Canada and four other nations. The games are an international celebration of northern sport, culture and friendship.

The game's organizers achieved their mission to stage an exceptional Arctic Winter Games that focused on athletic experience, community involvement and highlighted the uniqueness of the north. They should be proud of their contributions to young participants and to the people of the north.

I would like to congratulate Team Nunavut for winning the Hodgson Sportsmanship Trophy for its demonstration of respect for the rules, officials and opponents.

I invite all members of the House to join me in congratulating everyone involved in the 2012 Arctic Winter Games. A commitment to sport is a commitment to our country and these games exemplified that over the past few weeks.

[*Translation*]

ABORIGINAL AFFAIRS

Mr. Mathieu Ravignat (Pontiac, NDP): Mr. Speaker, in 2006, the Algonquin community of Barriere Lake, located in the northern part of the Pontiac riding, was put under third party management by the Conservative government, and since then the community's funds have been being managed by two administrators instead of just one, which makes consultation with the community even more difficult.

Unfortunately, this third party management has not improved the living conditions of the residents. On the contrary, the conditions continue to get worse. Children and seniors are the primary victims of this situation that fails to meet their basic needs, such as access to healthy housing and high-quality health care services.

As a Canadian and a member of Parliament, I am ashamed of this government's inaction on the Barriere Lake situation. Our fellow citizens are living in third world conditions. The Algonquin of Barriere Lake are demanding real solutions to the problems of unsanitary housing, the distribution of electricity to infrastructure, health care, the restructuring of educational services, the building of new schools, and the territorial delineation of the reserve.

How much longer should the Barriere Lake community have to wait before—

The Speaker: The hon. member for Moncton—Riverview—Dieppe.

* * *

JUSTICE

Mr. Robert Goguen (Moncton—Riverview—Dieppe, CPC): Mr. Speaker, yesterday evening was an historic evening for Canadians. The safe streets and communities bill passed in this House and will soon receive royal assent.

Victims, police officers and honest citizens have long been asking for criminals to receive sentences that fit the severity of their crimes.

[*English*]

For too long, under the revolving door justice system we inherited from the previous Liberal government, victims would be shocked when those who were victimized were given house arrest. We promised that we would fix such injustices, and we have delivered.

A major component of the safe streets and communities act targets criminals who sexually exploit children. Because of this government, every such offender is guaranteed to serve time in jail. Our children deserve no less. In addition, the safe streets and communities act ended house arrest for serious crimes like sexual assault, kidnapping and human trafficking.

Canadians deserve to feel safe in their homes and communities and that means keeping dangerous criminals off our streets. We will continue to fight crime and protect Canadians so their communities will be safe places to live, raise their families and do business.

Oral Questions

[Translation]

OFFICIAL LANGUAGES

Hon. Mauril Bélanger (Ottawa—Vanier, Lib.): Mr. Speaker, at a time when we are celebrating la Francophonie, we are also face to face with the bilingualism controversy in the community hospital in Cornwall.

A slogan like “One country, one flag, one language” is a denial of Canada. Hearing such things in 2012 is unthinkable. That is not my Canada, it is not your Canada, and it is certainly not the Canada of the Charter of Rights and Freedoms.

Next week, we are going to celebrate the 15th anniversary of the great day when 10,000 proud Canadians stood in opposition to the closing of the Montfort Hospital.

[English]

On the front benches of the government are three ministers who were in the Harris government at the time. I hope they have learned and that they will stand up for the francophones of Cornwall.

[Translation]

The anglophone community must be well informed so that it is able to avoid similar situations. Those same ministers, and the hon. member for Stormont—Dundas—South Glengarry must do their duty as members of the Parliament of Canada and do what is necessary to convince their fellow citizens of the validity of linguistic duality all across Canada, and certainly in Cornwall, during Francophonie Week.

* * *

[English]

41ST GENERAL ELECTION

Mr. James Bezan (Selkirk—Interlake, CPC): Mr. Speaker, mere days before election day last year, the Liberal Party national campaign held secret training, teaching Liberal volunteers how to make robocalls through their Liberalist database. Just hours later, Guelph phones were ringing off their hooks because of this Liberal dirty trick.

Under the assumed name Laurie MacDonald, the Liberal campaign was anonymously and misleadingly calling residents with a message. These were Liberal calls from a fake phone number, from a Liberal volunteer using a fake name.

Now the member for Guelph has admitted that he and his campaign paid for these illegal and unethical phone calls to fight off an NDP surge. If these calls were just an oversight, as the member claims, why did he wait until he was almost caught to come forward?

Something smells rotten. Millions of dollars were spent by the Liberals on hundreds of thousands of phone calls. Where else did the Liberals target Canadian households with this illegal campaign?

● (1415)

[Translation]

NEW DEMOCRATIC PARTY OF CANADA

Mr. Robert Aubin (Trois-Rivières, NDP): Mr. Speaker, last May, millions of Quebeckers and Canadians were fed up with the old ways of doing politics. That is why they voted for the NDP—so that we would clean up Ottawa. Unlike the Liberals and the Conservatives, the NDP works relentlessly to get results that address Canadians' concerns.

To this end, over the past few weeks, the NDP has won passage of several motions in the House of Commons: one on employment, one on first nations education, and one that was passed unanimously yesterday in order to give Elections Canada more power to investigate election fraud. Tomorrow, we are going to propose a new motion that seeks to resolve the drug shortage crisis in Quebec and in Canada.

We are not going to let the Conservatives stand in the way of Canadians' priorities. The NDP is not only an opposition party, but also a party that makes proposals. Quebeckers and Canadians can count on us to take action.

* * *

[English]

41ST GENERAL ELECTION

Mrs. Cheryl Gallant (Renfrew—Nipissing—Pembroke, CPC): Mr. Speaker, the Liberal interim leader denied having centralized calling capabilities. Let us look at the facts.

The Liberals purchased their Liberalist software from the U.S. for that exact purpose. They used it last election. They spent millions of dollars on hundreds of thousands of phone calls during the last election. Now we have that heard voters in Guelph were targeted by robocalls from the member for Guelph's Liberal campaign. That robocall training was provided by the national Liberal Party to campaign workers hours before the illegal anonymous messages were sent by the Liberal campaign to voters using a fake phone number by a Liberal volunteer using a fake name.

Why is the Liberal interim leader trying to cover up the existence of Liberalist? The Liberals need to tell us what kind of dirty tricks they are teaching their Liberal volunteer campaign workers.

ORAL QUESTIONS

[Translation]

41ST GENERAL ELECTION

Mrs. Nycole Turmel (Leader of the Opposition, NDP): Mr. Speaker, in 2005, the Prime Minister said that anyone in the position that he currently holds has the moral responsibility to respect the will of the House. Yesterday evening, the House adopted the NDP motion to get at the truth about the fraudulent activities of the last election. We voted in favour of accountability.

Oral Questions

Will this government respect the motion and introduce amendments to the Canada Elections Act within six months?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, we have clearly stated from the beginning that we want Elections Canada to continue its investigation. The reality is that Elections Canada already has evidence of illegal calls made by the opposition in one riding. Obviously, I hope that all the parties will share all their information with Elections Canada.

Mrs. Nycole Turmel (Leader of the Opposition, NDP): Mr. Speaker, the government must respect last night's vote by taking the necessary action as quickly as possible. Most Canadians want a public inquiry. They want to know the truth. The NDP requested a public inquiry 18 days ago, when this scandal broke. An inquiry must be conducted in order to find out the truth and really clear the air.

Why will the Prime Minister not agree to order a public inquiry?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, Elections Canada is already conducting an investigation. We have been sharing all our information with Elections Canada from the beginning.

In this case, we see from the NDP's documentation that the party has not been fully transparent. It is essential that all parties share their information with Elections Canada.

• (1420)

[English]

Mrs. Nycole Turmel (Leader of the Opposition, NDP): Mr. Speaker, we need a public inquiry to find the truth and clear the air.

The Prime Minister needs to take responsibility here. This is the House of Commons, not a schoolyard. "I know you are, but what am I", is not leadership.

Someone linked to the Conservatives was questioned by Elections Canada yesterday. Why are they playing games in question period? Why will they not take responsibility for their role?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, in terms of the assertion about what the House of Commons is not, some days I wonder.

The fact is there is an inquiry by Elections Canada, which is the independent agency authorized to do just that. This party has been fully transparent with Elections Canada in assisting in its investigation.

We encourage the opposition, which has already now admitted that it deliberately did misleading calls, to come forward with the information on which it bases its allegations.

Mr. Charlie Angus (Timmins—James Bay, NDP): Mr. Speaker, we are talking about misleading. Only one party is under investigation by Elections Canada.

Yesterday the parliamentary secretary attempted to change the channel by going after the Liberals for breaking the rules. Now the problem was that the parliamentary secretary in Peterborough had his own monkey games on election day with his phones.

He might think that having Liberals and Conservatives rolling around in the mud will divert attention, but we are talking about

electoral fraud. Only one party is being investigated for electoral fraud. Only one party's operatives are being brought forward.

Who paid for those scripts and who paid for the calls?

Mr. Dean Del Mastro (Parliamentary Secretary to the Prime Minister and to the Minister of Intergovernmental Affairs, CPC): Mr. Speaker, it is interesting. Only one party actually tried to defraud Elections Canada by funnelling money into the Broadbent Institute, and that would be the NDP. It had to return that money.

The calls in Peterborough, referred to by the member opposite, used a real name, identified a real campaign office with a real phone number. The hon. member for Guelph has admitted to paying for misleading and in fact illegal calls with a message from a fake person using a fake phone number.

The opposition has now admitted to making illegal calls. We know it paid millions of dollars to make these calls. We want Elections Canada to investigate this and we would like the opposition to assist it.

Mr. Charlie Angus (Timmins—James Bay, NDP): Mr. Speaker, this has nothing to do with robocalls and everything to do with robo fraud. This is about the fact that 5,000 votes in 12 key ridings decided the last election.

The issue of voter suppression and interfering with the right of Canadians to vote is serious business. There is only one party, the Conservative Party, that is once again being investigated for electoral fraud. There is only one party that has been convicted of electoral fraud, and that is the Conservative Party.

Why will the Conservatives not come clean to Canadians? When are they going to call a public inquiry so that we can get to the bottom of their interference with Canadians' right to vote?

Mr. Dean Del Mastro (Parliamentary Secretary to the Prime Minister and to the Minister of Intergovernmental Affairs, CPC): Mr. Speaker, this party did no such thing. In fact, we are the only party that has been completely transparent with Elections Canada.

We invite the NDP to provide that same level of transparency to Elections Canada, because what we know is that the opposition has now admitted—in fact, confessed—to making illegal calls when confronted with the evidence. We know that they paid millions of dollars to make these calls to Canadians in the last election.

We are assisting Elections Canada. I have indicated we are providing the transparency they need. We would like the opposition to do the same.

Hon. Bob Rae (Toronto Centre, Lib.): Mr. Speaker, there is a court order to the Conservative Party in Guelph requiring production of documents. That is the court order that is in place. That is why they are co-operating with elections Canada with respect to what took place in Guelph: they have to. They have no choice.

I still did not hear the Prime Minister clearly answer the question that was posed to him. It has to be answered again.

Oral Questions

Why is the Prime Minister refusing to set up a royal commission to look at what has happened and to establish new rules and new ways of ensuring a really fair election process in Canada? Why is the Prime Minister refusing to do that?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, of course there is an inquiry under way by Elections Canada, which is charged under the law with this responsibility.

It is interesting, now that we have had weeks of these kinds of allegations, that we now find out that the Liberal Party in Guelph, the winning Liberal candidate, made deliberately misleading calls and in fact authorized such calls, so clearly he knew about them all along.

I guess the reason for all of these allegations has been to cover that very fact. It makes us wonder how many other ridings the Liberal Party did this in.

• (1425)

Hon. Bob Rae (Toronto Centre, Lib.): Mr. Speaker, the Prime Minister can make all the allegations and all the smears that he wants. The point has to be made clearly—

Some hon. members: Oh, oh!

The Speaker: Order. The hon. member for Toronto Centre has the floor.

Hon. Bob Rae: Mr. Speaker, the point is that if we want to actually get at the truth with respect to what took place in the last election and go beyond just what took place in the last election to give us guidance with respect to what needs to take place in the future, the Prime Minister knows as well as anyone else in this House that it requires a royal commission and that Elections Canada alone cannot do that.

Why is the Prime Minister refusing to call and establish a royal commission? Why will he not do that?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, not only is there an inquiry in place, but that inquiry is apparently getting to the bottom of some illegal acts by the Liberal Party, so it is no wonder the Liberal Party suddenly does not like that particular inquiry.

I would encourage the leaders of all parties to fully co-operate with Elections Canada and give all the information that has been requested, as we have done and will continue to do.

[*Translation*]

Hon. Bob Rae (Toronto Centre, Lib.): Mr. Speaker, unlike the government, the Conservative Party, today our party revealed all the calls that we made. We told Canadians exactly how the Liberal Party operates. The same cannot be said of the Conservative Party. The Conservative Party did not do the same thing; it did not provide the information in the same manner.

Why is the Conservative government continuing to refuse to establish a royal commission on this issue?

Right Hon. Stephen Harper (Prime Minister, CPC): On the contrary, Mr. Speaker, we have been making all our information available to Elections Canada for months now. However, such is not the case with the Liberal Party. Now that the investigation has found that the Liberal Party made illegal automated calls, the party is providing information. I am wondering how many other ridings the

Liberal Party did this in. It is finally time for the Liberal Party to provide all its information.

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ELECTIONS CANADA

Mr. Alexandre Boulerice (Rosemont—La Petite-Patrie, NDP): Mr. Speaker, in 2006, the Conservatives orchestrated an electoral fraud with their in and out scheme. They felt that they were above the law, that the law did not apply to them, but, in the end, they had to plead guilty. Showing no shame, they even rewarded the architects of those base acts by appointing them to the Senate. Then, in 2011, they started again. Tens of thousands of dollars were paid to RMG by campaigns that had no idea what services had been rendered for the money.

Will the Conservatives tell us when the Canada Elections Act will be changed to give Elections Canada all the powers it needs to investigate their scandals?

Mr. Pierre Poilievre (Parliamentary Secretary to the Minister of Transport, Infrastructure and Communities and for the Federal Economic Development Agency for Southern Ontario, CPC): Mr. Speaker, it is the NDP that broke the law. It had to admit that after the revelations about the methods of funding the Broadbent Institute. The facts are clear.

Also, according to the CRTC rules, “telecommunications shall begin with a clear message identifying the person on whose behalf the telecommunication is made.”

The Liberal Party broke that rule. We know that now. We know the truth. It is now up to the Liberal Party to explain to Canadians why it broke the law.

Mr. Alexandre Boulerice (Rosemont—La Petite-Patrie, NDP): Mr. Speaker, this has been going on for a week now. The NDP asks the Conservatives a question and the Conservatives say that the Liberals are just as crooked as they are. That is true. It is true that the Conservative scandals have replaced the Liberal scandals, but that does not provide people with real answers about what happened.

The Conservatives play tough during the election campaign, but when they are in the House, they hide behind the Prime Minister's skirts, dodging questions.

Is there a single Conservative member who will prove worthy of his or her office and say when the Canada Elections Act will be amended so that we can get to the bottom of the Conservative scandals?

Mr. Pierre Poilievre (Parliamentary Secretary to the Minister of Transport, Infrastructure and Communities and for the Federal Economic Development Agency for Southern Ontario, CPC): Mr. Speaker, let us talk about what the Liberal Party did.

First, the hon. member for Guelph broke the law. Then he covered it up for a year. In addition, he rose in the House to launch an unsubstantiated smear campaign against our party. Finally, he admitted that he broke the law, but only after he got caught.

It is up to the Liberal Party now to explain what it did and to co-operate with Elections Canada.

Oral Questions

●(1430)
[English]

41ST GENERAL ELECTION

Ms. Chris Charlton (Hamilton Mountain, NDP): Mr. Speaker, ducking, weaving, and pointing the finger is not the accountability that Canadians deserve. We are not in a schoolyard. These are serious questions with serious consequences. It is election fraud.

A Conservative campaign operative was reportedly questioned by Elections Canada. Why does the government not just come clean by telling the House which Conservatives paid for these calls and where the phone scripts came from? The best they can muster is to say the Liberals did it too. Seriously?

Where is the accountability? Where are the answers?

Mr. Dean Del Mastro (Parliamentary Secretary to the Prime Minister and to the Minister of Intergovernmental Affairs, CPC): Mr. Speaker, it is very interesting. We know the NDP is being investigated for its 2009 convention where it may have accepted some illegal union donations. Recently, last spring, it accepted tens of thousands of illegal donations from unions, of course contravening the Elections Act.

We also now know that the member for Winnipeg Centre has just had to issue his second apology for making claims that were not factual, not truthful. They were slanderous claims against companies in this country. Perhaps he would like to rise in the House and apologize as well.

Mr. David Christopherson (Hamilton Centre, NDP): Mr. Speaker, last night the House unanimously passed an NDP motion calling for the Chief Electoral Officer to be given more investigative powers. The easy part was the motion; the hard part now is getting the legislation in the House, because without legislation, every day that goes by is a day the Chief Electoral Officer does not have those powers.

My question is clear: in light of the unanimous decision last night, when will the government honour that vote and bring in the detailed legislation that would give the Chief Electoral Officer the power that this Parliament and Canadians demand?

Hon. Tim Uppal (Minister of State (Democratic Reform), CPC): Mr. Speaker, the government has been clear. We support that motion and we will act on that motion.

We are also confident that Elections Canada will get to the bottom of the allegations in Guelph, including the illegal calls placed by the opposition.

* * *

HEALTH

Ms. Libby Davies (Vancouver East, NDP): Mr. Speaker, last night the House held an emergency debate on the serious question of drug shortages, and today the Minister of Health appeared in front of health committee. The minister is still blaming the Conservatives' lack of action on everybody else.

We have proposed a mandatory reporting process as part of a strategy to anticipate, identify and manage these shortages, but the minister is stuck on a voluntary approach that does not work.

What will it take before the Conservatives act on this serious crisis?

Hon. Leona Aglukkaq (Minister of Health and Minister of the Canadian Northern Economic Development Agency, CPC): Mr. Speaker, hopefully the hon. member for Vancouver East will better understand the roles we all play in the drug supply process after last night's debate, my appearance in committee this morning and tomorrow's opposition day.

This is a serious matter, and our government respects the roles that each jurisdiction plays. We are not in the business of stepping into provincial and territorial jurisdictions.

I hope the hon. member will join this important debate and work with us, not against us.

Ms. Libby Davies (Vancouver East, NDP): Mr. Speaker, this issue is not about jurisdiction; it is about the Conservatives not paying attention and not showing leadership. The fact is that the minister has refused to stand up and show the leadership that is required on this crisis.

The provinces are calling for the minister to act. Patient advocates and health professionals are calling on the minister to act. Will the minister admit that her voluntary plan has failed?

The Conservatives must expedite the Health Canada approval process and also guarantee the safety of Canadians.

When will the Conservatives listen to Canadians, not deny what is going on, and lead the effort to end these shortages?

Hon. Leona Aglukkaq (Minister of Health and Minister of the Canadian Northern Economic Development Agency, CPC): Mr. Speaker, we have been working 24/7 to provide the support to the provinces and the territories, as we know how important this is to patients and their families.

I want to be very clear. It is the provinces and the territories that are best placed to determine what drugs are needed in their jurisdictions, and they are the ones that enter into contracts with the suppliers regarding their specific requirements. Our government's role is to assist the provinces and territories by informing them of approved Canadian suppliers for drugs when their current supply has not been met.

At the request of the provinces and the territories, we are fast-tracking approvals for international products without compromising our high standards.

●(1435)
[Translation]

Ms. Anne Minh-Thu Quach (Beauharnois—Salaberry, NDP): Mr. Speaker, the Canadian Cancer Society has urged Ottawa to take its role seriously. The Minister of Health and her parliamentary secretary are completely ignoring our questions and are shrugging off their responsibilities. Health Canada has not been able to regulate the drug industry effectively. Yet that area falls under federal jurisdiction.

The outcome is that the lives of thousands of Canadians are at stake. Health experts and the provinces are asking the federal government to set up a system requiring the industry to disclose the drugs that might run out. That is straightforward.

Is the minister going to tighten up the regulations to avoid other shortages? Yes or no?

[English]

Hon. Leona Aglukkaq (Minister of Health and Minister of the Canadian Northern Economic Development Agency, CPC): Mr. Speaker, as I stated earlier, our government's role is to assist the provinces and the territories by informing them of approved Canadian suppliers for drugs when their current supply has not been met.

At the request of the provinces and the territories, we are fast-tracking approvals for international products, again without compromising our high standards.

We are making sure that all of the important players are in contact with one another and that all have the latest information about potential or current shortages.

* * *

[Translation]

AIR CANADA

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, they refuse to do anything about the drug shortage, but when no intervention is needed, the Conservatives are right there.

[English]

Yesterday, the Conservatives tabled a special law to force Air Canada workers back to work in case of a strike or a lockout.

This is the third time in nine months that the Conservatives have bullied the workers out of their right to collective bargaining.

The government must encourage the two parties to negotiate. Will the Conservatives promise to stay out of the conflict and respect the fundamental rights of Canadians, yes or no?

Hon. Lisa Raitt (Minister of Labour, CPC): Mr. Speaker, as we indicated in the past, we are acting on behalf of the Canadian public interest, both in terms of the economy and in terms of the Canadian flying public.

To answer the question the member opposite put, I would, in return, ask him a question: will he support us to pass this legislation quickly through the House this evening so that Canadians can have certainty as to what is going on with air services?

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, to bully the workers? The answer is no.

[Translation]

By taking this action, the Conservatives are sending a clear message to Canadians: the Conservatives are taking the employer's side, and to heck with workers' rights. The Conservatives must help both sides reach an agreement.

Can the Conservatives promise that they will not intervene in this dispute and that they will respect the fundamental rights of all workers, yes or no?

[English]

Hon. Lisa Raitt (Minister of Labour, CPC): Mr. Speaker, ours is actually the only party here that is not picking a side. It is clear that

Oral Questions

the members opposite are choosing to support their big union bosses. That is why they are standing in the House.

It is quite clear, quite frankly, that the opposition will use delay tactics in order to make sure that hard-working Canadians, the Canadian public interest and this great economy will be derailed because of their connection with their union bosses.

* * *

41ST GENERAL ELECTION

Ms. Judy Foote (Random—Burin—St. George's, Lib.): Mr. Speaker, the government claims to care about political financing, pointing to Bill C-21, but its interest seems to stop when it comes to the riding of Vaughan. Three former members of the Conservative association there have each sworn an affidavit alleging that the Associate Minister of National Defence as a Conservative candidate kept two sets of books: an official one and a secret one that was used to bankroll nine other Conservative riding campaigns.

The government denies everything. Is it in fact accusing three Conservative supporters of perjury?

Hon. Peter Van Loan (Leader of the Government in the House of Commons, CPC): Mr. Speaker, I will say that the hon. member goes to great lengths to try and make this question fall within the House rules of trenching on government business. I guess her implication is that Elections Canada somehow is not doing its job.

We actually believe that Elections Canada does its job. In this particular case, the comportment of the riding association and that of the candidate, the member for Vaughan, have been exemplary in following all the rules and requirements of Elections Canada.

* * *

HEALTH

Hon. Hedy Fry (Vancouver Centre, Lib.): Mr. Speaker, last night the government admitted that it knew about drug shortages six years ago. It also admitted that Health Canada had a similar mandate as the U.S. FDA to ensure access to a safe supply of necessary drugs. Yet in 2006, the FDA began a proactive drug shortages program with industry to anticipate, identify and manage shortages with mandatory reporting of sole-source producers.

Why did the minister wait so long to adopt the U.S. program, putting Canadians at risk with her wait and see approach?

● (1440)

Hon. Leona Aglukkaq (Minister of Health and Minister of the Canadian Northern Economic Development Agency, CPC): Mr. Speaker, during last night's very important debate, the hon. member for Vancouver Centre seemed confused about what roles the federal government, the provinces, territories and industry play in this matter. I hope she is better informed now and will be able to truly work with us, as we have indicated that this is an issue on which we all need to work together.

Oral Questions

Hon. Geoff Regan (Halifax West, Lib.): Mr. Speaker, one day the Minister of Health said that having drug companies volunteer information about drug shortages has been effective, and then yesterday she told the House that the system failed to alert anyone of the forthcoming shortages at Sandoz until Health Canada officials stepped in. Which is it? Let us have some clarity. After all, the government's voluntary reporting system has failed and it is threatening the lives of thousands of Canadians across the country.

Instead of abdicating responsibility, will the minister implement a mandatory reporting system immediately?

Hon. Leona Aglukkaq (Minister of Health and Minister of the Canadian Northern Economic Development Agency, CPC): Mr. Speaker, we are working with the industry and health stakeholders to ensure that Canadians are informed on potential and actual shortages, which I initiated last year.

Sandoz has the responsibility to ensure that its customers are informed of anticipated shortages as soon as it becomes aware of a potential problem. Yesterday, I received a letter from the company saying that it will meet my demands for more accountability and post information about drug shortages online. It said that it would give 90 days' notice of any other drug shortages that arise in the future. This is encouraging. I hope that Sandoz will live up to its commitment.

* * *

AGRICULTURE AND AGRI-FOOD

Mr. Malcolm Allen (Welland, NDP): Mr. Speaker, it is amazing how quickly the dismantling of the Canadian Wheat Board has attracted foreign multinational agribusinesses. The foreign takeover of Viterra would put 50% of Canadian grain handled under foreign control.

This industry was built by Canadian farmers and it is now threatened by foreign multinational corporations. How is that a net benefit for Canada's farmers? How does this help Canadian communities? Does the minister really think that multinational corporations are better handlers than Canadian grain farmers and handlers?

Hon. Gerry Ritz (Minister of Agriculture and Agri-Food and Minister for the Canadian Wheat Board, CPC): Mr. Speaker, the potential takeover of anything is speculation at best at this point.

The only point the member makes that I agree with is that western Canadian farmers are better off. They are now out from under the single desk. They are able to market their own wheat, durum and barley at the time, place and price of their choosing. They look forward to doing that.

[*Translation*]

Mr. Guy Caron (Rimouski-Neigette—Témiscouata—Les Basques, NDP): Mr. Speaker, this is precisely why we have the Investment Canada Act. According to Greg Pearlman of BMO Capital Markets, Viterra is a very unique asset with lots of elements that are not replicable. I think this is what is commonly known as a strategic asset.

Will the government commit to respecting clear criteria when determining what is a net benefit and what is a strategic asset and to conducting a quantitative analysis based on those criteria?

[*English*]

Hon. Gerry Ritz (Minister of Agriculture and Agri-Food and Minister for the Canadian Wheat Board, CPC): Mr. Speaker, as I have said, any discussion at this point is pure speculation. Having said that, the Investment Canada Act is very clear. There is a process that will be followed should anything happen.

The main thing is that western Canadian farmers now finally enjoy the legal right to market their own commodities at the time, place and price of their choosing. They look forward to exercising that right starting August 1, 2012.

* * *

COPYRIGHT

Mr. Andrew Cash (Davenport, NDP): Mr. Speaker, first, the government is taking artists to the cleaners on the copyright bill. Now the Conservatives want to make average Canadians criminals. With the new copyright legislation, anyone that breaks digital locks for any lawful purpose will be faced with the full force of the law.

We know the Conservatives love building jails and it seems they will have to fill them somehow. Is that why they are using the copyright bill to make everyday Canadian consumers criminals?

• (1445)

Hon. James Moore (Minister of Canadian Heritage and Official Languages, CPC): Mr. Speaker, that is quite ridiculous. Our copyright legislation, Bill C-11, was adopted by this Parliament at the committee stage today, which I am very pleased about. It will put this country where it should be, which is at the leading edge of intellectual property law around the world. Our legislation has been supported by groups, individual citizens, consumer organizations, and creators across the country.

In fact, the Canadian Recording Industry Association backs our bill. The Canadian Anti-Counterfeiting Network applauds our bill. The Canadian Film and Television Production Association said that it applauds this government's copyright reform as it goes in exactly the right direction.

[*Translation*]

Mr. Pierre Nantel (Longueuil—Pierre-Boucher, NDP): Mr. Speaker, being content with large corporations is fine, but we are talking about actors, authors and creators here. With their copyright reform, the Conservatives have demonstrated that they do not care one bit about creators and artists, either in Quebec or elsewhere in Canada. They are going to pass legislation that will deprive creators of \$21 million, which is a lot of money.

With Bill C-11, the Conservatives are attacking the livelihood of Canadian creators. This is an attack on our cultural identity and an insult to our artists and the entire cultural industry. The Conservatives seem to believe that Canadian artists are spoiled kids. This contempt for artists—

The Speaker: Order. The hon. Minister of Canadian Heritage and Official Languages.

Oral Questions

Hon. James Moore (Minister of Canadian Heritage and Official Languages, CPC): Mr. Speaker, that is completely ridiculous. The Motion Picture Theatre Associations of Canada said that theatre associations applaud the government for its copyright reform, that this bill is of vital interest to theatres and their employees, and that they applaud the government for this initiative.

The NDP is completely against this bill, which proves that our government listens to artists and creators. We introduced a bill that protects their interests.

[*English*]

The NDP is against this bill because the NDP's proposal for an iPod tax has been shot down by the Canadian public and by this government. The NDP wants to raise taxes. We say no. They are mad. We are glad.

* * *

SYRIA

Mr. Dean Allison (Niagara West—Glanbrook, CPC): Mr. Speaker, reports indicate that today Syrian forces recaptured the northern town of Idlib from military defectors. Assad's thugs in the meantime are mining border areas, targeting civilians trying to flee the country. Problems in Syria are mounting. Violence is spiralling and the killing continues.

Could the foreign affairs minister give the House an update on this dire situation?

Hon. John Baird (Minister of Foreign Affairs, CPC): Mr. Speaker, we remain incredibly troubled by what we see going on in Syria today. I know my hon. colleague shares my concern about the growing humanitarian crisis taking place in Syria and neighbouring states. Refugees are beginning to flood into neighbouring states.

Yesterday I spoke with United Nations Under-Secretary-General Valerie Amos to get briefed on her recent visits. UN observers will be documenting the human rights abuses to hold people accountable for them. We also welcomed today's decision by the Organisation of Islamic Cooperation to send help into Syria. We have been very clear that Assad must go. Canada is certainly prepared to help address this growing humanitarian crisis.

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[*Translation*]

NATIONAL DEFENCE

Ms. Christine Moore (Abitibi—Témiscamingue, NDP): Mr. Speaker, today in committee, we learned that a Department of National Defence team is looking at alternatives to the F-35. The opposition has been asking about the Conservatives' apparent lack of a plan B for months. It seems that the Conservatives' plan for these planes is not going as well as the minister hoped it would.

Why did the government skip the tendering process for the country's largest military purchase ever, and why did it not have a plan B? Is the government just trying to distract the committee, or does it really have a team taking a serious look at alternatives to the F-35 fiasco?

[*English*]

Hon. Julian Fantino (Associate Minister of National Defence, CPC): Mr. Speaker, our position has not changed. We remain committed to the joint strike fighter program. A budget has been allocated. A contract has not yet been signed. We will ensure that our air force has the aircraft necessary to do the job we ask it to do.

Mr. Matthew Kellway (Beaches—East York, NDP): Mr. Speaker, enough; that story has run its course. Today, the associate minister has an opportunity to start again with the truth.

This morning in committee he acknowledged that there is a project planning team looking for alternatives to the F-35. Will the minister come clean with this House today and acknowledge that he is indeed backing out of the F-35 program, or is he stuck with his speaking notes?

Hon. Julian Fantino (Associate Minister of National Defence, CPC): Mr. Speaker, we have been clear. When the current aircraft come to the end of their useful life cycle, we will ensure that our men and women in uniform have the best equipment necessary to do the important job we ask of them. However, as I stated, a contract has not been signed for replacement aircraft at this time.

* * *

● (1450)

FISHERIES AND OCEANS

Mr. Fin Donnelly (New Westminster—Coquitlam, NDP): Mr. Speaker, yes he is stuck.

It appears the Conservatives are planning to bury sweeping changes to the Fisheries Act in the upcoming budget. The minister uses the word "modernize" but removing habitat protection from the Fisheries Act would set Canada back decades.

The minister must come clean. Is the minister planning to change section 35 of the Fisheries Act in the next budget? Is the plan to eliminate the protection of fish habitat in Canada and effectively gut the law, yes or no?

Hon. Keith Ashfield (Minister of Fisheries and Oceans and Minister for the Atlantic Gateway, CPC): Mr. Speaker, there has been no decision made with regard to this issue. I will note that Canada is blessed with an abundant array of natural resources of which we should be proud and which we take seriously and responsibly to conserve and protect.

Mr. Philip Toone (Gaspésie—Îles-de-la-Madeleine, NDP): Mr. Speaker, the lack of consultation is not going unnoticed.

*Oral Questions**[Translation]*

On Friday, the Minister of Fisheries and Oceans heard what provincial ministers think about his plan to change the fleet separation policy. It is pretty straightforward. Quebec, Nova Scotia and Prince Edward Island all oppose the proposed changes. Atlantic fishers and communities also oppose them. The fleet separation policy is essential to the survival of east coast fishers. Will the Conservatives commit to maintaining the fleet separation policy and protecting the coastal fishery?

[English]

Hon. Keith Ashfield (Minister of Fisheries and Oceans and Minister for the Atlantic Gateway, CPC): Mr. Speaker, the assumptions in the question are ridiculous. We are seeking the advice and views of fishermen. That is what we should be doing as a responsible government and it is what I will do as Minister of Fisheries and Oceans. Our government is not advancing any particular position other than to reaffirm our commitment to the economic health of fishermen and our communities.

* * *

AGRICULTURE AND AGRI-FOOD

Hon. Ralph Goodale (Wascana, Lib.): Mr. Speaker, last year we warned the government that foreign takeovers in the grain business would inevitably follow the destruction of the Canadian Wheat Board. Exactly that is now happening. Fifteen months after their frantic flip-flop on potash, the Conservatives have still not turned a wheel on their promise to clarify the rules.

How exactly do the Conservatives define net benefit? What constitutes a strategic asset? How will farmers be better off with control vested in Minneapolis, Decatur or Switzerland rather than Regina, Calgary or Winnipeg?

Hon. Gerry Ritz (Minister of Agriculture and Agri-Food and Minister for the Canadian Wheat Board, CPC): Mr. Speaker, as I have been saying all along, this particular issue is speculation at best. Sadly, the member for Wascana is exhibiting a severe case of premature interjection. I wish that he would keep his powder dry and work with us toward ensuring that farmers enjoy the right to sell their own products out from under the single desk of the Canadian Wheat Board.

* * *

NATIONAL DEFENCE

Hon. John McKay (Scarborough—Guildwood, Lib.): Mr. Speaker, this morning the Associate Minister of National Defence admitted that he had a road to Damascus experience upon his return from Washington. Apparently, we will no longer be getting 65 F-35s for \$75 million each.

Now that plan A has been reduced to “if and when”, will the minister see the light, open the competition and convert to a fair and transparent process?

Hon. Julian Fantino (Associate Minister of National Defence, CPC): Mr. Speaker, we remain committed to the joint strike fighter program. A budget has been identified and allocated. We are working the issues through. We will ensure that the men and women in uniform have the best resources available to them to do their jobs.

We will, in essence, make sure that we do what is best for our men and women in uniform as well as Canadian taxpayers.

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*[Translation]***FOREIGN AFFAIRS**

Ms. Hélène Laverdière (Laurier-Sainte-Marie, NDP): Mr. Speaker, how far will this government go to undermine our democracy?

On January 30, I submitted a written question to the Minister of Foreign Affairs about the office of religious freedom. I asked specific questions: who participated in the consultations on this subject in October 2011? Who in the department is responsible for this file?

The response I received was worthy of Kafka: nothing but hot air.

What else does the government have to hide?

●(1455)

[English]

Hon. John Baird (Minister of Foreign Affairs, CPC): Mr. Speaker, we have not established the office of religious freedom yet, so it is very difficult to say who is working there.

What we have done is consulted broadly with Canadians from coast to coast to coast, and we have spoken to international religious leaders, defenders of religious liberty around the world, and got their opinion. We hope to come forward with an announcement in short order.

But let me tell members the basic concept. What we want to do is promote religious freedom, something that Canadians enjoy and hold dear, and make that a reality for everyone right around this world.

[Translation]

Ms. Hélène Laverdière (Laurier-Sainte-Marie, NDP): Mr. Speaker, what I wanted to know was who was consulted.

The minister said that they held consultations. Why can they not provide basic information about those consultations? What are they hiding?

The Auditor General looked into a similar situation in 2004 and found that written questions were a fundamental part of our parliamentary system.

We are facing a similar situation today.

Why do we now have a Conservative minister attacking a fundamental part of our parliamentary system?

[English]

Hon. John Baird (Minister of Foreign Affairs, CPC): Mr. Speaker, I am very happy to inform the member we have consulted Christians, Muslims, Hindus, people of the Jewish faith, Buddhists. We discussed with people around the world to get their counsel and advice, from the Aga Khan to the Vatican. We talked to a good number of Canadians to get their advice and input.

Oral Questions

We will hopefully be coming forward in short order with an announcement on this important initiative. We believe, though, religious freedom is something that defines Canadians. It is a value, a right that everyone around the world should share. We look forward to promoting that, to continuing to promote that in the years to come.

* * *

SPORT

Mr. Patrick Brown (Barrie, CPC): Mr. Speaker, our government is proud to support Canadian athletes. We have supported the hosting of national and international sporting events, including the Canada Games and the Vancouver 2010 Olympic Winter Games, and we look forward to hosting the Pan American and Parapan American Games in 2015. Soon our athletes will travel to London to take on the world at the 2012 Olympic and Paralympic Games.

Can the Minister of State for Sport please tell this House how our government is assisting our athletes as they train for this very prestigious event?

Hon. Bal Gosal (Minister of State (Sport), CPC): Mr. Speaker, Canada's Olympic and Paralympic athletes are a source of inspiration and great pride.

Since 2006, our government has increased funding to the national sports organizations by 20%. Today I am pleased to announce additional funding to assist athletes in 11 different sports that are identified as having medal potential in the Olympics.

This builds on our government's overall commitment to high performance athletes. Along with all Canadians, I look forward to cheering on our athletes competing in the summer Olympics.

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*[Translation]***CANADIAN HERITAGE**

Mr. Marc Garneau (Westmount—Ville-Marie, Lib.): Mr. Speaker, sweeping changes have been made at Library and Archives Canada in an effort to make its preservation criteria more rigid.

As we know, its mandate is to facilitate co-operation among the communities involved in the acquisition, preservation and diffusion of knowledge.

In light of the priority given to certain documents lately, can the minister assure us that documents and works that have marked our history will not suffer the same fate as the Alfred Pellán paintings?

Hon. James Moore (Minister of Canadian Heritage and Official Languages, CPC): Mr. Speaker, that is why we made the commitment to this organization to protect our heritage. I know that the opposition has a number of questions on the table. I am pleased that Bill C-11, An Act to amend the Copyright Act has passed, because the Deputy Head and Librarian and Archivist is going to appear before the committee to answer these questions in detail and to underscore the fact that our government has made an unprecedented investment in a new building and programming in order to protect our heritage in the way that my colleague is talking about.

*[English]***FINANCIAL INSTITUTIONS**

Mr. Glenn Thibeault (Sudbury, NDP): Mr. Speaker, the banking ombudsman offers Canadians fair and independent dispute resolution when they have a complaint against their bank. However, the government's inaction has allowed two of the big banks to walk away from accountability. By allowing the banks to hire their own dispute resolution agency over the banking ombudsman, the government tilts the playing field in favour of the big banks.

How can the Conservative government claim to be on the side of consumers and small businesses when time after time it favours big banks and corporate interests?

● (1500)

Mrs. Shelly Glover (Parliamentary Secretary to the Minister of Finance, CPC): Mr. Speaker, once again, let me repeat that currently all banks are required to have a consumer complaints procedure in place and have a third-party dispute-handling body. However, there is variation in procedures used. This is a concern to us and consumers.

To better protect consumers, we are forcing banks to belong to government-approved independent third-party bodies, we are establishing uniform regulatory standards for internal complaints procedures and we are giving the Financial Consumer Agency of Canada the authority to monitor and enforce compliance. We have passed legislation for this and are now finalizing regulations.

Unfortunately, the NDP voted against all of that.

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INTERGOVERNMENTAL AFFAIRS

Mr. John Williamson (New Brunswick Southwest, CPC): Mr. Speaker, last night, the Liberals voted against our government's actions to keep our streets and communities safe. In particular, the Newfoundland MPs, once again, turned their backs on the island. When the Liberals from that province vote in this House, they either stand against important beneficial measures or they flip-flop on their commitments to their constituents.

Would the regional minister for Newfoundland and Labrador please tell the House how our government is making sure that we keep delivering results for Newfoundlanders and Labradorians?

Hon. Peter Penashue (Minister of Intergovernmental Affairs and President of the Queen's Privy Council for Canada, CPC): Mr. Speaker, our government has taken real steps for my home province. We scrapped the wasteful, ineffective long gun registry, we are keeping streets safe, we are providing the historic loan guarantee and we are proceeding to realize the Mealy Mountains national park.

The Liberals flip-flop or vote against these measures. But who can blame them for being misguided? Their leader cannot even put the province on the map.

Points of Order

[Translation]

GOVERNMENT APPOINTMENTS

Mr. François Lapointe (Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, NDP): Mr. Speaker, after an unexplained transfer of \$15,000 from his campaign budget to RMG and harassing calls asking for donations, former Conservative MP Bernard Généreux is in hot water once again. *Le Soleil* reports that he may have either tried to transfer money from a riding budget to the Conservative Party through the purchase of 200,000 sheets of paper or illegally contributed to party's funding by paying the bill himself months after his defeat. And yet, he was appointed to the Quebec Port Authority. Accordingly, is the propensity to transfer donations from a riding to the Conservative Party the type of skill the Minister of Transport, Infrastructure and Communities was talking about yesterday to justify these partisan appointments?

Mr. Jacques Gourde (Parliamentary Secretary to the Minister of Public Works and Government Services, for Official Languages and for the Economic Development Agency for the Regions of Quebec, CPC): Mr. Speaker, those are false allegations. Those were legitimate expenses of the hon. member. In this case, the former MP paid much of the cost out of his own pocket.

I have here on hand an ad that proves that the hon. member for Montmagny—L'Islet—Kamouraska—Rivière-du-Loup takes himself for Columbo. Instead of using the House of Commons budget to do his own work, he is using it to do the work of Elections Canada, despite the guidelines sent out by Elections Canada.

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[English]

FOREIGN AFFAIRS

Ms. Elizabeth May (Saenich—Gulf Islands, GP): Mr. Speaker, my question is for the Prime Minister. In order to gain a \$3 billion deal of sale of uranium yellow cake to China, we had to relax our regulatory requirements and reporting requirements.

As a party to the nuclear non-proliferation treaty, we are required to verifiably ensure that no Canadian uranium ends up in nuclear weapons.

My question is: How will we do this, what reporting requirements exist and what was relaxed?

Hon. John Baird (Minister of Foreign Affairs, CPC): Mr. Speaker, let me assure the House that Canada strongly supports the international convention and all of our legal obligations on nuclear non-proliferation.

The agreement we have with China is consistent with all of those agreements and ensures that appropriate safeguards are in place. This agreement will also help create badly needed jobs in Canada, and just as importantly will help China generate non-emission electricity, which will lead to less pollution and better air quality for people in China. We are very proud to play a part in that.

● (1505)

POINTS OF ORDER**STANDING COMMITTEE ON ACCESS TO INFORMATION, PRIVACY AND ETHICS**

Mr. Scott Andrews (Avalon, Lib.): Mr. Speaker, I rise on a point of order in hopes that you can shed some light on an issue arising out of committee proceedings today.

At this morning's meeting of Standing Committee on Access to Information, Privacy and Ethics, the committee went in camera to deal with an amendment and a motion that the Parliamentary Secretary to the Prime Minister had moved during the public portion of today's meeting. My understanding of the rules is that all in camera meeting proceedings are deemed secret and that only decisions of the committee are printed in those minutes.

My party has sought advice from a committee clerk in the past and we have been clearly told that decisions taken by a committee during in camera sessions can only be publicly disclosed once the clerk of the committee has published the minutes. This is the explicit advice that we have received from a senior clerk of the most senior committee of the House of Commons.

I was alarmed today when I read a tweet from Kady O'Malley in which the Parliamentary Secretary to the Prime Minister disclosed a decision of the committee prior to the minutes being published. The tweet appeared at 11:53 a.m., while the minutes were not posted until 1:10 p.m. today.

I would ask you, Mr. Speaker, given the clear advice that we have received from the senior clerk on the most senior committee of the House of Commons, if you could clarify the rules of in camera committee proceedings and if there is a breach, I would ask you to address it.

The Conservative party likes to use in camera to block Canadians from seeing what their elected representatives are doing. Conservatives use this tactic to kill studies and motions that are embarrassing to them. The use of in camera meetings by the Conservatives is a stain on our democracy. In typical fashion, the Conservatives are trying to have it both ways. They cannot on one hand use in camera to block Canadians from seeing what their elected representatives are doing, while at the same time breaking in camera rules when they see fit.

This is typical behaviour from the Parliamentary Secretary to the Prime Minister and shows how he lacks credibility. He accuses members of making unnamed robocalls, yet he has done worse. He sent out calls that were somewhat to impersonate the local MPP to cynically try to convince voters to vote for him.

I look forward to your ruling, Mr. Speaker.

Hon. Peter Van Loan (Leader of the Government in the House of Commons, CPC): Mr. Speaker, I do not know the matters of which the hon. member is complaining, but I do know that it is a well-established practice that issues of this nature are dealt with at the committee and by the committee.

Standing Order 57

Mr. Dean Del Mastro (Parliamentary Secretary to the Prime Minister and to the Minister of Intergovernmental Affairs, CPC): Mr. Speaker, at the end of the statement just made by the member, he made an allegation which is fundamentally false. In fact, it is absolutely untrue what he indicated. I ask that he withdraw that, because he knows what he just said to be absolutely untrue.

The Speaker: I thank hon. members for their interventions. I will draw their attention to page 149 of O'Brien and Bosc when dealing with issues that may arise from committee. It says:

Speakers have consistently ruled that, except in the most extreme situations, they will only hear questions of privilege arising from committee proceedings upon presentation of a report which directly deals with the matter and not as a question of privilege raised by an individual Member.

In the absence of a report from that committee, I do not know what the Speaker can do about what is alleged to have happened. However, if such a report does end up coming to the House then the Speaker will consider it then.

Mr. Scott Andrews: Mr. Speaker, thank you for your clarification. I would like to inform the House that given your ruling, the Liberals will be scrumming after all in camera meetings to lift the veil of secrecy the Conservatives continue to drape over committees of this Parliament.

Hon. Peter Van Loan: Mr. Speaker, as one of those who pledges to uphold the rules of the House, as do other House officers and all members pledge, I find the statement of the hon. member of his intention to violate the rules of the House, and to make that statement on behalf of his entire party that this is their intention in practice in future at all committees, to be one that is very alarming. It may well come close to drawing the attention that you require, as Speaker, to intervene.

ORAL QUESTIONS

Mr. Dean Del Mastro (Parliamentary Secretary to the Prime Minister and to the Minister of Intergovernmental Affairs, CPC): Mr. Speaker, on a separate point of order, during question period the Liberal leader made a couple of assertions that were fundamentally false. In fact, they are completely untrue. The leader of the Liberal party indicated that the Conservative Party of Canada was under "investigation". It is not.

He also said—

• (1510)

The Speaker: I just want to stop the member. I hope he has a point of order and is not continuing debate. Question period is over and when statements are made by any member of the opposition, the parliamentary secretary is quite adept at responding to those. I hope he does have a legitimate point of order and is not just arguing the facts.

Mr. Dean Del Mastro: Mr. Speaker, I would like to call upon the member to withdraw the two statements that he made, given the fact that they are both false.

Hon. Wayne Easter: Mr. Speaker, on the point of the order that the parliamentary secretary raised, the fact of the matter is that the—

The Speaker: Order, please. I will stop the member there because, as I just indicated, there was no point of order raised by the parliamentary secretary. Therefore, I do not really see how it could be responded to because it does not exist in the first place.

Hon. John Baird: Mr. Speaker, I rise on a point of order. As a member of the government, as a member of the Conservative caucus, I have to say it is my privilege to tell the House that the member for Peterborough is a man of great integrity and he is doing a great job for the people of Peterborough.

The Speaker: Similarly, I find that is not a point of order either. Maybe the minister can avail the rubric statements by ministers if he wants to make a declaration like that.

GOVERNMENT ORDERS

[*Translation*]

AIR SERVICE OPERATIONS LEGISLATION

MOTION THAT DEBATE BE NOT FURTHER ADJOURNED

Hon. Peter Van Loan (Leader of the Government in the House of Commons, CPC): Mr. Speaker, on Government Business No. 10, I move:

That debate be not further adjourned.

[*English*]

The Speaker: Pursuant to Standing Order 67.1 there will now be a 30 minute question period. As we have done in the past, I will ask the member to keep their questions to about a minute and the responses to a similar length so we can accommodate as many members as possible.

Questions, the hon. member for Windsor—Tecumseh.

Mr. Joe Comartin (Windsor—Tecumseh, NDP): Mr. Speaker, I think people in the House, who may not understand what just happened with this motion, is that the House leader for the government is invoking closure, doing it on a bill that flies in the face of the long-standing practices of allowing collective bargaining to go on without interference from governments, whether it be the federal government or provincial government. It is also a continuation of a pattern by the government of running roughshod, using tactics like this, both time allocation and closure.

We look at this and ask what the urgency is on this legislation. The Minister of Labour has issued a directive that prevents a strike at this point, or a lockout, at Air Canada, for that sector of our transportation system. It is a situation where this is a duplication. The government has already made it impossible for there to be a lockout or a strike, an interruption of the operations of Air Canada, by a directive that she gave last week. Therefore, where is the urgency with regard to this legislation? How can Conservatives possibly justify invoking closure?

Hon. Lisa Raitt (Minister of Labour, CPC): Mr. Speaker, the reason why we would invoke closure on this matter is very simply because this is in the best interests of the Canadian public, both from an economy point of view, where a work stoppage at Air Canada would have a significant negative effect on Canada's recovering economy, and in a public interest point of view. One million Canadians who are travelling this week would be affected because they would be stranded with no available means to return home. That is the impetus for it.

Standing Order 57

With respect to the member's assertion that the reference to the Canadian Industrial Relations Board is something that makes it not as urgent, he is incorrect. Once the matter is with the CIRB, it is in its hands as to how long it takes for it to reach a decision. I therefore have no certainty as to how long it would be prior to the ability of a strike or a lockout to occur. As such, the government is acting, as it should, to intervene in the best interests of Canadians.

• (1515)

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, obviously Canadians have a great deal of concern with respect to the approach taken by the government when dealing with legislation by trying to force things through with time allocation.

This evening we will sit into the wee hours voting because the government is trying to force labour legislation through. We have seen the government drop the ball in terms of protecting workers at Air Canada. I can only cite things such as the overall maintenance bases to the pilot bases in the city of Winnipeg, as an example, where individuals have lost their jobs and others have been transferred out of their location. The government had an obligation to defend those workers through the Air Canada privatization act and it dropped the ball. Now the Minister of Labour is saying that she knows best and she is not prepared to allow free collective bargaining.

Why has the minister given up on the employees at Air Canada?

Hon. Lisa Raitt: Mr. Speaker, we are seeking to move labour legislation through the House quickly this evening, as has been done 35 other times in the history of this Parliament since 1950, 19 times by the third party, as a way to ensure we avoid a work stoppage. It is an issue of national significance. I would invite the hon. member and his party to support us in that in order to ensure the public interest is upheld.

With respect to labour relations, it is important for the member to remember the fact that these workers have been at the negotiating table for 17 months. In both cases these workers have concluded tentative agreements. In both cases the union leadership was unable to get ratification by its membership.

We are very concerned. Outside conciliators and inside mediators have all been trying to help the parties reach an agreement. This is the process we are putting in place to help them get a collective agreement.

[*Translation*]

Mr. André Bellavance (Richmond—Arthabaska, BQ): Mr. Speaker, with this government and its time allocation motions, we as parliamentarians are starting to become used to being knocked around and to our rights and privileges not being respected.

Now, with what this minister has just done, a precedent has been set in labour relations. Before there is even a conflict in an enterprise under federal jurisdiction, is she going to hang a sword of Damocles over labour relations, over the heads of the workers and even the employers, by bringing in special legislation every time? Is that her intention?

At the moment, that is exactly the message she is sending. She did it with Canada Post; she did it, with even more malice, in my opinion, with Air Canada. Is it the government's intention to no longer respect labour relations?

[*English*]

Hon. Lisa Raitt: Mr. Speaker, I take great offence to the member indicating there is any malice involved in anything we do with respect to labour relations. Our motive is clear. We attempt to help the parties reach deals at the table. When it becomes apparent that it is impossible to do so, and that usually is by receiving a strike notice or a lockout notice, the government then acts in the best interests of Canadians, and that is exactly what we will do. We are standing with Canadians and the public interest in protecting the economy. That is our motivation. It is very simple. That is exactly why Canadians voted for a Conservative majority government last year.

Ms. Chris Charlton (Hamilton Mountain, NDP): Mr. Speaker, I would remind the minister that there is no work stoppage right now, there is no lockout, there is no strike, yet the government is invoking closure on a mechanism that would put an end to a work stoppage that does not exist. It is completely absurd.

I also remind the minister that if she continues on this path, she will consistently send a message to employers that there is no need to engage in collective bargaining because she has their back. She is the Minister of Labour, not the Minister of Industry.

When will she start to stand up for labour, for workers in our country, and allow them to engage in free collective bargaining?

• (1520)

Hon. Lisa Raitt: Mr. Speaker, as we have indicated already, the process involved with these two distinct unions has led to, and concluded with their management, tentative agreements that were rejected by their membership. That poses a difficulty for us in that we do not have collective agreements in a sector which we deem, and have said, is of national significance to the economy and to the travelling public.

I also remind the member that we are essentially invoking closure in order to move this process forward in the event of a work stoppage. We want to put a process in place that will be available to the parties to bring certainty and stability in an area currently where there is none. The position of the opposition, which is to allow a strike, allow a work stoppage to occur that would harm the economy, to send thousands of people home without jobs, is quite egregious and unacceptable. Those members should vote with us to move this through fast.

[*Translation*]

Ms. Joyce Murray (Vancouver Quadra, Lib.): Mr. Speaker, I do not agree with what the minister has just said. In fact, what she is doing with this process of limiting the time for debate is destroying the process that seeks to find lasting solutions between labour unions and employers. This kind of government intervention does not correct problems in the long term. It is up to the partners to find a solution.

What will the minister do the next time there is a problem in arriving at a signed contract? Is she going to intervene immediately again?

[*English*]

Hon. Lisa Raitt: Mr. Speaker, absolutely not.

Standing Order 57

As Minister of Labour and within the labour program, our goal and key objective is to ensure that the parties reach a deal themselves. Indeed we provide preventive mediation services so that they can have discussions prior to going to the bargaining table. It is at the bargaining table where issues become sharpened and there is the difficulty of perhaps not reaching a collective agreement, which is what happened in this case.

I also would point out to the member that her party, 19 times out of 35, actually brought in this type of intervention. Therefore it is not something that is unheard of; it is something that is quite acceptable. Working in the public interest makes a lot of sense.

The final point is this: I think it is important to note what the member said. The parties still have an opportunity to find the solution themselves. They now clearly understand and know the government's intention with respect to a process for them to find their own way. If they can do it themselves, it is completely open to them to find their own solution to this matter. I wish them the best.

Ms. Kellie Leitch (Parliamentary Secretary to the Minister of Human Resources and Skills Development and to the Minister of Labour, CPC): Mr. Speaker, over the last number of days I received a number of telephone calls from parents in my riding, moms and dads who were really concerned about the uncertainty about travel, and from businessmen who were very concerned about the uncertainty for their businesses that may rely on air cargo to bring things to their businesses in order for them to thrive.

Could the minister please outline for the House why the expeditious passage of this legislation would provide certainty and stability to Canadian businesses and put the minds of the parents in my riding of Simcoe—Grey at ease about travel over March break?

Hon. Lisa Raitt: Mr. Speaker, indeed those are the issues that matter, the issues in the public interest of Canada.

It is not about what happens at the bargaining table that has to be the first and foremost consideration. There has been ample time, 18 months, to get to the point of a strike notice and lockout notice at the same time.

What we are offering is a process for the parties to put themselves into, in order to get the stability that is needed so that the million Canadians who are travelling during the March break will have the security of knowing that they can travel back to their homes or that they can travel to their next destination.

We are acting in the best interest of Canadians.

[*Translation*]

Mr. Alexandre Boulerice (Rosemont—La Petite-Patrie, NDP): Mr. Speaker, this is a serious situation and we are concerned. We are wondering if the workers in this country still have a fundamental right known as the right to strike and to use pressure tactics. We have the impression that, every time such a situation is on the horizon, with Air Canada or Canada Post, the Conservative government takes out its big stick, its bazooka, and tries to crush workers who only want to exercise their rights.

We are told that the economic situation is worrisome. This will always be the case with a government that does not respect workers' rights.

Air Canada has already been put on notice. At this point, there can be no strike or lockout. Why is special legislation needed? Why force workers to go back to work when the health and safety of Canadians is not at stake? And it is not true; there has not yet been a single minute of pressure tactics, strike or lockout. It is completely unwarranted.

How can the minister justify the government's decision?

• (1525)

[*English*]

Hon. Lisa Raitt: Mr. Speaker, 94% of the time, collective agreements are settled without any kind of assistance from the federal conciliation and mediation services. Indeed, they bring them to a close and they do it themselves.

There are very few times that we end up having to have hands-on deliberations and discussions with the parties. Further, there are even fewer times that we have a situation where we have a right to strike notice or lockout notice given to the government from a sector that has national significance. That is precisely the case at this point in time.

I think it is also important to note that perhaps the member should ask his constituents whether or not it is something that is important to them. I would bet that lots of families and business people within that constituency understand the importance of their ability to travel and of the economic recovery, and want their interests to be heard by their member as opposed to his kowtowing to union bosses.

Mr. Rodger Cuzner (Cape Breton—Canso, Lib.): Mr. Speaker, I have a question on the history of legislation for the minister. She had rightfully identified that past Liberal governments have introduced back to work legislation on 18 different occasions since 1950. The last one was an action taken with respect to a postal strike. Canada Post workers had been out on strike for eight days. That was back in the late nineties. Legislation was passed through the House to get them back to work, but there was a strike of eight days that had an impact on an essential service.

As I think she may be somewhat of a pioneer here, my question to the minister is this. Would she know if this is the first time that legislation to limit the debate on back to work legislation preceded that back to work legislation? Is she aware if this is the first time this has ever happened? She may be a pioneer.

Hon. Lisa Raitt: Mr. Speaker, all I can say is that only a member from that third party in the corner would take pride in an economic disaster, a strike or a lockout, that would damage the economy for a certain period of time and view it as a good thing. Clearly, it certainly did help labour relations at Canada Post when they were allowed to strike for eight days because we invariably saw what happened this past summer.

To answer the hon. member's question, I believe that this is the first time that we are introducing pre-emptive legislation.

Standing Order 57

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, my question is on time allocation. The minister is talking about time allocation. This building was built to accommodate debate, to put forth arguments to the government and to find a way to come to an agreement. However, it is the 17th time that the government does that. In this case, the bill had not even come in yet and time allocation was already brought in.

The minister said that she believed she was a pioneer. I think the current government is the only government we will see do that with a smile and be happy about it. I can say this. If I asked Canadians if they wanted the Conservatives to be the governing party they would say no, but they have to live with that, like it or not.

In this case, the minister agreed that time allocation is taking rights away from the workers. However, it also takes away the rights of parliamentarians to be able to express themselves and try to come to a solution.

• (1530)

Hon. Lisa Raitt: Mr. Speaker, I would just point out to the member that in the case of a work stoppage, in his own riding his constituents would lose complete services of an air carrier, as it is one of the constituencies in Canada that would cease to have any kind of air travel in and out of the area. I would ask him to ask his constituents whether or not they are in favour of him putting aside their public interests by siding with the unions.

There is an absolute urgency in this matter. We want to make sure that Canadians have certainty. We will do what we need to do to protect the Canadian economic recovery. However, there is nothing to say that the parties, even with this legislation in place, cannot make their own deals and cannot have their own discussions. In fact, we encourage them to go back to the table.

Mr. Kevin Lamoureux: Mr. Speaker, the minister almost wears this like a badge of honour. She is now a pioneer. She is bringing in this legislation before anything has been done. She has not allowed for collective bargaining.

She calls herself the Minister of Labour. She should maybe look at changing the title to minister of corporations or back to work legislation. This is not a minister who has shown any compassion to the workers. She puts her finger up and she talks about political winds, but she is prepared to walk all over the labour movement.

Why is the minister so eager to disrespect the Air Canada labourers, workers and their families? Why this badge of honour? What is the great hurry? Why break all the rules and try to speed this thing through in 24 hours in order to have this badge of honour?

Hon. Lisa Raitt: Mr. Speaker, I have great respect for all the workers in this country. It is because of the workers in this country that our country is so good. The workers make us the great nation that we are. We are not missing that at all. In fact, that is why our government is concerned about jobs, growth and economic recovery. It is to make sure that we continue to grow and prosper as a country.

That being said, when one sits in government, one has to look out for the interests of all Canadians and not just a select few. As we have said, the best interest of Canadians and Canadian businesses is to ensure that there is not a work stoppage at this airline, either by

strike or by lockout. That is why we are intervening. It is with great respect to Canadians that we do so.

Mr. Ed Komarnicki (Souris—Moose Mountain, CPC): Mr. Speaker, I would like to ask the minister what she has been doing to assist the parties to come to a conclusion. I suppose at some point, if the parties are unable to do so, there must be some sort of process that does not hurt the employer or employee. If they stay off they will suffer certain consequences.

Also, there are other people who are dependent upon that service. Is there a need for a process to ensure that all of the interests are balanced and protected? Is there a process that can bring this to a conclusion that is satisfactory for everyone involved?

Hon. Lisa Raitt: Mr. Speaker, I will speak about the machinists' union because it is a very pertinent chronology.

We appointed an outside conciliator, Madam Justice Louise Otis, a retired jurist from Quebec, in December to help the parties reach a deal. Indeed, she reached a deal with the parties at the table. She wrote a conciliation commissioner's report which she gave to me and the other two parties. It was written after the membership rejected the tentative agreement. This is what she said about the situation and the deal:

Taking into consideration the situation of the Parties, the tentative agreement is reasonable and fair. The negotiation process, which was carried out diligently and competently, has been exhausted. I do not recommend that negotiations be resumed or that a mediator be appointed. Under the full circumstances, I consider that a reasonable agreement had been reached.

We hope that in the case of this union and management team that, through the final selection offer, they will find their way again.

• (1535)

[*Translation*]

Mrs. Anne-Marie Day (Charlesbourg—Haute-Saint-Charles, NDP): Mr. Speaker, I am sorry to say, but the minister has it all wrong. This is not an emergency situation. Emergency plans are made when there is a strike. Furthermore, the employees and the unions put these emergency plans into action.

Second, there are other carriers in Canada, such as Porter, Air Expresso and others that could provide transportation services. There is also the train. Tourism or returning home after the March break does not constitute an emergency, far from it.

The government should be a little more respectful of workers, negotiate more, and not proceed as it did with Canada Post, that is, opt for a lockout. We may be moving in that direction, but we should not be. We must respect workers' opinions.

[*English*]

Hon. Lisa Raitt: Mr. Speaker, the member brings up a good point that we have not been able to deal with yet which is: What happens in the event of a work stoppage? As I indicated before, we believe it will have an effect on the economy. However, realistically, what happens to the passengers is the question.

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Because of the market share that Air Canada enjoys both domestically and internationally, and in its cargo carrying capacity, it is just the simple rule of math that the other carriers cannot absorb those who would be left behind by Air Canada. As a result, there would be a stranding. The reasons being, first, the carriers are flying with good business plans and are near capacity. In fact, WestJet reported an 80% capacity on its flights in January. Therefore, there is very little room for Air Canada passengers. Second, there are Transport Canada rules and regulations that pilots, flight crews and aircraft have to abide by.

It is not that simple for people to find alternate transportation, especially when it comes to airlines. Quite frankly, the majority of the letters we are receiving in the ministry regarding this matter are on the difficulty of rebooking for those Canadian families and business travellers.

Mr. Malcolm Allen (Welland, NDP): Mr. Speaker, as someone who has been through the bargaining process over a number of years, I see this intervention by the minister as actually making the bargaining playing field unlevel. Bargaining is typically set up so that when a strike or lockout occurs, it is a difficult situation for the general public, who may indeed need the service. However, more important, it is actually a huge sacrifice by workers. It is not just an easy piece for them to go on the picket line and all will be well; it is an extremely difficult decision. The decision on whether they want to go on strike or not was actually taken by the workers who voted to do that.

Is the minister suggesting that somehow every time we get into a situation like this, regardless of the industry, whether federal or private, we will see this type of legislation? In fact, in this particular case there is actually some federal regulation but it is not a federal crown corporation; it is actually a private company.

Are we going to see this type of legislation every single time we have some labour negotiations that are not going well or may result in a strike or a lockout? Is the government simply going to say, "Well, we're not going to let you go down that path even though it is legal"? Will it say, "We are simply going to tell you that we'll enact the settlement, we'll push you to the wall, and at the end of the day we'll simply disrupt the bargaining process and we won't have bargaining at all"? If that is the case, maybe the government should help the employers and unions understand that there is no sense in negotiating, that they should just apply for binding arbitration and never bother negotiating because the negotiations will not come to a conclusion.

Hon. Lisa Raitt (Minister of Labour, CPC): Mr. Speaker, the member sets out the case exactly with respect to bargaining at the table. The biggest hammer one has is that employees can withdraw their services and go on strike, and employers can lock out the employees.

What the employees lose, as the member points out, are their wages. The unions lose their membership fees. In the case of the employers, they lose their profits, their income.

However, what we are saying here today is that there is another party not at that table, and that is the Canadian public. Not in every case do we intervene whatsoever; it has to pass the test of national significance, and it does here. It is an economic issue, especially

when we are recovering from a global economic setback. As well, it is an issue of the travelling public simply not having an alternative and being stranded elsewhere.

That is the side the Conservative government is on. We do not pick sides at the table. We do not think about what is happening at the table, necessarily, other than to try to help them get a deal. We think about the Canadian public's interest when it becomes apparent that no deal is forthcoming and a work stoppage is about to happen.

● (1540)

Ms. Joyce Murray (Vancouver Quadra, Lib.): Mr. Speaker, just to continue this line of discussion by my NDP colleague, when the minister talks about three parties being involved, the public, the enterprise, and the workers, of course all members of the Liberal Party and others on this side of the House are aware that this is a difficult situation. However, it was a decision by the Conservative government that it was in the public interest to pre-emptively bring in legislation and to make this unprecedented move.

I do want to note that when the member of Parliament for Cape Breton—Canso brought up the significant fact that this is the first time ever, the response by the minister was disrespectful, smug, and belittling. The fact of the matter is, Liberal MPs are aware that we are the third party, but that has absolutely nothing to do with this issue. Every parliamentarian in this House, every MP, equally represents the constituents in his or her riding, which is what the member for Cape Breton—Canso was doing.

I would request that the minister reflect on this decision made by the current government and her as one that is not accepted by others as being in the national interest. In fact, allowing a bargaining process to take its path is in the public interest, and there should be an apology by the minister to the member for Cape Breton—Canso for the disrespectful way in which she responded.

Hon. Lisa Raitt (Minister of Labour, CPC): Mr. Speaker, I do understand what the member is saying but, unfortunately, what I said is also accurate. What I said is that the government's position on this, and why we are intervening prior to an actual work stoppage, is that we believe that the effects on the economy would be great. Therefore, this government is acting in order to ensure that it does not happen.

It think it is a fair point to say that it should not be a source of pride to allow the economy to be affected for a period of time because of the fact that two parties at the table cannot come to an agreement. At the end of the day, there may have been a strike or a lockout whenever the third party at the time did indeed intervene, but they waited and the economic hit was there already and they still had to bring in back to work legislation. What this government is saying is that we want to avoid the economic hit. We know it is going to happen. We do not want it to happen during this economic recovery period. In fact, that is exactly what we indicated to Canadians we would do, and that is to protect the economy. This is very much part of what our promise is to Canadians, to look out for the Canadian public interest.

The Acting Speaker (Mr. Barry Devolin): It is my duty to interrupt the proceedings at this time and put forthwith the question on the motion now before the House. Is it the pleasure of the House to adopt the motion?

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Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Barry Devolin): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Barry Devolin): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Barry Devolin): In my opinion the yeas have it.

And five or more members having risen:

The Acting Speaker (Mr. Barry Devolin): Call in the members.

• (1620)

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

(Division No. 157)

YEAS

Members

Ablonczy	Adams
Adler	Aglukkaq
Albas	Alexander
Allen (Tobique—Mactaquac)	Allison
Ambler	Ambrose
Anders	Anderson
Armstrong	Ashfield
Aspin	Baird
Bateman	Benoit
Bezan	Blaney
Block	Boughen
Braid	Breitkreuz
Brown (Leeds—Grenville)	Brown (Newmarket—Aurora)
Brown (Barrie)	Bruinooge
Butt	Calandra
Calkins	Cannan
Carmichael	Carrie
Chisu	Chong
Clarke	Clement
Daniel	Davidson
Dechert	Del Mastro
Devolin	Dreeshen
Duncan (Vancouver Island North)	Dykstra
Fantino	Fast
Findlay (Delta—Richmond East)	Finley (Haldimand—Norfolk)
Galipeau	Gallant
Gill	Glover
Goguen	Goldring
Goodyear	Gosal
Gourde	Grewal
Harris (Cariboo—Prince George)	Hawn
Hayes	Hiebert
Hillyer	Hoback
Hoepfner	Holder
James	Jean
Kamp (Pitt Meadows—Maple Ridge—Mission)	Keddy (South Shore—St. Margaret's)
Kennedy (Calgary Southeast)	Kent
Kerr	Komarnicki
Kramp (Prince Edward—Hastings)	Lake
Lauzon	Lebel
Leef	Leitch
Lemieux	Leung
Lobb	Lukiwski
Lunney	MacKay (Central Nova)
MacKenzie	Mayes
McColeman	McLeod
Menegakis	Merrifield
Miller	Moore (Port Moody—Westwood—Port Coquitlam)

Moore (Fundy Royal)	Nicholson
Norlock	O'Connor
Obhrai	Oda
Opitz	Paradis
Payne	Penashue
Poilievre	Preston
Raitt	Rajotte
Rathgeber	Reid
Rempel	Richards
Richardson	Rickford
Ritz	Saxton
Schellenberger	Seeback
Shea	Shipley
Shory	Smith
Sopuck	Sorenson
Stanton	Storseth
Strahl	Sweet
Tilson	Toet
Toews	Trost
Truppe	Tweed
Uppal	Valcourt
Van Kesteren	Van Loan
Vellacott	Wallace
Warawa	Warkentin
Watson	Weston (Saint John)
Wilks	Williamson
Wong	Woodworth
Yelich	Young (Oakville)
Young (Vancouver South)	Zimmer— 154

NAYS

Members

Andrews
Atamanenko
Ayala
Bellavance
Benskin
Blanchette
Boivin
Boulerice
Brahmi
Brosseau
Caron
Cash
Chicoine
Choquette
Christopherson
Coderre
Côté
Crowder
Davies (Vancouver Kingsway)
Day
Dionne Labelle
Doré Lefebvre
Duncan (Edmonton—Strathcona)
Easter
Foote
Freeman
Garneau
Genest
Giguère
Goodale
Groguhé
Harris (St. John's East)
Hsu
Hyer
Julian
Kellway
Lapointe
Latendresse
LeBlanc (Beauséjour)
Leslie
MacAulay
Marston
Masse
May
McKay (Scarborough—Guildwood)
Moore (Abitibi—Témiscamingue)
Morin (Notre-Dame-de-Grâce—Lachine)
Morin (Saint-Hyacinthe—Bagot)
Nantel
Nunez-Melo

Standing Order 57

Pacetti	Papillon
Patry	Péclet
Pilon	Plamondon
Quach	Rae
Rafferty	Ravignat
Raynault	Regan
Rousseau	Saganash
Sandhu	Scarpaleggia
Sellah	Sgro
Simms (Bonavista—Gander—Grand Falls—Windsor)	
Sims (Newton—North Delta)	
Sitsabaiesan	St-Denis
Stewart	Sullivan
Thibeault	Toone
Tremblay	Turnel
Valeriotte — 129	

Canadian companies. Fuel taxes are \$40 million. A total of \$748 million is levied against the industry.

The industry has to compete worldwide and it has to compete with American domestic carriers with airports located near our borders. The industry is under pressure, so of course it is trying to cut back on its labour component.

Let us look at the labour component in this as well. According to Transport Canada, air carrier cost breakdowns are as follows: labour is 17% of the costs of aviation transport in Canada; fuel is 32%; airport fees are 10% ; capital costs are 9.6%; purchase services are 5.6%; and other is 24%.

What we can see is that in reality, the problems with our aviation industry come back to the costs that it has to bear from the current government and previous governments, which have set up our airports as cash cows. Where does it come back to? It comes back to labour. It comes back to the labour component as a way to reduce its costs. It cannot do it with fuel, as fuel is internationally regulated. Other costs are also not subject to change, so where does the industry look for savings? It looks for it in labour, and our unions stand up.

What we have is a situation in which unions are standing up for their employees, government is sitting back collecting huge sums of money off the aviation industry, and the industry is in the middle. That is not a good situation.

● (1625)

What has the federal government done about that? Its response over and over again is, “We do not care. We are not worried about the aviation industry”.

However, when it comes to the unions standing up for their workers, that is a different matter. When it comes to the money that the government collects from the aviation industry, it will just keep on doing exactly that.

When we look at the situation that we are facing today, we are looking at a government that is becoming increasingly authoritarian in its behaviour. It now considers applying back to work legislation to be just part of the routine. It considers it just part of the routine to reduce the debate that takes place in the House of Commons.

Quite quickly over the last year it has moved more and more toward an authoritarian type of behaviour. It is happy with it. Where it will lead us in the future remains to be seen, but it will not lead us in a direction that is going to be acceptable to Canadians, and we will see that over time.

The type of action that has been taken today is anathema to everyone who believes in Canadian values, in collective bargaining, in the rights of workers and the right of democratic discourse in the House of Commons. The bill takes a shot at a lot of us, and yes, we are standing up. We on this side will continue to stand up against those types of actions.

The minister has not proven her case. One statistic about how this is impacting the economy is all she provides to us in her speech. That is the analysis that she expects us to buy and live with for this type of legislation.

PAIRED

Nil

The Speaker: I declare the motion carried.

GOVERNMENT BUSINESS NO. 10

The House resumed from March 12 consideration of the motion.

The Speaker: The hon. member for Western Arctic has 12 minutes left to complete his remarks.

Mr. Dennis Bevington (Western Arctic, NDP): Mr. Speaker, I am once again not pleased even to have a second opportunity to debate this particular motion, because the motion has once again shown an authoritarian side on the part of the government towards the labour component in this country.

The government has come up with basically two arguments to justify its work stoppage action at this time.

First it talked about the economy and the detrimental effects potential work stoppage would have on it. The Minister of Labour herself referred to a figure of \$22.4 million per week lost to the Canadian economy if the strike went ahead. This is the figure that the government has presented us with to understand the nature of the effect on the economy.

That \$22.4 million per week amounts to less than nine one-hundredths of a per cent of the economy of this country. It is really not a very large figure when we consider the economy of our country at \$1.3 trillion per year.

The labour minister has indicated that this loss to the economy is greater than the loss of the values that we have established in this country for collective bargaining and has made that determination based upon those numbers.

I find that to be very misleading with regard its impact on the economy and the need to move ahead with this thing, this bill, this closure, this stoppage of work action by both the company and the union involved with Air Canada.

In some ways our aviation industry has been hamstrung by the government over the past number of years. The New Democratic Party, and I myself as transport critic in the last Parliament, have stood in Parliament and talked about the impact that the government is making with its excessive airport rents, which in one year amount to about \$257 million to the aviation industry. The air travellers security charge amounts to a \$394 million charge against our

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The other interesting subject that was brought up was the impact of the work stoppage at Air Canada on northern and isolated communities. Air Canada is hardly a major influence in the aviation industry in northern Canada. There are a couple of flights to Yellowknife and a couple of flights to Whitehorse. Both of those locations are well serviced by experienced northern airlines that provide regular service to southern destinations and also provide service through the whole of the north of Canada. These are good airlines. They are working hard to provide the service that Air Canada does not provide there and will not provide there. The situation there is that if the strike goes ahead, if the work stoppage were to go ahead, there would be no impact on northern communities; northern communities do not see Air Canada as an essential service, and for the government to even make that suggestion is completely wrong.

We are going to go through this exercise here today and tonight and we will end up with more back to work legislation enforced by the government. This is a situation that is intolerable, but is a situation we will have to endure for a while yet. Sooner or later the Canadian population will wake up to what is going on here, and when they do, the government will suffer the consequences.

• (1630)

Hon. Wayne Easter (Malpeque, Lib.): Mr. Speaker, I hope the House was listening closely to the hon. member's remarks, because he made a lot of good points.

The fact is our aviation industry is not as competitive because of the costs the government imposes on it, everything from airport fees to taxes. He made a valid point in that the labour costs to the airline only account for 17%.

In the debate thus far, the government has been blaming the unions for not being able to get their membership to agree. I am of the view that, yes, the labour unions did the negotiations. They thought they had a deal. They know how the government operates by trying to impose its will. The government's policy is always to use back to work legislation. There is a certain amount of fear.

The union membership, which is democracy in and of itself, said no. The union members see the consequences on their families and communities in what the government is constantly doing by taking the side of management.

Does the member see that this is just more of the same old process? The government has signalled to labour unions and workers everywhere that it is coming down on the side of management, it is imposing its will and its fear on Canadians, and as a result, we are seeing these kinds of labour disputes and legislation to force them back to work.

• (1635)

Mr. Dennis Bevington: Mr. Speaker, I could not agree more with my hon. colleague that this is the situation that faces us.

We have all recognized that the Air Canada work stoppage that was projected by the company was probably a ruse based on the company's understanding of what the government was planning to do. It could take some of the heat off the government for its anti-labour position. That is quite clear. It does not take a lot of thought to come to that conclusion.

The government is creating a new society for Canadians, one in which workers' rights are severely limited. The ability of corporations to enter into arrangements that better suit them is their primary objective. This is a corporate government. This is a government that sees the corporations as the most important segment of society. That is what it will do over and over again. That is the way it plays this game.

Mr. Bob Zimmer (Prince George—Peace River, CPC): Mr. Speaker, I would like the hon. member to clarify one thing that he said. I believe he said that the work stoppage would have no effect on northern Canadians.

I am from a riding in northern B.C. It is almost exclusively serviced by Air Canada. Could the hon. member please clarify his statement that it would have no effect on Canadians?

Mr. Dennis Bevington: Mr. Speaker, I remember my travels through northern B.C. last year on Central Mountain Air, an excellent carrier that provides service from Edmonton and other locations in Alberta through northern B.C. I would say that in most cases, most of northern Canada is covered by secondary carriers in a good fashion. They are available to people for use in a difficult situation as such.

We would certainly not be in the situation of needing to get vaccines and not being able to move around the country because of the lack of service by Air Canada, as suggested by the member for Simcoe—Grey yesterday.

The issues around northern aviation are such that any rational look at the industry would see there are alternatives to Air Canada available at all times.

Mr. Philip Toone (Gaspésie—Îles-de-la-Madeleine, NDP): Mr. Speaker, I come from a rural riding as well. I find that Air Canada's main role where I live is to be a predator to the other airlines that actually do give proper service. Air Canada only services the slightly profitable runs. It makes the rest of the riding very difficult to service by other airlines. They have to increase their prices exponentially.

I am wondering what the member thinks about the government's presenting bills of this nature. How exactly does it help the average Canadian to protect a company that seems to have predatory practices to keep any competition out of the market?

Mr. Dennis Bevington: Mr. Speaker, the description the hon. member makes about Air Canada can be applied to Yellowknife and Whitehorse. I am sure the people who live in those places will say that the airline provides limited service to major centres. Airlines like First Air, Canadian North, Air North, those that provide service to many small communities throughout the north and which are absolutely essential to the development of northern Canada, find themselves at a disadvantage dealing with their main market area because of the presence of Air Canada and, to a lesser extent, WestJet.

Mr. Rodger Cuzner (Cape Breton—Canso, Lib.): Mr. Speaker, as MPs we all spend a fair amount of time in airports. Most people have petty grievances with Air Canada, I am sure: their bags did not show up at their destination; a flight was delayed for mechanical reasons. Some people blame the weather on the employees. Whatever it might be, everybody has petty grievances with Air Canada.

Ten years ago Air Canada filed for bankruptcy and the employees of that company took rollbacks, which they have not recovered from yet. They have not recouped the same amount of wages from when they took rollbacks 10 years ago. That accrues to \$2 billion in wages over that 10-year period.

Does he agree that Canadians think it is time the employees of Air Canada were treated fairly? They did their part to help the airline. I would like my colleague's comments on that. Do Canadians understand that it is time for the employees of Air Canada to share in some of its success?

• (1640)

Mr. Dennis Bevington: Mr. Speaker, the government cannot have it both ways. It cannot say this is an essential public service and then charge the outrageous security fees and airport rents that it is charging. The U.S. does not do that. The U.S. recognizes that its airports are a public service and provides them at a reasonable rate to the airlines. These airlines are being squeezed by the government and the airlines are squeezing their employees. That is what is happening in this industry. Why does the government not recognize that? We have lobbied for that time and time again over the last number of years. Will the Conservatives listen, rather than being the ineffective shopkeepers they are toward the economy?

ROYAL ASSENT

[English]

The Acting Speaker (Mr. Barry Devolin): Order, please. I have the honour to inform the House that a communication has been received as follows:

Government House
Ottawa

March 13th, 2012

Mr. Speaker:

I have the honour to inform you that the Right Honourable David Johnston, Governor General of Canada, signified royal assent by written declaration to the bill listed in the Schedule to this letter on the 13th day of March, 2012, at 3:32 p.m.

Yours sincerely,

Stephen Wallace

The schedule indicates that the bill assented to on Tuesday, March 13, 2012 was Bill C-10, An Act to enact the Justice for Victims of Terrorism Act and to amend the State Immunity Act, the Criminal Code, the Controlled Drugs and Substances Act, the Corrections and Conditional Release Act, the Youth Criminal Justice Act, the Immigration and Refugee Protection Act and other Acts.

GOVERNMENT ORDERS

[Translation]

AIR SERVICE OPERATIONS LEGISLATION

GOVERNMENT BUSINESS NO. 10

The House resumed consideration of the motion.

Mr. Jacques Gourde (Parliamentary Secretary to the Minister of Public Works and Government Services, for Official

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Languages and for the Economic Development Agency for the Regions of Quebec, CPC): Mr. Speaker, I am going to share my time with the hon. member for Cumberland—Colchester—Musquodoboit Valley.

Since March 6, Canadians have been on their toes, concerned about suffering the consequences of the dispute between Air Canada and its technical, maintenance and operational support employees and pilots.

Almost 8,200 employees work in the technical, maintenance and operational support unit represented by the International Association of Machinists and Aerospace Workers. Those employees play a vital role, a role that requires very specific skills. They are the ones who ensure the smooth operation of the aircraft fleet and the safety of passengers and crew members. Without them, planes would obviously not take off.

Almost 3,000 pilots are represented by the Air Canada Pilots Association. The pilots are responsible for operating aircraft, for passenger and crew safety, and for all the decisions after takeoff.

Across Canada, the possibility of a work stoppage at Air Canada is causing serious concern. This is proving to be a very difficult situation for the passengers directly affected. It is very serious for Air Canada, which could suffer significant commercial and financial losses. It is dangerous for our economy on the whole.

Let us first talk about the serious consequences this dispute could have for passengers. Clearly, a work stoppage would leave thousands of travellers stranded. Together, Air Canada and Air Canada Express serve over 32 million customers annually and provide direct passenger service to over 170 destinations on five continents.

Let us consider Canadian entrepreneurs, many of whom do business across Canada and around the world. A cancellation, delay or even a postponement could make them miss an opportunity to conclude a contract, carry out an important transaction or sell their products.

Let us also think about Canadians who made vacation plans. They may have no other choice but to cancel their plans and their reservations if they cannot find another way to get to their destination. During the break week, over 1 million passengers will fly on Air Canada's regular flights.

Let us also think about those who take flights to visit their loved ones, attend an important conference or go to work somewhere else in their region.

For some destinations there are other airlines that can offer the same service, provided, of course, that there are still seats available on the flights. But how much will that cost?

It is also important to note that the domestic airlines have limited capacity. There is nothing to say that these competitors would be able to offer the same service within a reasonable time frame.

For Canadian destinations, things become even more complicated, and in some remote regions there simply is no additional capacity and therefore no alternative.

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For the company itself, the losses could be devastating in the event of a work stoppage and a prolonged dispute.

I think it is important to remember here that the airline industry as a whole has been under significant pressure since the events of September 11, 2001, pressure that the global economic crisis has exacerbated.

Factors such as fluctuating demand, enhanced security measures and rising fuel prices have jeopardized the profitability of airlines around the world. Air Canada, the largest full-service airline in Canada, is no exception.

Let us not forget that in 2003, Air Canada had to start operating under the Companies' Creditors Arrangement Act.

Thanks to major investments from the private sector and the Government of Canada, the company was able to restructure and get out from under bankruptcy protection in September 2004.

Let us also not forget that barely four years ago, the future of the company was again uncertain because of its financial difficulties.

• (1645)

The recession and Air Canada's contractual obligations have brought additional challenges. In 2008, in order to avoid bankruptcy, Air Canada had to secure additional loans so that it could survive in the short term. The company was also able to extend its collective agreements without work stoppages. On a number of occasions in recent years, the company has had to restructure and make cuts to its human and financial resources in order to maintain its viability.

Air Canada would be economically unstable if a work stoppage became a reality. Air Canada is already operating close to a basic level of viability. The largest full-service air carrier in Canada, serving more than 32 million clients annually, could be driven into bankruptcy. Then, 26,000 direct jobs would be in peril. Let me repeat, 26,000. Another 250,000 workers are indirectly linked to Air Canada and would be affected by a work stoppage. Many of those workers have families who count on the livelihood they provide. It is not just the company's viability that is at stake, it is its very existence. A prolonged work stoppage would be a damaging blow to the carrier—a blow that could be fatal—and, ultimately, to the economy as a whole.

A working document prepared in 2009 by the International Labour Organization shows that, for every job lost in an air carrier, from four to 10 other jobs will also be lost. Each week a strike lasts will cost the Canadian economy millions of dollars. The losses could reach \$22.4 million for each week a strike lasts. Those estimates are based on the value of the trips or the shipments that would be cancelled, postponed or taken over by another carrier.

We cannot run the risk of jeopardizing the largest air cargo carrier in Canada, or the future of its workers and our economy.

In this period of global market uncertainty, nothing can be taken for granted. We must not take any chances. It would be completely irresponsible on our part to shrug our shoulders, let the dispute drag on and watch our economy slip backwards.

We have the proof that it is possible for the parties to come to an understanding. Just last June, the approximately 3,800 sales and

customer service employees represented by the Canadian Auto Workers went on strike. After three days, the parties reached an agreement.

It is a fact that workforce stability is a key element in the smooth operation of the Canadian economy and in our continuing economic recovery.

• (1650)

[English]

Mr. Kennedy Stewart (Burnaby—Douglas, NDP): Mr. Speaker, I am alarmed about the slippery slope that we are going down with this legislation. I wonder if the member could tell me which industry is next on the hit list.

[Translation]

Mr. Jacques Gourde: Mr. Speaker, I thank my colleague for the question. I would like to add that we must act quickly and in an informed manner.

These are difficult, even heart-wrenching decisions. We must weigh the pros and cons and try to find a balance. It is always best for the parties to resolve the conflict themselves. We all agree on that point and it is our ultimate objective. In fact, 94% of negotiations in companies under federal jurisdiction are resolved satisfactorily without a work stoppage.

When every effort has been made to bring the parties closer together, when discussions have reached an impasse and when there is no indication of resolution, when the risks associated with a conflict are high, not just for the people and the company, but also for the economy of the entire country, it is clear that Parliament must act.

• (1655)

[English]

Hon. Wayne Easter (Malpeque, Lib.): Mr. Speaker, I find it almost unbelievable listening to this member of the governing party, in terms of the excuses. It is as if any excuse will do when taking away the rights of workers to allow the collective bargaining process to work. That is what the government has done. The member tries to justify it by saying it is a fragile economy. What about the workers?

Earlier my colleague talked about what Air Canada workers did in the restructuring. They have never regained the ground they lost from that point in time.

How much did Robert Milton take out of the economy when he left? Was it \$100 million. What about the executive salaries at Air Canada that have gone up excessively, around 400% and more, into the millions of dollars while workers have still not returned to where they were in the Air Canada restructuring, and it was the workers who gave their all to save the airline?

Now the member sits there and uses the fragile economy as an excuse when it is all about destroying the collective bargaining process. That is the pattern they have set.

How does that member account for himself in taking that position in a free and democratic society?

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[Translation]

Mr. Jacques Gourde: Mr. Speaker, we are very disappointed that the three parties have not reached an agreement. In view of the fragile state of our economy, a work stoppage is unacceptable. Our government is worried about the significant negative impact that Air Canada work stoppages would have on families and our national economy.

This is poor timing for thousands of Canadians, given that the March break is upon us and many Canadians will be travelling. I urge my colleagues to support the bill for the resumption and continuation of air services.

[English]

Mr. Rodger Cuzner: Mr. Speaker, on a point of order. I am sure there is a Standing Order that indicates that, when members stand to debate in the House, they do not read from a prepared statement. I also wonder if there is a special provision about whether members may have a prepared answer when asked a question, even before they know what the question is. I ask you to render a decision.

The member has answered questions with answers totally unrelated to the questions, from prepared statements. I ask you to rule on that matter.

The Acting Speaker (Mr. Barry Devolin): The hon. member for Cape Breton—Canso has made two points.

The first is whether the answer given is related to the question asked. This member is a veteran, and he will know that the Chair does not intervene in terms of determining whether answers are good or not.

The second is with respect to the issue around reading from prepared texts. There is a practice in the House that members on all sides do from time to time refer to prepared texts they have with them. Once again, the Chair has not ruled that members are not allowed to use prepared texts.

With that, I will go back to the parliamentary secretary, if he could quickly finish his answer to the question. The hon. parliamentary secretary.

[Translation]

Mr. Jacques Gourde: Mr. Speaker, I would like to say and reiterate that I gave very good answers to the opposition questions.

• (1700)

[English]

Mr. Scott Armstrong (Cumberland—Colchester—Musquodoboit Valley, CPC): Mr. Speaker, allow me to explain on behalf of the Government of Canada why we believe it is so important that we act now to ensure the continuation and resumption of air service operations at Air Canada.

To be clear, we firmly believe the best solution is one that is arrived at by two parties together. In this case we are talking about three parties that are bargaining in two different labour disputes, yet that does not change the fact that the parties should work together to reach their own deal, because that is always the best deal, one they reach together.

However, that solution has not presented itself. As a result, Canadians now face not only the risk of grounded Air Canada services but also the risk of damage to our economy, and this is occurring at a time when our economy cannot withstand that damage. Our government's action to provide for the continuation and resumption of air service operations at Air Canada is the right solution to prevent harm to our economy.

The first federal back to work legislation in this country dates back to 1950 when the St. Laurent government tabled Bill 1, the Maintenance of Railway Operations Act. The bill was designed to put an end to a strike that had shut down the nation's rail system. Parliamentarians at that time understood the clear risk posed by paralysis in a major transportation sector. They took action and they spared Canada's economy from unnecessary harm. At the time, Canada was heavily dependent on railways to move people and goods across Canada. When freight trains slowed to a halt, everyone could see that our economy was bound to pay a heavy price. Bill 1 ordered an end to the strike and it imposed a process for settling the dispute between the railway workers and their employer, and within days the workers were back on the job.

There are important parallels between the rail strike of 1950 and what is at stake here with a looming work stoppage at Air Canada today. The federal government in 1950 took strong action, because it understood that a labour dispute between rail workers and their employer would affect far more than just the two parties at the negotiating table.

The risk today is just as real and just as far-reaching. Canada's economy, our international reputation as a trading partner, jobs, prosperity and the livelihoods of Canadian families are on the line as a result of these two labour disputes between Air Canada and the International Association of Machinists and Aerospace Workers and between Air Canada and the Air Canada Pilots Association.

According to the International Labour Organization, for every job lost in the airline, between four and ten jobs could be lost in the economy. There is more than enough uncertainty in the global economy today as it is. Canada cannot afford to have a grounded airline. This would create havoc and doubt at a time when the world is tuning in to us as a great place to do business and a great place to invest.

Members of the International Association of Machinists and Aerospace Workers make up the largest unionized workforce at Air Canada. There is no question about what a work stoppage involving this group would mean to daily operations at Air Canada, a company that is an integral part of this country's economy. The IAMAW has publicly stated in its own bulletin to its members that without them, all will be grounded.

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Let us turn to the approximately 3,000 pilots represented by the Air Canada Pilots Association. It is quite obvious that a work stoppage involving this group would grind the airline to a halt. Air Canada would be grounded. In fact, the pilots themselves have stated that they think Air Canada is an essential service. Captain Paul Strachan, the president of the ACPA, said himself during testimony at the Senate Standing Committee on Transport and Communications when he was asked whether he considers Air Canada to be an essential service, "I think it's essential for this country. As we sit here today, it is absolutely essential. It is a cornerstone of our entire economy". Even the pilots themselves, who are party to one of the labour disputes we are faced with today, admit it is essential for Air Canada to remain flying.

Consider what a sudden and complete stop in service would mean at Air Canada, Canada's largest air carrier. Business people might have to forgo meetings with clients, conventions could be cancelled at the last minute and air travellers might get stranded at airports and have to cancel their holidays. Each of these developments would carry a cost. Thus there can be no doubt that a work stoppage would weaken Canada's economy and Air Canada's reputation among the travelling public.

Air Canada and its unions have been at odds over pensions and wages since 2003. The labour dispute with the IAMAW has been evolving for some time. It was apparent that a negotiated settlement to be ratified by all parties was not going to be easy to achieve.

• (1705)

While a tentative contract settlement between Air Canada and the IAMAW was reached in February, the workers rejected this agreement. Subsequently, 78% of the members also voted in favour of giving the union a strike mandate. On March 6, the union provided the strike notice to the Minister of Labour.

The labour dispute with the ACPA has been evolving also for a significant period of time. Again, a tentative agreement was reached between Air Canada and the ACPA, yet ACPA's membership also voted to reject that agreement. Later in the year, 97% of the ACPA membership voted in favour of a strike mandate. On March 8, the employer, Air Canada, provided notice of its intention to lock out the pilots to the Minister of Labour.

Despite assistance from a conciliation commissioner, in the case of the IAMAW, and from two co-mediators, in the case of the ACPA, the three parties have been unable to resolve their differences. Meanwhile in its financial report issued last month, Air Canada said that it lost \$80 million in the fourth quarter of 2011 alone. Air Canada continues today to face serious financial challenges, and has been trying to cut costs. The unions have made financial concessions in the past, but now they are not willing to do so.

Our government has done its best to assist these parties in reaching an agreement. It is now time for Parliament to do the right thing and support the government in its efforts to ensure the continuation and resumption of air service operations for Air Canada.

Let us consider this. In 2005 a one-day wildcat strike involving ground crew workers at Canada had the effect of delaying 60 flights and led to the cancellation of 19 others in Toronto alone. Reduced

operations by Air Canada will also be very costly to Canadian airports, as well as Nav Canada, which operates our air navigation system.

The risks to our economy are very real, plus the future of Air Canada could be on the line. A work stoppage at Air Canada goes against the best interests of hard-working Canadians, Canadian and international business and the already fragile economy.

Therefore, I call on all members of the House to join me in acting to keep Air Canada flying, to maintain the confidence of the travelling public, to provide for the continuation and resumption of air service operations at Air Canada.

[*Translation*]

Mrs. Anne-Marie Day (Charlesbourg—Haute-Saint-Charles, NDP): Mr. Speaker, what we are seeing is gross incompetence. It is not the economy that will be affected. The government has had since April 2011 to negotiate and it has not managed to reach an agreement with the union representatives. The problem is quite the opposite. If the Conservatives had done their job properly, we would not be in this situation. The new collective agreement would have been negotiated and would be in effect.

[*English*]

Mr. Scott Armstrong: Mr. Speaker, it is not the job of the Government of Canada to negotiate a contract between Air Canada and its unions. We believe the best contract is one that the two sides negotiate together.

I know the NDP think we probably should get in there and just slam down a contract, taking large government action immediately, but that is not our role. Our role is to support the two parties so they can come together and find an agreement that both sides will support.

Mr. Rodger Cuzner (Cape Breton—Canso, Lib.): Mr. Speaker, I appreciate the fact that my colleague is answering questions and not reading prepared text. I really admire that in a member, especially a Conservative member.

I want to ask my colleague about a particular point. In past legislation that the minister has put forward, and I think back to the Canada Post legislation, she specifically prescribed in the legislation a wage rate for the employees of Canada Post. She stopped short of that in the upcoming legislation, but she asked the arbitrator to ensure that she recognized that.

If the minister wants to get that involved in the negotiations, does my colleague not believe she should also identify that the company should go back and top up the pension fund that has a shortfall of \$3 billion? Does he think the pensioners at Air Canada exposed to this? The minister is looking after the company, but what about a big commitment to the pensioners at Air Canada, with the \$3 billion shortfall in their pension fund?

• (1710)

Mr. Scott Armstrong: Mr. Speaker, I am so glad the member opposite admires me. It is terrific to have such support from the Liberal Party, as a member of Parliament in the Conservative Party.

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The difference between Canada Post and Air Canada is this. Canada Post is a crown corporation under federal jurisdiction. The Minister of Labour is going to take different steps in that negotiation than she might in other negotiations across the country. As I said, the best solution is the one the parties can come to together. This is not a case where we are talking about just one union with another. There are two different labour disputes in this.

When it comes to pensions, we have to ensure that all sides are treated equally, both the union side and the management side.

Mr. Dan Albas (Okanagan—Coquihalla, CPC): Mr. Speaker, Air Canada is the sole supplier serving the city of Penticton, south Okanagan and my riding. Service interruption by Air Canada would cause significant hardship in my region. I am sure we are not the only community that would face such hardship.

In the hon. member's opinion, what effect would a work stoppage or service interruption have on our fragile economic recovery?

Mr. Scott Armstrong: Mr. Speaker, small airlines and all small airports across the country will suffer greatly because of any work stoppage at Air Canada. They are going to have trouble meeting their bottom lines. We need to ensure those small airlines are protected because they provide service to areas to which a lot of other airlines cannot get.

In my province of Nova Scotia, I am lucky to have the Halifax Stanfield International Airport in my riding. It is a major gateway. Millions of passengers pass through that year after year. We have very few gateways to Nova Scotia because our province is almost an island, and I am lucky to have two of them in my riding.

We have to ensure that tourist operations can have confidence that Air Canada will be flying. The Minister of State for Atlantic Canada Opportunities Agency has been stating that tourism is a major economic driver in our area. It needs to have confidence that it can sell those tickets so it will have tourists coming into the riding and the province this year. We need to ensure we protect the economy of our tourist operators, small business and the economy of all Canadians across the country.

Ms. Libby Davies (Vancouver East, NDP): Mr. Speaker, I will be sharing my time with the member for Winnipeg Centre.

I wish I was not rising in the House today to speak to this motion. I wish we were not facing yet another heavy-handed sledgehammer coming down from the government on the backs of workers who only want to do what I believe is their right under international labour conventions, which is the right to collective bargaining.

I have seen back to work legislation too many times in the House. However, what we have seen just in the last year makes me cringe. It smacks of unfairness. It smacks of scapegoating workers. This is the third time in a year that we have seen back to work legislation.

People who have been on strike and on the picket lines know it is not a decision that is taken lightly. It is basically withdrawing labour. That means financial hardship and disruption.

However, the idea that we have to go to the workers with this back to work legislation when they have not even gone on strike yet is quite incredible. They are not even at that point, but already the government, with all its power and might, is standing there waiting

with a sledgehammer. I find it offensive that people do not have a due process and the right to collective bargaining.

I was in my riding over the weekend and British Columbia is seeing the same kind of approach from the B.C. Liberal government, which of course is a very good cousin of the federal Conservative government. There is the same kind of approach to teachers in British Columbia, where their rights are being run roughshod by the provincial government.

The issue of labour rights is a defining matter of who one is, what one stands for and what one speaks for. It is all too easy to always scapegoat workers. Yes, there are labour disruptions. At the end of the day, that is what going on strike is. It is using power by withdrawing the labour of the workers, but it does create an easy target.

It is easy to get the public riled up. Employers like to get people emotional about it. However, that is why we have labour laws, processes and labour relations boards. They try to ensure that there is a proper process in place so we do not get caught up in that emotion and lose sight of the fact that people do have a right to determine and participate in a process on decisions about their working conditions, safety, pensions and what their employer is or is not doing. That is why we have these processes. It is so easy to fuel that emotion and scapegoat workers. That is what we see with the Conservative government.

I am proud of the fact that in the NDP we do not do that. We actually stand on a principle that the process of collective bargaining is something that is meaningful and has a long history in our country. For heaven's sake, people have died for the right to collective bargaining, to belong to unions and to collectively use their power and opportunities to ensure that there are decent and fair working conditions.

When we look at the minimum wage and workplace safety rules, even for people who are not unionized, we owe it to the union movement for bringing about those rights. I always feel quite horrified when those things are kind of thrown out the window and this sort of emotional, dramatic, very partisan, politically motivated response comes from the government.

Yes, the federal government has enormous power. At the drop of a hat it can intervene and decide whatever it wants to do. That is what we saw in the back to work legislation with postal workers and on previous occasions with Air Canada.

• (1715)

The process by which the government does this in our Parliament is also something that is very abhorrent. We are debating this motion today because the government wants to ram through the legislation by the early hours tomorrow on Wednesday morning.

I think we really have to question the rationale for doing that. These folks are not on strike yet.

Government Orders

I know that our labour critic, the member for Acadie—Bathurst, has been calling on the minister to participate in a proactive, positive way and to facilitate and use her power and good offices to actually bring about a proper negotiation and bring in mediators and facilitators if necessary.

The motion that we are debating today, Motion No. 10, which is several paragraphs long, from (a) through (j), is in effect all about censoring Parliament itself and our process of how we deal with these issues. There is a double offence here. I guess we could say that it adds insult to injury. Not only are the folks involved in the dispute, the workers, having their rights violated but I would also argue that our job as parliamentarians is also being trampled on, the job that we are here to do in the public interest for our constituents and for upholding due process and proper rights. Again, we have seen this time and time again from the current federal government.

I feel that on this issue we will not have huge public support because people abide by the line, “Let's just lay it down and do this in a unilateral way”. However, I really want to urge Canadians to think about the values that underlie this process of collective bargaining. Again, for anyone who has been in a union and has understood that process, they know how important it is and that when people make a decision to go on strike it is something they sometimes really agonize over.

The third point I want to make is to really question what is going on.

I am not a member of the union. I am not with the employer, obviously. I am someone who uses Air Canada's services a lot, like most of us here in this House. Yes, it is a very important public service to have the airline flying across the country. However, it does strike me that when we look at the history of labour relations with this corporation, Air Canada, and the fact that so frequently they have come to this point, I think it must surely raise questions.

Again, I am not someone who is intimately familiar with the situation and knows all the details of what is going on. However, to me, it sends up a red flag. When workers get to this point of being so desperate and feeling like that is all they have left, then surely it must raise the whole question of the labour relations climate at Air Canada and what has happened, not just year after year but decade after decade. We are talking about long-term employees, some of whom came from the old Canadian Pacific Air Lines. I remember those folks who then became part of Air Canada. These are long-standing employees. Whether they are the machinists, the ground agents, the flight attendants, or the pilots, these are people who have a history and a commitment to the work they do. Therefore, when we see a pattern emerging of people feeling like their backs are to the wall, then I think it raises questions and leads me to my next point, that being, what is the role of the Minister of Labour?

We have a minister in the current government who is responsible for labour. The very thing she is doing here, with the backing of her government, is in effect removing any iota of motivation on the employer's part to negotiate in good faith. If the employer can just run off to the government because it happens to be under federal jurisdiction, or in the case of British Columbia, the teachers under the provincial government, and say, “You know what? We can just come down with legislation”, then what motivation is there to

negotiate? That is really the sad part of this whole story that is unfolding here today and tonight as we go to vote on the bill. We are undermining a very important process in this country of collective bargaining.

• (1720)

I am proud to stand with my colleagues to say, “We say no”. It is not right on principle. It is not right on pragmatic grounds and we will do everything we can to make sure this legislation does not go through.

Mr. Dean Del Mastro (Parliamentary Secretary to the Prime Minister and to the Minister of Intergovernmental Affairs, CPC): Mr. Speaker, I listened intently to the member's comments. Frankly, I think all of us have concerns for the workers at Air Canada. We have concerns for Air Canada as a company as well.

We cannot forget that it was not quite three years ago that we came in with a loan of last resort for Air Canada, which saved that airline at the time. No one else would lend it the money at the time. We are pleased that Air Canada has been able to pay that money and transition to some stability, notwithstanding the most recent loss it sustained in the fourth quarter.

When we talk about the economy, I think it is often lost on people that the economy is really people, not numbers. During this week and next week and during the month of March, we will have an awful lot of people, families in fact, travelling around the world. They have invested money; they have spent a lot of money. Some of them are in those locations now and they need to know that they can get on an airplane.

What the NDP is suggesting is that these families, who may be all over the world, should have no certainty as to whether or not they can get home. Does this member think that is responsible?

Ms. Libby Davies: Mr. Speaker, I would like to ask the hon. member to think about what he is actually saying, because when he says that people have tickets and need to know they can get on a plane, the result of that approach is basically that the union has no right to do anything. At the end of the day, if our highest order or consideration is someone's ability to get on a plane, well then there is no point in having that process. I think we have to understand that.

Of course I want people to be able to get on a plane at the time they booked and all the rest of it, but unless we are willing to abide by the due process that has been laid out and recognize that these folks have not yet gone on strike, then I think we are violating a very fundamental principle. Even if they have gone on strike, they still have that right

I wish the member would get that. I think maybe the members opposite do, but they obviously do not want to acknowledge it.

It makes me very worried about the future of this country and what it will turn into when that kind of attitude is adopted.

Private Members' Business

• (1725)

Hon. Wayne Easter (Malpeque, Lib.): Mr. Speaker, I enjoyed the member's remarks. She talked a lot about the process of collective bargaining and how important that is. I would agree that many of the benefits and rights and wages that all working people have, union and non-union, are really a result of the fair and open collective bargaining process that is allowed to work. That has been prevented in this case.

I have to say the following, as the Parliamentary Secretary to the Prime Minister and to the Minister of Intergovernmental Affairs was just up. This is a government that does not care about process. The parliamentary secretary's answers every day in this House on the election process, through the cover-up that he is instituting, just show the disdain of the members opposite for the election process.

The parliamentary secretary knows there is only one party charged with a search warrant, and that is the Conservative Party. He knows that as a result of the in and out scandal, the Conservative Party just paid a \$230,000 fine because it was caught in election fraud.

On this particular issue, the actions of the Minister of Labour are showing disdain for the collective bargaining process as well, so the government does not care about process. Would the member agree?

Ms. Libby Davies: Oh yes, Mr. Speaker, I do agree.

I am thinking of a conversation I once had with Bill Blaikie, a long-time member of Parliament and parliamentarian of the year. I remember him telling me that over the decades that he had been here, if anyone sat down and looked at all of the rules that have been changed just in this place in terms of parliamentary democracy, it would be quite shocking. It is an incremental erosion of even parliamentary democracy.

That has happened and is happening more and more with the government with its gag orders and closure. It is ramming through legislation. When we couple that on the inside with what is happening to workers on the outside, as I say, it makes me very concerned about what is happening to some fundamental values of fairness and justice in Canada.

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, it is a fundamental cornerstone of any western democracy to have a free and active trade union movement that recognizes and enshrines the right to organize; the right to free collective bargaining; and in the event of an impasse in the process of free collective bargaining, the right to withhold services as an economic lever to command a fair living wage in the labour free marketplace that we recognize and respect.

There is something about this piece of legislation that is being rammed through in one day, without hearing witnesses at committee, with only a few hours of debate, that is so corrosive to everything we stand for, to every right and freedom by which we define ourselves as Canadians. This is the kind of corrosive erosion of those fundamental rights and freedoms that we on this side of the House are dedicated and committed to opposing with every possible tool we have.

What is the definition of the contempt of Parliament? It is enshrined in this document right here, as the Conservatives try to undermine the collective rights of people to free collective

bargaining with a piece of legislation that in the same process offends the sensibilities of any person with a democratic fibre in their body, by ramming through this legislation in the dark of night, under the shroud of secrecy, hoping the general public will not catch up to the fact of the sheer brute force and ignorance associated with this piece of legislation. It is the very epitome of contempt.

Where I come from we have an expression that fair wages benefit the whole community. The Conservatives talk about trying to protect the economy by undermining these workers' rights to try to achieve a fair wage from their employer. What about the economy when the whole working class is driven down to wages that cannot sustain their families? That is what happened in the United States. The American dream has been lost because the neo-conservative right wingers in the United States in the 1980s and 1990s smashed the trade union movement.

It was the trade union movement in the United States that created its greatest asset, a consuming middle class, families that had money in their pockets that they could buy things with and provide a decent standard of living. When the Reaganomics of the right wing neo-conservatives drove the unionized workforce down from 30% to 6%, with that went jobs that paid a living wage. Now everyone is scrambling at \$8 and \$9 an hour in these crappy jobs, with no pensions and no benefits. Is that the vision the Conservatives want for Canada, to follow the Americans to a place where there are no decent paying jobs?

• (1730)

The Acting Speaker (Mr. Barry Devolin): I apologize to interrupt the hon. member for Winnipeg Centre, but it being 5:30, the House will now proceed to the consideration of private members' business as listed on today's order paper.

The hon. member will have seven minutes when the House returns to this matter.

PRIVATE MEMBERS' BUSINESS

[English]

INCOME TAX ACT

The House resumed from February 6, consideration of the motion that Bill C-377, An Act to amend the Income Tax Act (requirements for labour organizations), be read the second time and referred to a committee.

Mr. Rodger Cuzner (Cape Breton—Canso, Lib.): Mr. Speaker, I rise to address Bill C-377 on behalf of the Liberal Party and put on record some concerns around the bill. It is apropos that the bill has come forward today, as the Conservative government is bringing forward back to work legislation. Most Canadians will see this as just another brick on the load, another attempt to handcuff organized labour in this country. I see that in this piece of legislation.

Private Members' Business

The Liberal Party of Canada understands the importance and is supportive of measures that lend themselves to openness, transparency and accountability. We can look at the other type of organization in this country that is governed under a set of rules similar to that being put forward in this piece of legislation: charities. Charities are asked to post their financial statements for public view. We know it was a Liberal government that brought that forward in 1977. The legislation has served fairly well. But when we compare the provisions around charities in comparison to what would be asked now of organized labour, the provisions in this bill go far beyond what is expected of charities.

One thing that we can agree on in discussion of the bill is that this piece of legislation would be truly burdensome on organized labour and unions. It begs a great number of questions. If the intent of my colleague who put this forward is to try to ensure accountability and transparency in organizations that receive a tax benefit through the Income Tax Act, a question has to be asked. Why in drafting the bill did he not include professional organizations? Between organized unions and professional organizations, there is about \$800 million in tax benefits. Professional organizations actually garner a greater share of that \$800 million than do unions. If we are looking for accountability, we should ask for accountability for all those groups that benefit under section 149 of the Income Tax Act. The tax exemption is allotted for charities, professional organizations and unions.

We know that the burden would be placed on accounting for every expenditure over \$5,000 not just on the current accounts, but on trust accounts of unions and union locals. We would end up with pensioners making small amounts of money and drawing small pensions from those trust funds. They would have to post the amounts being drawn from the trusts, creating concerns around privacy.

•(1735)

For anyone who does business with a union, those accounts would be posted. The small contractor who does maintenance and janitorial work at the local union hall would have to post what he draws from the union for services rendered. The next time they called for janitorial services, his competition would see what he is making. It will not be fair.

A number of concerns arise. The most egregious, and this brings us back to the discussion and debate we are having today on the back to work legislation, is how it would tip the field in disfavour of organized labour by making it necessary to bare all accounts.

If a company and a union local are in the midst of contract negotiations which are coming to a head, there is potential for a strike. The union then looks at what fiscal shape it is in. It has full access to the books and understands how long it could sustain any kind of a strike benefit. It goes forward to find a fair resolve through the open and fair bargaining process. However, knowing what is in the books and accounts of that union would be of particular benefit to the company. We do not believe that we can support any legislation that contains a measure which would give an unfair advantage to one group over another.

A number of different aspects of the bill are of concern. Certainly, we fully support the provisions with respect to openness and accountability.

There was an accountability bill brought forward in the last Parliament by our former colleague Albina Guarnieri. There were a number of issues surrounding the amount of salaries of some heads of charities at the time. The bill required that any salaries over \$100,000 being drawn from a charity had to be posted and made public. Of course that bill died on the order paper with the coming of the last election.

Professional associations are much like unions. Members of associations receive a similar tax exemption to members of unions. We know that it is a requirement in most professional organizations. If people want to practice in a particular profession, then they have to become a member of that professional organization. There is a mandatory aspect to it. Therefore, it escapes me why professional organizations have not been included in the drafting of the bill to make it fair for all parties.

In closing, we support accountability and transparency. Over the years we have shown that we believe in those aspects. Many of the provisions for organized labour and charities are now in place. Had the member come forward with a bill that did not focus only on organized labour, but looked at professional organizations and professional associations as well and was even across the board, then we would be supportive of it. However, the way the bill is written now, we will not be able to stand and support it when the time comes to vote.

•(1740)

[*Translation*]

Mr. Claude Patry (Jonquière—Alma, NDP): Mr. Speaker, I rise to speak to Bill C-377. I myself am a former union president and vice-president. The way a union works is that members are consulted at the general meeting once a year. In my union, we managed the collective agreement and prescription drug insurance for blue-collar and white-collar workers.

Can we imagine the impact this bill will have when it is enacted? Unions are being asked to disclose their labour relations activities, to report what they do and how they finance their activities, to disclose their political activities, their collective bargaining activities, and information about conventions, education and training activities, legal activities and recruiting activities. Essentially, unions are being asked to drop their pants in front of everybody. They have to show their figures.

How can unions develop a strategy? How can they bargain with an employer when the employer knows everything about their figures, like the strike fund, the operating fund and the staff? This is unacceptable.

When I was president of a union in Arvida, we had prescription drug insurance for blue-collar and white-collar workers. There is strategy involved in relation to the drugs and the administrative costs. There are a lot of companies that would have liked to have access to that information about prescription drugs. This bill makes no sense because it is truly an attack on unions.

Private Members' Business

Why have the Conservatives not tried to require the same of companies? Let them do it for the banks and the multinationals. Let them do it for small businesses. That way there will be a level playing field for bargaining. They are not doing it because the companies will rise up and say that these are their strategies and their prices, there are competition issues, and they cannot agree to that. That is also the case for unions. They are the only organizations that working people have for organizing and defending themselves against employers and against multinational companies.

In Saguenay—Lac-Saint-Jean, we currently have a lockout at Rio Tinto Alcan; the employees have been locked out since December 31. These people would like us to drop our pants and put all our files on the table. The money invested in health and safety involves cases that are going to be argued. They are legal files. The member is asking that this be put on a website. That makes no sense. This bill makes no sense.

Honestly, I have been here since May 2 and all I have seen on the other side of the House is contempt for unions. There was Canada Post and Air Canada. We are talking about Air Canada again today. People are still being bullied. Whose interests will this bill serve? It will not serve the interests of unions and working people. It will serve the interests of the multinational companies and corporations, and not the unions that stand up for working people.

Currently, the unions make their figures public annually following their general meetings. I was a union president and that is what I did every year for six years. There were figures for the purchase of office equipment and employees' wages. Everything was included. I do not see why it would be placed on a website. Recruitment is very important and strategic, so why should the unions have to include this information in documents that everyone has access to?

If the Conservatives want to be transparent, as they say they do, then they should also be transparent with their employers.

Transparency is important. How can a union negotiate if the employer knows all about its strike fund and is aware of how much was spent on legal fees, and on the collective agreement? Bargaining takes place for collective agreements that last three or four years. It is customary in negotiations to attempt to improve the provisions of a collective agreement.

Bill C-377 forces the unions to show their hand. In my opinion, it is like asking the unions to drop their pants in front of everybody. That is what it amounts to, in union jargon.

I would also like to talk about the cost of implementing this initiative. Bill C-377 will be a bureaucratic monster. We saw this in the case of firearms. We were told that everything would be electronic and run smoothly. The firearms registry cost Canadians \$1 billion. How much will it cost for the implementation and enforcement of this legislation?

This bill amounts to a double standard. It does not make sense. The unions are being asked to drop their pants and show everything, to speak plainly.

● (1745)

The following things are explained to workers at general meetings: what was spent throughout the year, how much the heating, building and insurance policies cost. Why put this information on the website? Union reorganization and recruitment are confidential. If a new union were created and new members sought, all of this information would have to be displayed on a website for all to see. That does not make sense. As a former union president, I cannot tolerate that kind of practice. If the government wants the NDP to vote for this, it should ask the same thing of employers and everyone else.

Earlier we spoke of the cost of the registry. It is going to cost some money. There are 12,000 unions across Canada, which is not easy to manage. How will the small unions with just a hundred or so members and one or two employees handle the extra work, carry out analyses, produce documents and send the required information to the government? If the unions are not up to date, they will pay fines while certain companies enjoy insurance premium and tax holidays. That does not make sense, and we do not agree with it.

Some say that the NDP is always negative, but we want equality and justice for everyone. The government makes cutbacks to programs claiming that they are too expensive, and then creates a new bureaucracy. It takes away public servants from one place and adds them to another. I have not been in politics for very long, and I have trouble understanding that. Someone will have to explain it to me.

As I just said, it is a double standard. With this bill, the workers will once again have to pick up the tab. Once again, the people will have to pay the public servants responsible for all this. It does not make any sense. It is disrespectful to the union. Since I have been a member of Parliament, all I hear is how the NDP is on the side of the unions. The NDP is on the side of logical people, so that no one suffers. We are here to help people. Regardless of what party we belong to, we all do good and bad things, but we have to at least stand up for the interests of Canadians. However, that is not what the government is doing. It is dividing the people. It is telling the little people to do what they are told, to pay up and shut up. That is not what we want in Canada. It is a strange coincidence that today's debate is about Air Canada, the strategy and other things.

What will be done with the information that is disclosed to the public? In summary, it will be costly, unfair and discriminatory. The Conservatives must redo their homework. Such a thing cannot be asked of small, medium or large unions. Some unions cannot even meet the requirements because they have only one or two employees.

In a large union, such as the one for which I worked, there are employees or an accountant who can do that work. We must think about all the bureaucracy and the logistics that will result from this bill. I do not understand how the House can say that cuts must be made. The government is purchasing airplanes and building megaprisons. It is laying off Service Canada employees and cutting services, but adding others to monitor the unions. What is this called? I will let the hon. members guess.

Private Members' Business

It is unacceptable that this is being done to workers. Unions are the only way that workers can organize and stand up for themselves.

We will vote against this bill because it does not make any sense. If the government wants us to vote in favour of this bill, it must pull up its socks and ensure that it applies to small and medium businesses, multinational corporations and banks. Only then we will approve this bill, not before.

• (1750)

[*English*]

Ms. Chris Charlton (Hamilton Mountain, NDP): Mr. Speaker, I rise to speak to Bill C-377, an act to amend the Income Tax Act (requirements for labour organizations).

The bill before us seeks to require trade unions to publicly disclose their financial statements. The reporting requirements contemplated by the bill are completely unnecessary, but the government knows that.

In Canada's trade union movement, financial statements are audited and reported to elected boards of directors, to all union locals, and to delegates at conventions. Annual audited statements must be filed with both provincial and federal labour boards. The Canada Labour Code requires that financial statements be available to members. Where those statements are not routinely provided to all members, individual union members can request them from their locals and directly from labour boards. The process is open, fair, democratic and accountable.

What is really being advanced by this bill is a dangerous and unprecedented move to advance the government's agenda of undermining the balance of labour relations in Canada by tipping the scales overwhelmingly in favour of employers.

Trade unions are profoundly democratic institutions. The leadership is elected by the membership and serves at the pleasure of those members. The relationship between a union's leadership and its members is one of transparency and accountability. A union is accountable to its members, just as comparable not-for-profit and tax-exempt entities, like think tanks, professional associations and trade boards are accountable to their members.

With this legislation the government is once again breaching the bounds of fundamental fairness by demanding that trade unions release their financial information to the public. Importantly, it is only trade unions that would be required to do so. Entities such as the Canadian Federation of Independent Business, the Law Society, and the Fraser Institute, all of which enjoy the same kind of tax-exempt status as unions, are, curiously, not mentioned in the bill. When the member for South Surrey—White Rock—Cloverdale first introduced this legislation as Bill C-317 in the last Parliament, he was asked why it targeted unions alone, why the same provisions would not apply to other not-for-profit agencies or societies. He was unable to answer that very basic question.

Clearly the labour movement is being singled out for attack in this legislation. Equally clear, the decision to uniquely target labour is ideological, unbalanced and vindictive.

Why are we here today debating a bill which on the surface appears to remedy a wholly invented problem?

We are here to debate legislation that would have the effect of hog-tying unions as they conduct their daily business of representing and advocating for working women and men. With this bill the employer sitting across the negotiating table would have ready access to all the financial information it might need to wage a war of attrition designed to bankrupt a union.

With this legislation the employer would know exactly what resources the union has and how far those resources will stretch. The employer would be handed a report that tells it exactly how much the union can spend on a grievance, whether the union can afford an organizing drive, and precisely how much is in the strike fund. It is absolutely outrageous.

Would the government contemplate any other negotiation between two parties where one side was legislatively required to hand over financial information that provided the other side with a spectacular competitive advantage?

This is legislation that corrupts the very idea of fairness and balance in negotiations between parties and undermines the fundamental right of free collective bargaining.

In grasping this we can now see the real purpose of this legislation. It is not intended to improve transparency or accountability. It is intended to deliver to the government's corporate friends a cudgel with which to hobble Canadian unions as they seek to represent their members.

We have seen the government's determination to sabotage free collective bargaining before, and this bill represents one more breach of common sense and responsible management. Never mind that labour rights are ostensibly protected by international conventions. Never mind that the balance of labour relations in this country has been relatively stable for decades. Never mind that organized labour in Canada represents more than three million men and women from coast to coast to coast. In every major dispute since they came to power, the Conservatives have responded with heavy-handed tactics expressly designed to hand the employer a win: disingenuous referrals to the labour board; the imposition of wage settlements that are lower than the employer's offer; draconian back to work legislation announced before labour disruptions have even begun.

Employers in this country now know beyond a doubt that there is no need to engage in free and fair collective bargaining, because the moment workers contemplate exercising their rights, the government will side with the employer and legislate those rights away. To the simple-minded government, this must seem terribly convenient. In fact, it is a dangerous undermining of an always fragile balance in labour relations that will further destabilize an already flagging economy.

Private Members' Business

• (1755)

We have seen that the government's obdurate, evidence-free ideological determination to punish those it sees as its political enemies trumps good management and fairness every time. Like a spoiled child, the government's reactionary, knee-jerk propensity to attack any individual or organization that has the temerity to disagree with its world view knows no limits. We have seen it lash out at civil servants, scientists, NGOs, even churches, and now Canada's labour movement is again in the crosshairs.

If the government were really interested in accountability and transparency, it would first take a long hard look inward. Its own record is abysmal, from withholding Afghan detainee documents to the member for Parry Sound—Muskoka's multi-million dollar pork-barrel extravaganza, from an inability to tell Canadians how much the omnibus crime legislation will cost taxpayers to ministers and senior officials jetting about on Challengers, from failed multi-billion dollar sole-sourced F-35 purchases to electoral fraud. The Conservative government's call for accountability is sanctimonious nonsense. Its house is made of glass.

If the government has any real interest in accountability and serving the voters who sent us here to represent their interests; in sound fiscal management; in making the lives of hard-working Canadians just a little bit easier, there is a long list of initiatives for workers to which it could and should turn its attention and resources.

Unemployment and underemployment for example are growing problems which the government continues to ignore. The real unemployment rate is 11%. Almost two million Canadians are out of work. Student unemployment last summer was a staggering 17%.

Conservative Party talking points aside, the truth is that the government has no job creation plan. That is why the NDP has called on the government to take positive steps to kickstart job creation.

The government should abandon its disastrous corporate tax spending policy and instead use that \$3 billion to \$4 billion a year for job creation measures that work. We should be providing a new-hire tax credit for every new employee who stays on the payroll for a year. We have called on the government to cut small business income tax by two percentage points to encourage local job creation and investment, and to invest in infrastructure projects to address the infrastructure deficit, create jobs and boost competitiveness and living standards.

New Democrats want to invest in green infrastructure and renewable energy to facilitate the transition to a low-carbon economy and to invest in skills training for workers in transition and leading-edge industries. Instead, the government, bereft of a job strategy, has given away billions in subsidies and tax breaks to corporations without any condition that they create or even protect jobs for Canadians. When the victims of these failed Conservative policies attempt to access the employment insurance system, one in three of them are turned away.

That is why a previous Parliament voted to support my motion to expand and enhance EI benefits. That motion called for the elimination of the two-week waiting period for benefits, a reduction in standardization of the hours of qualification, and an increase in weekly benefits. Our caucus has tabled specific proposals in this

Parliament to promote job creation, and to make EI the effective and responsive safety net Canadian workers have paid for.

Canadian families want action on jobs. When they become the innocent victims of the economic downturn, they deserve the support of their government. What do they get from the government instead? A petulant and gratuitous shot at Canadian workers that further weakens their collective position.

This legislation is as unnecessary as it is irresponsible. It is nothing but a partisan assault on the men and women who go to work every day to provide for their families and the unions who represent them.

I call on all members in the House to stand up for working families and vote to defeat this ill-conceived bill.

Mr. Robert Chisholm (Dartmouth—Cole Harbour, NDP): Mr. Speaker, we have heard a couple of great speeches from my colleagues. I too am going to lend a few words to debate on this bill.

I have seen a lot of nonsense from the government, but I cannot believe why we are dealing with Bill C-377. It targets one group in our society and singles it out for unfair, onerous, burdensome treatment with no apparent reason other to make mischief, attack unions and drive them out of our communities. I do not understand.

I do not know where the sponsor of this bill comes from or if he remembers the history of his community, but I want to ask him and other members opposite to think about the freedoms that we cherish in our community and our country and to consider for a moment their history. I want to ask him as well to consider the role that working people have played in the establishment of those freedoms and of those important programs, and the work they have done to build our roads and public buildings and to ensure that we have goods and services in order to have a high standard of living. Health care, health and safety laws, workers compensation, unemployment insurance, pensions and all of the other things that have made our communities as strong as they are today have resulted from the struggles of working people and their organizations, trade unions. They do not deserve this kind of attack.

It has been said by my colleagues that this bill does not deal with other like organizations that are similar in structure, such as professional associations or law societies. It does not touch the Canadian Federation of Independent Business, for example. It does not deal with other organizations in the same way that it attempts to single out trade unions.

Private Members' Business

As has been stated by my colleagues, I have often said that trade unions are one of the most democratic organizations we have in society. The revenues and resources that unions have to deal with are as a result of dues and contributions by members, from the pay they receive for doing their work. How that money is spent is determined by those very same workers.

If members have any question about how these unions deal and make those decisions and hold themselves accountable, I would like to take them out to a general membership meeting. I would like them to come to any one of the annual conventions held by the trade unions in this country and see the scrutiny that the financial statements of those unions receive from their members. Members would recognize that there is far more scrutiny and transparency regarding the financial statements of trade unions than there is in corporations in this country.

We have never had any explanation from the government opposite for what has happened to the tens of billions of dollars that profitable corporations have received from Canadian taxpayers. Supposedly it was meant to create jobs, but since January, for example, when these corporations recognized an additional \$3 billion, what we have seen in this country is a further deterioration in the number of jobs.

● (1800)

My point is that when it comes to accountability, trade unions are one of the most accountable organizations that we have in our society.

We also hear members opposite talk about the “big union bosses” as though they are a big entity and similar to one of the big banks that make tens of billions of dollars in profit every year.

Let me tell members that the largest union in this country is the Canadian Union of Public Employees, which has over 600,000 members. However, that union is made up of nearly 3,000 small locals. Those locals may consist of two people, five people, ten people. There may be upwards of 10,000 in some of them, but the majority of them are tens or hundreds of members.

Every single month, one of those union locals holds a general membership meeting. Whoever the fortunate or unfortunate person is, depending upon one's perspective, who has taken the secretary-treasurer role has to stand in front of the members and account for how those dues are being spent.

Let me tell members that there is not a treasurer I know of in a trade union who gets off lucky. They have to be able to account for every single penny, because working women and men know what it is like to be frugal, they know what it is like to be accountable, and they want to know how their money is being spent.

In fact, that is what drives me and that is what drives many members on this side: the concerns that working women and men in this country have about how the government is spending its resources.

Why would we not expect the government to be attacking unions through a bill like this? It attacks working people. We see now that we are dealing with back to work legislation for a dispute that has not even started. We have seen it with the postal workers and we

have seen it with Air Canada earlier. We have seen that whenever the government has had an opportunity to put the boots to working people, it has taken that opportunity.

Senior citizens, whether they are seniors now or whether they will be seniors in the future, are going to be asked to shoulder a greater burden by having the age of eligibility for OAS extended from 65 to 67 years old. That is going to be a burden for low-income senior citizens. That is an attack by the current government on seniors.

It is the same with veterans. We talked in this House about how the government is attacking veterans and slashing the budget of Veterans Affairs.

Ninety per cent of the budget of Veterans Affairs goes to programs and services; the government is going to cut upwards of 10% out of that budget, and it says that it is not going to affect services to veterans and their families and to RCMP members, people who have sacrificed themselves and continue to sacrifice themselves for this country.

It is the same with voters. The government is attacking voters. We see every day a new revelation of what the Conservative government has done in terms of trying to suppress the rights of Canadians to vote for the people they want to vote for. That is another group that has been under attack.

● (1805)

The military post living differential is another example. The post living differential has been brought up to me by people in my constituency, who have said that the government is intending to cut the living allowance that compensates military families that have to move to different parts of the country or to other countries. It is going to cut it in half. That is another group that the government has its sights on.

Let me tell members that Canadians are getting sick and tired of the government picking out a group of people and deciding that it is next. They are wondering where the government is going to stop.

Our job in this House, whether in debating Bill C-377 or in dealing with the government's attack on Canadians' privacy through Bill C-11, will be to stand every single day and use every breath to fight the government, stand with Canadian families and ensure that the government backs off.

Then, in 2015, that is it. The Conservatives are gone.

● (1810)

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, I am very proud to follow my colleague from Nova Scotia, my fellow NDP caucus colleague, to express our points of view about this appalling piece of legislation, Bill C-377.

Usually when a bill is private member's business, other members of Parliament are less likely to attack it, because they understand it is the single hobby horse of a single MP who has a right to put forward his or her point of view. In this case, there is strong reason to believe that is a planned, orchestrated plant of this offensive, odious piece of legislation, using the member for South Surrey—White Rock—Cloverdale as a vehicle for the government to express its views of contempt and prejudice against the labour movement that has given us so much throughout the history of this country.

Private Members' Business

My first observation is it is too bad this document is not written on softer paper, because then we could put it in the outhouse next to the Eaton's catalogue and use it as it more properly deserves to be used.

This is a gutless piece of legislation put forward by a cowardly member. If the Conservatives are so serious about attacking labour on the left, let them put forward a piece of legislation that is a government piece of legislation and put this—

Some hon. members: Oh, oh!

The Acting Speaker (Mr. Bruce Stanton): Order. The hon. Parliamentary Secretary to the Minister of Aboriginal Affairs and Northern Development is rising on a point of order.

Mr. Greg Rickford: Mr. Speaker, I would respectfully ask my colleague and fellow parliamentarian to exercise some restraint, notwithstanding our enthusiasm for the issue, and to specifically avoid calling members “cowardly” members. That is out of line and not consistent with the spirit and theme of the rules as they are laid out. It was very clear what he said.

The Acting Speaker (Mr. Bruce Stanton): I thank the hon. parliamentary secretary for his intervention.

Members will take note of Standing Order 18, which refers to unparliamentary language and, in particular, the way in which it is imputed in the House. I would say that in this particular case the reference to a specific hon. member in that way would certainly be in the category of disrespectful. I would encourage the hon. member for Winnipeg Centre to consider withdrawing that remark and to perhaps stay away from that particular narrative.

Mr. Pat Martin: Thank you, Mr. Speaker. I have almost made it through the whole shift and I have not apologized to anyone yet today, so I would rather not start now. However, I will suggest that it is perhaps this piece of legislation that I find gutless and cowardly and not the member who put it forward.

I am offended by this piece of legislation, personally. I used to be the head of the carpenters union in my home province of Manitoba, and the carpenters union in my industry is the only friend a worker has. The only friend a carpenter has is the union that is looking after his fair wages, his pension plan, his health and safety, his apprenticeship and his training. I started my carpenter apprenticeship indentured to the carpenters union because I could not find a private employer who would sign my apprenticeship documents, and that was the vehicle by which I got my post-secondary education, which is my journeyman carpenter's papers.

I started my career in the asbestos mines, as a labourer. I was 17 years old. Believe me, there was no friend in that mine except for the union too, because we were the ones going to the company and saying “Isn't it true that asbestos is bad for you?” They said, “No, get back to work; this is Canadian asbestos; this is benign asbestos; this asbestos won't kill you”. The only friend a working person has, frankly, is the union.

Let me take this opportunity to use this completely meritless piece of legislation to celebrate some of the contributions the labour movement has in fact made and explain why this war on labour on the left that the neo-conservative right wing zealots and reactionaries are so intent on pursuing is in fact folly economically. There is no business case for smashing the labour movement.

I challenge members to look south to the United States. The United States' greatest strength and greatest asset was a consuming middle class that received fair wages that could feed and sustain a family, which led to consumerism and led to the greatest economic powerhouse the world has ever known. Somehow, in their wisdom, the neo-conservatives during Reaganomics decided they should smash the labour movement. By cowardly, gutless legislation like this, they systematically, by legislation, dropped the unionization rate in the United States from 33% down to 6%. With that went fair wages. With that went the right to organize, the right to free collective bargaining, pension plans and health and welfare benefits. All these things are just a pipe dream now. The American dream is over. If we were to talk to working people in the United States, those lucky enough to have a job, we would find they are earning \$8 or \$9 an hour with no benefits. In whose best interest is that?

In the short time I have, let me give one illustration of how far we have come and how far we have fallen. This year will be the 100th anniversary of the Triangle Shirtwaist factory fire. In New York City, in 1912, 700 women were working in a sweatshop in the Triangle Shirtwaist factory. A fire started and hundreds of women were killed. That was the impetus of the workplace safety and health movement that led to the cleaning up of workplaces all across the United States, and by extension, all across North America. It was the birth of the trade union movement in the garment industry.

I had 43 garment manufacturers in my riding. I know full well the contribution that UNITE and those unions have made to the safety of those workers. That was a hundred years ago. Then we got cleaned up. We had health and safety provisions, clean workplaces and fewer accidents. Then Reaganomics came along and smashed the labour movement.

In 1995, in Durham, North Carolina, there was a chicken processing plant, non-union of course, with mostly black women working in there. The assembly line would go so fast that, with the number of cuts they made per minute, often they would not even know they had cut themselves until they saw the blood on the floor. A fire started. They had locked the doors from the outside because the women were taking home giblets and pieces of neck and wing tips to make soup with, to supplement the crappy minimum wage they were getting. What happened? They had bolted the door shut from the outside so the women could not steal the goddamn byproducts of the chickens. And what happens? Another fire—

Some hon. members: Oh, oh!

• (1815)

The Acting Speaker (Mr. Bruce Stanton): Order, please.

The hon. member for Winnipeg Centre will know that particular coarse language is also in the category of unparliamentary. I would insist he not make use of profanity and encourage the hon. member to consider withdrawing the remark, if he could.

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, I do withdraw the remark. In my enthusiasm I used profane language, but I will finish the story.

Private Members' Business

This is coming full circle. The unions, through free collective bargaining and the right to withhold their services in the event of an impasse, drove up the average middle class wage in the United States to where it was a living wage, a consuming wage, a wage one could raise a family on. People had workplaces that were safe and healthy workplaces, because they had enforcement of health and safety provisions, because they had a union workplace safety and health committee on that work site. Coming from the construction industry, I know that every building built in the old days was a tombstone because men died on those jobs. That does not happen anymore because we made those workplaces safe.

As the government smashes the labour movement, as clearly it has given the indication it intends to do, declare war on labour on the left, not only will workers' wages diminish. How is that good for the economy? Also, workplace safety and health provisions will diminish. People will be dying in the workplace again just like in 1912 in the Triangle Shirtwaist factory.

Do not groan at me from over there, because I can tell members it is a fact that conditions will diminish if we do not have a strong and healthy trade union movement to protect the gains we have made in the last hundred years. Bill C-377 should go on the trash heap of history. It is an insult to working people in this country.

I want to recognize and pay tribute to the push-back of the building trades unions, especially my own union, the carpenters union, which is doing a job trying to lobby members of Parliament and trying to point out the folly in smashing the only thing that has elevated the standards of living wages and working conditions in this country. That is a free, vibrant and healthy trade union movement.

This is a cornerstone of any western democracy, the free and healthy trade union movement, the right to organize, the right to free collective bargaining and the right to withhold one's services in the event of an impasse. It is a cornerstone we are proud of. It is one of the very things by which we define ourselves as a free and open democracy. This piece of legislation has no place in a western democracy that prides itself on the rights of ordinary people and its citizens. It makes one wonder whose side the Conservatives are on.

• (1820)

[*Translation*]

The Acting Speaker (Mr. Bruce Stanton): Before giving the floor to the hon. member for Pontiac, I must inform him that I will have to interrupt him at 6:25 p.m., when the hon. member for South Surrey—White Rock—Cloverdale will have his right of reply.

Mr. Mathieu Ravignat (Pontiac, NDP): Mr. Speaker, I would like to congratulate the hon. member who spoke before me. He has a lot of passion for workers and the labour movement in this country, and has demonstrated a thorough understanding of the situation.

On this side of the House, we are wondering why unions are being targeted rather than all the organizations that collect dues. If we consider this motion in the context of the bill that we will be debating very soon, it seems to be an ideological attack by the government against the labour movement in this country, a movement that has achieved significant social gains.

When my great-grandfather came to Canada to work as a stonemason, the conditions were awful. Labour movements have

made it possible to live in a society with healthy working environments and with benefits that enable us to raise children, to age with dignity and to have a pension.

This bill will also make privileged information available to businesses and to the government, which will give them unfair competitive and political advantages. However, when we talk about members of labour organizations, we are not talking about a small group of Canadians. There are 4.3 million Canadians who are either union members or have family members in a union. Those people will be automatically placed at a disadvantage compared to the government and business. The government and business will actually have access to all the information about the workers whereas the workers will not have access to any of that information. So they will be at a disadvantage in a bargaining situation.

The NDP is clearly in favour of transparency as long as it applies fairly to all organizations concerned and as long as it causes no harm. While recognizing that the hon. member probably has noble reasons for promoting transparency, this bill is going to violate the right to freedom of association in this country, as well as the rights to privacy and freedom of expression.

We estimate that this bill will create about 17.5 million hours of paperwork. About 25,000 workers' organizations that will have to comply with these requirements will each need about 700 hours of work annually to do so. That is a major burden, both for the government and for those workers. It will be an obstacle to the vitality of organizations that stand up for the rights of our fellow citizens. We must remember that it is these democratic organizations that stand up for the rights of our fellow citizens. In any case, how are Canadians going to be able to find their way through these millions of pieces of data? Of what use are the data? Their use will be when they are sent to the employers and used against the workers.

Bill C-377 takes its place in the series of Conservative attacks on workers, such as the strike at Canada Post or the bargaining at Air Canada. Instead of laying into hard-working Canadians, the Conservatives should be addressing the real problems Canadians face, like unemployment, poverty and our retirement pensions.

• (1825)

[*English*]

The Acting Speaker (Mr. Bruce Stanton): I now invite the hon. member for South Surrey—White Rock—Cloverdale for his right of reply. The hon. member has five minutes.

Mr. Russ Hiebert (South Surrey—White Rock—Cloverdale, CPC): Mr. Speaker, I appreciate the opportunity to briefly summarize the second reading debate on my Bill C-377, which would require public financial disclosure of labour organizations.

Government Orders

First let me express my appreciation to my colleagues on both sides of the House for their comments and their interest in this subject. I commit to you, Mr. Speaker, and this place that I will not say anything that would force me to apologize because of my remarks.

My purpose in introducing the legislation is to create financial transparency in a group of institutions that are receiving substantial public benefits. All members here and the general public know the value in financial transparency for public institutions and for institutions that receive public benefits. That is why, for example, financial transparency for charities, which has existed for over 35 years now, is fully accepted by charities themselves, as well as the public.

Some members across the way have raised the point that some provinces have labour codes that require limited financial disclosure to union members only. This, however, is an irrelevant point that has nothing to do with this bill.

The purpose of the bill is not about requiring disclosure to union members. Rather its purpose is requiring disclosure to the general public because the public is providing a financial benefit through the tax system. The public has a right to know how the benefit they provide to labour organizations is being used.

Some MPs and several leaders and labour organizations have also raised the issue of the cost of compliance with the legislation. Again, I believe the cost to labour organizations of compliance with Bill C-377 to be quite minimal in this age of electronic bookkeeping.

Clearly, labour organizations already track their finances internally and translating this data into a format which can be filed with the Canada Revenue Agency is largely a question of technology and software. Compiling and filing a single unaudited information return once a year is not going to unduly encumber any labour organization. Any actual cost to the labour organization will be far outweighed by the benefits of transparency.

The NDP House leader stood in the House during the first hour of debate and made some wild claims that the bill was about to strip Canadians of their charter rights. He actually called the bill “an attack on the labour movement.”

Contrary to the NDP House leader's wild claims, transparency for unions is no more an attack on unions than transparency for charities is an attack on charities. We know, with 35 years experience of the matter, that financial transparency for charities has been a positive development and not an attack.

The truth is the vast majority of Canadians, a full 83%, as expressed in a recent Nanos poll, support financial transparency for labour organizations. I know those numbers are even higher in Quebec. As for the labour movement, according to the same poll, 86% of Canadians who identified themselves as unionized employees supported financial transparency. Clearly, the broad labour movement does not regard the bill as an attack on themselves. It is quite opposite in fact.

The NDP member for Acadie—Bathurst also complained during the debate that it did not apply to other types of organizations. We have heard that here as well. In fact, in ratcheting up the rhetoric, he

suggested that transparency for a wide range of organizations was a matter of justice.

When drafting my bill, I chose to focus on addressing public financial disclosure by labour organizations, because they were unique institutions with a specific purpose and function, distinct from the other types of institutions that he mentioned. However, there is nothing in Bill C-377 that would preclude another member from seeking financial disclosure by other types of organizations that receive a public benefit. Some members, even this afternoon, mentioned the CFIB and I note that as a non-profit it does not receive a public benefit, unlike charities and the labour movement.

● (1830)

Despite the fact that a handful of union leaders and NDP MPs have suggested otherwise, this is very much a pro-union bill. The bottom line in all of this is that public financial disclosure will build public confidence that the public benefits that labour organizations are being provided are being used efficiently and effectively.

I appreciate the opportunity to share my input and I seek the support of all my colleagues at the second reading of the bill so that it can go to committee for further review.

The Acting Speaker (Mr. Bruce Stanton): It being 6:30 p.m., the time provided for debate has expired.

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

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Bruce Stanton): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Bruce Stanton): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Bruce Stanton): In my opinion the yeas have it.

And five or more members having risen:

The Acting Speaker (Mr. Bruce Stanton): Pursuant to Standing Order 93 the division stands deferred until Wednesday, March 14, immediately before the time provided for private members' business.

GOVERNMENT ORDERS

[English]

AIR SERVICE OPERATIONS LEGISLATION

GOVERNMENT BUSINESS NO. 10

The House resumed consideration of the motion.

Government Orders

The Acting Speaker (Mr. Bruce Stanton): When the House last took up this motion, the hon. member for Winnipeg Centre had seven minutes remaining in his time allocated.

The hon. member for Winnipeg Centre.

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, I will begin by noting that once again it falls to the NDP to try and defend these fundamental rights and freedoms that have been systematically undermined and eroded throughout this entire day, throughout this entire session of Parliament. We are here to remind Canadians that they do have friends, that they do have people who will defend and stand up for their rights that were so hard won and fought for over the years.

The fundamental cornerstones of our western democracy are: the right of working people to organize; the right of people to free collective bargaining; and, in the event of an impasse, the right of people to withhold their services to apply economic pressure in the historic imbalanced relationship between employers and employees. It is a constitutionally recognized and protected right. It is one of the very freedoms by which we define ourselves as Canadians.

For the third time in this short majority Conservative government, we are watching that fundamental freedom being systematically eroded and undermined by Bill C-33, which pre-emptively orders people back to work before there has even been a work stoppage. The bill would effectively strip Air Canada workers of their right to withhold their services in the existing bargaining impasse.

One has to wonder whose side the government is on. Is it on the side of the thousands of employees who are voters and citizens of our country, who are trying to eke out a fair living and a fair wage, or is it on the side of the corporation that has not exactly been a sterling corporate entity, nor a particularly good manager? I do not know who is being rewarded by the heavy-handed state interfering as if it is some state airline. It is as if the workers are there to do the bidding of the corporate directors of a lethargic and sloth-like management.

In actual fact the pressure put on businesses in the process of free collective bargaining, when it is allowed to proceed without interference and without any tourists at the bargaining table, has the effect of sharpening their gain. They are forced to be more efficient because they are paying fair wages. However, when the government intervenes and holds back the wages of workers, it makes me wonder who it thinks it is benefiting. If the government is smashing this strike for the sake of the economy, how does it help the economy when working people have their wages frozen year after year? How does that benefit anybody?

I would remind Conservatives that the greatest strength the North American economy has is a well-paid, consuming middle class. We achieve that economic status by free collective bargaining, by the hard-earned struggle in the early part of the 1900s when the right to organize was enshrined throughout North America. Fair wages were negotiated. That consuming middle class was the engine for the greatest and healthiest economic environment in the history of the world. The richest and most powerful civilization in the history of the world has its roots in part because of that consuming middle class that made it all succeed.

The Conservatives seem to be inspired by their American neo-conservative republican counterparts in the U.S. The United States, in its wisdom, decided to smash the labour movement in the 1980s and the 1990s with the right to work states. It legislated unions out of existence. The United States went from 33% unionized employees down to 6%.

The war on labour in the left has had the predictable consequence. There are no unions effectively in the private sector in the United States anymore and neither are there fair wages, pensions, health and welfare plans, dental plans, optical plans, daycare centres, all those things that we fought for in workplaces and managed to achieve. They are all gone and so is the American economy. With the demise of the middle class came the demise of the economy. Fair wages benefit the whole community and the whole economy.

The last time I was in Washington the best bumper sticker I had ever seen said "At least the war on the middle class is going well". We can attest to that. The war on the middle class has gone very well, but who does the government think that benefits and how does it think that benefits the economy?

• (1835)

The workers at Air Canada have the right to withhold their services. We do not know if they would actually pull the trigger and have a work stoppage. We will never know because the heavy-handed state interfered. The government did not let the free market play itself out. Free collective bargaining is the free market in spirit and practice. It is the dynamic that is allowed to play itself out on a level playing field where the employer and employee deal with their issues without molestation and interference from, in this case, the government.

In this piece of legislation, which is unworthy of any western democracy I might add, the government even prescribes what it calls final offer selection. I am familiar with final offer selection. I have negotiated collective agreements using final offer selection. It can be an effective tool if both parties stipulate themselves to that type of arbitration to settle the impasse. However, when it is imposed on the parties, again in this case by the state, it will not work and is not fair.

Another unfairness is that the minister shall name the arbitrator. The arbitrator in final offer selection is agreed upon by the two parties.

I do not know how to describe how offensive this document is to anyone with any experience in human resources or labour relations. It is an affront to everyone who cares about these fundamental freedoms.

I condemn Bill C-33. I condemn the Conservative government for butting its nose into a negotiation between employer and employees in this country with no justification. It is completely unwarranted. It is part of a pattern. The Conservatives are determined to undermine and attack labour at every opportunity. They do it without provocation. They do it without justification. They do it through the back door with private members' business. They do it in legislation through the front door.

Government Orders

It is a fight we will have for four years. The Canadian people are aware of it. They are taking note and they will not put up with it. It is in no one's best interest to squeeze the middle class until it is the lower class. Even if that is the Conservatives' intent, it will come back to bite them where they will not like it.

● (1840)

Hon. Wayne Easter (Malpeque, Lib.): Mr. Speaker, I can see that the government members are glued to their chairs. They do not dare ask the member a question because what he would tell them would be the facts.

It is great to listen to the member for Winnipeg Centre. Winnipeg is where a lot of the labour movement got its start in this country. What surprised me is that he said in his remarks that it makes one wonder whose side the government is on. I think the member for Winnipeg Centre would agree that it is obvious. The Conservatives clearly are on the side of establishment and big business. There are other examples as well since the Conservatives have come to power.

I fought side by side with the member for Winnipeg Centre in trying to retain the Canadian Wheat Board. We said at the time that the big Canadian grain companies would be bought out by the Americans. In fact it looks like that will happen. As well, we fought side by side against the railways. The government has failed to implement a service review to protect farmers.

Is it not obvious and true that the government is undermining the rights of workers and attacking the people who are not in a position of power? The Conservatives continually take the side of the corporation in almost every argument we have seen before the House since they have become the government.

Mr. Pat Martin: Mr. Speaker, the member for Malpeque knows that my question regarding which side the government is on was a rhetorical one and did not need an answer. We judge people by what they do, not what they say. What the Conservatives do is undermine the best interests of working people, many of whom probably voted for them at every opportunity. A lot of people voted Conservative. A lot of blue collar hard hat workers voted Conservative. Now the Conservatives are undermining the workers' ability to negotiate a fair wage with their employer. Whose side are they on?

When the government says it is in the interest of the economy that it has to smash these workers' rights to negotiate a fair wage and fair living, what about the economy that would benefit from fair wages throughout the whole community? The way to stimulate an economy is to give people money in their pockets and they will spend it that day. If we give money to a corporation, it will invest it offshore in some tax shelter and that money will never be recirculated into the local economy.

[*Translation*]

Ms. Ève Pécelet (La Pointe-de-l'Île, NDP): Mr. Speaker, I would like to read a few words to the hon. member.

Section 2 of the Canadian Charter of Rights and Freedoms states:

2. Everyone has the following fundamental freedoms: ...

(b) freedom of thought, belief, opinion and expression, including freedom of the press and other media of communication;

(c) freedom of peaceful assembly;

(d) freedom of association.

We know very well that paragraphs 2 (c) and 2 (d), and even 2 (b), refer to union rights.

Under section 1 of the Canadian Charter of Rights and Freedoms, rights can sometimes be subject to limits that can be justified in a free and democratic society.

Could the hon. member tell us how the government is blithely violating the rights of workers and unions, and whether it has any right to do so in our free and democratic society?

[*English*]

Mr. Pat Martin: Mr. Speaker, I thank my colleague for that thoughtful analysis and for reminding members present that it is a constitutional right, a fundamental cornerstone of our democracy that working people have the right to organize and all of the rights that flow from that, including the right to free collective bargaining and the right to withhold their services.

As my colleague from Malpeque pointed out, the government is systematically undermining many of the great Canadian institutions by which we define ourselves as Canadians, the progress we made in the postwar years, the Canadian Wheat Board, the CBC, the right to free collective bargaining. This is the country that our parents built and which those guys in eight short months are attacking on every front. The Conservatives want to recreate Canada in the image of the United States and their gurus in the neo-conservative Republican right-wing movement.

I do not want to live in the United States. Members should look south of the border and see how they like it. We did it right in Canada and we will not let them destroy it.

● (1845)

Mr. Greg Rickford (Parliamentary Secretary to the Minister of Aboriginal Affairs and Northern Development, for the Canadian Northern Economic Development Agency and for the Federal Economic Development Initiative for Northern Ontario, CPC): Mr. Speaker, I will be sharing my time with the member for Vancouver South.

I want to start by saying as I often do, if not always, what an honour and a privilege it is to speak to this and any matter in this place on behalf of the constituents of the great Kenora riding, which is more than 326,760 square kilometres, a vast land and incredible people.

It is hard to follow that lineup, the member for Winnipeg Centre, the member for Dartmouth—Cole Harbour, and throw in the member for Malpeque asking some questions. It is quite a mix.

I would prefer to approach this issue with respect and humility in a quiet, avuncular manner focusing on one issue at a time.

I will begin by saying that what this is really about is the economy and the health and safety of Canadians, particularly at this peak travel time. I was a nurse in my previous life, and I am fully aware of the toll travel can take on people. I am concerned about Canadians being stranded in locations around the world trying to get back home.

Government Orders

Obviously, the economy is important. As we have seen in the past, these kinds of work stoppages have a profound impact on the economies not just of our big cities, but also of the smaller cities from which the feeder airlines derive their business. That is important for me. As a guy from Kenora, I can tell members that we depend upon Air Canada, the pilots and the important work they do, the company of Air Canada, and the baggage handlers, to see that we can make safe and timely connections to the much smaller and often much more remote towns and cities.

The first issue is between Air Canada and its pilots represented by the Air Canada Pilots Association. The second issue is between Air Canada and employees represented by the International Association of Machinists and Aerospace Workers.

As someone who has belonged to unions in the past, I can fully appreciate the issues. Each of these disputes, though, has the real potential to shut down Air Canada. This could have serious financial implications on Canada's economy, as well as on the health and safety of travelling Canadians.

I appreciate the great work of the minister. She has done a fantastic job in a number of instances, and not just in the current one. She always promotes that the best agreement is one that arises between the parties. She has facilitated those. She has supported those. We see her in action again. It is just incredible work. However, there comes a time, as a leader of a department and under the great leadership of our Prime Minister, when one must take steps that are in the interests of the health and safety of Canadians and of the economy.

Last week the minister referred the issue of maintenance of activities to the Canada Industrial Relations Board. This was a fair step. This is not just about labour. This is about standing up to the corporation of Air Canada and saying that we cannot have this stoppage, that this is important for all Canadians.

Subsequently with this motion we are sending the message again to incorporate Air Canada and to the labour groups to settle this matter. They should get down to business and settle this, but if they cannot we will not sacrifice Canada's economy and the health and safety of Canadian travellers and our friends from different parts of the world who have planned their trips, who have come to spend time with their families here in our country.

While we encourage both unions and the employer to continue their normal work activities until this matter of maintenance of activities has been decided by the CIRB, and the fact that these referrals ensure the safety and health of the public, we will not be put at risk by the imminent work stoppages at Air Canada, whether it is a lockout or a stop in labour from one of the organizations.

I have said a bit about the health and safety concerns. A shutdown of the country's largest airline would have an impact on travellers, the country's transportation system and the economy as a whole.

• (1850)

This is real. These are facts, and so we are compelled as a government to ensure the continuation of air service operations at Air Canada.

We believe that Canadians overwhelmingly expect the Government of Canada to act. We are doing it because it is necessary, because in the face of the risks posed by these labour disputes, taking action to ensure continued air service operations is the right thing to do.

Despite the tendency of the NDP troglodytes to make this a debate on the singular issue of labour, intellectually and practically that is not a proper analysis, I say with the greatest of respect. I outlined from the beginning of my speech—

The Acting Speaker (Mr. Bruce Stanton): Order, please.

[*Translation*]

The hon. member for Pontiac on a point of order.

[*English*]

Mr. Mathieu Ravignat: Mr. Speaker, I would suggest that the term “troglodyte” is unparliamentary and disrespectful, and I would expect better from the member, who just got up a few minutes ago to make the same point in regard to another member.

The Acting Speaker (Mr. Bruce Stanton): Order, please. It is not uncommon for members to make references to members of parties, parties themselves or sections of members in the House, shall I say, with the use of adjectives that are not particularly supportive of those groups. However, it is usually when those references are made in regard to an individual member, or perhaps a member in the other place, where that crosses the line and becomes unparliamentary.

We will go back to the hon. Parliamentary Secretary to the Minister of Aboriginal Affairs and Northern Development.

Mr. Greg Rickford: Mr. Speaker, I will continue with my speech. I will acknowledge that this word has actually been used by members on both sides of the House in at least one or two instances when we were talking about how an issue might be approached in a rather narrow way. I have heard it from some of the sophisticates across the floor as well on a couple of occasions, so it is meant respectfully, and they can do a word search in *Hansard* for that. I think they might be surprised where that word was actually used in this place a time or two before.

That said, we need to do this to protect the people of Canada and the economic recovery that we are all counting on for growth and prosperity in years to come.

There are a lot of great things happening in parts of Canada. I want to focus on northwestern Ontario and our reliance on feeder airline systems. I am thinking of Wasaya Airways and Bearskin Airlines and many of the charter companies that depend on Air Canada to take us to different cities, either just outside the great Kenora riding or in the beautiful province of Manitoba. We depend on them because we are talking about land spaces as large as many countries in Europe, land spaces that do not have this kind of carrier service in their riding.

Hence, time is of the essence. We must act now and we need to act for Canadian businesses so that we can ensure that we have an economy that continues to fire on all cylinders, or as best as possible. Important materials, supplies and persons are transported across our country.

Government Orders

This is what is at stake for Canada and our economy. All parliamentarians, I truly believe, want to see Canada grow and be successful. We may not always agree on how to achieve that, but I think we do agree on a common goal. That is why I would ask us to take our blinders and lenses off and not be so narrow on this issue. We need to understand it in its greater context and, perhaps, over the course of the evening, come to a common understanding that this truly is in the best interests of Canada's economy and the health and safety of its travellers.

We are investing in people, in families and communities. As someone from an isolated community, I hope that I have brought to this debate a greater understanding of the kinds of things we need to be thinking about when we talk about what is at stake for Canada and, finally, what is at stake for the families who would be affected by this stop of work and service at Air Canada and its groups.

No one wins, and so I am encouraging us all to act in the best interests of Canadians here tonight to broaden our perspective and our horizon on what this is really all about and to ensure that for the remote and isolated communities across this great country, particularly in the great Kenora riding, and the families who are coming back to Canada or those who are waiting to go away, perhaps for business or in some cases perhaps for profound or unfortunate reasons or for a well-deserved and earned vacation, we take this opportunity to understand the broader context in which this debate is taking place.

With that, Mr. Speaker, I thank you for this opportunity.

• (1855)

[*Translation*]

Ms. Ève Pécelet (La Pointe-de-l'Île, NDP): Mr. Speaker, the hon. member spoke about investing in families and broadening our perspective, or looking at the big picture. I will ask the member opposite these questions. What about future generations? What about working conditions and pensions? Is this really the best approach? Does the government have the right to say to workers that they will no longer be entitled to better working conditions, and to tell young people my age—I am 23 years old—that they will not have the right later on to work and have stability with a good pension? Is that the broader perspective the government is talking about? Is the government trying to give us a lesson on the economy and economic recovery?

Last week, the Minister of Finance said that Canada is number one in the world for investment. Did the government invent an economic crisis in order to do what it has wanted to do for a long time, that is, cut Air Canada services? We know full well that it has wanted to cut pensions and working conditions for a long time. The government has no lessons to give to anyone today—

[*English*]

The Acting Speaker (Mr. Bruce Stanton): Order, please. I would like to have interrupted the hon. member. I am sure there are other members who would, indeed, like to put a question to the hon. parliamentary secretary.

The hon. Parliamentary Secretary to the Minister of Aboriginal Affairs and Northern Development.

[*Translation*]

Mr. Greg Rickford: Mr. Speaker, I appreciate the question—I think. It is true that our priority is the economy, and the health and safety of all Canadians and their families. In the short term, this is a serious situation for Canada's economy, especially in regions such as the one I come from, as I mentioned a few minutes ago. With regard to future generations, our government will work hard to serve the interests of Canadians in the event that a situation might have a serious impact on the health and safety of Canadians and the economy.

[*English*]

Hon. Wayne Easter (Malpeque, Lib.): Mr. Speaker, the member said in his remarks that the government must “act for Canadian businesses”. A lot of business actually depends on working people having money in their pockets to purchase goods and services from small Canadian businesses. They must have decent wages, too. Part of the problem with the airlines is the excessive wages taken by executives or management while workers have taken cuts. Look at it this way. When former CEO Robert Milton took about \$100 million out of this country while the workers took cuts, what did that do for Canadian business?

When the government talks about the economy, is the government really using the economy as a fig leaf while it beats up on trade unions, especially national ones? We have seen it with Canada Post, we are seeing it with the airlines and we are seeing it with public sector unions. Is the government using the economy as a fig leaf instead of trying to find the balance between—

• (1900)

The Acting Speaker (Mr. Bruce Stanton): Time is limited. The hon. Parliamentary Secretary to the Minister of Aboriginal Affairs and Northern Development.

Mr. Greg Rickford: Mr. Speaker, I feel like I have just been listening to the *Flight of the Bumblebee* and it is hard to answer a question that long.

We are concerned about families, and that is why we are acting. We are concerned that we are not focusing on the broader issues at stake. Folks in the great Kenora riding want to know if they can get home. They do not have an Air Canada that lands in the Kenora riding but they still depend on that airline, in particular, for the safe transportation of persons and goods. That affects the economy of the great Kenora riding and that is what we are here to defend. That is what I was sent to Ottawa to defend, and by golly I am going to defend it.

Ms. Wai Young (Vancouver South, CPC): Mr. Speaker, each year at this time over one million Canadians take to the skies for their spring vacation. Families, students and parents make plans to get away from their regular routines for a week of family time and relaxation. Many have saved for months and have paid a valued portion of their income for this March break, one of the busiest travel seasons of the year.

Government Orders

As much as break-bound Canadians look forward to this annual tradition, Canada's airlines and countless tourism operators across our country count on this activity for a substantial portion of their annual business. However, this year Canadians' travel plans and the economic health of the numerous sectors relying on them are in jeopardy.

That is because of a threatened strike by the roughly 8,200 mechanics, baggage handlers and cargo agents at Air Canada who are members of the International Association of Machinists and Aerospace Workers, and a threatened lock-out by Air Canada of its approximately 3,000 pilots who are members of the Air Canada Pilots Association.

Indeed, all sectors of the Canadian economy are at risk of disruption, with potentially devastating financial consequences if a work stoppage goes ahead. The greatest risk may be to Air Canada itself. A work disruption during the busy March break period could potentially wreak havoc on the financial viability of Canada's only national airline and the many communities that it serves.

I remind the House that Air Canada has been struggling with financial problems for many years dating back to 9/11. The entire global airline industry has been under strain ever since. Indeed, by 2003, Air Canada was facing the prospect of bankruptcy. It began operating under the Companies' Creditors Arrangement Act when the Ontario Superior Court issued an order granting it protection from insolvency.

In 2004, it emerged successfully from the restructuring. In the years since, Air Canada has sought solutions to its financial situation to ensure its long-term viability. However, like airlines all over the world, it faced yet another setback in 2008 due to the global financial collapse.

When commercial credit markets all but freeze, companies like Air Canada with defined benefit pension plans suddenly face much higher pension funding obligations. The combined effects of the recession and Air Canada's contractual obligations led to more challenges for the company.

The airline continued its aggressive cost-cutting to ensure its financial stability and sustainability. Every option had to be considered. In 2008, Air Canada asked its unions to agree to the extension of existing collective agreements. In the end, all the bargaining units at Air Canada renewed their contracts for an additional 21 months. They also agreed to a short-term pension funding moratorium.

Thanks to these agreements and Air Canada's success in securing additional loans, the airline was able to continue operating and again avoid bankruptcy. However, Air Canada remains in a fragile financial situation today, with high fixed costs and low profit margins. In fact, it did not see a profit at all last year, in part because of fixed costs which airlines have no control over such as foreign exchange and fuel costs, sometimes representing as much as a third of their operating costs. These price increases, coupled with a sluggish economy and increased domestic competition, resulted in a loss for the airline in 2011, including \$80 million in the fourth quarter alone.

The threat of a work stoppage at Air Canada for the third time in less than a year during such an important travel season is the last thing the company needs.

Given the precarious financial position of Air Canada and the fragile state of our economic recovery, Parliament must meet its obligation to get involved and stop any potential negative economic impacts of the current Air Canada labour disputes.

We know from past experience what a heavy toll these stoppages take on the economy. Since 1984, there have been 35 work stoppages in the air transportation industry, six of them involving Air Canada.

● (1905)

The last time pilots walked off the job in 1998, the airline industry was in a much better position than it is today. Even then, Air Canada reported losing some \$300 million. That does not begin to take into account the inconvenience and cost for the individuals, families and businesses relying on the airline.

Each time there has been a labour disruption, business travellers have either been stranded or forced to miss meetings and sometimes have lost valuable contracts because they could not get to where they needed to be.

Air Canada provides a comprehensive range of air services to small and large Canadian communities and destinations in the United States, Europe, the Middle East, Asia, Australia, the Caribbean, Mexico and South America. These are important markets for Canadian businesses. They are places businesses need to get to and from in order to maintain their businesses, create jobs and grow our economy.

Companies that rely on the airline to ship cargo to their customers have also been seriously hurt in past air transportation work stoppages. Air Canada is this country's main air cargo carrier. It provides 22% of domestic capacity, 4% of transborder capacity and 49% of international capacity. At the Toronto Pearson Airport, Canada's largest air cargo hub, the airline moves approximately 68% of domestic and 40% of international air cargo lift.

To put this into perspective, if a work stoppage were allowed to proceed today, losses to all sectors of the Canadian economy are estimated to be as much as \$22.4 million a week for every single week the stoppage drags on.

Any work stoppage right now would have a drastic and negative consequence for Canadians and our economic recovery. The Government of Canada is committed to doing what it takes to sustain our economy, keep businesses working and support Canadians who rely on air travel.

Let me be clear, the government action on this dispute is certainly not our preferred option. Ideally, all three parties would sort out these disputes between themselves and get back to business. I can assure this House that the Government of Canada respects the right of unions to strike and the right of employers to lock out their workers. In fact, the Minister of Labour has done everything she possibly could to avert a work stoppage.

Government Orders

The collective agreement of approximately 8,200 Air Canada employees represented by the International Association of Machinists and Aerospace Workers expired on March 31, 2011. From the outset, the Government of Canada encouraged both parties to reach an agreement through the negotiation process. Initially this appeared to produce success. On February 10 of this year, the parties reached a tentative agreement.

However, despite assistance from a conciliation commissioner and a tentative agreement, the parties have been unable to resolve their differences. The tentative agreement was rejected by union members at 65.6%. The members also voted 78% in favour of a strike and gave the Minister of Labour their strike notice on March 6.

It is a similar narrative in the case of Air Canada and its pilots. These parties have been bargaining for a year. During that period, the parties did reach a deal that needed to be ratified by ACPA's membership. Unfortunately, that deal was ultimately rejected by the membership and the parties had to go back to the bargaining table. They were assisted at the bargaining table by not only a conciliator from the Federal Mediation and Conciliation Service but also by two co-mediators who were appointed by the Minister of Labour.

However, after many months of negotiations and meetings between both parties and the Minister of Labour, ACPA voted 97% in favour of strike action. On March 8, Air Canada gave notice of its intention to lock out its pilots.

In the event of a work stoppage involving technical, maintenance, operation and support workers, Air Canada would have no choice but to begin shutdown protocols almost immediately for safety and insurance purposes. In the event of a work stoppage involving the pilots, Air Canada, again, would effectively be grounded.

As previously outlined, the ensuing inconvenience to travellers and the serious disruptions to Canadian businesses would have a dire impact on Canada's fragile economy.

• (1910)

Canadians have mandated the government to protect our national interest in a period of global economic uncertainty. That is precisely what we are committed to do. As the prospect of ratified agreements in the short term seems unlikely, the Government of Canada must act now to ensure the continuation of air service operations at Air Canada.

It is clear that Canada cannot afford the consequences of a work stoppage. For the sake of our fragile economic recovery, Canadian businesses and Canadian families, I urge all parties to support the government in its actions to keep Air Canada flying.

[*Translation*]

Mr. Pierre-Luc Dusseault (Sherbrooke, NDP): Mr. Speaker, I have a quick and simple question for the hon. member.

This reminds me of the debate on Canada Post, when the Conservatives pitted two groups of people against one another: workers and other Canadians.

We are seeing the same thing here. One might say that the hon. member does not think Canadians who work at Air Canada have the same rights as every other Canadian across the country, in other words the right to negotiate agreements with their employers or go

on strike. These fundamental rights have been recognized for years. Today we are being told that Air Canada employees do not have the same rights as other employees.

I have a very simple question: does the hon. member think that Air Canada employees have the same rights as every other Canadian, in other words the right to negotiate their collective agreement?

[*English*]

Ms. Wai Young: Mr. Speaker, we are very disappointed, I think I have made that clear in my speech, that the three parties have not come to an agreement. They have had months and months, up to a year of negotiations, and in fact had reached a tentative agreement.

What we know is that one million passengers over spring break, 26,000 direct staff at Air Canada and 250,000 indirect staff are being impacted throughout the country. Some 59 Canadian communities and 170 destinations around the world are being impacted by this stoppage.

I would like to say that obviously this is not something that the government wanted to interfere in. However, we do have a fragile economy. We have a mandate from the voters that we should assure that this kind of thing does not happen to jeopardize our fragile recovery.

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, I disagree with the member in terms of not wanting to interfere. I believe that the government wanted to be able to interfere. People who work for Air Canada, or even to a certain degree Canada Post, are not going to be fooled by the members. We recognize that the government has not been supportive. It has taken the side of corporations over employees.

I just want to ask the member a question in regard to the Air Canada Public Participation Act which guaranteed jobs in Winnipeg with Air Canada. There was a guarantee in law. However, the overall maintenance base was actually closed down, transferring jobs out into the private sector. Many argued this was illegal. Why did the government not stand up for the employees back then?

• (1915)

Ms. Wai Young: Mr. Speaker, I would like to remind the member that the facts are that these groups have been in talks for many months, almost a year.

They were supported by the Minister of Labour who appointed conciliators and mediators to help them along. A tentative agreement was reached. However, the members did not ratify the agreement. It is jeopardizing our fragile economy. Canadians have to get back to work.

Mr. Bryan Hayes (Sault Ste. Marie, CPC): Mr. Speaker, I would like to ask my hon. colleague if she could please explain the necessity the expedite the passage of this bill?

Ms. Wai Young: Mr. Speaker, again, this week over a million Canadians will be travelling. It is imperative that we get these people home. These businesses will be impacted across the country. Some \$22.4 million per week, every week of a stoppage, is being jeopardized. That is why it is so important for this legislation to be passed.

Government Orders

[*Translation*]

Ms. Laurin Liu (Rivière-des-Mille-Îles, NDP): Mr. Speaker, I will be sharing my time with the hon. member for Pontiac.

I am pleased to have the opportunity to speak in order to denounce Motion No. 10, moved by the government in order to muzzle parliamentarians and introduce back-to-work legislation for Air Canada.

This government thinks that because it has a majority it can do whatever it wants.

This government was elected less than a year ago and has already invoked closure more than a dozen times in order to muzzle parliamentarians and shove its conservative ideology down Canadians' throats. That happened with the elimination of the firearms registry, the creation of the pooled registered pension plans, the dismantling of the Canadian Wheat Board, the bill to implement the last budget and the bill on the distribution of seats in the House.

Just yesterday, the government used its majority to muzzle the opposition and impose its crime bill, a bill that is widely rejected, particularly in Quebec.

I want to remind my colleagues that this is the same party that, when it was in opposition, denounced time allocation motions moved by the Liberal government. I have here, for example, a quote from the current Minister of Public Safety who, on November 27, 2001, said:

For the government to bring in closure and time allocation is wrong. It sends out the wrong message to the people of Canada. It tells the people of Canada that the government is afraid of debate, afraid of discussion and afraid of publicly justifying the steps it has taken.

This government seems to forget that, although it was elected to form the government, 60% of Canadians did not vote for it, and it has a duty to govern for all Canadians.

This is particularly true when we see new revelations every day about the Conservatives' fraudulent practices in their effort to win power last May.

As columnist Vincent Marissal wrote this morning:

It seems that the Conservatives are not just allergic to debates in the Commons; they also abhor labour disputes. In this case, not only are they abusing the gag rule in Parliament, they are also wielding the bayonet to force the union members into line.

It is barely 11 months since I was elected, but this is the third time I have seen the government introduce special legislation to avert a strike or lockout. After Canada Post and Air Canada last June, here the Conservatives are once again twisting the arms of Air Canada workers.

It now seems that the right to strike and to bargain on equal terms is on the verge of extinction in businesses under federal jurisdiction, whether they are public corporations like Canada Post or private ones like Air Canada.

The strangest thing is that this ideological government is still telling us that it does not want to intervene in the economy, but to "let the market do its job".

It does not intervene to help workers in the forestry industry. It does not intervene to help workers in the manufacturing sector. It

does not intervene to help fishers and agricultural workers. It does not intervene to help taxi drivers and workers who are the victims of fluctuations in the price of gas. This is shameful.

However, when this government intervenes in the economy to correct imperfections in the market, we notice that most of the time it is to the disadvantage of working people. The Canada Post and Air Canada examples speak volumes.

This time, the government is telling us that an Air Canada pilots strike during the school break could have terrible effects on the Canadian economy. And yet this same government is telling us that the economy is fine, the job market is robust and we have the soundest banking system in the world. Either the government is exaggerating the impact of the labour dispute at Air Canada, the better to wield the club, or the Canadian economy is not as strong as it claims.

To come back to the labour dispute at Air Canada, we have to understand that the government is preparing to take the right to strike away from more than 10,000 Air Canada employees. In fact, the bill targets the company's 3,000 pilots and 8,600 mechanics, baggage handlers and cargo agents.

In addition to denying Air Canada employees the right to strike, the government's approach sends a very bad message to all employers governed by the Canada Labour Code. From now on, they need only impose or threaten to impose a lockout and the minister will come out with his gags and his bayonet and order the employees back to work.

● (1920)

Under this system, the employer will always be the winner, because workers will be deprived of their ultimate pressure tactic.

[*English*]

Let us remember that we are here today to talk about Motion No. 10, proceedings on Bill C-33. This weekend I had the pleasure of spending time in my riding and especially with young people in my riding. What I discovered was that young people are losing faith in politics and our political system. It is due to dirty tricks like this, time allocation motions and actions to limit debate, that young people are losing faith in politics. That is very discouraging to me.

This morning at a press conference the Parliamentary Secretary to the Minister of the Environment accused all those wanting a robust consultation process in environmental assessment of economic vandalism. The government continues to refer to the economy when it talks about back to work legislation and when it talks about labour conflicts. This begs the question: Are the real economic vandals the environmentalists who want the government to be responsible? Are they the first nations people who want robust consultation processes given by the government? Are they the workers who require just pay and the right to strike to put pressure on their employers? Is the real economic vandal the government that keeps giving tax cuts to oil companies and large corporations, that keeps giving tax cuts to corporations like Caterpillar that pick up and leave when the going gets tough?

Government Orders

We realize that when the government talks about the economy it does not take the economy seriously. We call on the government to listen to workers. I believe that the government should seriously consider the fact that Canadians are losing faith in our parliamentary institutions, especially since 60% of Canadians did not vote for this government and it refuses to govern for the majority of Canadians. For this reason I oppose Motion No. 10 on proceedings on Bill C-33.

Ms. Lois Brown (Parliamentary Secretary to the Minister of International Cooperation, CPC): Mr. Speaker, I too am very concerned about the average, ordinary worker in Canada who will be impacted by this interruption of service by Air Canada. I recently attended a convention in Toronto where I was told that the convention was going to bring in some \$70 million to the economy of Toronto. It was going to create work for the restaurants in the area. It was going to create jobs at the hotels because there were so many hotel rooms in demand.

I know my hon. colleague also represents an area where that kind of investment in the economy is critical at this point in time. I wonder if she could tell me how she would explain it to her constituents, who may be hotel workers or people who serve in restaurants, average ordinary Canadians who would be depending on that money for income that is being brought in by people who are coming to those conventions. How does she explain to them why they will not have a job?

• (1925)

Mr. Rodger Cuzner: Mr. Speaker, I rise on a point of order. We would like a quorum call.

The Acting Speaker (Mr. Bruce Stanton): I appreciate the intervention by the hon. member for Cape Breton—Canso. It appears we do have quorum in the chamber.

We were in the middle of a question from the hon. Parliamentary Secretary to the Minister of International Cooperation.

The hon. member for Pontiac is rising on the same point of order.

[*Translation*]

Mr. Mathieu Ravnat (Pontiac, NDP): Mr. Speaker, my question is in regards to the same point of order.

At what point do you count the members who are seated? Is it once you have risen from the chair? I noticed that when you were standing up, several members on the other side of the House were still not seated.

[*English*]

The Acting Speaker (Mr. Bruce Stanton): I realize this is not a question that comes before the chamber often. Typically what happens here in the case of a challenge to the quorum in the chamber is that the Chair simply watches and takes a moment to see whether in fact the minimum has been met and then makes the decision at that point. When quorum is met, then the debate will continue. As I did in this case, the Chair would announce that we do indeed have quorum and then we proceed accordingly.

The hon. Parliamentary Secretary to the Minister of International Cooperation.

Ms. Lois Brown: Mr. Speaker, I just reiterate my question. There are many people who live and work in Toronto, who provide

services in hotels and restaurants and are depending on people who are coming in for tourism or conventions to support that kind of economy in the city.

How does my hon. colleague respond to her constituents who are employed in that type of employment who will not have jobs if the conventions or the tourism are not coming in?

[*Translation*]

Ms. Laurin Liu: Mr. Speaker, my honourable colleague is right. Many of my constituents work in restaurants, and in the tourism and other sectors. They are asking for better wages and labour standards. These workers support the Air Canada employees and they oppose the government's decision to prevent employees from bargaining collectively.

[*English*]

I would agree. My hon. colleague did note that I had many constituents who work in restaurants and other sectors, but these people tend to be unionized. Yes, these people want the right to negotiate collectively. We do see that these workers are very concerned about the fact that the government is imposing back to work legislation and, furthermore, limiting debate in the House.

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, earlier today when the minister came in she was quite proud of the fact that this is really setting the stage, that no other government has done this before in the manner in which, by bringing in this legislation, she has taken away the opportunity for Air Canada workers to participate in a true free bargaining process. It was like a badge of honour for her to be doing it today.

Would the member share the concerns we in the Liberal Party have in terms of the manner in which the employees of Air Canada are being treated and in terms of their rights to be able to have a sense of fairness, when the government's past behaviour with Air Canada employees has not been good at all?

• (1930)

Ms. Laurin Liu: Mr. Speaker, we do see a lack of fairness on the part of the government. We also have seen a lack of respect for parliamentary procedure. The government has imposed Motion No. 10 concerning proceedings on Bill C-33, attempting to push this through until late tonight. We have seen this behaviour in the House of Commons and in committee, and we have seen that the government has not been transparent and accountable to Canadians.

[*Translation*]

Mrs. Djaouida Sellah (Saint-Bruno—Saint-Hubert, NDP): Mr. Speaker, I would like to make a comment and ask my colleague a brief question. I would like to draw the House's attention to the fact that this is the thirteenth time that this majority government has imposed special legislation since we have been in this House. As soon as employees go on strike, wham, special legislation. As soon as an employer locks them out, wham, special legislation. As soon as an employer threatens a lockout, again, wham, special legislation. What does my colleague think of the workers' right to vote, which is recognized in Canada?

Government Orders

Ms. Laurin Liu: Mr. Speaker, by introducing special legislation, this government's behaviour is, unfortunately, becoming quite predictable. I really appreciate my hon. colleague's comments. Workers and their right to bargain in good faith must be supported.

[*English*]

Mr. Mathieu Ravnat (Pontiac, NDP): Mr. Speaker, I will not say it is a pleasure, but I am happy to speak against this motion.

What the Conservative government does not seem to understand about its approach to collective bargaining is that the separation between civil society and the government is, in fact, a fragile thing. The ability to pressure the government through appropriate non-violent measures such as demonstrating and striking is an essential part of the checks and balances of our democracy. Unions have been at the forefront of social progress in our society. Whether it be work safety, working hours, child labour, anti-child labour legislation, et cetera, they have been at the forefront of these issues. They have pushed for change, and change has happened.

Let me share a personal story. My great-grandfather, Ernest Ravnat, came to this country from Belgium as a stonemason in the beginning of the last century and he came to work on these very Parliament buildings. He may have even carved some of the stones in the House of Commons. He spent decades working on public works for his new country and, because of low safety standards, died of dust inhalation at a very early age, poor and penniless. I dare say that if he were unionized and if his union had negotiated better working conditions and a disability pension, he may have lived longer. I may have even known him, and what stories I would have heard even about this place.

What has improved these types of conditions is, unfortunately, not the goodwill of employers and governments but a long struggle for workers to have the right to organize and pressure their employers and government. The independence of the labour movement is key to our society and our democracy, and that includes the right to bargain fairly and freely their wages and conditions without interference. If one does not own one's own labour, one does not own anything. This must include the right to strike.

Let me make this point very clear. If the only actions unions can take are actions authorized by the government, then what is the point of workers' rights to free association? This is a slippery slope, and I dare say members on the other side of the House will regret these actions. They lead to an unhealthy relationship with civil society and a dangerous one, I dare say, one in which only approved unions and professional associations are allowed by the government to exist. This blurring of lines between government and civil society is one of the main features of authoritarian governments. There is a name for it. It is called corporatism and it was a feature of the Duplessis government and many governments whose commitment to real, messy, sometimes chaotic but beautiful democracy was questionable.

The decision by the government, which is before us, is in many ways a line in the sand for the labour movement. It is a crossroads, and if we cross it we send a clear message to the whole world that Canada has no respect for the independent rights of citizens to defend their interests. The situation with Air Canada is hardly a crisis. The employees have not gone on strike or engaged in any form of work action that harms the interests of Canadians.

● (1935)

[*Translation*]

On the contrary, the company is aware that the government is going to stand up for its interests, as it did for Canada Post. This is the government that gave employees an ultimatum to accept management's latest offer. In this case, a notice of lockout issued by Air Canada will soon take effect. It is therefore up to Air Canada to return to the bargaining table with its employees.

We in the NDP, while defending the interests and rights of all Canadians to associate and to strike, call on the two parties to bargain in good faith in order to find a solution that does not cause problems for travellers.

The government must remain neutral and help both sides reach an agreement, and not favour one party over the other.

We continue to fight for the rights of Canadians, and we will vote against this back-to-work legislation.

The minister and her government claim that they are protecting the interests of all Canadians. Let us take the time to see if this is true. What the minister undoubtedly means is that she is protecting the profits of a company rather than the interests of hundreds of workers.

[*English*]

The reality is that Canada is a country of unions and unionization. The government may not like that image because it may fly in the face of its laissez-faire corporate values, but Statistics Canada reported in 2010 that just over 4.2 million employees belong to a union in Canada. This is to be celebrated.

During the first half of 2010, membership was up by 64,000. In 2010 union membership rose at a slightly faster pace than total employment. As a result, the nation's unionization rate edged from 29.5% in 2009 to 29.6% in 2010.

The government is arguing—strangely, considering these facts—that the disruption of air service to those thousands of Canadians and the curtailment of profit to an irresponsible corporation somehow outweigh the interests of 4.2 million Canadians who are unionized and recognize that the right to strike and negotiate their collective agreement is a fundamental right. That does not even talk about the families of these 4.2 million people.

The Conservatives talk about disruption of travel plans and economic impacts. What is more important: a temporary inconvenience impacting a few thousand Canadians, or the rights to collective free association and bargaining?

It is not as though Air Canada is the only carrier in this country. It is not as though we are talking about a protracted strike lasting for weeks. It is not as though the demands of the Air Canada workers are all that unreasonable.

What are the workers of Air Canada asking for? It is simple: good, reasonable pensions for all workers, young or old.

Government Orders

Making new hires join a new defined contribution pension plan, as suggested by Air Canada, weakens the existing defined benefit plan, because all new contributions would be diverted into a new plan. Defined contribution plans, which offer no guarantees of final pension payouts, also create a two-tiered system, which would make second-class workers of future generations.

I suppose it is to be expected that the government would be sympathetic to the position of Air Canada, because it wants to do exactly the same thing to pensions in this country. By doing so, it is taking away good pensions from the youngest workers of this country. It was good enough for baby boomers, but for hard-working members of generation *X* and *Y*, it is not. If I was more skeptical, which I am not, I would wonder if this is not an economic generation war.

The Canadian Auto Workers, along with two other unions representing Air Canada workers, jointly pledged last month to fight any further attempts by the airline to reduce or eliminate their defined benefit plans, and I think they are right. While pensions for their younger worker are in danger, the airline's top managers continue to make millions of dollars annually and enjoy generous guaranteed pensions. Shame.

• (1940)

[*Translation*]

It is simple, the Conservatives must respect the right of employees to bargain collectively. Moreover, workers and management must have the right to collectively bargain without interference from the government and without inappropriate ideology.

[*English*]

Mr. Garry Breitzkreuz (Yorkton—Melville, CPC): Mr. Speaker, I need to correct the record. An error was made by the person who just spoke. He said that we are preventing people from coming to an agreement. In fact, if the member reads the legislation, and I challenge him to read it, we are helping people to come to an agreement. We will bring them together, and they will reach an agreement.

There are many people watching via television, so I want to paint the big picture here. We have 26,000 employees at Air Canada; we have 3,000 pilots, 8,000 package handlers and 250,000 other secondary workers who will be affected by this.

If one shakes hands and reaches an agreement, which has happened, and then comes back with a changed mind and decides to ask for more, is that fair?

Mr. Mathieu Ravignat: Mr. Speaker, I would like to remind the member that a forced negotiation is not a negotiation at all. The reality is that this has to develop organically between the partners who are involved at the table. If the government decides that it is going to impose a negotiation, then what leverage do the workers have?

[*Translation*]

Mr. Louis Plamondon (Bas-Richelieu—Nicolet—Bécancour, BQ): Mr. Speaker, historically, there may have been times when the government was justified in passing special legislation, such as when there were strikes at certain ports. I remember the case in Vancouver involving health services that were truly essential to people. At the

time, there were negotiations with the opposition parties to quickly draft a bill that appointed an arbitrator but gave him complete freedom.

I did not hear the member talk about that in his speech. In both of this government's pieces of back-to-work legislation—Canada Post and this one—there have been conditions. The arbitrator will not be given complete freedom; the government is imposing certain restrictions, such as forcing the arbitrator to choose one party's demand over the other, or simply, as was the case with the postal strike, setting wage conditions in advance. That aspect of the bill is absolutely detrimental to future negotiations, especially in the public service.

Mr. Mathieu Ravignat: Mr. Speaker, I thank the hon. member for his very relevant question.

This government does not stop at forcing the parties to bargain. It is dictating the conditions under which bargaining will take place. That is totally unacceptable. That is interfering in the process, which is definitely not right.

• (1945)

[*English*]

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, I would like to reflect on that.

We recall when the government brought in legislation in the Canada Post strike; part of its legislation ultimately saw a wage rollback from what had been previously negotiated between the union and the corporation. We can cite the example that I made reference to earlier in regard to the Air Canada maintenance base in Winnipeg; in this case, even though the Air Canada Public Participation Act guaranteed those jobs, Air Canada privatized it out to Aveos. People asked where the government had been to protect those jobs, since, after all, the law dictated that.

Does the member believe there are any employees out there, whether for Air Canada, which is the relevant debate today, or not, who believe that the government is not taking sides with the Air Canada corporation over the employees?

Mr. Mathieu Ravignat: Mr. Speaker, I certainly would think not.

One thing the government should keep in mind is that protracted negotiations have a cost for the workers themselves. Being in this situation is difficult for the workers. It is difficult to go forward and have the energy to fight this battle when they see that their government does not even care to be neutral in this situation.

The Acting Speaker (Mr. Bruce Stanton): Before I recognize the hon. member for Peace River, I will let him know that the top of the hour will bring this particular debate on this motion to an end.

The hon. member for Peace River.

Mr. Chris Warkentin (Peace River, CPC): Mr. Speaker, it is a privilege for me to be in this House this evening. I am proud to be here defending my constituents with regard to this legislation that we have before the House today.

Government Orders

I believe it is important for us as Canadians, including those who might be watching this tonight and for some in the opposition, to talk about Canada's air carrier industry. There is a larger issue at stake here, one that needs to be fully explored if we are going to understand the state of affairs we find ourselves in today.

As all of us in this House know, Canada's land mass is the second largest in the world. It spans six time zones. That factor alone underscores the importance of the aviation sector.

Our aviation sector links us together as a nation, connecting us from coast to coast and beyond to the rest of the world. We, as members of Parliament, with constituencies across this country know it very well.

Our aviation sector not only helps to bring us together as Canadians but contributes enormously to our economy as well. Shippers use air services to move time critical and other goods across this country and around the world, and of course people use air services to connect and to make renewed relations with those people they meet for business, family or other reasons, including, especially in the case of the constituents in my riding, medical treatment.

The prosperity of the air carrier industry directly reflects how well the economy is performing. When the economy is doing well, air carrier services do well, but when the economy is faltering, there is a corresponding drop in passenger and cargo traffic. This reflects the relatively discretionary nature of travel.

When times are tough, much air travel either gets cut back or does not happen at all. Indeed, the volume of air cargo is often cited as a reliable barometer of how well the economy is doing. The air carrier industry is generally a low margin, high fixed cost industry.

The International Air Transport Association, IATA, is an international trade body representing some 230 international air carriers. They have estimated that for 2012, the industry's profit margin would be a mere 0.8%—less than 1%—owing to the large reduction in their capacity as well as the increases in fuel prices. In short, low margins are characteristic of the industry.

As I indicated, the vitality of the aviation sector is largely derived from the health of the economy. Statistics Canada recently reported that Canada's economy grew at an annual rate of 1.8% in the fourth quarter of 2011. Historically, when economic growth is below 2%, the air carrier industry overall loses money, particularly the large carriers like Air Canada.

Air Canada is Canada's largest air carrier, and together with its partners that operate in its regional services, Air Canada accounts for about half of the domestic capacity. Air Canada also provides about one-third of the transporter and other international capacity. These are the largest volumes of capacity provided by any air cargo to, from or within Canada. They represent essential connectivity, both within the country and with the rest of the world.

For a country such as ours, which is very large and highly dependent on trade, the importance of this connectivity cannot be understated. Given the large capacity that Air Canada provides our country, any work stoppage at the airline as the result of a strike or lockout would have serious impacts for Canada's economic future, as well as for the travelling public.

● (1950)

On average, Air Canada transports over 100,000 people a day at this time of the year. Thus, each day of a work stoppage would represent an important disruption for individual Canadians who might be stranded, or who had to change their plans or assume important additional cost to get to their destinations and this would be compounded over time.

We have heard it said in the House many times that during this March break period that over one million Canadians are expected to travel with Air Canada. This is a huge number of hard-working Canadians who will be significantly impacted by any work stoppage at Air Canada. Under these circumstances, at the present time this is not what the economy needs and it is certainly not what the travelling public needs.

There would be an important spillover effect for many Canadian businesses that rely on air traffic, as well as the many companies that provide services on behalf of Air Canada. For example, food suppliers, partner airlines, airports, Nav Canada and other organizations rely heavily on Air Canada in order to maintain their own operations and, thus, a lengthy disruption in Air Canada's operations would mean lost revenues for these entities.

Along with passengers, a disruption of Air Canada's service would have an important impact on the supply chains and, thus, on Canadian manufacturers and retailers. This is because there is simply no substitution for air transportation when it comes to the movement of critical time-sensitive goods. In our just-in-time world when suppliers can ill afford an unnecessarily tie-up of capital in inventory, the efficient movement of air cargo is vital to a trading nation like Canada.

As I hope everyone in the House begins to realize, Air Canada is of such a scale and scope that it is a major economic player in Canada. In 2011 Air Canada spent nearly \$2 billion on wages, salaries and benefits for its employees, just over \$1 billion on airport and navigation fees and \$681 million on aircraft maintenance. The vast majority of these expenditures by this company, particularly those related to wages, salaries and benefits, have third party impacts for all Canadian businesses.

I would emphasize that the movement of passengers and cargo is essential to many industries that make up the Canadian economy. In many cases, they are inextricably linked. Tourism, for example, would be difficult to sustain without the capacity to bring in travellers by air. Similarly, the ability to deliver high-value and time-sensitive goods, such as seafood, Canadian diamonds or pharmaceuticals, is almost exclusively dependent on the ability to transport these goods by air.

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Air Canada plays an important role in providing Canada's capacity to move people and goods. Any labour action that would affect the company's operational safety and efficiency could negatively affect our nation's livelihood. We are proud of the fact, thanks to good stewardship, that Canada's economy has been resilient despite the global economic crisis. However, we are also aware of recent financial turmoil beyond Canada's borders which could threaten the strength of Canada's recovery overall. As such, this is not time to further weaken our recovery, with very real impacts for Canadians families by way of a work stoppage at Air Canada.

We will not sit by and let the airline shut itself down. That is why the Minister of Labour has introduced Bill C-33, An Act to provide for the continuation and resumption of air service operations. These actions are essential to keep the airline flying. The government's concern is the broader Canadian public and we think that the public overwhelmingly expects this government and members of Parliament to act.

• (1955)

I come from a rural constituency, one that is served well by Air Canada. If a strike were to occur, the capacity of our local airport would drop significantly. It is absolutely essential that communities like mine have connection through air travel, not only for the local economy, not only for the travelling public, not only for those leaving on vacation, but it is also important for us to recognize many communities that are in rural and remote parts of our country need the airlines to provide attention for medical services.

Many people in my constituency will travel to larger centres for medical treatment and thus any disruption within the airline service, specifically for Air Canada or its regional partners, would have a significantly negative impact on those people who would be travelling for those reasons.

For this reason, as well as the many reasons that I have outlined in this speech, I am very supportive of my colleague, the Minister of Labour's important efforts to facilitate a solution to this situation. I believe we as members of Parliament are called to the House to undertake a number of things, but first and foremost in our minds should always be the defence of our constituents.

In the House we have heard tonight, and many times, people articulate very clearly their own reasons they believe that air service is essential during this March break for the people who live in their constituencies. For those reasons, I am proud to be here to defend air service for my constituency and for those people who travel.

Mr. Robert Chisholm (Dartmouth—Cole Harbour, NDP): Mr. Speaker, does the member opposite not think there is a bit of inconsistency with his government getting involved in the private sector with a company and a union that have not even concluded negotiations yet? Conservatives are introducing legislation to legislate them back to work. Does he not think there is a bit of irony there, let alone a ham-handed effect on the negotiation process?

• (2000)

Mr. Chris Warkentin: Mr. Speaker, it is important that we have fair and balanced legislation, one that does not take sides, one that protects the rights of both the employers and employees but also respects the needs of the employer.

The member did not mention what I believe is the most important person at the table, and that is the general Canadian population. When I consider some of the impacts that would be precipitated by a long strike or one that would take place during March break, our economy would be affected, the travelling public would be affected and those people seeking medical assistance would be affected by a work stoppage at Air Canada.

The inability to travel would have a significant impact on the Canadian population. I was sent here for one reason and I will continue to defend that until I leave this place, and that is to defend my constituents and Canadians from coast to coast.

[*Translation*]

The Acting Speaker (Mr. Bruce Stanton): It being 8 p. m., it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the motion now before the House.

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

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Bruce Stanton): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Bruce Stanton): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Bruce Stanton): In my opinion the nays have it.

And five or more members having risen:

The Acting Speaker (Mr. Bruce Stanton): Call in the members.

• (2045)

[*English*]

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

(*Division No. 158*)

YEAS

Members

Ablonczy	Adams
Adler	Aglukkaq
Albas	Alexander
Allen (Tobique—Mactaquac)	Allison
Ambler	Ambrose
Anders	Anderson
Armstrong	Ashfield
Aspin	Bateman
Benoit	Bezan
Blaney	Block
Boughen	Braid
Breitkreuz	Brown (Leeds—Grenville)
Brown (Newmarket—Aurora)	Brown (Barrie)
Bruinooge	Butt
Calandra	Calkins
Cannan	Carmichael
Carrie	Chisu
Chong	Clarke

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Clement	Daniel	Dionne Labelle	Donnelly
Davidson	Dechert	Doré Lefebvre	Dubé
Del Mastro	Devolin	Duncan (Edmonton—Strathcona)	Dusseault
Dreeschen	Duncan (Vancouver Island North)	Easter	Eyking
Dykstra	Fantino	Foote	Fortin
Fast	Findlay (Delta—Richmond East)	Freeman	Fry
Finley (Haldimand—Norfolk)	Flaherty	Garneau	Garrison
Galipeau	Gallant	Genest	Genest-Jourdain
Gill	Glover	Giguère	Godin
Goguen	Goodyear	Goodale	Gravelle
Gosal	Gourde	Groguhé	Harris (Scarborough Southwest)
Grewal	Harper	Harris (St. John's East)	Hsu
Harris (Cariboo—Prince George)	Hawn	Hughes	Hyer
Hayes	Hiebert	Jacob	Julian
Hillyer	Hoback	Karygiannis	Kellway
Hoepfner	Holder	Lamoureux	Lapointe
James	Jean	Larose	Latendresse
Kamp (Pitt Meadows—Maple Ridge—Mission)	Keddy (South Shore—St. Margaret's)	Laverdière	LeBlanc (Beauséjour)
Kenney (Calgary Southeast)	Kent	LeBlanc (LaSalle—Émard)	Leslie
Kerr	Komarnicki	MacAulay	Mai
Kramp (Prince Edward—Hastings)	Lake	Marston	Martin
Lauzon	Lebel	Masse	Mathysen
Leef	Leitch	May	McCallum
Lemieux	Leung	Michaud	Moore (Abitibi—Témiscamingue)
Lobb	Lunney	Morin (Chicoutimi—Le Fjord)	Morin (Notre-Dame-de-Grâce—Lachine)
MacKay (Central Nova)	MacKenzie	Morin (Laurentides—Labelle)	Morin (Saint-Hyacinthe—Bagot)
Mayes	McColeman	Murray	Nantel
McLeod	Menegakis	Nicholls	Nunez-Melo
Menzies	Merrifield	Pacetti	Papillon
Miller	Moore (Port Moody—Westwood—Port Coquitlam)	Patry	Péclet
Moore (Fundy Royal)	Nicholson	Perreault	Pilon
Norlock	O'Connor	Plamondon	Quach
Obhrai	Oda	Rafferty	Ravignat
Opitz	Paradis	Raynault	Regan
Payne	Penashue	Rousseau	Saganash
Poillievre	Preston	Sandhu	Scarpaleggia
Raitt	Rajotte	Sellah	Sgro
Rathgeber	Reid	Simms (Bonavista—Gander—Grand Falls—Windsor)	
Rempel	Richards	Sims (Newton—North Delta)	
Richardson	Rickford	Sitsabaiesan	St-Denis
Ritz	Saxton	Stewart	Sullivan
Schellenberger	Seeback	Thibeault	Toone
Shea	Shipley	Tremblay	Turmel
Shory	Smith	Valeriotte — 125	
Sopuck	Sorenson		
Stanton	Storseth		
Strahl	Sweet		
Tilson	Toet		
Toews	Trost		
Truppe	Tweed		
Uppal	Valcourt		
Van Kesteren	Van Loan		
Vellacott	Wallace		
Warawa	Warkentin		
Watson	Weston (Saint John)		
Wilks	Williamson		
Wong	Woodworth		
Yelich	Young (Oakville)		
Young (Vancouver South)	Zimmer — 154		

NAYS

Members

Allen (Welland)	Andrews
Atamanenko	Aubin
Ayala	Bélangier
Bellavance	Bennett
Benskin	Bevington
Blanchette	Blanchette-Lamothe
Boivin	Borg
Boulerice	Boutin-Sweet
Brahmi	Brison
Brosseau	Byrne
Caron	Casey
Cash	Charlton
Chicoine	Chisholm
Choquette	Chow
Christopherson	Cleary
Coderre	Comartin
Côté	Cotler
Crowder	Cuzner
Davies (Vancouver Kingsway)	Davies (Vancouver East)
Day	Dion

Nil

The Speaker: I declare the motion carried.

PAIRED

* * *

PROTECTING AIR SERVICE ACT

Hon. Lisa Raitt (Minister of Labour, CPC) moved that Bill C-33, An Act to provide for the continuation and resumption of air service operations, be read the second time and referred to a committee of the whole.

She said: Mr. Speaker, the labour disputes between Air Canada and the two unions, the Air Canada Pilots Association and the International Association of Machinists and Aerospace Workers, IAMAW, have continued for the past year. They have moved through the many stages of collective bargaining, from direct negotiations to requesting and receiving support from both myself and the labour program. This includes the appointment of conciliators and mediators at various stages.

Just last month, I was very happy to hear that Air Canada had successfully ratified collective agreements with three of its unions, which represented flight dispatchers, in-flight service and flight operations crew scheduling personnel.

Air Canada and the IAMAW bargaining unit had also reached a tentative agreement, and it seemed to be one that was strong.

At the time the union's negotiators said that the deal provided “wage and premium increases, improved benefits and secures a defined benefit pension fund for the members”.

The conciliator commissioner whom I appointed said, “The tentative agreement is reasonable and fair”, and, “Under the full circumstances, I consider that a reasonable agreement had been reached”.

However, the union membership did not agree, and on February 22, the union announced that the deal was rejected by 65.6% of its members, and they also voted 78% in favour of strike action. Talks between the IAMAW and Air Canada broke down on March 5. On March 6, the union gave notice that on March 12, it intended to exercise its legal right to strike.

For the pilots, things had seemed promising for Air Canada and the Air Canada Pilots Association. In fact, in April 2011, through direct negotiations, not utilizing the services of Labour Canada, a tentative agreement was reached. While it was rejected, negotiations did not recommence until November 2011.

As they moved through the process, I met with the parties twice in February and found that they were committed to working together to reach an agreement that was in the best interests of the airline, the employees and Canadians.

At those meetings, specifically on February 6, it was suggested, having noted how far apart the parties were and how little time was left, that the parties agree to interest-based arbitration to bring the matter to a close.

While Air Canada accepted the process, the pilots rejected the solution outright. As a result, to further facilitate their efforts, I offered them a special six-month extended mediation process with two co-mediators appointed to the file. This time they both accepted my offer and began meetings with their mediators. However, things did not progress—

• (2050)

The Speaker: Order. I will just ask all hon. colleagues who need to carry on conversations to do so outside the chamber. The Minister of Labour has the floor and some members have indicated they are having trouble hearing the minister. Could members keep the noise down. Members are free to use either of the two lobbies conveniently located on either side of the chamber in order that the Minister of Labour can be heard.

Hon. Lisa Raitt: Mr. Speaker, I would like to thank the hon. member for Acadie—Bathurst for requesting order in the House while I was speaking. I appreciate that.

Mr. Yvon Godin: I wanted to hear you talk.

Hon. Lisa Raitt: Thank you.

As I was indicating, however, things have not progressed toward a negotiated agreement between the pilots and Air Canada. Indeed, after the first meeting with the mediators, I received a notice, unfortunately, from the external mediator assigned to the file to indicate that she was resigning. She wrote this:

I should also mention to you that I am very surprised that the first session of mediation has been made public by ACPA in its entirety. It is a well known ground rule that mediation is a confidential process. Failure to observe confidentiality will

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not help the resolution of the dispute and will make it impossible for a mediator to function effectively as a neutral.

Air Canada tabled a final offer to the pilots union on March 8, 2012. The ACPA issued a press release stating that while Air Canada pilots would vote on this final offer from their employer, the association recommended that the pilots reject the offer and send the message to their employer to get serious about negotiations. On that same date, Air Canada advised that it intended to lock out the pilots as of March 12 as well.

I would like to be clear on this: Resorting to a work stoppage is not the norm for labour disputes in Canada. There are over 300 collective agreements negotiated in the federal jurisdiction each year and over 94% of these are settled without a work stoppage ever taking place. These agreements would not have been reached without the good faith efforts of the parties involved. It is also important that employers and the unions carefully consider maintaining the strength, viability and competitiveness of their company while continuing to work closely together to negotiate a deal, because work stoppages and labour instability can only lead to long-term impacts on the future of their company, on job prospects, on Canadians and the economy as a whole.

I have personally seen cases where this commitment at the table has provided results. As an example, the ILWU decided early in its negotiations with the British Columbia Maritime Employers Association that it did not want a work stoppage to occur. It understood that it could result in a loss of jobs for its members, and it also understood the importance of the Pacific gateway to the economic prosperity of the country. Both sides remembered throughout their negotiations that the economic health of their companies was of vital importance, and this helped the parties work together to reach two historic eight-year agreements.

When parties commit to working together co-operatively and keep the shared interests of both workers and the business as their foundation for all decisions, strong labour-management relations and lasting collective agreements are the result. The bottom line is that negotiated agreements do work.

The best and longest-lasting solution to any labour dispute occurs when the parties resolve their differences together without a strike or a lockout. However, there are cases where the parties are just too far apart to reach this compromise. These are cases where concessions on either side will be deemed just not enough because of the longstanding history of disputes, because of economic factors or for a variety of reasons that we hear today. In situations where there is no resolution in sight, where work stoppages are being proposed and the lives of Canadians and the health of the economy will be directly affected, the government must act and that is why we are proposing legislation to prevent these work stoppages.

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I truly believe in the right to free collective bargaining and I would prefer in every case to see labour disputes resolved by the parties involved and not by government intervention. The federal government only intervenes in situations where the public interest is seriously threatened. This is true, for example, when the national economy could be adversely affected by the threat of a work stoppage. Unfortunately, that means we need to pass this bill to avert a work stoppage at Air Canada. Therefore, I am asking for this House to support Bill C-33, An Act to provide for the continuation and resumption of air service operations.

Last June, there was a three-day strike by Air Canada's customer sales and service agents and I am glad to say that it was quickly resolved by the parties and that the harm caused to Canadians was limited.

Also in 2011, our government introduced and passed the Restoring Mail Delivery for Canadians Act because of the crucial economic importance of reliable mail delivery. I should mention that this legislation was supported by hon. members on the other side of the House, who also saw the potential danger to our economy of the threatened work stoppage. Again, Canadian workers and businesses, as well as citizens in general, were spared the continued hardships that an interruption in the mail could cause.

• (2055)

Today we are facing the prospect of work stoppages at Air Canada that would damage our economy. Once again, we have to take extraordinary measures. Just as it did last year, the spectre of a strike or a lockout at Air Canada is causing confusion and doubt where we need stability and certainty. I would ask the members in the House to ask their constituents or in fact anyone in Canada right now and they will hear what I have been hearing, that we cannot afford a work stoppage. It is that simple. The risks are too great and we have a responsibility as parliamentarians to act.

Let us talk a bit about the risks of a work stoppage. I have referred the matter of maintenance of activities to the Canada Industrial Relations Board because there is the possibility that health and safety issues could be created by a work stoppage. The CIRB will review each case independently and determine if a work stoppage would pose a threat to the safety or health of the public, and if so, it can issue orders that would compel Air Canada and the unions to continue services to the extent necessary to prevent an immediate and serious danger to the safety or health of the public during a work stoppage.

While the CIRB is considering the case, the parties are prevented from proceeding with a strike or a lockout, but once a decision is made a work stoppage could still occur. We cannot let this happen. That is why our government is introducing this bill, to prevent a work stoppage and compel the parties to accept binding arbitration. We are not happy about bringing this legislation forward, but this measure is necessary because vital interests are at stake.

As I said before, as parliamentarians we have to take a stand on the issue. We need to take a stand for Canada's economy, Canada's businesses and for Canadian citizens.

Like other industrialized economies around the world, Canada is coming out of a difficult recession. Our government is proud of its

record of sheltering Canadians from the worst effects of this downturn. We have laid the foundation for recovery. However, the economy remains fragile and we know that our country is not immune to the problems affecting greater nations. There could always be more turbulence, but our government is committed to taking the necessary actions to protect Canadians, to create jobs and to lay the foundations for long-term growth.

As of March 2012, our unemployment rate stood at 7.4%, a definite improvement over last year and considerably lower than the rate in the United States of 8.5%. More people are working now than before the recession hit. However, to maintain our progress and promote economic growth we need to be careful. We cannot afford to have labour disruptions in this major Canadian industry. A labour stoppage in this key sector of our economy would be a serious impediment to recovery and growth. A prolonged work stoppage at Air Canada could negatively affect our economy. Indeed, estimates of the overall impact of the stoppage on the Canadian economy vary, but some put it as high as \$22.4 million for each week of work stopped.

Consider what this could mean to businesses. A work stoppage at Air Canada would mean the loss of sales at home and abroad. Even a short work stoppage could be costly. To give members an example, in 2005 a one-day wildcat strike involving ground crew workers at Air Canada in Toronto led to 60 flights being delayed and 19 being cancelled. That was only a single day. If we let another work stoppage happen, thousands of Canadians will be affected directly or indirectly because there is more at stake here than the issues on the bargaining table.

The employees represented by the ACPA and IAMAW want to be treated fairly. They demand respect for their rights under the Canada Labour Code, and I understand that. The code does give the parties in a dispute the right to strike or to lock out, but Canadians have rights too. Therefore, I ask my fellow members to stand up for the rights of Canadians and pass this bill.

• (2100)

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, the minister is telling Canadians that she does not want this. She is saying to Canadians that 94% of the collective agreement is getting negotiated. That leaves 6%, and for that 6% the government will legislate the workers back to work. That is really what the minister is saying.

The minister is saying that she would like the other party to work with government and so forth. Instead of last-offer bargaining, why not give the power to the arbitrator to make the decision? Let the arbitrator do their job and take the responsibility. I think that is the least the government can do.

At the same time, if the government does not like this, then why does it say in the bill that "No order is to be made, no process is to be entered into and no proceeding is to be taken to court"?

That takes rights away from Canadians. If they do not like the law or feel there has been a misinterpretation of something, Canadians have the fundamental right to go to court. They have the right to seek justice, as the postal workers did and won their case.

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Is this in the bill because the postal workers went to court and the arbitrator was thrown out of the negotiations?

The Minister of Labour is now saying that she does not like it but that she has to do it. Why is she going that far? Why do the Conservatives hate workers so much?

I will say it again—

The Speaker: The hon. Minister of Labour.

Hon. Lisa Raitt: Mr. Speaker, to aid the hon. member in the facts, the number of collective agreement negotiations in 2010-11 was 302 and the number of times the federal government was asked for help was 215 times. The number of back to work bills introduced before today was zero. I believe that in and of itself speaks volumes.

With respect to the method of arbitration, a final offer selection is the appropriate measure when negotiations have been going on for this length of time with respect to both the IAMAW and the pilots, which in the case of the pilots was 18 months. In both cases, the parties had a tentative agreement on which they shook hands and agreed. We believe this is the appropriate method to bring closure, certainty and security.

On the last part of his question with respect to the clause in the bill that he quoted, the hon. member should know that this was of course challenged by the Canadian Union of Postal Workers and that in January 27, 2012 the constitutionality of this clause was upheld by the court.

Mr. Rodger Cuzner (Cape Breton—Canso, Lib.): Mr. Speaker, what the minister would also know is that the appointment of the arbitrator was challenged. We know the judge's ruling in that particular case with regard to the minister's ability to appoint, without any consultation, an arbitrator. I quote:

In the case at hand, the lack of transparency inherent in the appointment process followed by the Minister, the little evidence or rationale provided by the Minister and the laconic nature of her communications raise serious questions and indicate that the Minister appears to have excluded...relevant criteria....

Is the minister not fearful that the same response will be given by the courts in this case?

Hon. Lisa Raitt: Mr. Speaker, absolutely not because in the same court case it was very clear that the discretion of the minister in appointing an arbitrator was not impeached.

Mr. Ed Komarnicki (Souris—Moose Mountain, CPC): Mr. Speaker, I am happy to see that the minister has put together a process that can be followed to bring some sort of conclusion to these pieces between the parties that they cannot resolve.

If there were a lockout or a strike, there would obviously be a disruption to air service that would cause harm to the Canadian economy. Has there been a work stoppage in the past? Did the government intervene? Was there a time period where economic losses were suffered?

• (2105)

Hon. Lisa Raitt: Mr. Speaker, indeed, there was a strike of Air Canada pilots in 1998. It was a different climate, and it was a 13-day strike. They were not ordered back to work, and as a result, there was an loss to the economy of around \$100 million, and an economic loss to Air Canada of about \$300 million at a different point in time. It was also a point in time when there were two national carriers, so

the ability of one carrier to pick up the passengers for the other was present.

I think it is important to note that when we are talking about Air Canada with its 26,000 employees, we need to remind ourselves that by comparison General Motors Canada has 9,000 employees and Chrysler Canada has 11,000 employees. Air Canada is far greater than putting those two car companies together. It is also three and a half times larger than WestJet with a total of 330 planes.

The sheer capacity situation, if there were to be a work stoppage at Air Canada, is such that there would not be an ability in this country for the passengers to be accommodated. Indeed, it would have a distinctive effect on the economy of Canada as a whole.

Mrs. Carol Hughes (Algoma—Manitoulin—Kapuskasing, NDP): Mr. Speaker, I have an email from a Dave Laurin, who happens to be an Air Canada pilot. He says that the Air Canada Pilots Association has not freely negotiated a contract in at least 10 years. For 10 years it has not freely negotiated a contract.

He goes on to say that the employer has tried consistently to get them into some kind of industrial action or wildcat strike so that they could push the pilots into arbitration. As they have publicly stated, they are not interested in striking as they feel it would negatively impact passengers and corporations. They only want a fair contract.

Again, they are saying they want a fair contract. He goes on to say that the last offer included a 10% reduction to a retiree's pension, shame; a 25% cut to an active employee's pension, double shame; and a slight wage increase that would not even cover cost-of-living increases and would still leave them with wages that are well below what they were making in 2000, which they gave up as a concession to help the corporation.

Here we are; we have employees who have given up their wages, have made lots of concessions over the years, and the government is unilaterally forcing them to not be able to bargain.

Again, I want to ask a question. The member for Vancouver South talked about the average, ordinary workers. Do you not think these workers have already given enough concessions? Do you not think they are the average, ordinary workers in Canada?

The Speaker: I do not have a comment to make on that. I would encourage the hon. member to address her comments through the Chair and not directly at the minister.

I will give the floor to the Minister of Labour.

Hon. Lisa Raitt: Mr. Speaker, indeed, the history of bargaining at Air Canada in the last two rounds since 2003 has been quite fraught with difficulties. In 2003, while under bankruptcy protection, Air Canada looked for relief from its unions. In 2009, again, there were difficulties at the table with respect to pensions.

This current round of negotiations started early and started promising. It has been 18 months, however. While I am sensitive and I appreciate the issues at the bargaining table, those are not mine. We do not pick sides at the bargaining table.

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What we are doing is looking after the interests of Canadians on the whole. This is about the economy. This is about the public interest. This is about the travelling public. These things matter. It is a very large organization, and we have to ensure that any kind of shock to the economy is prevented, especially in these fragile times.

[*Translation*]

Hon. Denis Coderre (Bourassa, Lib.): Mr. Speaker, to hear the Minister of Labour, we are redefining the word “joke”, because what she is telling us here today is a joke. If it is so essential, why does the minister not amend the legislation and make Air Canada an essential service, and then this can go to binding arbitration?

However, with the way this works, she is going to talk to the management at Air Canada and ask them how they can reach an agreement. The bad guys here are the union members.

At some point, we must be pragmatic. In 2003-04, employees made sacrifices worth \$2 billion. Meanwhile, people like Milton and Brewer were earning \$80 million. As for the new president, not only is his salary \$2 million a year, but he will get a \$5 million bonus at the end of the month.

Is the government not creating its own little game in order to be able to kill the union and to ensure that management will definitely come out ahead?

At some point, there is a constitutional right we must respect. I agree with the NDP on this issue. The right to negotiate is a constitutional right.

Why does the minister oppose negotiations? If she does not want the two sides to negotiate, what is she waiting for to declare this an essential service?

• (2110)

[*English*]

Hon. Lisa Raitt: Mr. Speaker, the way the Canada Labour Code is crafted allows for the overriding Canadian public interest to be taken into consideration in exceptional circumstances. This is an exceptional circumstance.

In the Canada Labour Code, there can be a maintenance of activities, as I mentioned in my remarks, with respect to health and safety.

What matters here today is that what is happening at the bargaining table is separate and apart from what would happen to the Canadian public in the event of a work stoppage. That is what we are acting on, and that is the reason we are bringing this legislation forth this evening. It is because of the economic issues with respect to the greater work of Air Canada, how many people it employs, 26,000 employees, and a 250,000 spinoff from that, who service Air Canada. It is a significant portion of our economy, one that we need to ensure does not have a work stoppage, so we are providing a process for the parties to find their way to collective agreements that are stable and that are certain.

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, I seek unanimous consent to split my time with the hon. member for Nanaimo—Cowichan.

The Speaker: Is there unanimous consent for the hon. member for Acadie—Bathurst to share his time?

Some hon. members: Agreed.

Hon. Denis Coderre: Mr. Speaker, I rise on a point of order. Does that mean other parties will be able to split their time too?

The Speaker: Traditionally a member only needs unanimous consent during the opening round. After the opening round, members are free to split their time. I see on my list the member for Cape Breton—Canso is next for the Liberal party. If he wishes to split his time, he would need unanimous consent. It would be up to the House at that time. Is there unanimous consent right now?

Some hon. members: Agreed.

[*Translation*]

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, I feel that things have been going so well that they do not want to hear me speak for 20 minutes.

I think this is déjà vu all over again. It is unfortunate that the workers have to pay the price once again. The minister says that she regrets having to do this and that she does not like being in this position.

Let me start by saying that Air Canada workers have made a lot of concessions over the past 10 years. The minister says that Air Canada was subject to the Companies' Creditors Arrangement Act in 2003, that it still had financial problems in 2009 and that it has been asking the workers to make concessions since 2003. This is the same company that, when it had financial problems, paid \$80 million to Robert Milton, the company's former president, in order to leave and move to the United States and another \$5 million to the new president. The minister is siding with the employer. I am going to tell you why.

The right to unionize, to bargain and to strike is included in the Canadian Charter of Rights and Freedoms.

I received a letter from a law firm that had written to the Prime Minister. I am not going to read the entire letter, but I am going to read an excerpt that says:

[*English*]

The ability of workers to organize and bargain collectively with their employer in a meaningful fashion is one of the cornerstones of a free and democratic society. This right must be upheld and fostered as one of the most fundamental human rights protected by the *Charter of Rights and Freedoms* and otherwise.

The right to bargain collectively has been recognized by the Supreme Court of Canada as a *Charter* protected right. Further, the right to strike has recently been recognized by the Saskatchewan Court of Queen's Bench as a right guaranteed by the *Charter* as part of the freedom of association.

This reference appears not to be to prevent an immediate and serious danger to the safety or health of the public, as required by the Code, but to interfere with lawful collective bargaining.

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• (2115)

[*Translation*]

When the minister refers to the Canadian Industrial Relations Board and the Canada Labour Code, it is not about the economy. Protection is provided in the event of health and safety issues, not for economic considerations. Nevertheless, the minister referred the matter to the board because the right to strike is suspended while the board examines the case. She made the request in order to buy some time to pass her bill this evening. The minister says that she is not against the workers and is not taking one side or the other.

Usually, when negotiating a collective agreement, and when there is a conflict such as this and the parties must go to arbitration, you do not submit the final offer. When the final offer is submitted, the employer always wins. In the bill, the Conservatives have even indicated that the arbitrator must take into account competitors in the same category as Air Canada. Throughout the week, the minister said that Air Canada was the only one in its category.

Comparisons to the United States are inevitable. Some will compare salaries earned in Canada to those in the United States. As though it were not enough that the minister is leaving the decision to the arbitrator regarding the collective agreement, she included in the bill what she wants to come out of all this. She is tying the arbitrator's hands.

The bill goes even further: "No order is to be made, no process is to be entered into and no proceeding is to be taken in court: (a) to question the appointment of the arbitrator". This means that if the minister decides to appoint one of her friends whom the union cannot stand, the union has no recourse. That person would likely be biased, since he or she would be on one party's side. Not only is the government taking away workers' rights, but it is taking away the fundamental right of Canadians and Quebecers to take their case before a court of law to ensure that justice is done.

Consider the example of Canada Post. This is the same government that legislated to force workers back to work. The workers went to court to challenge the fact that the arbitrator was not bilingual. They wanted a bilingual arbitrator at the bargaining table. The judge found in favour of the workers and the arbitrator was dismissed. That is why the minister introduced a bill to take away Canadians' right to go to court.

I hope that everyone watching us here this evening understands that we simply cannot allow the government to attack a particular group, as it did in the case of Canada Post. Yes, people wanted their mail and their parcels to be delivered by Canada Post; that is only natural. But workers have rights too. The 26,000 workers at Air Canada also have rights. The pilots have rights, and so do the mechanics and baggage handlers. They all have rights. The Conservatives did not hesitate to take away a fundamental right that is included in the Canadian Charter of Rights and Freedoms.

The Conservative member has some nerve, saying that it pains her to have to do this. The Prime Minister said he was divided on the issue. I will repeat what I said earlier this week: "Give me a break". He was not divided. The Conservatives side with the large employers. They did the same thing when they gave huge tax breaks to large corporations, before slashing the services offered to

Canadians and trying to raise the retirement age from 65 to 67. They have no problem attacking everyone.

My message to Canadians is this: if we allow the Conservatives to go after certain groups here and there, in the end, the Conservatives will attack everyone. We need to come together to tell this government that it is absolutely unacceptable that workers are unable to defend their rights. The Conservatives say that what they are taking away from the workers is only fair. Who has been paying the price at Air Canada for the past 10 years? Who has had no salary increases?

• (2120)

A woman was telling me tonight that her brother or brother-in-law has been a pilot for 12 years and has never had a pay raise, while Robert Milton, the president of the company, left with \$80 million in his pocket. Come on. Where is the minister? Where is the Conservative government?

If the government is going to get involved in the bargaining, as it is doing, when there has not yet even been a strike vote—in fact, nothing has happened—and say, before the negotiations have even taken place, that the airplanes will continue to fly and there will not be a strike, what effect does it think that has? It tells the company that it can take what it wants from its employees and that the government will be there to legislate them back to work. It is unbelievable. It is unacceptable.

Who is going to pay the price of these salary freezes and cuts to pension funds later? When the government says it is doing this for the economy, that may be true in the short term. However, in the long term, when people no longer have pensions or they only have half their pensions, when people do not have a good salary to spend in the small and medium-sized businesses in their communities, it is hard on the economy.

It is shameful that the government is again interfering in bargaining and taking away from workers a fundamental right guaranteed by the Canadian Charter of Rights and Freedoms. Our country sends soldiers to war to establish democratic rights and now the government is taking those rights away here at home. The government is even imposing a gag order in the House of Commons. We cannot even defend this bill in the House of Commons. It will be dealt with tonight. We will not even be able to talk about it tomorrow. The government is making a fundamental mistake with long-term consequences.

[*English*]

Mr. Ed Komarnicki (Souris—Moose Mountain, CPC): Mr. Speaker, there is no question that there is a right to bargain. The parties should bargain, but not hold Canadians or the Canadian economy hostage. I know the member defends his union bosses, but what about defending our fragile economy and ensuring that unnecessary economic losses do not happen?

Government Orders

What about protecting innocent Canadians who get stranded when they are travelling abroad? What about protecting the losses to other parties involved beyond the union and the employer? This sets a process that people can use to bring this situation to a satisfactory conclusion. It is not a question of just bargaining, not settling and not being able to settle. This provides for a process to take place. Why does the member not defend innocent Canadians and those who are affected by the unions and by the employer?

Mr. Yvon Godin: Mr. Speaker, the difference is that I believe that workers are Canadians too. The Conservative government does not believe that the workers are Canadian. They are Canadians with rights.

The member was talking about me defending my bosses in the union. What about the Conservative government giving big tax breaks to large corporations, their friends? The banks in this country have paid \$20 billion of profit and paid themselves \$11 billion in bonuses, yet the Conservatives would not give the taxpayers a break. The Conservatives borrowed money and put our country in a deficit to give tax breaks to people who paid themselves bonuses, just as the president of Air Canada paid himself \$80 million and took off with it. The last one we just saw took \$5 million.

You are looking after your big bosses, the big corporations, and that is what the Conservative government—

The Speaker: I can assure the hon. member that I did none of those things and urge him to address his comments through the Chair.

On a point of order, the hon. member for Acadie—Bathurst.

Mr. Yvon Godin: Mr. Speaker, you did not take the \$80 million. It was Robert Milton.

The Speaker: Thank you. Believe me if I had \$80 million, I might not be here.

Questions and comments, the hon. member for Cape Breton—Canso.

• (2125)

Mr. Rodger Cuzner (Cape Breton—Canso, Lib.): Mr. Speaker, I respect my colleague's time as a union negotiator and his time within organized labour. I know that he has brought many collective agreements to successful conclusions for both management and union.

Through the course of this debate, it has been mentioned by members on the government side time and time again that offers had been brought back to the union and the union voted them down. That would justify coming forward with this back to work legislation. In doing so, Conservatives imply that there is no legitimacy in the vote of the membership. They are not showing any respect for the democratic right of those members to vote down a contract. I would like the member's comments on that position by the government.

Mr. Yvon Godin: Mr. Speaker, I really like this question because the member made reference to how we are always supporting the big bosses of the union. However, the government does not understand what the union is all about. The union belongs to the membership. The union negotiating team has the mandate to negotiate, but the law does not say that the team votes on the contract. It is the membership that votes on the contract. The union belongs to the workers and the

team is working on their behalf. The government is pissed off because the membership voted against a proposed contract and wanted the right to vote again. Because the members did not follow the big boss, the government wants to punish them and legislate them back to work. That is what the government is doing. It is totally mixed up about who they are and what the union is all about.

[*Translation*]

Ms. Françoise Boivin (Gatineau, NDP): Mr. Speaker, while my colleague was speaking in the House, I took a minute to ask my Facebook friends a question. I asked them if they agree with the government that Air Canada is an essential service and that the economy might collapse if the company negotiates with its employees. I told them that it was proving difficult to find common ground and that there could be a strike or a lockout. Well, 95% of them told me that they do not agree. They also said that the government must take Canadians for fools if it thinks that workers should not be allowed to organize, and that the government should not try to take away the basic right to freedom of association and free negotiations.

The charter guarantees freedom of association. If the right for two parties, employers and employees, to negotiate freely with equal power is taken away, what is left? That is what I want to ask my colleague.

Mr. Yvon Godin: Mr. Speaker, nothing is left, but this is even worse than that. Before the minister even introduced this bill, she stated that there would be no strike. The government is telling the employer that it can do whatever it wants because the government will legislate employees back to work and impose one of the final offers.

In the past, the arbitrator has consistently chosen the employer's final offer. The minister said that everyone who called her was against a strike. I am happy to hear the member for Gatineau say the opposite, and I thank her for sharing the 95% figure.

I am the labour critic, and neither my email nor my fax has been filled with messages from people saying that the government should legislate workers back to work. That never happened.

[*English*]

Ms. Jean Crowder (Nanaimo—Cowichan, NDP): Mr. Speaker, I want to thank the member for Acadie—Bathurst. He is a vigorous defender of workers' rights in this country: the right to collective bargaining, employment insurance and many other matters.

I also want to thank the member for bringing up a particularly important issue. We hear from the other side about the NDP taking its marching orders from the labour bosses. The member for Acadie—Bathurst rightly pointed out that the collective bargaining process, the trade union movement, is a democratic process. Workers involved in that process get to choose whether they want a particular settlement or not. They elect their own leaders and participate fully. I would say the House has a lesson to learn about democracy when we see the kinds of processes that are constantly invoked in the House, such as shutting down debate, closure, time allocation and time limits on committees. We could certainly learn a lesson from the trade union movement.

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The other interesting thing we keep hearing from members opposite is how this is all about the economy. One day they will stand in the House and talk about their terrific program that allowed a strong economy to emerge. The next day they talk about how fragile the economy is and that we must do everything possible to shut down workers to protect this very fragile economy. Yet when opposition members rise in the House to talk about child and family poverty in this country and the fact that a significant number of working people live well below the poverty line, we do not hear that being talked about in terms of our fragile economy and having a plan in place to deal with those kinds of things.

What we are talking about today is the back to work legislation in the labour dispute between Air Canada and its workers. I will take a step back in history. Back in 2004 an article was written by Judy and Larry Haiven entitled “Back-to-work legislation a threat to democracy”. I am not going to read the whole article, but there is one particular paragraph that is very important in the context of why it is important to have a free, open and transparent collective bargaining process. It states:

Canada and other industrialized countries introduced modern collective bargaining legislation in the mid 20th century because they had learned that, given appropriate conditions, workers would join unions and that they would go on strike whether or not they were allowed to by law. Even when unions themselves were illegal and strikes were met by troops and machine guns, workers would still go on strike. Modern governments figured it better to legalize strikes and institutionalize collective bargaining, tolerating and even encouraging occasional strikes rather than bottle up worker resentment until it burst forth in even greater measure.

There were a number of very good reasons for a collective bargaining process that allowed workers and their employers to work things out without interference from government.

I want to quote from a letter from the Canadian Labour Congress written on March 9, 2012. It raises some very good questions for the minister and the government. The letter states:

I am writing, yet again, to protest the government's ongoing interference in free collective bargaining at Air Canada, coincidentally on the heels of the company's announcement yesterday to lock out its pilots at midnight on Sunday.

Once again, just like we had with Canada Post, we have the employer locking out its workers.

The ongoing interference in collective bargaining at Air Canada, a private company, continues to signal to business that this government is squarely on the side of the employer, and failing to remain neutral, and to respect free collective bargaining.

Minister, one must ask themselves how well managed is a company where the members of every single one of its bargaining units have voted for strike action or gone on strike in the last year? Clearly Air Canada management has so poisoned the bargaining relationship that employees simply were not, and are not, willing to sacrifice anymore. Your government's actions in forcing employees to accept what they cannot freely negotiate and vote on could potentially cause irreparable harm to future labour relations between the workers and their unions with the company. Employees will have no ownership or duty of responsibility to what can only be characterized as collective agreement negotiated between the Government of Canada and Air Canada.

These decisions, while seemingly appealing for the government in the short-term, will have far-reaching long-term implications for a mature federal labour relations system that has withstood the test of time.

The Canadian Labour Congress has raised some very good points around why it is important to allow this process to play itself out instead of having a government-employer type of collective bargaining that simply shuts the workers out.

● (2130)

In an article from last November there is a very good analysis of the Conservative government's labour relations policies. I am sure that if author Jim Stanford were writing it today, he would add another interference by the government. The article is about how the labour minister's three principles for labour relations only run one way. In it, Mr. Stanford writes:

[The Conservative] government has interpreted the rule of law rather flexibly in the arena of labour relations. In just six months in power, the Conservative majority has intervened three times to end or prevent work stoppages.

Of course, it is now four times.

The article continues:

The first instance was in June, when [the labour minister] announced, after less than one day of picketing, that she would forcibly end a strike by Canadian Auto Workers members at Air Canada. The two sides settled, sending one outstanding item, pensions for new hires, to arbitration. She established what we could call [the labour minister's] First Principle: Even at private non-monopoly companies, government can ban strikes.

That is principle number one.

Later that month, [the minister] waded into the Canada Post dispute. It was management (not the union) that locked everyone out and closed the doors. But that was enough pretext for [the minister] to legislate the posties back to work, imposing wages lower than what management had already offered. [The minister's] Second Principle was established: Government can explicitly dictate wage settlements.

In October, she pushed the legal boundaries even further, calling in the labour board to pre-empt a CUPE strike at Air Canada, laughably worrying about the “health and safety” of the travelling public... [The minister's] Third Principle is actually a blank cheque: Government can simply prohibit any work stoppage it wants to.

The article goes on to say:

Each case represented an audacious willingness to intervene in labour-management relations, even at private companies. Each case moved the goalposts a little further. And now [the minister] has speculated about amending the labour code so that the economy itself is defined as an essential service. That would codify [the minister's] Third Principle, giving government the explicit right to ban any work stoppage it deems damaging.

Of course, which work stoppages are or aren't prevented will remain a matter of judgment. Imagine if all work stoppages were prohibited—lockouts, as well as strikes. All disputes would then be settled by binding arbitration, as currently occurs with true essential services, like police and hospitals.

Mr. Stanford continues:

But employers don't want that approach, fearing that arbitrators may occasionally side with the union. The arbitrator in the Air Canada-CAW case did exactly that, sparking a bizarre decision by the company to appeal his “final and binding” judgment to the courts (an appeal since abandoned, wisely).

When employers hold the better cards, as they do in today's unforgiving labour market, they happily go for the jugular—work stoppage or not. Consider another epic dispute that ended last month:—

—again, this article was written a few months ago—

—the 50-week lockout at the United States Steel Corp. factory in Hamilton. The company starved out the union with far-reaching demands to gut pensions and other long-standing provisions. The economic cost of that bitter, lopsided dispute didn't slow the company, nor did it spur any level of government to action.

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I estimate that the direct loss to GDP resulting from the lockout in Hamilton was four times larger than the effects of a one-week full shutdown at Air Canada. Indirect spinoff losses made the steel lockout even more painful. If government were truly concerned with "protecting recovery," why didn't it intervene? True, steel falls within provincial (not federal) labour jurisdiction. But Ottawa had plenty of leverage if it wanted to act—not least U.S. Steel's galling violation of the production and employment commitments it made when it took over the former Stelco Inc.

Of course, NDP members have raised that in this House a number of times.

Mr. Stanford goes on to say:

In Hamilton, where workers held little power, the government stood idly by. It seems it's only when workers have some leverage that it acts powerfully to "protect the economy."

There's no doubt [the minister's] actions were popular with many. And there's no doubt work stoppages cause inconvenience and disruption. But because something is unpopular or inconvenient hardly gives government the moral authority to take away rights, making up the law as it goes—even if it does hold a majority of seats in Parliament.

I read that whole article because I think it very ably outlines the current Conservative government's approach to labour relations in this country. All workers in this country should be very concerned about the way workers are being treated at Air Canada and other workplaces.

I can see you are signalling that my time is up, Mr. Speaker. That is unfortunate, because I was just going to talk about the economic recovery, in relation to which Mr. Stanford once again ably takes apart the government's argument that this is all about the economy.

• (2135)

Mr. Royal Galipeau (Ottawa—Orléans, CPC): Mr. Speaker, I want to commend the hon. member for Nanaimo—Cowichan for keeping a level head as she is arguing her case.

It is very interesting that although she lives in Nanaimo—Cowichan and is very active there, she is also very active here, and sometimes we feel that she is present simultaneously in both places. That is easy because the planes are flying. If they were not flying, a lot of anxiety would probably be flying, and the economy would be hurting also.

The last time we had a work stoppage at Air Canada, in 1998, it was for 13 days, and cost the company its life.

On February 22, Madam Justice Louise Otis said:

In the process of writing this report, I have come to learn that the tentative agreement was voted down by the Union membership. This tentative agreement was the result of a fair and productive negotiation process by competent negotiators. Tense and arduous by all means, the negotiation was nonetheless undertaken rationally and professionally by both Parties. Taking into consideration the situation of the Parties, the tentative agreement is reasonable and fair—

• (2140)

The Speaker: Order. I hate to stop the hon. member, but he has had the floor for over a minute and a half. Given that there are only five minutes for questions and comments, I will have to stop him so that the member for Nanaimo—Cowichan can respond and we can accommodate questions.

Ms. Jean Crowder: Mr. Speaker, of course the member was unable to quite get to his question, but with respect to the fact that I live in one of the most distant ridings and travel Air Canada regularly to get back and forth between Ottawa and my riding, if it went on strike it would be an inconvenience, absolutely.

However, we must defend the rights of workers to collective bargaining no matter what the inconvenience. It is fundamental to how our country operates. It is part of our democratic process. We must support the ability of workers and their employers to work issues out without interference from the government.

[Translation]

Hon. Denis Coderre (Bourassa, Lib.): Mr. Speaker, I am not going to launch into a lengthy diatribe, like my colleague from Ottawa—Orléans. I have a simple question. Either they are in favour of an essential service or they are not. They cannot have it both ways.

If the government absolutely does not believe in open negotiation and free will, then would it not make sense to make this an essential service and have binding arbitration?

[English]

Ms. Jean Crowder: Mr. Speaker, of course the government keeps talking about the economy, but it does not talk about essential services. It simply focuses on the economy as the only reason it is ordering Air Canada back to work.

However, there are many strong arguments out there. I do not have time to go through all of Mr. Stanford's arguments, but he does point out, after the postal back to work legislation, that if the government were truly interested in looking at the fragile economy, it would look at a number of aspects, including interest rates in Canada and the loonie. There are a number of measures it could have taken, but it is not developing any policies around those areas.

[Translation]

Mr. André Bellavance (Richmond—Arthabaska, BQ): Mr. Speaker, it was said earlier, and ever since the dispute with Canada Post we have come to realize, that workers no longer have the right to negotiate, plain and simple.

In her speech, the hon. member mentioned that the minister dealt with the Canadian Industrial Relations Board. The CIRB serves no purpose anymore either. I want to have the hon. member's opinion on the following: it looks as though workers will no longer have the right to negotiate or even make a simple claim or use pressure tactics.

What type of government are we dealing with now that it has taken away all the rights of the public and workers who are simply exercising their constitutional rights? We now have a Conservative majority government that is in the process of changing all the rules.

[English]

Ms. Jean Crowder (Nanaimo—Cowichan, NDP): Mr. Speaker, it is very interesting that the government referred this matter to the CIRB and then did not even wait to hear what it has to say about whether this impacts on the health of the economy or not. Now we are into back to work legislation. Why did it not just wait for what the CIRB had to say about it?

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[*Translation*]

Hon. Denis Coderre (Bourassa, Lib.): Mr. Speaker, I would like to have the unanimous consent of the House to share my time with the hon. member for Cape Breton—Canso.

[*English*]

The Speaker: Is there unanimous consent for the member for Bourassa to share his time?

Some hon. members: Agreed.

The Speaker: There is consent.

The hon. member for Bourassa.

● (2145)

[*Translation*]

Hon. Denis Coderre: Mr. Speaker, in light of such enthusiasm, I know that the hon. members are anxious to hear my colleague, who does extraordinary work. You will have to suffer through my comments for the next 10 minutes.

This is an extremely important debate, but it is hypocritical. At some point, you either believe in rights or you do not. Just as with Canada Post, we have a government that seems to be doing deals under the table. Why? If you want people to have the right to negotiate, you have to let negotiation take its course.

Here is how I see it at the moment. It so happens that there is a lockout. After that, the matter is referred to the Canada Industrial Relations Board, but the government does not wait for the result and, presto, we have back-to-work legislation. That is the hypocritical part.

The hon. members opposite are telling us about the weak economy. They have to stop pitting the workers against the bosses, the bad guys against the good guys. They are all Canadian. Some are Quebecers too, but they are all full-fledged citizens and they all pay taxes. At a certain point, it becomes a matter of human dignity, and that means respecting constitutional rights first and foremost. We give rights or we do not. There can be no half measures. If that is what we hold to, we have to give the parties to a discussion the time to go through the process to its end.

Sometimes, a lockout or a strike can go too far. If a strike begins to have a real impact on our situation, then the Minister of Labour can decide that things have gone too far and can start to talk about a bill at that point. But she must not be there to take one side or the other.

I too have been on the other side. We experienced situations and took a stand at the time. However, we want people's constitutional rights to be respected. Something about this bill irritates me to no end. The Conservatives made a mistake the last time with the Canada Post workers because the workers won in court on the very definition of arbitrator. Now, the Conservatives are trying to hide something from us and, what is more, they want to remove workers' legal recourse. So not only are these workers being treated like second class citizens but their bargaining rights are going to be taken away and they will not even be able to take the matter to court. This is not the type of society in which I want to live. This is not the Canada that I live in.

Today's debate is also an important societal debate on every person's role and the definition of a right. The government is operating through the use of pure and simple demagoguery by saying that the economy is fragile. As my colleagues have said, the economy is always doing well when the Conservatives have answers but, when they need an excuse, they blame the economy. In reality, we are in a situation where the Conservatives want to take power away from one party.

The workers have done their share; everyone is saying so. In 2003-04, they made significant sacrifices. Given that they saved \$2.1 billion, it seems to me that they deserve more respect than this. During that time, obviously some people were leaving with a fortune in their pockets and a golden handshake, such as Milton and Brewer who left with \$80 million. Not bad. And then there is the CEO who earns \$2 million a year and who is set to receive a bonus of \$5 million at the end of the month. The economy is fragile but we have the money to pay for things like this. The government is just not listening.

I find it completely unacceptable to vote in favour of this type of bill. At any given moment, we can say that we are going to give it time, that we are going to make a decision and take a stand. In the meantime, the labour minister's role is to act as an arbitrator. Working for the public interest does not mean taking the side of one party or the other. It means ruling on the situation if it gets worse.

I asked some questions earlier. Now we must stop being hypocritical and say that Air Canada is an essential service. There are other airlines but we do not talk about them very much. In passing, there is a bit of an issue with respect to competitiveness. If Air Canada is an essential service, then the government must come back with a new bill and, from there, we will make the changes required for an essential service. If that is the case, then this matter should go directly to arbitration and the arbitrator should decide. However, the government cannot then come back and tell us that it is going to impose conditions on the arbitrator, for example. An arbitrator is supposed to look at both sides.

● (2150)

We have labour lawyers here. We have experienced people, such as my colleague from Gatineau, whom I quite like, actually. She was once a Liberal. She is not completely flawed after all.

That is how it should work. They should not take Canadians for fools. Canadians will not be manipulated. They understand. The member for Gatineau mentioned Facebook. I am a Twitter guy, myself. The poll machine is smoking. The Conservatives are going to be pretty disappointed when they find out that people think we should vote against this kind of bill.

This afternoon, the pilots' union also issued a news release about a survey of 1,009 people. The survey indicated that 58% of Canadians do not think the government should pass back-to-work legislation and impose working conditions. When there is an arbitrator, he must be allowed to do his work. That is just common sense.

Government Orders

I do not understand what kind of game the government is trying to play. Respecting rights is not just about respecting workers' rights; it is about respecting people's rights. Pitting people against one another results in the kind of country we have now, and that is why things are not going well.

I want the government to reconsider its position. It may be a little late, but that is okay because the more we repeat the message, the more likely it is to stick. We have to vote for common sense. I do not want to hear about the economy. I do not want to hear about fragility. I want to hear about what is really going on. This is not about the economy; this is about rights.

Did they really do everything in their power to negotiate an agreement? If they did not fulfill all of the conditions, then the minister can go in and say that this is a special situation. In the meantime, we have to let the process unfold. This is about rights. This is about respect. That is the kind of society I want to live in.

[*English*]

Mr. Royal Galipeau (Ottawa—Orléans, CPC): Mr. Speaker, when the last intervener began his speech, he threatened you, Sir, to make you suffer for the next 10 minutes. I hope you did not suffer too much.

[*Translation*]

As far as the allusions to Mr. Milton are concerned, I must say that I completely agree with hon. member for Bourassa. I was just as outraged.

I wanted to finish the quote from Justice Louise Otis:

[*English*]

Taking into consideration the situation of the Parties, the tentative agreement is reasonable and fair. The negotiation process, which was carried out diligently and competently, has been exhausted. I do not recommend that negotiations be further resumed or that a mediator be appointed. Under the full circumstances, I consider that a reasonable agreement had been reached.

[*Translation*]

I would like to ask the hon. member for Bourassa to join us in putting an end to this mess.

Hon. Denis Coderre: Mr. Speaker, someone once spoke honourably and enthusiastically and things ended poorly.

By the way, my colleague used the English pronunciation for Louise Otis' name. Justice Otis is a good Quebecker who had a prestigious legal career and provided a great deal of help in Haiti.

What I want to say in response is that George Smith, a former labour relations manager at Air Canada, made the following comment. The members opposite should hold their applause because this is not pretty.

This has all the appearances of the federal government doing what is best for the country but really it is a disaster. If you are negotiating a difficult labour contract, the process is being taken out of your hands and the government will do it for you. The showdown element which hurts in the short run but results in a fair settlement is gone. The net result will be labour agreements that are uncompetitive.

Is that clear? I do not think I need to add anything.

Mr. Pierre-Luc Dusseault (Sherbrooke, NDP): Mr. Speaker, earlier I put a question to one of the hon. members opposite. I would

like to put the same question again to the hon. member from the Liberal Party, the third party in the House.

Once more, the government is setting up two categories of people in Canada: Air Canada employees and other employees. At the moment, it is as if Air Canada employees do not have all the same rights as other Canadians. With this bill, the government is taking away all those rights and placing them below those enjoyed by other Canadians.

I wonder if he shares my view that, in fact, the government's bill is creating two categories of Canadians who are now being set against each other.

• (2155)

Hon. Denis Coderre: Mr. Speaker, I wanted to begin by replying to my young colleague.

Clearly, this bill creates two kinds of citizens. This creates a terrible dichotomy: there are the good guys and the bad guys, and those who are not for are against. Since my colleague is new to politics, I hope he will not fall into this dogmatism, because the second party, his party, has a tendency to get caught up in its left-wing dogmatism. This has to do with right-wing dogmatism. Such dogmatism only hurts the community. If our hearts lean to the left and our wallets to the right, some sort of balance can be achieved. A balanced approach means putting everyone on a level playing field. Furthermore, rights are fundamental and must be respected. That is the kind of society that the member and I want to live in.

Mr. Ted Hsu (Kingston and the Islands, Lib.): Mr. Speaker, I wish to ask my colleague if the government's repeated intervention, which eliminates the risk to one party to the negotiations, creates a moral hazard in the bargaining process.

Hon. Denis Coderre: Mr. Speaker, I am not sure if I heard correctly. A moral ally?

Mr. Ted Hsu: A moral hazard.

Hon. Denis Coderre: My hearing is to blame. I am getting older and I do not hear very well.

This moralistic approach is creating a situation that makes everyone uncomfortable. This discomfort is something that will lead to very a tragic future, because it has become a norm, the usual way of doing things. We no longer have a labour minister; we have a minister who makes deals with bosses for all kinds of purposes other than respecting workers' basic rights. This is another sad day for Canada.

[*English*]

Mr. Rodger Cuzner (Cape Breton—Canso, Lib.): Mr. Speaker, I want to commend my colleague, the member for Bourassa. Every time he speaks in the House, he is motivated by Canadians who find themselves in hardship and by those who find themselves disadvantaged. This time he is standing up for organized labour, which has been put in a situation where its rights have totally been compromised by the government. I appreciate his insight into the issue and his continued fight for Canadians.

I have a couple of points. Let us understand the labour history of Air Canada. There are five unions at Air Canada and over the entire history of that company, there have been six strikes. That is a pretty good success rate in management and union negotiations. I would think they are very capable of finding ways through particular negotiations. One of those strikes lasted all of three hours.

The minister, in her comments, cited the strike of 1998 and the number of days the union had been out and the airline had been tied up. The workers were legislated back to work. She told us of the devastating impact it had on the economy and the way it devastated our country. In 1998 the unemployment rate came down by 1%, interest rates came down, the books were balanced and money was paid on the debt. Perish the thought.

Let us turn to the intervention the Conservative government has made on the economy. There are a million and a half Canadians without work. The unemployment rate has gone south, month after month, since last October. Canadians are screaming, "Please, no more help for the economy". Goodness gracious, I have never seen the likes of that devastating year of 1998.

I want to talk about two things in particular. One is the appointment of the arbitrator. I talked to some of these guys before, while we were going for the votes. This is the time of year when most small communities that have a junior A or junior B hockey club are getting into the playoffs.

Being an old junior hockey coach, they used to assemble the coaches or the league executive and the executives from the team together. We would have the discussion around the table about all the refs we had access to and who we wanted to be the top referees assigned for the playoffs. We would go through and shortlist the list of referees. We would get down to about three or four different names. We would not assign them, but we would bring it down to a pool and then the league would assign the officials. There was input. Even at the junior B hockey level, there was some kind of input into who would negotiate how those games and those playoffs proceeded.

There is no communication with the government in entering into the undertaking we see before us now, the appointment of the arbitrator. We are not even seeing any kind of consultation with the parties. The minister has freewheel to appoint the arbitrator, and we saw what that yielded through the whole Canada Post strike. We are all reminded of what happened through the Canada Post strike.

I want to talk about that and I want to read into the record the decision rendered by the judge through the Canada Post dispute and the appointment of the arbitrator. The judge wrote that the minister "would like the exercise of ministerial power...to be unobstructed, unguided or not subject to any criteria of qualification or competence for the arbitrator". That is a bit damning. I would think that would be the equivalent of taking the minister to the woodshed.

• (2200)

The judge went on to say:

This is not what is indicated by common sense, case law, the economy of the Act or the specific labour relations context that govern the parties to the collective agreement.

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It was seen that the appointment the minister made was totally inappropriate.

I want to close with this last quote from the judge:

In the case at hand, the lack of transparency inherent in the appointment process followed by the Minister, the little evidence of rationale provided by the Minister and the laconic nature of her communications raise serious questions and indicate that the Minister appears to have excluded, as relevant criteria—

The Conservatives feel that is a success and is appropriate because they are going down the exact same road with this piece of legislation.

We know the minister has been chastised for her actions before. She should not have her nose in it anyway, but why could she not at least come up with an appropriate list of arbitrators?

I am sure Canadians are thinking that they have seen this movie before, that they know what the outcome is, and here we go again.

Let us talk about the direction of the arbitrator. There are three points.

The workers have taken a \$2 billion haircut over the last 10 years. I wish the government would take into account that 10 years ago the workers took rollbacks and they are not getting the same wages now that they had 10 years ago. Ask any Canadian if that is fair. I do not think it is.

People may have grievances with Air Canada, maybe a lost suitcase a couple of years ago, or a missed flight because of a snowstorm, but we should not place those grievances on the workers at Air Canada. When MPs fly back and forth between Ottawa and their ridings every weekend, they get on an Air Canada flight. I am sure they have confidence that they will be safe and respected as a passenger. I think we are fairly confident in that. However, the workers have taken \$2 billion in concessions over the last 10 years. Why is that not identified in the instructions to the arbitrator?

The company sold off \$2 billion of assets, but still it left the employee pension plan underfunded by \$3 billion. I would think that would make a current or past Air Canada employee nervous and upset.

I am going through a process now in my own community where the NewPage paper mill has shut down. It has been devastating. There are 800 people out of work because of it. It is the pensioners who have really taken a haircut because the pension fund had been underfunded by \$150 million. They are going to see a reduction of approximately 40% in their pensions.

Why is there no provision within the arbitration to address the underfunding? If it is being sent to an arbitrator, let us make sure that the pension underfunding is being addressed.

Robert Milton and Montie Brewer made off like bandits when they left the company. Massive bonuses were paid out to these former CEOs. I do not know if the employees are going to have the same type of benefit when they leave with the pension in the shape it is.

Government Orders

• (2205)

I will make this final point. I guess it is about essential services because we find ourselves back here time and time again. The minister has used the Canada Industrial Relations Board as a puppet. She put the matter before the Canada Industrial Relations Board on this sham about health and safety concerns. I do not know if even the minister would believe that. If she was confident in that, why would the back to work legislation be necessary? The board would deem this an essential service.

Maybe that is the debate we should be having. What in fact is an essential service in this country? We should determine whether or not Air Canada is an essential service and get on with it from there.

By any measure, this is a piece of legislation—

The Speaker: I will have to stop the hon. member there to allow for questions and comments.

The hon. member for Algoma—Manitoulin—Kapusksing.

Mrs. Carol Hughes (Algoma—Manitoulin—Kapusksing, NDP): Mr. Speaker, my colleague talked about a variety of things that impact the economy. The government is saying it has to do this to protect the economy. However, when we look at what these workers were offered in their last offer, it included a 10% reduction to retirees' pensions, a 25% cut to active employees' pensions, and a slight wage increase that would not even cover the increase in the cost of living. That still leaves the workers' wages well below what they were in 2000.

The worst part about the proposed agreement that had been tabled before was the possibility of the setting up of a low-cost carrier that would be best summarized by the following description. Dave Laurin is an Air Canada pilot who lives in my riding in Kapuskasing. One of his colleagues explained it this way:

When speaking of the need for a "Low Cost Carrier" to achieve financial sustainability, Mr. Rovinescu has stated openly to the employees in a press release and employee forum that his goal was the "Jet Star" business plan. This same business model took Qantas pilots jobs away, just about bankrupted Qantas and saw that same low cost carrier move its operations off shore from Australia to hire foreigners to do the work that previously employed Australian citizens.

This is about saving Canadian jobs, and this is about—

• (2210)

The Speaker: I need to stop the member there. She has had the floor for over a minute and a half.

The hon. member for Cape Breton—Canso.

Mr. Rodger Cuzner: Mr. Speaker, I have read those same comments about the new low-cost flyer that the CEO has talked about. As Canadians we can take a great deal of pride in that our national carrier is setting its sights right at the middle. It aspires to be a mediocre airline.

As I have said before, when Canadians travel they want to feel there is a sense of security. We feel that when we get on a flight with Air Canada, that we are well served and respected by the staff. With all the hiccups and bumps, and MPs fly every week, there is still that sense that we know the workers want to serve those that board the craft on that day. They put up with tough things.

The reality of air travel in northern climates here in Canada, is that bad weather is just a fact of life. If there is a flight that cannot get into Toronto because of the weather, there is a good chance that the flight that is connecting with Halifax is going to be bumped too.

Yes, there is frustration. Is it the fault of the employees? Absolutely not. The employees did their part to make the company successful.

Mr. Stephen Woodworth (Kitchener Centre, CPC): Mr. Speaker, the parties in this case have all had a shot at negotiating agreements. In fact, they did negotiate agreements and they submitted them for ratification. Ratification was not available.

The government is simply proposing to send these parties to final offer arbitration. The arbitrator will be guided by terms consistent with those in other airlines: by long-term and short-term economic viability and competitiveness, and by sustainability of the employer's pension plan. I would like to know what the member opposite finds wrong with this? It is really very simple economic competitiveness, viability of the pension plan. What does he disagree with here? What does he find to be so unreasonable?

Mr. Rodger Cuzner: Mr. Speaker, what I find unreasonable and unacceptable is the lack of respect the Conservative government holds for organized labour in this country. It is absolutely the prerogative of the membership to not support a contract that is brought back by the executive. The power lies in the hands of the membership. It is not the big corporate bosses. It is not big union bosses. They simply negotiate the deal, bring it back to the membership and if the membership rejects it, it is well within their democratic right.

[*Translation*]

Hon. Denis Lebel (Minister of Transport, Infrastructure and Communities and Minister of the Economic Development Agency of Canada for the Regions of Quebec, CPC): Mr. Speaker, I will be sharing my time with the member for Simcoe—Grey.

I am pleased to have the opportunity to address the House regarding the Air Canada labour dispute. I would also like to take this opportunity to describe in more detail the role of Air Canada and the airline sector in our economy. The air transportation industry and the economy are intertwined because there is a direct relationship between the demand for airline services and economic and socio-economic activity in general.

Consequently, this sector is an excellent gauge of the economic situation. We know that the economy was seriously impacted by the global financial crisis three years ago. Activity slowed down and airlines reacted. Costs were cut as much as possible, but the carriers still had to cover them.

As indicated by the strength of the Canadian dollar, Canada was protected from the worst repercussions of the recession by its relatively solid financial system and fiscal stimulus measures. However, three years after the global recession, the economic recovery remains fragile. The International Air Transport Association, IATA, reported last year that the Canadian and North American airline industries had posted modest profits, primarily because of their efforts to contain costs.

This industry and the economy are intertwined and, to date, their future is somewhat uncertain. This same association stated on September 20, 2011, that the profitability of international carriers, including North American carriers, should diminish, which quite logically could compromise the short-term financial health of these same airlines.

● (2215)

[English]

As we have seen in the last several weeks, economic indicators, stock markets and international financial markets remain fragile and continue to falter.

In the short term it is expected that the pricing and revenue environment in the airline industry will remain uncertain due to the fact that airlines have to deal with travellers who have less money to spend and who increasingly expect regular seat sales. This will result for the industry in profit margins that will remain modest at best.

[Translation]

I would like to share with the House some figures that speak volumes, that speak to the importance of the transportation sector and the air sector to our economy. In its 2010 annual report entitled "Transportation in Canada 2010", Transport Canada indicated that the airline industry employed 91,146 people across the country. The transportation sector employed 912,400 people. Air Canada employed 23,200 people in 2010, providing 25% of the industry's jobs.

In 2010, the airline industry's contribution to GDP was \$5,796,000 in 2002 dollars, or 0.5% of Canada's GDP. A work stoppage at Air Canada would be problematic for Canadians because, on average, over 100,000 people travel with Air Canada or one of its regional partners every day.

[English]

Air Canada offers connections between 155 city pairs and up to 313 city pairs if one takes into account its regional partner carriers such as Jazz, Air Georgian, Exploits Valley Air Services, Sky Regional and Central Mountain Air. Service interruption at Air Canada would thus have implications across the country.

Air Canada also operates a large number of international flights to 42 countries on five continents, including destinations that are key economic partners for Canada.

[Translation]

According to Air Canada's 2010 annual report, as a major economic player in Canada, Air Canada injects significant sums of money into the economy through its operating expenses. Every year, the company spends close to \$1.9 billion on employee wages, salaries and benefits, \$961 million on airport and navigation fees, and almost \$677 million on aircraft maintenance. Our airline industry, especially our carriers, are defined by the unique characteristics of the Canadian market: multiple hubs, long distances between scattered populations, harsh winters that encourage people to vacation in the south, the importance of an air transportation network in the north, the seasonal nature of travel, climate and proximity to one of the world's largest markets, the United States.

Government Orders

Canada's unique context should be an important consideration. The economic climate of the past three years was a tough ordeal for the industry and for Canada's strategic air services framework. Even though the recession is technically over, we are still feeling its effects. Recently, the Minister of Finance stated that the economy remains fragile, which means that we must remain vigilant and prudent.

[English]

During the recession the airlines proceeded with caution and limited or reduced excess capacity in order not to flood the market with air services, which could have initiated price wars and ultimately contributed to a further destabilization of the industry.

It is important to understand when considering the specific variables that the airline industry is subject to seasonal fluctuations. For example, in Canada most of the revenue of air carriers, and by default those of their partners, is realized during the spring and summer. Revenue earned during these seasons largely offsets the high costs that characterize the airline industry. Fuel is a key factor in this industry and it is one of the largest and most volatile operating expenses.

● (2220)

[Translation]

The reality of the airline industry involves high costs and small profit margins, even at the best of times. However, when these services are reduced, interrupted or cut, the partners that work with carriers, communities and consumers feel the impact.

A drawn out labour dispute at Air Canada would be bad news for the company, its business partners, its employees, Canadians who travel with the airline and, by extension, our economy. At a time when consumer confidence in the airline industry is being rebuilt little by little, a prolonged work stoppage at Air Canada could have a significant impact on the company's return to profitability. The same consumers could also find themselves trapped at airports across the country and abroad trying to make alternate travel arrangements in place of their Air Canada flights. Flight cancellations would be expensive for both the company and for passengers who would have to make alternate travel arrangements that could be very costly.

In conclusion, the government is taking a responsible and measured approach by making the necessary arrangements to ensure that the country's largest air carrier continues its operations, while encouraging the parties to continue their negotiations in order to reach an agreement that is fair to both parties as soon as possible. That is why I support any government initiative to block a work stoppage at Air Canada.

Ms. Charmaine Borg (Terrebonne—Blainville, NDP): Mr. Speaker, over the weekend, I met an Air Canada employee who said that he was fed up because he is unable to buy a new car or a new house and because he does not make enough money to live comfortably.

Government Orders

The Minister of Labour is saying that the entire community and the whole country will benefit from this bill on the resumption of air service operations. What does the minister have to say to workers who are fed up with not making enough money to live comfortably?

Hon. Denis Lebel: Mr. Speaker, we are not going to talk about one isolated case. I do not think that Air Canada employees are the worst paid in the country. That being said, I recognize that all workers deserve the salaries they earn.

I also work in Ottawa and, like a number of the hon. members in the House, I travel by plane every week to go home. It takes two flights because there are no direct flights to my region. Every week, I meet employees of airline companies such as Air Canada, Air Canada Express and Jazz, and all they want is to do their work well and provide services.

When two unions, the pilots union and the machinists and aerospace workers association, have been negotiating a collective agreement for 18 months, but cannot reach an agreement; when both bargaining committees recommend accepting the offers proposed by the bargaining committee but the workers reject their recommendations; then it is clear to our government that the parties are not prepared to reach an agreement and it makes the decisions necessary to protect the Canadian economy.

Mr. Marc Garneau (Westmount—Ville-Marie, Lib.): Mr. Speaker, I have a very simple question for the minister. Does this government think that air transportation for passengers is an essential service? The way it has handled this file over the past year seems to indicate that it considers it to be an essential service, but it will not go so far as to say so. Is it an essential service or not?

Hon. Denis Lebel: Mr. Speaker, in 2010-11, there were 302 instances of collective bargaining in federally regulated businesses, and no bills were introduced. No action was taken. We want to always foster the mutual resolution by union and management of any discussion and any dispute. Naturally, air transportation is a very important component of our economy. I would like to remind my Liberal colleague that they used similar laws on several occasions when they were in power.

• (2225)

Mr. Royal Galipeau (Ottawa—Orléans, CPC): Mr. Speaker, with your permission, I would like to ask the minister a question. In his opinion, what effect will an Air Canada work stoppage have on Canada's fragile economy? Can he explain why we should expedite approval of this bill today?

Hon. Denis Lebel: Mr. Speaker, the Minister of Labour previously referred to Air Canada's 26,000 employees and many others who are indirectly dependent upon it. Air Canada needs food and other services as well as aircraft maintenance. Thousands of workers would not be able to work. There is a very significant direct economic impact every week. Last year, Air Canada had a budget of \$1.7 billion and direct weekly spinoffs of \$22.4 million.

I heard an NDP member say that \$22.4 million was not a very large contribution to the economy. We find that it is quite sizeable. It is very direct.

The union has made a decision. Why introduce such measures when more than one million Canadians are on school break? We

made a decision to support Canadians. This evening are still hoping that the union and management will come to an agreement.

[English]

Ms. Kellie Leitch (Parliamentary Secretary to the Minister of Human Resources and Skills Development and to the Minister of Labour, CPC): Mr. Speaker, today I hope to help hon. members present in the House understand why the Government of Canada is getting involved in the two most recent Air Canada labour disputes that threaten to disrupt air travel. Since the 1980s deregulation of the Canadian airline market, there have been six work stoppages involving Air Canada. History has shown us that these stoppages have taken a significant economic toll and disrupted the lives of Canadians, passengers and business entrepreneurs alike.

Once again we are faced with the possibility of a work stoppage at Air Canada, and once again we face potential economic damage and disruption to Canadians. Parents in my riding of Simcoe—Grey who are away on March break are quite anxious and concerned about this uncertainty and disruption. As the saying goes, those who do not heed the lessons of history may repeat them. At a time when our economic recovery is still fragile, the Government of Canada must act to protect the economy and air services. Up to now, the news about employment in Canada has been encouraging. We have recovered all the jobs that were lost in the recession and created some new ones. Do we really want to take chances with our economy?

The point is that work stoppages can be very costly, especially if they occur in a major industrial player such as Air Canada. They have the potential to cascade down through other sectors, hospitality, food, travel, manufacturing, public relations and marketing. It has been estimated that losses to all sectors of the Canadian economy could easily add up to about \$22.4 million a week, for every week a stoppage drags on.

Then there is the impact on jobs. Air Canada is a major employer of almost 26,000 full-time workers across the country. There are also about 250,000 employees indirectly related to Air Canada. There are a lot of employees and their families who would be affected by a work stoppage. A work stoppage involving half of Air Canada's employees, approximately 3,000 pilots and 8,200 machinists, baggage handlers, technicians, mechanics and support workers, for a total of over 11,000 employees, would cause a major disruption and stop air services. The airline risks losing too much money in business transactions and productivity. The elements of the air service system are interdependent. If one element is weakened, they are all affected.

Government Orders

It is no surprise, then, that if jobs are lost at Air Canada, there will be jobs lost at Air Canada's partners and suppliers. According to Transport Canada, over 50% of airport revenues are attributed to Air Canada and its related activities. It stands to reason that any reduced operation at Air Canada will adversely affect Canada's airports and Air Canada's third-party suppliers. Canadian businesses could be impacted again while they are still struggling to shake off the effects of the recent economic downturn.

Why are we here? Surely it would be preferable to let Air Canada and its employees, represented by the Air Canada Pilots Association and the International Association of Machinists and Aerospace Workers, work it out for themselves. Yes, it would, but I ask what happens when the parties in the dispute cannot resolve their issues on their own? What happens when the tentative agreements are rejected by the union members?

What do we do when we have exhausted all the avenues, such as direct negotiations, conciliation and mediation, with no solution in sight? I will tell the House what we do. We do what the Minister of Labour is recommending. We take action. We act on behalf of Canadians and in the best interests of the Canadian economy. We put an end to all the uncertainty and doubt there is right now and ensure continued air services. We bring in legislation, like Bill C-33, an act to provide for the continuation and resumption of air service operations.

It will soon be one year that the collective agreement of the two unions has expired. Where are we today? On February 22, 8,200 members of the International Association of Machinists and Aerospace Workers voted by a margin of 65.6% to reject the tentative agreement that had been negotiated with Air Canada with the help of a conciliator appointed by the Federal Mediation and Conciliation Service. Shortly thereafter, it was announced that 78% of those members had voted in favour of a strike. The union advised that it would be intending to begin legal strike action on March 12, 2012. As for the Air Canada Pilots Association, it recommended to its 3,000 members that they reject the most recent offer by Air Canada, and on March 8 Air Canada advised that it intended to legally lock out all of the members on March 12, 2012.

• (2230)

In terms of labour relations, this has been a busy year for Air Canada. Members will recall that in June 2011, Air Canada finalized a four-year collective agreement with its customer sales and service agents, but this happened only after there were three days of labour disruption and the tabling of back to work legislation. In October 2011, Air Canada reached an agreement with its flight attendants, but only after the Minister of Labour referred the matter to the Canadian Industrial Relations Board and the parties agreed to arbitration. However in February there was a bright spot as Air Canada ratified agreements with two CAW-Canada units and the Canadian Airline Dispatchers Association bargaining unit.

The Canada Labour Code recognizes the principles of freedom of association and free collective bargaining. The code gives the parties in labour disputes many ways and opportunities to reach a settlement with or without the help of the federal government.

The Government of Canada respects the rights of unions to strike and the rights of employers to lock out their workers. When a work

stoppage could undermine the national economy, Parliament must respond to protect the public interest.

The stakes are even higher today given the fragility of the global economic recovery. Every day of lost business could have an impact on the bottom line of a company that has been struggling to stay solvent for most of the past decade. The viability of a company is important to many people normally served by Air Canada. Some of these customers do not have easy access to an alternative carrier, and even if they get a seat on another airline, they may face long waits or more costs. The lives of hundreds of thousands of frustrated travellers could be disrupted. In fact during this busy March break period, over one million people are scheduled to travel with Air Canada. That is a lot of Canadians and a lot of Canadian families with disrupted or cancelled travel plans.

That is why we need Parliament's support. We have a duty to balance the rights and interests of employers and unions with those of the broader Canadian public. The need for legislation is clearly demonstrated when we consider the needs of 33 million Canadians.

There is really very little to debate here. We must do what is right for all Canadians and the Canadian economy. I am calling on all parties to give the legislation speedy passage so that we can restore peace on the labour front and get back on the road to economic recovery.

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, in her presentation, the member said that they had done everything, negotiating for one year and going through the arbitrator and conciliation and everything.

Now the government is saying that it has no choice, but the Charter of Rights gives workers the right to vote, including a vote to strike, just as any other Canadian or worker has. The Conservative government is taking those rights away.

I have heard the Minister of Public Safety say he is the type of guy who likes the law to be followed, but is this not a law in our country? If the government believes so much in the economy, what did it do with Caterpillar in London when it locked out its people and left with the government's money? It did nothing to help the economy of London, Ontario.

• (2235)

Ms. Kellie Leitch: Mr. Speaker, as I have said before, the best solution is one that the parties reach themselves. Despite very hard bargaining over the last number of weeks, the parties have actually failed to come to an agreement.

That is why last Friday, in an effort to protect the Canadian economy, we put on notice legislation in the event of a work stoppage. Our government is extremely concerned about the disruption at Air Canada and the damage it would cause to Canada's fragile economy. That is why we have taken action and we are moving forward.

Hon. Bob Rae (Toronto Centre, Lib.): Mr. Speaker, I appreciate the opportunity to say a few words and ask the member a question.

Government Orders

What I find contradictory in the government's position with respect to Air Canada is simply this. On the one hand, the government, including the Minister of Finance and everyone else, is saying how strong and robust the Canadian economy is, how well things are going, how Canada is leading the way, how we are ahead of the G7, ahead of the G8, ahead of the G20—

Some hon. members: Oh, oh!

The Speaker: Order, order. I am sure the hon. member for Toronto Centre would appreciate it if colleagues would hold off on their applause until he finishes putting the question. The hon. member for Toronto Centre.

Hon. Bob Rae: Mr. Speaker, obviously the party opposite knows nothing about irony, because on the one side it says what I just noted, and on the other side it says that this economy cannot possibly withstand a work stoppage at Air Canada, that there is no possible way to withstand it.

I ask the parliamentary secretary this simple question. If Air Canada is an essential service, which is essentially what the Government of Canada is now saying, why not declare it an essential service and give the workers the equivalent right to strike instead of this terrible improvisation and imposition it is making? The government is making a travesty of labour relations, it is making a travesty of collective bargaining and it has nothing with which to replace it.

Ms. Kellie Leitch: Mr. Speaker, all I can say is that we are acting in the best interest of Canadians and the best interest of the Canadian public. This Conservative government was given a strong mandate to stay focused on the economy. That is exactly what we are doing. Ensuring that there is no work stoppage at Air Canada means that Canadian employers and Canadian families will continue to be able to fly, cargo will continue to be able to be moved across the country, and businesses will be able to continue to thrive.

I encourage the member opposite to support us in what we are doing to try to build the economy across the country.

Ms. Elizabeth May (Saanich—Gulf Islands, GP): Mr. Speaker, the essentials of labour law in this country are well understood: The union has a right to strike, the management has the right to lock out workers, and the two parties must be able to come to terms.

If the government consistently has back to work legislation when there is a threat of a dispute, how will we not have so undermined labour-management relations to have irreparably broken them and hurt this economy?

Ms. Kellie Leitch: Mr. Speaker, as I have said before, the best solution is one that the two parties come to themselves.

Despite hard bargaining, these parties have been unable to come to a resolution. That is why we are taking action to ensure that the Canadian public's interest is upheld and that we are managing the economy and staying focused on that, as opposed to what the opposition wants to do.

• (2240)

Mr. Mike Sullivan (York South—Weston, NDP): Mr. Speaker, I spent 33 years as a union negotiator and I know that this action by the Conservative government has destroyed the balance created by the good men and women of this country who crafted our labour

legislation years ago. The labour legislation that we have in Canada was deliberately exported by this country to the fledgling countries of eastern Europe when they became democracies, because it was seen as a model for the world.

This kind of action undermines that model. When one party is able to turn to its masters, the government, and say, "Please intervene and take sides in this dispute", it undermines the continuation of that balance in our labour relations in this country. Despite the protestations on the other side of the House, that is exactly what has taken place.

We have upset the balance of labour relations and we are forever now going to have our labour relations affected accordingly, particularly in the federal sphere. However, do not think the provinces are not watching what is happening here. Parties to labour relations among the police, fire and ambulance services, which are all essential services, will now be paying attention because the government has decided that it can incorporate into legislation a guideline for an arbitrator who takes one side over the other. This guideline is all about the employer, not about what is fair to the employees. We run the risk here of destroying years and years of practice, precedent and jurisprudence with what seems to be a very simple act by the other side.

It is not enough that the government has decided that it needs to take sides; it did not even let the process actually finish. In all of my years as a labour negotiator, on many occasions the parties used the strike deadline itself as the mechanism to reach a collective agreement. In my own experience, we probably got to the eleventh hour, to 11:59, on a couple of dozen occasions. It is no surprise that Canadian legislation picks midnight as the time a strike can commence, because that is the time that people are most likely to reach an agreement. They are not likely to reach an agreement three days before when they give notice, which is what happened in this case. They are most likely to reach that agreement at midnight. That is when it happens. That is when both sides look at the cards on the table and decide that it is not worth a strike. That is exactly what happens 99 times out of 100. However, the government and the minister have not allowed that process to reach its full conclusion. That is shameful. That is destroying the Canadian labour relations model that we so gleefully exported to the rest of the world as a model for it to take.

As for the notion that Air Canada is somehow special and an essential service, the minister suggested that it is bigger than GM and Chrysler and that we do not legislate them back to work. The minister forgot to tell us that GM has shrunk enormously under its watch. It has closed four plants; no wonder it is small. It is because the jobs are disappearing in this country. The government's job creation strategy is a job abandoning strategy. It did not interfere at EMD or Stelco where jobs were fleeing the country. It is shameful on the part of the government that it would abandon some workers and then step in and side with another bunch of Canadian company directors who have decided that they need this collective agreement and are willing to put spring break, whatever that means, in jeopardy. It was not the union that put it in jeopardy in the case of the pilots; it was management that put it in jeopardy. It is management that has very deliberately done that in order to provoke the government. Make no bones about it, because that is precisely what is going on.

Government Orders

● (2245)

The other notion that is missed here by the government is the notion that was spoken about by my colleague from Nanaimo—Cowichan about worker resentment. These workers gave up a lot. They gave large concessions nine years ago when Air Canada was in trouble. Those workers have taken nothing since, virtually no gains.

These are very important workers. These are people who keep the planes flying, both mechanically and physically. I certainly do not want to be on a plane where those workers resent the government, where those workers are resentful of the choices that they have been forced to make. I certainly do not think any of them would do anything stupid. I also do not think it is smart of the government to be provoking the workers of this country.

The Speaker: It being 10:46 p.m., pursuant to an order made earlier today, it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the second reading stage of the bill now before the House.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Speaker: In my opinion the yeas have it.

And five or more members having risen:

The Speaker: Call in the members.

● (2255)

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

(Division No. 159)

YEAS

Members

Ablonczy	Adams
Adler	Aglukkaq
Albas	Alexander
Allen (Tobique—Mactaquac)	Allison
Ambler	Ambrose
Anders	Anderson
Armstrong	Ashfield
Aspin	Baird
Bateman	Benoit
Bezan	Blaney
Block	Boughen
Braid	Breitkreuz
Brown (Leeds—Grenville)	Brown (Newmarket—Aurora)
Brown (Barrie)	Bruinooge
Butt	Calandra
Calkins	Cannan
Carmichael	Carrie
Chisu	Chong
Clarke	Clement
Daniel	Davidson

Dechert
Devolin
Duncan (Vancouver Island North)
Fantino
Findlay (Delta—Richmond East)
Flaherty
Gallant
Glover
Goodyear
Gourde
Harper
Hawn
Hiebert
Hoback
Holder
Jean
Keddy (South Shore—St. Margaret's)
Kent
Komarnicki
Lake
Lebel
Leitch
Leung
Lukiwski
MacKay (Central Nova)
Mayes
McLeod
Menzies
Miller
Moore (Fundy Royal)
Norlock
Obhrai
Opitz
Penashue
Preston
Rajotte
Reid
Richards
Rickford
Saxton
Seeback
Shiple
Smith
Sorenson
Storseth
Sweet
Toet
Trost
Tweed
Valcourt
Van Loan
Wallace
Warkentin
Weston (Saint John)
Williamson
Woodworth
Young (Oakville)
Zimmer — 155

Del Mastro
Dreeshen
Dykstra
Fast
Finley (Haldimand—Norfolk)
Galipeau
Gill
Goguen
Gosal
Grewal
Harris (Cariboo—Prince George)
Hayes
Hillyer
Hoepfner
James
Kamp (Pitt Meadows—Maple Ridge—Mission)
Kenney (Calgary Southeast)
Kerr
Kramp (Prince Edward—Hastings)
Lauzon
Leaf
Lemieux
Lobb
Lunney
MacKenzie
McColeman
Menegakis
Merrifield
Moore (Port Moody—Westwood—Port Coquitlam)
Nicholson
O'Connor
Oda
Payne
Poilievre
Raitt
Rathgeber
Rempel
Richardson
Ritz
Schellenberger
Shea
Shory
Sopuck
Stanton
Strahl
Tilson
Toews
Truppe
Uppal
Van Kesteren
Vellacott
Warawa
Watson
Wilks
Wong
Yelich
Young (Vancouver South)

NAYS

Members

Andrews
Aubin
Bellavance
Blanchette
Boivin
Boulerice
Brahmi
Brosseau
Caron
Cash
Chicoine
Choquette
Christopherson
Coderre
Côté
Crowder
Davies (Vancouver Kingsway)
Day
Dionne Labelle
Doré Lefebvre
Dusseau

Government Orders

Easter	Eyking
Foote	Fortin
Freeman	Fry
Garneau	Garrison
Genest	Genest-Jourdain
Giguère	Godin
Goodale	Gravelle
Groguhé	Harris (Scarborough Southwest)
Harris (St. John's East)	Hsu
Hughes	Hyer
Jacob	Karygiannis
Kellway	Lamoureux
Lapointe	Larose
Latendresse	LeBlanc (Beauséjour)
LeBlanc (LaSalle—Émard)	Leslie
Liu	MacAulay
Mai	Marston
Masse	Mathysen
May	McCallum
Michaud	Moore (Abitibi—Témiscamingue)
Morin (Notre-Dame-de-Grâce—Lachine)	Morin (Laurentides—Labelle)
Morin (Saint-Hyacinthe—Bagot)	Murray
Nantel	Nicholls
Nunez-Melo	Pacetti
Papillon	Patry
Péclet	Perreault
Pilon	Plamondon
Quach	Rae
Ravignat	Raynault
Regan	Rousseau
Saganash	Sandhu
Scarpaleggia	Sellah
Sgro	Simms (Bonavista—Gander—Grand Falls—Wind- sor)
Sims (Newton—North Delta)	Sitsabaiesan
St-Denis	Stewart
Sullivan	Thibeault
Tremblay	Turmel
Valériote — 117	

PAIRED

Nil

The Speaker: I declare the motion carried. Accordingly, the bill stands referred to a committee of the whole. I do now leave the chair for the House to go into committee of the whole.

(Bill read the second time and the House went into committee of the whole thereon, Mr. Barry Devolin in the chair)

• (2300)

The Deputy Chair: The House is in committee of the whole on Bill C-33.

[*Translation*]

I would like to begin this sitting of the committee of the whole with a short statement about the manner in which the deliberations will proceed. The rules governing debate in the committee of the whole are as follows:

[*English*]

No member shall speak for more than 20 minutes at a time. Speeches must be strictly relevant to the item or clause under consideration. There is no formal period for questions and comments. Members may use their time to speak or to ask questions and the responses will be counted in the time allotted to that member. Members may speak more than once. Members need not be in their own seat to be recognized.

[*Translation*]

The House will now proceed to clause by clause consideration of the bill. The hon. Minister of Labour.

(On clause 2)

[*English*]

The hon. Minister of Labour.

Hon. Lisa Raitt (Minister of Labour, CPC): Mr. Chair, throughout this debate on legislation to avert a work stoppage, there are certain predictable objections. The first is that we are misusing our powers and imposing on the rights of collective bargaining.

Some hon. members: Oh, oh!

Hon. Lisa Raitt: Mr. Chair, the second objection is that the problem we are trying to solve is not really all that serious.

I would like to tell my hon. colleagues, including the ones who broke into applause, that these arguments simply do not stand up.

I would like to remind my fellow members that since 1984, there have been 35 work stoppages in the air transportation industry, six of them involving Air Canada, so we already have a good idea of the damage a work stoppage can do.

Some of these work stoppages took a heavy toll on the economy and severely disrupted the lives of Canadians. Once again we are faced with the likelihood of a work stoppage at Air Canada, and once again it will take a toll on Canadians.

Our government has quoted statistics on the possible economic damage and disruption to our fragile economic recovery. The government's mandate is to maintain our economic recovery and act in the best interests of Canadians. That is what we are here for.

As I have already explained—

The Deputy Chair: Order, please. The hon. member for Acadie—Bathurst is rising on a point of order.

Mr. Yvon Godin: Mr. Chair, you said that there had to be relevance to the article. I do not see where this is relevant to the article itself.

Some hon. members: Oh, oh!

The Deputy Chair: The hon. member for Acadie—Bathurst has raised a question of relevance. I would remind all hon. members that at the start of this debate dealing with clause 2, the practice is to allow latitude in the speeches by hon. members.

The hon. Minister of Labour.

Hon. Lisa Raitt: Mr. Chair, as I was explaining in some detail before and again now, the government has followed all the rules and taken all the steps set out in the Canada Labour Code while assisting the parties in these two Air Canada disputes. As the history of these two disputes has clearly shown, the parties in each case have had plenty of time to reach an agreement with the help of expert mediators and conciliators whom I appointed, but no deals had been forthcoming.

Indeed, the disputes have been dragging on for almost a year, and that is a long time. The uncertainty with these agreements has had a negative effect on Air Canada already, and I am sure it is very stressful for the members of the union as well.

Government Orders

The Canada Labour Code recognizes the principles of freedom of association and free collective bargaining, and the code gives the parties in labour disputes many ways and many opportunities to reach a settlement with or without the help of the federal government. We, as the government, respect the right of unions to strike and the right of employers to lock out; indeed, we prefer not to interfere in these matters unless it is absolutely necessary, but this is a special case: when a work stoppage has the potential of impacting the national economy, Parliament must respond to protect the public interest.

Consider the impact on jobs. Air Canada is a major employer. As of November 2001, Air Canada had 26,000 employees, and 23,000 of those are full-time employees. If the airline loses money, these jobs could be in jeopardy. There could also be jobs lost at Air Canada's partners and suppliers to the tune of 250,000 jobs.

According to Transport Canada, any reduced operation at Air Canada also adversely affects Canada's airports as well as Air Canada's third party suppliers. The elements of the air service system are interdependent upon one another. If one element is weakened, the rest are vulnerable.

Up to now the news about employment in Canada has been encouraging. We have recovered all the jobs that were lost in the recession and we created some new ones, so the question is whether we really want to gamble with our economy and possibly put these jobs at risk. In the event of a work stoppage, Air Canada services as well may not easily be replaced. Many Air Canada customers simply do not have access to an alternative carrier. In some places Air Canada is the only airline, and in some places Air Canada is the only efficient means of transportation, so the lives of thousands of frustrated travellers could be disrupted, some of them inconvenienced, but in other cases they may face real hardship.

Our government is not indifferent to the concerns of the Air Canada employees in these disputes. Throughout the process of collective bargaining, we assisted the parties and we encouraged them to find their own deal. We gave them processes and recommendations and provided them with mediators and conciliators. We were hoping that they would come to agreements that would be acceptable to everyone, but unfortunately it has not worked out that way.

We have always said that the best solution in any dispute is one that the parties reach themselves, but the parties in these disputes have failed to do so. I have used all the tools that we had at our disposal under the Canada Labour Code, and there is no other recourse but to ask members to support this legislation. The fact that a work stoppage affects the interests of employers and unions cannot outweigh the needs of 33 million Canadians.

Our economy needs labour peace in vital industries like air service. I hope that the opposition can see the urgency and the need for this bill and join us in giving it a quick passage.

• (2305)

[*Translation*]

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Chair, as I said earlier, this is déjà vu all over again. It shows that the Conservative government has absolutely no regard for workers. It is as though

workers in Canada were not real Canadians. Yet, under the Charter of Rights and Freedoms, workers have the right to bargain and the right to strike.

The minister keeps saying that the parties have been at the negotiating table for a year and that agreements have been reached but were rejected by the members. The Conservatives keep repeating that the union bosses make all the decisions. However, in this case, the members have the right to vote. The members have the right to strike. It is a fundamental right for workers.

The government is saying that its decision is based on the economy. Where was this government when Caterpillar decided to lock out employees in London, Ontario, and then closed down and moved elsewhere, even after receiving money from the government. The government gave that company money. The government was asked to intervene in that dispute but it did not do so.

It is up to the union and the company to reach an agreement. An arbitrator should be named. In this case, the bill does not even give the workers and the company the opportunity to choose their arbitrator. What is the government doing? It is doing the choosing.

Furthermore, the government has included in the bill a provision that states that the parties cannot even go to court to challenge the government's choice of arbitrator.

I would like to remind members that the Canadian Union of Postal Workers went to court and the judge decided that the arbitrator could not issue a decision in the dispute. The union had challenged the fact that the arbitrator was not bilingual.

I know that this government is not a strong proponent of bilingualism. We know that. It appears that the government was insulted that the union went to court and won the case.

With this bill, the government is attempting to eliminate a fundamental right. Not only is it taking away the right of workers to negotiate freely and their right to strike, but it is also taking away their right to go to court. However, that is a fundamental right under the Constitution.

I am certain that if this bill goes to court, any judge will deem it to be unconstitutional.

Speaking of a final offer, we know that every time a bill has come with a final offer, the companies have come out ahead.

Let us talk about Air Canada, the company the government likes to protect. It is the same company that, in 2003, after being put under the protection of the Bankruptcy and Insolvency Act, gave the president of Air Canada \$80 million. It is the same company whose new president just received \$5 million.

To the workers, the men and women who get up every morning to go to work and provide air transportation services, the company offers 10-year salary freezes and reduced pensions. The Conservative government is not there to help them. It says it is working in the best interests of Canadians. That is like saying that these workers are not Canadians. It is completely disrespectful towards the labour movement.

Government Orders

Then it accuses us of defending the workers. We are defending a fundamental right of all Canadians. Our parents, our grandparents and our great-grandparents had to take to the streets to fight for the right to negotiate a collective agreement. As one hon. member said, in order to have labour peace, the right to strike was legalized. However, this Conservative government has taken that away.

What is more, this same government imposes closure on the House. In addition to violating the rights of workers, this government is even taking away the right of parliamentarians to propose amendments. Is this normal?

● (2310)

The bill is before the House of Commons, where democratic debates are supposed to take place. Yet the government is muzzling us. In a few hours, we will vote on it and it will be over. The government will not accept even one amendment.

I remember when the Reform Party of Canada was here, and I know the Conservatives would never have accepted such a thing. The members across the floor can laugh all they want. They are not right; they are not honest.

The government's actions are dishonest. What the opposition would like to see is some amendments, whereby, for instance, both sides could appoint a mediator without presenting a final offer. The arbitrator would have the power to decide, with the two parties, what would be in the collective agreement.

The workers should be given that at least, but the Conservatives are incapable of doing so. And taking away the workers' fundamental right to go before the courts—only the Conservatives could do that.

The Conservatives are saying that we are taking the side of employees and unions. Yet this same government gave tax cuts to large corporations and banks that made \$20 billion in profit. The CEOs even gave themselves \$11 billion in bonuses. That is where the Conservatives stand. Ordinary people are not getting this kind of treatment. This same government wants to increase the age of eligibility for the old age pension from 65 to 67 and is punishing seniors and the poor.

We would like to propose amendments and we hope that the government will let us do so before the vote. At least then the process would be a little more democratic. Right now, there is no democracy at all. The government has imposed gag orders and prevented us from speaking on behalf of our constituents 17 or 18 times. We were elected by Canadians in a democratic manner. We are not all here because of robocalls. We are here to represent our constituents.

This government is taking away our fundamental democratic rights. It is taking them right away from workers and parliamentarians. This government does not believe in democracy. I am calling on the Prime Minister to rise and give people the right to democracy rather than attacking the little people, those most in need, as he is doing.

That is where workers stand. They are not even able to obtain a wage increase or defend their pensions. This will be a devastating blow to the economy in the long term. But no, the Conservatives are

concerned only with Air Canada and Canada Post, and we see what they have done. They are forcing people back to work. A total of 26,000 Canadians will lose one of the fundamental rights set out in the Canadian Charter of Rights and Freedoms.

The message that I want to send to Canadians is this. Last year, it was the postal workers. Today, it is the workers at Air Canada. Tomorrow, it may be them. They have to really think about this because their turn will come.

We need a government that is fit to govern, because this one is not.

● (2315)

[*English*]

Mr. Rodger Cuzner (Cape Breton—Canso, Lib.): Mr. Speaker, earlier in the debate I read into the record a statement by the judge who rendered the decision in the Canada Post judgment, and I could read it again for those who were not here at that time. It was with regard to the appointment of an arbitrator by the minister. In no way did I contest the minister's ability to appoint an arbitrator. It was the method in which she went about it. Just to read it into the record, the judge ruled that the minister:

...would like the exercise of ministerial power...to be unobstructed, unguided and not subject to any criteria or qualification or competence for the arbitrator.

He further went on to say that it:

...is not what is indicated by common sense, case law, the economy of the Act, or the specific labour relations context that govern the parties to the collective agreement.

Finally:

In the case at hand, the lack of transparency inherent in the appointment process followed by the Minister, the little evidence or rationale provided by the Minister and the laconic nature of her communications raise serious questions and indicate that the Minister appears to have excluded relevant criteria.

It appeared to me that the minister had been taken to the woodshed.

I brought this to her attention, and I said in no way was I questioning her ability to make such an appointment. However, in her response to my tabling those comments by the judge, she said the minister, in appointing the arbitrator, had not been impeached.

We want to set our goals pretty high. She had alluded impeachment. Bill Clinton alluded impeachment. Is that the standard the Government of Canada wants to set in making an appointment of an arbitrator? Why are the parties involved not included in at least going to a short list of arbitrators so that this process can be... As egregious as it might be, what we are looking for, for the workers now, is at least the best of a worst-case scenario. Why are the sides in this arbitration not included in short listing a list of those they might be able to include?

Government Orders

If the minister wanted to put conditions in, she could put some conditions in that would work to the benefit of the workforce, not just the company. Maybe we could recognize the fact that these workers have not had a raise. They took concessions 10 years ago and over those 10 years have contributed \$2 billion in savings to this company. Maybe that should be recognized through the arbitration. Maybe it should be recognized that the company sold off \$2 billion worth of assets, and not a nickel of that went into the underfunded pension plan, \$3 billion underfunded.

It is not just the current workers at Air Canada; it is those who worked for Air Canada their whole careers who are going to be hurt by that.

Maybe they should have put some concessions in there. Maybe they should have put some parameters around compensation for the CAOs. We know the golden handshake that the past CAO got was \$80 million. We know the current CAO will pick up a \$5 million bonus at the end of this month, just for being there for three years. They are certainly being well compensated while the workers continue to suffer from rollbacks they took as a union, hopefully to resurrect the company.

Let us make no mistake. Air Canada has always found a way through its labour problems. There are five different unions, and over the history of this company only six times have they ever found themselves in a strike position. One of those strikes was for three hours.

The minister reflected back on the strike of 1998 and talked about how it devastated this country and the economy of this country.

• (2320)

It was bad. The unemployment rate came down a full point. Interest rates came down. The books were balanced, and the deficit got a big chunk of money. It was really bad. That is 1998.

What is at the core of this? It is whether or not the government is going to deem Air Canada an essential service. I guess that is what it comes down to. The minister has referred this to the CIRB. This is the second time she has referred such a case to the CIRB. I do not think anybody believes this has anything to do with the health and safety of Canadians. I do not even know if the minister would believe that.

If the minister truly believed Air Canada was an essential service, she should have full confidence that the CIRB would recognize it as such and go forward with no work stoppage. It would not be allowed if she had confidence in that actual fact. The minister would be tabling an essential services bill, declaring Air Canada an essential service.

Let us put the cards on the table. Enough of the union bashing. Enough of going after organized labour in this country. Let us call a spade a spade. Let us put the essential services legislation here, if that is what the government intends.

[*Translation*]

Mr. André Bellavance (Richmond—Arthabaska, BQ): Mr. Speaker, in 2008, this Conservative government did not even recognize the looming economic crisis. The Americans were grappling with an economic crisis, but we were supposedly

protected. Today, the government is claiming that the slightest pressure, the slightest demand could upset Canada's entire economy. That is what the government is saying now in 2012, but the people are too smart to believe that. They know that this government is out to bust unions and take away the right to make demands and negotiate. That right is enshrined in the Constitution. This government is sending a very clear message to the people and to federally regulated companies: there is no need to negotiate with employees or to make concessions, because the government will always be there, taking aim at flies with its sledgehammer, ready to impose special legislation. Companies have nothing to worry about because the employees are the ones who will always have the sword of Damocles hanging over their heads.

That is what happened with Canada Post. There were a few pressure tactics, starting with rotating strikes. The government said that the economy would be hurt by the rotating strikes, but the whole point of the strikes was to avoid hurting the economy or the people. Service was interrupted briefly, then resumed, to be followed by a service interruption in another region. That was what employees did to avoid undue harm to the people, because they knew that they had the right to make demands and employ certain pressure tactics.

The government stopped everything by imposing special legislation. It even told Canada Post Corporation ahead of time that there would be special legislation, which did encourage it to negotiate with its employees. It did the same thing with Air Canada. Already back in June, the minister hinted at the possibility of imposing special legislation. And now they are saying that negotiations are at an impasse, that a lockout or strike is possible. The idea of asking the Canadian Industrial Relations Board for its opinion was not bad at the time, but the minister did not even wait for that opinion. Why bother having a Canadian Industrial Relations Board? It serves absolutely no purpose these days. There is not really any point to anything, with this government. All this government is doing is proving that it rules with an iron fist.

No one has any rights anymore, either in Canada or Quebec. For this government, it is "my way or no way". Employers understand this. They understand that it is no longer a question of making concessions or bargaining, because the government will simply impose special legislation and even some conditions. In the case of Canada Post, the government offered lower wages than Canada Post Corporation had offered its employees. Air Canada is about to suffer the same fate. Its employees have been agreeing to concessions for the past 12 years. They have had no salary increases and some have seen their pensions decrease. This government has no heart. It said it would impose conditions, thinking that the people would go along with that.

Since winning a majority, the government seems to think it was given a blank cheque to do what ever it wants, when it wants, and to impose the laws it wants. Canadians are beginning to realize that what is going on is unacceptable. There are protests everywhere. The people are going to demonstrate in the streets and this government will suffer the consequences. But for now, unfortunately, workers are the ones being penalized by the situation.

Government Orders

We will still be here. I am asking the minister to do the right thing, to promote negotiation and not impose conditions and closure on bargaining. It is one thing to impose closure in Parliament; we can take it even though it is unacceptable and we represent the public. However, these workers have rights. That means nothing. This government needs to adjust its attitude.

• (2325)

[English]

Mr. Mike Lake (Parliamentary Secretary to the Minister of Industry, CPC): Mr. Chair, during the last election campaign, presumably most members in the House went door knocking. Certainly members on our side did. Members on our side actually spent the election in our ridings. When we went door knocking, and we have been holding round tables at town halls since that time, our constituents told us that the economy is their main issue.

The Deputy Chair: On a point of order, the hon. member for Bourassa.

• (2330)

[Translation]

Hon. Denis Coderre (Bourassa, Lib.): Mr. Chair, I understand that clause 2 has been adopted and that liberties are being taken. What the hon. member is saying is not relevant. He should stick to the bill.

[English]

The Deputy Chair: The hon. member raises a question of relevance. Clause 2 is still before the House and I am confident the parliamentary secretary will get to the matter.

Mr. Mike Lake: Mr. Chair, on this side of the House, we consider the views of our constituents relevant. What we were told by our constituents during the last election campaign, and we have been told this by our constituents at round tables and town halls since then, was that the economy is the number one issue for them.

What effect would a work stoppage of Air Canada have on the fragile economic recovery?

Hon. Lisa Raitt: Mr. Chair, I thank the hon. member for his question because that really is the focus of the bill. It is about putting the Canadian public interest first.

As we indicated to Canadians in the last election, we were the ones who would look after the economy, who understood the economic recovery and understood the means we needed use in order to ensure that the economy would continue to prosper. That is why we were elected, that is why we are here in the House and that is exactly why we are here for this legislation.

Mr. Mike Lake: Mr. Chair, this proceeding is being broadcast across the country on CPAC right now. Many Canadians, as they are flipping channels, might come across this and wonder why the House is sitting at this late hour. They might want to know a bit about the process. That is kind of a critical point for Canadians to understand.

Could the Minister of Labour please explain the necessity to expedite the passage of the bill?

Hon. Lisa Raitt: Mr. Chair, we are treating this matter with great urgency. The facts are very simple. The economic impact of a work

stoppage at Air Canada would be grave on the national economy and, indeed, it is grave on the travelling public and on the businesses.

As I mentioned in my remarks, 26,000 employees, 250,000 other employees associated with the airline would also see themselves not having a job. This is why we need to act quickly to ensure that a work stoppage does not happen.

Mr. Mike Lake: Mr. Chair, it is interesting to hear the opposition parties say that a work stoppage right now would have absolutely no effect whatsoever on the economy. Time and time again we have heard the opposition members express that.

I want to talk about air cargo. Could the minister elaborate a bit on the impact that a work stoppage would have on the movement of air cargo around the country and what impact that might have on the Canadian economy?

Hon. Lisa Raitt: Mr. Chair, that is an excellent point from the member.

With respect to air cargo, air transportation is a key component of global supply chains, especially for perishables and pharmaceutical products. It is important to note that Air Canada transports about \$466 million worth of goods each and every year. It is actually 22% of domestic capacity and 49% of international capacity.

These things are extremely important for global logistics chains as well as our domestic ones. That is why it is important for us to act quickly. I ask the opposition to join us in moving the bill through the House.

Mr. Mike Lake: Mr. Chair, I am going to go back to my previous life. Before I was a member of Parliament, I worked for 11 years with the Edmonton Oilers Hockey Club. In my capacity during the last four years of that time, my role was of national accounts manager. My job was to sell advertising, a very significant part of my workload with the Oilers and a very significant part of the revenue the Oilers brought in.

In that capacity, many of the clients I dealt with were based in Toronto and I lived in Edmonton. A big part of my job was to fly to Toronto to talk with my clients, to give presentations and show them the things we were doing and why it was important for them to spend money with the Edmonton Oilers to advertise their products. Those things were absolutely critical to bring in revenue.

Could the minister speak to the importance of business travel in maintaining the strength of the Canadian economy?

• (2335)

Hon. Lisa Raitt: Mr. Chair, I appreciate the opportunity to remind the House how important the comprehensive air services are that Air Canada provides. The services go to 59 Canadian large and small communities, 59 American and 60 international destinations, including Europe, the Middle East, Asia, Australia, the Caribbean, Mexico and South America.

Government Orders

When we include ACE, Air Canada Express, which would also be affected in the work stoppage, that is over 80 destinations in Canada and the United States, as well as larger centres at off-peak times. On a daily basis, it is approximately 800 flights and combined with Air Canada it is over 1,100 flights a day, which are incredibly important to the travelling public and businesses in Canada.

Mr. Mike Lake: Mr. Chair, I want to get back to process. For Canadians watching this debate on television and wondering what the process is, what role has Labour Canada played throughout the negotiations of a new collective agreement among all the parties?

Hon. Lisa Raitt: Mr. Chair, there are six bargaining units at Air Canada that we have been dealing with since I became minister in January 2010. Indeed, in all of them there was a very large amount of effort put in by the officials at Labour Canada, be it through either mediation or conciliation services, and in two of the cases we took extraordinary measures of appointing outside conciliators in order to help the process along. There is much expense, time and effort put into it because, quite frankly, at the end of the day avoiding an impasse and having to utilize valuable time in the House in order to pass legislation of such an extraordinary measure is one that we would like to avoid.

In fact, putting the work in at the beginning is the way we should be doing it. I am very proud of all the efforts we have put into this. Unfortunately, with all the labour that we have put into these files, it has not yielded results in these two cases and that is why we are moving to act today.

Mr. Mike Lake: Mr. Chair, given that the minister has referred a question on health and safety to the CIRB regarding both of these threatened work stoppages, why does the Minister of Labour feel that government action is necessary at this time?

Hon. Lisa Raitt: Mr. Chair, we have asked the Canadian Industrial Relations Board to take a look at the issue of whether operations need to continue in a work stoppage. Simply put, the parties at the table did not do the analysis as to what the health and safety ramifications would be on the public interest.

As we have said throughout, we are here to act in the best interests of the public. That includes not only the economic and travelling portions of the public interest, but also health and safety. Quite frankly, there are communities that would not have service. There are 15 communities that definitely would not have service should Air Canada have a work stoppage. Those are communities that would need to have some kind of alternative air service that is not available to them, especially when it came to transporting passengers, cargo, pharmaceuticals or perishables to their home communities.

Mr. Mike Lake: Mr. Chair, tourism is also an important part of the Canadian economy. We are heading into March break when Canadian families are going to be travelling across the country to see other family members or maybe to visit some of the Canada's great tourist destinations at this beautiful time of the year.

Could the hon. minister comment on the impact of a work stoppage on tourism in Canada?

• (2340)

Hon. Lisa Raitt: Mr. Chair, in speaking to the importance of the airlines, I have already mentioned the number of flights Air Canada

has per day, including its affiliation with Air Canada Express. As well, we can draw from different examples around the world.

In October of this past year there was a grounding of the Qantas fleet in Australia. The Australian government referred the matter to its Fair Work Australia board, which is much like our CIRB. It found in that case, in a geography that is very similar to ours, the size of an airline that is very similar to ours, in a hub system that is very similar to ours, the impact on tourism was such that it was of economic significance. It did order the airline to commence operations again and stop the industrial action that was happening with respect to strikes by pilots and the shutting down of the airline by the airline itself.

It was a very similar situation to what we have here today with a work stoppage being threatened by both a lockout by management and a strike by employees. We take the matter seriously and that is why we are moving on it.

Mr. Mike Lake: Mr. Chair, the argument from the other side is that no one will be affected by this. It is estimated that 70,000 passengers per day will be affected or displaced by a work stoppage at Air Canada. The number of affected passengers will increase for each day the work stoppage continues.

I would like to ask the minister to comment on the opposition comments that nobody will be affected by this and that it will have absolutely no impact whatsoever on the Canadian economy.

Hon. Lisa Raitt: Mr. Chair, Air Canada, when Air Canada Express is included, carries on average about 103,000 passengers per day and that is easily one million passengers. That is a lot of people who are flying either because of travel for leisure or business. Every one of those people would have to make alternate arrangements.

The reality of the matter is that no matter how great an airline WestJet is, no matter how great an airline Porter is, and the great services those airlines provide, Air Canada is 3.7 times bigger than its nearest domestic competitor in the version of WestJet. Other air carriers do not have the capacity to carry the passengers that would be displaced.

A work stoppage would have an immediate effect. Passengers would be stranded. Stories in the press would be about those individuals and families who would be stranded in a place that is not their home. That is why we are acting in the best interests of the Canadian public, and not picking a side at the table as the opposition is doing with respect to the unions.

Mr. Mike Lake: Mr. Chair, I am looking at testimony before the Senate Standing Committee on Transport and Communications on October 26, 2011. At that meeting Air Canada Pilots Association president Captain Paul Strachan appeared. At that committee Senator Merchant asked, "In recent days the travelling public is beginning to ask whether Air Canada is an essential service. You advocate on behalf of the airline industry. What do you say?" Mr. Strachan replied, "I think it is essential for this country. As we sit here today, it is absolutely essential. It is a cornerstone of our entire economy. It is a national asset".

Government Orders

I would ask the hon. minister for her comments on that statement.

Hon. Lisa Raitt: Mr. Chair, we agree with the analysis of Captain Strachan when he gave his testimony before the Senate committee. It caught our attention because it was a very clear statement by the Air Canada Pilots Association of what it felt its role was.

That is why we were very concerned and disappointed when we asked them not to take a strike vote because they themselves acknowledged they were essential to the recovery. We offered to give them interest-based mediation arbitration with the company but they turned it down, even though they felt they were essential to the economy, even though they knew what the impact would be. We offered them a process that the company had agreed to, but they opted not to take it. They opted to take a strike vote.

That was an important telling tale for me as to what would be coming in the future. Without being able to have any kind of agreement between the parties, we have to act now. We have to ensure that there is no work stoppage.

• (2345)

Mr. Mike Lake: Mr. Chair, one question that comes up as we are thinking about this is whether there have been other strikes at Air Canada in the past and whether the government has ever intervened and introduced back to work legislation in the airline industry.

There have been other strikes at Air Canada in the past. In June 2011 there was a three day strike by the customer sales and service agents at Air Canada. Members might remember that the government introduced Bill C-5, an act to provide for the resumption and continuation of air service operations, to end their strike action. However, Bill C-5 was not enacted as the parties reached a new collective agreement that will be in effect until February 28, 2015.

My question for the hon. minister is whether there have been other strikes on top of those in the past and whether the government has ever intervened.

Hon. Lisa Raitt: Mr. Chair, as I mentioned in my opening remarks, indeed since 1984 there have been 35 work stoppages in the air transportation industry. Six of them have been with Air Canada.

The one we were speaking about earlier was the situation involving the pilots in 1998, when there was a 13 day strike. That strike cost Air Canada \$300 million according to media reports. It cost the Canadian economy \$133 million.

I would ask the opposition, exactly what did the pilots get in return for those 13 days in which they held up the country with the inability to travel? Was it worth the \$133 million to our economy? I do not think it was.

Mr. Mike Lake: Mr. Chair, I am reminded by the member for Kenora that Air Canada also services vast regions of Canada, in fact some areas where there is no other option other than Air Canada service.

Could the minister comment on how important Air Canada's service is to remote regions across Canada like the great riding of Kenora?

Hon. Lisa Raitt: Mr. Chair, I can say that if there were to be a work stoppage during the period of time that has been indicated, the March break, there would be no alternate domestic air service to the

following places in British Columbia: Castlegar, Nanaimo, Penticton, Sandspit. In Ontario it would be Kingston and Sarnia. In Alberta, Lethbridge and Medicine Hat would have no air service. In Newfoundland it would be Gander. In Nova Scotia it would be Sydney. In New Brunswick it would be Saint John, Bathurst and Fredericton. In Quebec it would be Gaspé and Îles de la Madeleine.

As well, Air Canada provides 70% of the domestic seat capacity in the following airports: Kamloops and Prince Rupert, British Columbia; Baie-Comeau, Montreal and Rouyn-Noranda, Quebec; and Moncton, New Brunswick.

Mr. Mike Lake: Mr. Chair, I am interested in process. We talked earlier about Labour Canada's role. I think it is important for those Canadians who are watching these proceedings at home to get an understanding of what the role of the Minister of Labour is in these labour relations.

Could the minister elaborate on what her role is in this process? Canadians would appreciate it.

Hon. Lisa Raitt: Mr. Chair, I would be pleased to provide an update on the process.

With respect to the machinists, the IAMAW, their contract expired and we received a notice of bargaining in March 2011. Indeed, a notice of dispute came in December 2011. We appointed Madame Louise Otis as the conciliation commissioner in December 2011. The conciliation process worked. Madame Otis was able to get a deal at the table. Unfortunately, in that case the deal was not ratified by the membership. However, she did write in her conciliation report to us that she felt it was a very fair and reasonable deal, that the negotiation was arduous, that the parties were competent at the table, that they reached a deal, and that indeed no new negotiations needed to be commenced because they had exhausted the entire process.

Despite that, we provided an officer from the conciliation services to aid the parties in trying to get back to the table and reach a deal, and they remained able to do so. Unfortunately, it culminated in a strike notice from the union. As a result of that, we are here today introducing legislation in the House. However, it still remains for the parties to reach their own conclusion and their own deal. That is exactly what they should be doing. They should be talking to one another and avoiding this process, a process they will have to deal with should they not find their own way.

• (2350)

Ms. Elizabeth May (Saanich—Gulf Islands, GP): Mr. Chair, I have some questions, but I would rather look at Bill C-33 and figure out how we got here.

The hon. parliamentary secretary referred to constituents. I have constituents too and a lot of them work at Air Canada. I know them to be very hard-working. They have accepted a lot of concessions to help the employer, two billion dollars' worth of wage concessions over the last 10 years.

Government Orders

I feel very grateful to all the people because I happen to use Air Canada to travel between my home in British Columbia and here. I will admit to the House that I am terrified of flying. I approach a flight with the same anticipation that most people have when visiting their dentist. It is only on Air Canada that I have any margin of comfort. I feel very good about the safety record, the work of the mechanics, and the work of the pilots. I would like to pay tribute to how hard they work and to express my regret to the Minister of Labour that we are not allowing them to fulfill their collective bargaining rights in a way that allows a fair process.

This is a slender piece of legislation, but it packs a punch. What we are doing with successive pieces of legislation like this is undermining collective bargaining rights in Canada. I am sure the public sector workers are watching what is happening here. As we saw with the back to work legislation for Canada Post, we are seeing a pattern which undercuts labour rights in the country.

Getting to the specifics of this legislation, I do not know that I have ever seen a bill that includes clauses like clause 4 and clause 19. Back to work legislation is usually about a situation where there has been a work stoppage. In this case, we have anticipatory work stoppage legislation. Clause 4 deals with the air service operations. Clause 19 deals with pilots. In both cases, the legislation that we are called upon to pass tonight assumes that if the legislation comes into force and there is no strike or lockout, at that moment there would be a freeze. A strike would not be allowed nor would a lockout be allowed.

That certainly strikes me as unusual in the frame of back to work legislation that we have seen in the House in the 41st Parliament and in labour relations in general. Anticipating a strike or labour action undercuts labour relations. From a management point of view, when management knows that back to work legislation is in the offing, it certainly makes it easier not to work as hard as it should in a collective bargaining relationship to come to terms and to meet each other halfway.

I accept what the hon. Minister of Labour has said, that in a conciliatory process in which a very respected judge was acting as a conciliator, a deal was struck but was rejected by the workers. That is their right. Could we not now use those mechanisms again and give those workers the chance through free and fair collective bargaining rights to choose to accept or reject the terms of an agreement that affects everything about their working life?

I am very concerned as well by the final offer selection provisions in clause 11. I am wondering how we have come to something which is so extremely arbitrary. The hon. member for Cape Breton—Canso has read into the record how the judge felt about the previous arbitration decisions in relation to Canada Post that were forced through the House last June. We see it again here.

Certainly, even at this late hour, could we not see an amendment to this legislation that would allow us to ensure that normal collective bargaining rights are pursued in the choice of an arbitrator?

The hon. parliamentary secretary referred to working with a hockey team in his previous life. In my previous life I did labour law in Halifax with a lovely firm that was then called Kitz, Matheson,

Green and MacIsaac. It was the only big downtown establishment law firm that did labour law from the union side. We did a lot of collective bargaining and a lot of arbitration. The first step was always the choice of the arbitrator. The union and management each would put forward a list of names. There would be a process. There would usually be a bit of back and forth in choosing the right arbitrator.

● (2355)

In this instance, we are very rapidly moving to the most strict and draconian approaches to arbitration. It is binding arbitration with final offer selection. On top of that, neither the union nor management will have any input as to who the arbitrator is.

I would ask the hon. Minister of Labour if she could respond to this question: Even at this late stage with the process before the committee of the whole, would the minister be prepared to consider an amendment to allow the union and management to each put forward a list of arbitrators before the selection is made?

I am not sure the minister heard my question. Would she consider an amendment to allow a list of acceptable arbitrators' names from management and the union to be put forward to replace what we now see in clause 11?

Hon. Lisa Raitt: Mr. Chair, I can say that the practice we followed with respect to Canada Post and the Canadian Union of Postal Workers was that we did indeed ask both parties for consultation on arbitrators when we first set out to appoint an arbitrator. We received their advice not once, but twice. I see no reason why we would not take the same approach. However, we do not need to make any amendments to this bill in order for that discretion to be exercised.

Ms. Elizabeth May: Mr. Chair, I would like to thank the Minister of Labour for admitting that it is a good process. I am baffled by the refusal to accept amendments. We are a committee of the whole at this point. I am sure that many hon. members would have some amendments consistent with the purpose of the act. We know that the Conservative benches will ensure this act is passed. It will probably show on the clocks on the same day, but will likely be tomorrow in the wee hours.

We know this is the inevitable conclusion of this legislation. Would the minister not reconsider and allow an amendment, given that it is her preference as she has just stated, to allow names of arbitrators to be put forward? Considering this is something she can do within her discretion, why not ensure it?

There is nothing in the way clause 11 is drafted to suggest that the minister will put forward those options to management and labour.

Hon. Lisa Raitt: Mr. Chair, while I appreciate the request again by the hon. member, the answer still remains no. We will not be agreeing to any amendments to this bill.

The Deputy Chair: It being 11:59 p.m., pursuant to an order made earlier today, it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the committee stage of the bill.

Shall clause 2 carry?

Some hon. members: Agreed.

Government Orders

Some hon. members: No.

The Deputy Chair: All those in favour of clause 2 please say yea.

Some hon. members: Yea.

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

Some hon. members: Nay.

● (2405)

The Deputy Chair: In my opinion the yeas have it. I declare the clause carried.

(Clause 2 agreed to)

(Yeas, 155; Nays, 121)

(On clause 3)

The Deputy Chair: Shall clause 3 carry?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Chair: All those in favour of clause 3 please say yea.

Some hon. members: Yea.

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

Some hon. members: Nay.

● (2410)

The Deputy Chair: In my opinion the yeas have it. I declare clause 3 carried.

(Clause 3 agreed to)

(Yeas, 153; Nays, 125)

(On clause 4)

The Deputy Chair: Shall clause 4 carry?

On a point of order, the hon. member for Saint-Léonard—Saint-Michel.

Mr. Massimo Pacetti: Mr. Chair, I am wondering if you are willing to take all the remaining clauses 4 through 38 and apply them all in one vote. We are going to save a lot of time and the votes are not recorded. They are not going to be counted toward our voting record and I think most parliamentarians are here for that. Let us just take them all in one shot. I am looking to you for guidance, Mr. Chair.

The Deputy Chair: The hon. member for Saint-Léonard—Saint-Michel has suggested that the votes be combined. That would require unanimous consent. Does he have unanimous consent?

Some hon. members: Agreed.

Some hon. members: No.

● (2415)

[*Translation*]

The Deputy Chair: I declare clause 4 carried.

(Clause 4 agreed to)

(Yeas, 154; Nays, 125)

[*English*]

(On clause 5)

The Deputy Chair: Shall clause 5 carry?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Chair: All those in favour of clause 5 please say yea.

Some hon. members: Yea.

The Deputy Chair: All those opposed please say nay.

Some hon. members: Nay.

[*Translation*]

The Deputy Chair: In my opinion, the yeas have it.

I declare clause 5 carried.

(Clause 5 agreed to)

(Yeas, 156; Nays, 125)

[*English*]

The Deputy Chair: On a point of order, the hon. member for Scarborough—Agincourt.

● (2420)

Hon. Jim Karygiannis: Mr. Chair, we can stay here all night and go through 38 of them and I know that my colleagues from the NDP want to get up and clap for themselves. However, I am sure, if you ask for unanimous consent, that maybe in order to save some money and turn off the lights in this place, they might agree that we apply all of them.

I know that it is self-gratifying to sit there and clap like a trained seal, but come on, let us save some money.

[*Translation*]

Mr. Yvon Godin: Mr. Chair, if the Liberals are tired, they can have permission to go home.

[*English*]

Hon. Jim Karygiannis: Mr. Chair, it is not me who is wanting to go home. It is about trying to save money by turning off the lights here, and my colleagues on the NDP certainly do not know that.

The Deputy Chair: Order, please.

The House has heard the terms that the hon. member for Scarborough—Agincourt has raised. Does he have unanimous consent?

Some hon. members: No.

The Deputy Chair: I would urge all hon. members if they have a legitimate point of order to rise but if not, we should proceed.

The hon. member for Acadie—Bathurst.

Mr. Yvon Godin: Mr. Chair, we could turn off a couple of lights and we would save some money.

Government Orders

(On clause 6)

The Deputy Chair: Shall clause 6 carry?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Chair: All those in favour, please say yea.

Some hon. members: Yea.

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

Some hon. members: Nay.

• (2425)

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

I declare clause 6 carried.

(Clause 6 agreed to)

(Yeas, 154; Nays, 126)

(On clause 7)

The Deputy Chair: Shall clause 7 carry?

All those in favour of clause 7 will please say yea.

Some hon. members: Yea.

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

Some hon. members: Nay.

The Deputy Chair: In my opinion, the yeas have it.

I declare clause 7 carried.

(Clause 7 agreed to)

(Yeas, 154; Nays, 128)

(On clause 8)

The Deputy Chair: Shall clause 8 carry?

All those in favour of clause 8 will please say yea.

Some hon. members: Yea.

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

Some hon. members: Nay.

• (2430)

The Deputy Chair: In my opinion, the nays have it.

I declare clause 8 carried.

(Clause 8 agreed to)

(Yeas, 154; Nays, 124)

(On clause 9)

The Deputy Chair: Shall clause 9 carry?

Some hon. members: Agreed.

Some hon. members: On division.

(Clause 9 agreed to)

(On clause 10)

The Deputy Chair: Shall clause 10 carry?

All those in favour of clause 10 will please say yea.

Some hon. members: Yea.

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

Some hon. members: Nay.

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

I declare clause 10 carried.

(Clause 10 agreed to)

(Yeas, 154; Nays, 125)

• (2435)

Ms. Chris Charlton: Mr. Chair, I believe if you seek it you would find unanimous consent to apply the vote on the previous clause to all of the following clauses, with NDP members voting against.

Hon. Gordon O'Connor: Mr. Chair, the Conservatives agree and vote yea.

Ms. Judy Foote: Mr. Chair, the Liberals agree and will be voting against.

[*Translation*]

Mr. André Bellavance: Mr. Chair, the Bloc Québécois agrees and is voting against.

Ms. Elizabeth May: Mr. Chair, the Green Party agrees and is voting no.

• (2440)

[*English*]

The Deputy Chair: I declare the balance of the clauses carried.

(Clauses 11 to 38 inclusive agreed to)

(Yeas, 154; Nays, 125)

The Deputy Chair: Shall I rise and report the bill to the House?

Some hon. members: Agreed:

The Deputy Chair: Mr. Speaker, the committee of the whole has considered Bill C-33, and has directed me to report the same, without amendment.

(Bill reported)

Hon. Lisa Raitt (Minister of Labour, CPC) moved that the bill be concurred in.

The Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Speaker: In my opinion the yeas have it.

Government Orders

And five or more members having risen:

• (2445)

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

(Division No. 160)

YEAS

Members

Ablonczy	Adams
Adler	Aglukkaq
Albas	Alexander
Allen (Tobique—Mactaquac)	Allison
Ambler	Ambrose
Anders	Anderson
Armstrong	Ashfield
Aspin	Baird
Bateman	Benoit
Bezan	Blaney
Block	Boughen
Braid	Breitkreuz
Brown (Leeds—Grenville)	Brown (Newmarket—Aurora)
Brown (Barrie)	Bruinoooge
Butt	Calandra
Calkins	Cannan
Carmichael	Carrie
Chisu	Chong
Clarke	Clement
Daniel	Davidson
Dechert	Del Mastro
Devolin	Dreeshen
Duncan (Vancouver Island North)	Dykstra
Fantino	Fast
Findlay (Delta—Richmond East)	Finley (Haldimand—Norfolk)
Flaherty	Galipeau
Gallant	Gill
Glover	Goguen
Goodyear	Gosal
Gourde	Grewal
Harper	Harris (Cariboo—Prince George)
Hawn	Hayes
Hiebert	Hillyer
Hoback	Hoepfner
Holder	James
Jean	Kamp (Pitt Meadows—Maple Ridge—Mission)
Keddy (South Shore—St. Margaret's)	Kenney (Calgary Southeast)
Kent	Kerr
Komarnicki	Kramp (Prince Edward—Hastings)
Lake	Lauzon
Lebel	Leef
Leitch	Lemieux
Leung	Lobb
Lukiwski	Lunney
MacKay (Central Nova)	MacKenzie
Mayes	McColeman
McLeod	Menegakis
Menzies	Merrifield
Miller	Moore (Port Moody—Westwood—Port Coquitlam)
Moore (Fundy Royal)	Nicholson
Norlock	O'Connor
Obhrai	Oda
Opitz	Payne
Penashue	Poilievre
Preston	Raitt
Rajotte	Rathgeber
Reid	Rempel
Richards	Richardson
Rickford	Ritz
Saxton	Schellenberger
Seeback	Shea
Shipley	Shory
Smith	Sopuck
Sorenson	Stanton
Storseth	Strahl
Sweet	Tilson
Toet	Toews
Trost	Truppe
Tweed	Uppal
Van Kesteren	Van Loan

Vellacott
Warawa
Watson
Wilks
Wong
Yelich
Young (Vancouver South)

Wallace
Warkentin
Weston (Saint John)
Williamson
Woodworth
Young (Oakville)
Zimmer — 154

NAYS

Members

Allen (Welland)	Andrews
Atamanenko	Aubin
Ayala	Bélangier
Bellavance	Bennett
Benskin	Bevington
Blanchette	Blanchette-Lamothe
Boivin	Borg
Boulerice	Boutin-Sweet
Brisson	Brosseau
Byrne	Caron
Casey	Cash
Charlton	Chicoine
Chisholm	Choquette
Chow	Christopherson
Cleary	Coderre
Comartin	Côté
Cotler	Crowder
Cuzner	Davies (Vancouver Kingsway)
Davies (Vancouver East)	Day
Dion	Dionne Labelle
Donnelly	Doré Lefebvre
Dubé	Duncan (Edmonton—Strathcona)
Dusseault	Easter
Eyking	Foote
Fortin	Freeman
Fry	Garneau
Garrison	Genest-Jourdain
Giguère	Godin
Goodale	Gravelle
Grogouhé	Harris (Scarborough Southwest)
Harris (St. John's East)	Hsu
Hughes	Hyer
Jacob	Julian
Karygiannis	Kellway
Lamoureux	Lapointe
Larose	Latendresse
Laverdière	LeBlanc (Beauséjour)
LeBlanc (LaSalle—Énard)	Leslie
Liu	MacAulay
Mai	Marston
Masse	Mathysen
May	McCallum
Michaud	Moore (Abitibi—Témiscamingue)
Morin (Chicoutimi—Le Fjord)	Morin (Notre-Dame-de-Grâce—Lachine)
Morin (Laurentides—Labelle)	Morin (Saint-Hyacinthe—Bagot)
Murray	Nantel
Nicholls	Nunez-Melo
Pacetti	Papillon
Patry	Péclet
Perreault	Pilon
Quach	Rae
Rafferty	Ravignat
Raynault	Regan
Rousseau	Saganash
Sandhu	Scarpaleggia
Sellah	Sgro
Simms (Bonavista—Gander—Grand Falls—Windsor)	
Sims (Newton—North Delta)	
Sitsabaiesan	St-Denis
Stewart	Sullivan
Thibeault	Toone
Tremblay	Turmel
Valeriote — 123	

PAIRED

Nil

The Speaker: I declare the motion carried.

When shall the bill be read a third time? By leave, now?

Government Orders

Some hon. members: Agreed.

Hon. Lisa Raitt moved that the bill be read the third time and passed.

She said: Mr. Speaker, bearing in mind what time it is, I will be brief.

It is that time of year when many Canadian families take a welcome break after a long winter. Thousands look forward to trips in March, regardless of where they decide to go. Travel at this time of year makes up a significant part of the year's business for Canada's airline and tourism operators, businesses that contribute a great deal to the Canadian economy.

This year, travellers and businesses alike are watching for the outcome of two possible work stoppages at Air Canada. If a work stoppage were to occur, Canada's economy would face the harsh consequences. A work stoppage during the busy March break period would wreak havoc on the airline.

Today, we are facing potential work stoppages as a result of two disputes. The first one is between Air Canada and its pilots, represented by the Air Canada Pilots Association. The second one is between Air Canada and its technical and operational support employees, such as mechanics, baggage handlers and cargo agents at Air Canada, who are represented by the International Association of Machinists and Aerospace Workers.

The Government of Canada has worked hard to help all three of these parties at every step in an effort to reach an agreement and avoid a work stoppage. The parties have been in negotiations, each of them, for more than a year. We had provided the parties with conciliation and mediation assistance. The parties reached tentative agreements that were then rejected by the members. Therefore, the parties were provided with and exercised their right to a process of collective bargaining with no government intervention until now.

The parties were given every opportunity to reach an agreement on their own, but to no avail. As agreements do not seem to be imminent and work stoppages are being proposed, the Government of Canada must act now to keep Air Canada in the air.

The inconvenience of a work stoppage to travellers, serious disruptions to Canadian businesses and the potential threat to health and safety would be significant. There is far too much at stake to let this happen.

I urge all parties to pass this legislation and keep Air Canada flying.

• (2450)

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, in real life the NDP are not quite ready for the debate on this particular bill at this time, so we are more than happy to pick up the slack.

I can assure all members of the House that the Liberal Party is indeed very concerned about the actions of the government and the way in which it is managing the labour file. All we need to do is look back less than 12 months ago, when Canada Post workers were facing the same sort of a situation. When I think of how the government treated the Canada Post workers, I really have to try to understand why the government has so much against the average worker.

The minister talks about her concern for the public and the economy. I must say that Liberals are also concerned about the public and recognize some of the fragilities within the economy. However, we in the Liberal Party do support the concept of the free collective bargaining process. That is something the government has demonstrated, time and time again, that it does not support. To illustrate, I suggest to the Minister of Labour that she reflect on how she shafted the Canada Post workers.

Members will recall that there was a negotiated agreement back in January that would have seen those Canada Post workers receive an increase. That was agreed upon between the union negotiators and the management negotiators. What did the minister do? She brought in back to work legislation and rolled back something that was actually agreed upon.

Not to be outdone, the minister has now brought in this legislation. The legislation is unique. It was brought forward by my colleague earlier today that this is the first time we have had legislation such as this brought forward, implemented and made law before there is any real opportunity for that free collective bargaining process to take place.

There are a few things I would like to share with the minister. I can tell the minister why the Air Canada employees just do not trust the government, do not trust the minister and believe that the government is not concerned about the employees.

There were overhaul maintenance bases in Montreal, Winnipeg and Mississauga. Those bases were guaranteed to stay open and in place under the Air Canada Public Participation Act. The minister will recall it. She should, because it was the law of the land. If the minister reads that particular act, and I wonder if she has in fact read it, she will find that those jobs were supposed to be guaranteed.

The Prime Minister and the Minister of Labour did nothing when Air Canada started to take those jobs away. They were valuable jobs, and important to the economies of Montreal, Mississauga and Winnipeg. The government allowed the company to offload those jobs into the private sector. Ultimately, if we were to talk to the people who used to work at Air Canada, the ones the minister should have stood up for and protected, they will say that the government did nothing, absolutely nothing, to protect the interests of those workers, even though there was a legal obligation for the government to do so.

Members in the Liberal Party stood up and petitioned the government on the issue. They posed questions to the Prime Minister on this issue. The government did absolutely nothing. It stood by and did nothing.

Now, is it any wonder that the Air Canada workers have lost confidence in the government and the Minister of Labour? The Minister of Labour has not been an advocate for workers; that has been well established. That is why, when we look at the legislation and the mechanisms that have been put into place, we see that they are not mechanisms that are going to protect the interests of labour.

Government Orders

There is suspicion by the workers, justified suspicion, that the government just does not care about the outcome of the labour negotiations. The government is more concerned about its own right-wing Reform agenda. It does not appreciate the importance of free collective bargaining, and that has had a very profound impact.

● (2455)

Here today we have the government once again victimizing a union that has, over the years, done a phenomenal job in protecting the interests of its union members. It is unfortunate that the government has not realized that. Instead, and I find it truly amazing, the government walks around the issue of calling it an essential service.

In fact, listening to the Minister of Labour and what every other member of the Conservative Party is saying about this issue, one would think that the government would have deemed it an essential service. However, the government has not had the courage to admit that is really what this agenda is all about.

The government is not prepared to recognize it as an essential service. Instead, in a roundabout way, it tries to say that it is because of the economics and that it just does not trust the employees to be able to negotiate because they would go on strike and cause all this harm. As a result, the government is saying that it is the economy that is driving it to pass this legislation.

We should take a look at the process that has been put in place and read the legislation. We just finished passing a number of clauses—in a very interesting way, I must say.

Someday I hope the New Democrats will enlighten me as to what their strategy actually was. I do not quite understand it. I realize I have only been a parliamentarian for 20 years, but I have never quite experienced that before.

I can say that one party in this House has consistently stood up for the workers, but it is not the New Democratic Party. Whether it is Canada Post or the charade that we just witnessed, the NDP literally collapses in terms of principle. That said, we will continue to push the government to take actions that are necessary to protect the workers, whether in Air Canada or any other industry.

I think Canadians need to take note that what we really should be debating today is the issue of essential services. I challenge the government to put its cards on the table and tell us why it believes Air Canada is an essential service, and if in fact it believes it, to declare it.

The reason is that once a service is deemed an essential service, there are special circumstances and situations that must be taken into consideration when negotiating and talking about a contract settlement. That is something that speaks to fairness and justice, which the government, and particularly the Minister of Labour, have not been in tune with, whether in relation to Air Canada or the postal workers.

We value the concerns that Canadians have and we will stand up to protect the interests of Air Canada employees. We see these jobs as valuable and important to the economy of Canada.

We recognize that the government has failed time and time again in its responsibility to stand up for Air Canada workers. I challenge the Minister of Labour to do just that: be a minister of labour and start advocating for all workers.

● (2500)

[*Translation*]

Ms. Isabelle Morin (Notre-Dame-de-Grâce—Lachine, NDP):
Mr. Speaker, thank you for allowing me to speak to this special bill.

Nine months ago, I was giving my second speech in the House of Commons to defend a fundamental right in Canada—the right to discuss a collective agreement. We are hearing the same arguments this evening. This is the second time that we have had to oppose the government all night, into the early morning hours, in order to protect basic rights in Canada, rights that all Canadians should be able to enjoy.

Air Canada employees have not negotiated a collective agreement for 10 years. They have been making concessions for 10 years. Meanwhile, Robert Milton, the former CEO of Air Canada, earned \$80 million. The current CEO will soon collect a \$5 million bonus, and management will receive a pay increase. Understandably, Air Canada employees want a collective agreement and better working conditions. They want to discuss these matters, but they are being prevented from doing so because there could be a strike.

The right to negotiate a collective agreement is a fundamental right here, and the Conservatives are trampling on it yet again. Moreover, during this debate, the Conservatives have shown contempt for Canadians by telling them all kinds of tales. Earlier in today's debates, the Conservatives repeatedly gave the impression that they were talking about an essential service. My Liberal colleague just pointed out what may well be the crux of this debate: Air Canada is not an essential service.

The Canadian Industrial Relations Board never ruled that travelling by plane is an essential service. We all agree that it is important and that we want to be able to travel from place to place in Canada, but it is not an essential service. We have to think about whether respecting the right to a collective agreement, respecting that workers who have made concessions for 10 years have the right to negotiate, is more important than people wanting to travel. The Conservatives keep bringing up the economy. Of course the airline industry brings money into Canada, but so do many other things that the Conservatives have not meddled with.

On the Champlain Bridge issue, it took forever to get an announcement, and Montreal lost a lot of money as a result. We need to get our priorities straight. It is crucial that the two sides be able to bargain before the essential service card is played.

The Conservatives tried to mislead Canadians for the second time today when the Minister of Labour said that places like Bathurst would be deprived of all air service. That is not true, because Bathurst is not served by Air Canada, but rather by Jazz. I wish the labour minister would do her homework and know which regions are served only by Air Canada.

Government Orders

It is not true to say that the people of Bathurst—and we noted which riding she chose as an example—will not be able to get on a plane. That is not true. They are served by Jazz, which is not on strike, because its employees had the right to negotiate their collective agreement.

Currently in Canada, 94% of collective agreements are resolved without a problem. The remaining 6% are a bit more tumultuous. However, for those cases, we have a government that imposes special back-to-work legislation. Our country is quite lucky that only 6% of our collective agreements are not resolved easily. The government wants to impose special back-to-work legislation and prevent those collective agreements from being negotiated. It is denying those people their fundamental right. Again, coming together to discuss the future of those employees is a fundamental right.

It is not up to us to talk about their bargaining demands, but it is up to us to defend them, to stand up and say that these people have waited for 10 years and have been talking for one year. Of course we would like things to go well and for both parties to agree, but that is no reason to pass special back-to-work legislation.

• (2505)

The Conservative majority opposite is using the power of a majority that it obtained from less than 40% of voters to muzzle Canadians. The Conservatives are muzzling scientists. We have seen it on several occasions. Now, they are going to tell workers that they do not have the right to talk, that they do not have the right to discuss. That is unacceptable in Canada. We go and fight in other countries so that their citizens have access to democracy. However, here we have a democratic system that works—we have seen it in 94% of cases—and a government that says it is going to pass special legislation to impose a return to work. The government is going to prevent workers from discussing, from using a democratic process to achieve their goals.

We have seen on a number of occasions that the Conservatives are afraid of debate. They cut the time for debate short. It has happened often—19 times, according to my colleague. In the same way, in this case, they are eliminating bargaining rights. This government does not want debate. Even today when we were reviewing their bill, the Conservatives said, at every step of the process, that we should only have one speaker and that he would not have the right to ask questions. It is not healthy. We are talking about a bill that affects all Canadians, and all my colleagues who want to speak on the subject cannot because the Conservatives are preventing them from doing so.

Monday morning, I was in my riding. I was heading for Ottawa and I knew that the Air Canada employees were holding a lively protest. It was not yet a strike but nevertheless they were gathered at the Dorval airport. I went to see them to find out what was going on and to listen to their concerns. I discovered that there was more at stake than just their demands. They told me that they were afraid that the department would impose this special legislation. They were afraid of not being able to negotiate in good faith with their employer. This is intolerable.

I am disappointed because soon I will have been a member of Parliament for one year and the first subject that I spoke about in the

House was democracy. I came here full of hope intending to work with a government that said that it wanted to work on behalf of Canadians. Now that my first year is coming to an end, I realize that we have not moved forward since we have a government that says it will not allow workers to negotiate collective agreements with their employers.

Some hon. members: Oh, oh!

• (2510)

Mrs. Anne-Marie Day: Mr. Speaker, I rise on a point of order.
[English]

The Acting Speaker (Mr. Barry Devolin): The hon. member has raised a point of order regarding the noise in the chamber. The hon. member for Notre-Dame-de-Grâce—Lachine has one minute left if all hon. members could pay her the respect she deserves.

The hon. member for Notre-Dame-de-Grâce—Lachine.

[Translation]

Ms. Isabelle Morin: Mr. Speaker, I thank my colleague for her intervention. This also shows the Conservatives' contempt for what the opposition has to say. We really do not expect anything else from them.

As I have one minute remaining, I will repeat our very frank position: we oppose the Conservative tendency to eliminate unions, the rights of unions and the rights of Canadians who organize for the purpose of conducting discussions and negotiating collective agreements in order to obtain better working conditions. We are headed towards a very difficult situation. Canadians fear for their future. At this juncture, it is vital that Air Canada finally decide to give their workers a voice so that they may negotiate in complete freedom.

[English]

Mr. Deepak Obhrai (Parliamentary Secretary to the Minister of Foreign Affairs, CPC): Mr. Speaker, I know it is very late at night and everyone wants to go home, but this is a very important issue that has been brought forward and that is why we are here so late at night.

I have been a very strong supporter of Air Canada. I am approaching almost two million air miles on Air Canada, which indicates my strong support for this airline. During my two million miles of travelling, the pilots, workers and management have done a very good job of making this a very reputable airline. Having attained a reputation, we now have seen what has happened. The unions want to go on strike, but the management wants to shut down this airline because it cannot come to a resolution, which is forcing this government to act.

For my colleagues on the other side, most of whom are brand new members who have not travelled on Air Canada and live in a utopian world, do not understand the importance of this airline to Canada. Let me quote what the chief pilot said, "This is a national asset". Therefore, if it is a national asset, then let us all work responsibly to ensure that this national asset works for the benefit of all Canadians, not for the few other ones—

Some hon. members: Oh, oh!

Government Orders

The Acting Speaker (Mr. Barry Devolin): Order, please. The hon. parliamentary secretary.

Mr. Deepak Obhrai: Mr. Speaker, I welcome to the House of Commons my new colleagues on the other side to Parliament. When they realize the importance of this airline, they will take their hat off and recognize what is more important, the rights of Canadian citizens, not only the rights of the union. We all agree that collective bargaining is one of the strongest tools we have for labour peace. That is not in dispute.

What is in dispute is taking a responsible position. Under the Minister of Labour, this government has taken the responsible position to ensure that all Canadians benefit from this airline because it is a national asset. If it is a national asset, then let us keep it as a national asset. I will continue to support this airline—

• (2515)

Mr. Yvon Godin: Mr. Speaker, I rise on a point of order. If it is a national asset, why did the Brian Mulroney government sell it then?

The Acting Speaker (Mr. Barry Devolin): That is not a point of order. The hon. parliamentary secretary.

Mr. Deepak Obhrai: Mr. Speaker, that question was irrelevant because the chief pilot of the airline said that it is a national asset.

Why does the government propose to act today and why have been here all this time? While we all believe in the collective bargaining, at the end of the day, as the minister and all my colleagues said, it is for economic reasons. We were elected to ensure that we provided economic direction for our country from the recovery, with the economic stimulus plan and with the upcoming budget. Canadians have to ensure our country stays economically strong and that applies also to the airlines.

Why is only Air Canada and not the other airlines like WestJet, Porter all the other airlines out there? It is time for the airline industry to provide proper service to all Canadians so they can benefit and not be caught in the fighting taking place between management and the workers. That has to stop.

All of us commend the Minister of Labour and the Prime Minister for doing the right thing by ensuring that the interests of all Canadians and the economy is at the forefront. That is what we are doing here tonight and that is what we are going to continue to do.

For my hon. colleagues on the other side, including the party way at the other end that seems to be fast asleep, wake up and smell the thing. At one point in time those members were supposed to form the government. They are no longer the national governing party because we have taken over.

This government will provide, under the leadership of this Prime Minister, what is required for all Canadians, and that is what we are doing tonight.

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

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Barry Devolin): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Barry Devolin): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Barry Devolin): In my opinion the yeas have it.

And five or more members having risen:

The Acting Speaker (Mr. Barry Devolin): Call in the members.

And the bells having rung:

• (2525)

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

(Division No. 161)

YEAS

Members

Ablonczy	Adams
Adler	Aglukkaq
Albas	Alexander
Allen (Tobique—Mactaquac)	Allison
Ambler	Ambrose
Anders	Anderson
Armstrong	Ashfield
Aspin	Baird
Bateman	Benoit
Bezan	Blaney
Block	Boughen
Braid	Breitkreuz
Brown (Leeds—Grenville)	Brown (Newmarket—Aurora)
Brown (Barrie)	Bruinooge
Butt	Calandra
Calkins	Cannan
Carmichael	Carrie
Chisu	Chong
Clarke	Clement
Daniel	Davidson
Dechert	Del Mastro
Devolin	Dreeshen
Duncan (Vancouver Island North)	Dykstra
Fantino	Fast
Findlay (Delta—Richmond East)	Finley (Haldimand—Norfolk)
Flaherty	Galipeau
Gallant	Gill
Glover	Goguen
Goodyear	Gosal
Gourde	Grewal
Harper	Harris (Cariboo—Prince George)
Hawn	Hayes
Hiebert	Hillyer
Hoback	Hoepfner
Holder	James
Jean	Kamp (Pitt Meadows—Maple Ridge—Mission)
Keddy (South Shore—St. Margaret's)	Kenney (Calgary Southeast)
Kent	Kerr
Komarnicki	Kramp (Prince Edward—Hastings)
Lake	Lauzon
Lebel	Leaf
Leitch	Lemieux
Leung	Lobb
Lukiwski	Lunney
MacKay (Central Nova)	MacKenzie
Mayes	McColeman
McLeod	Menegakis
Menzies	Merrifield
Miller	Moore (Port Moody—Westwood—Port Coquitlam)
Moore (Fundy Royal)	Nicholson
Norlock	O'Connor
Obhrai	Oda
Opitz	Payne
Penashue	Poillievre

Preston
Rajotte
Reid
Richards
Rickford
Saxton
Seeback
Shipley
Smith
Sorenson
Storseth
Sweet
Toet
Trost
Tweed
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Schellenberger
Shea
Shory
Sopuck
Stanton
Strahl
Tilson
Toews
Truppe
Uppal
Van Kesteren
Vellacott
Warawa
Watson
Wilks
Wong
Yelich
Young (Vancouver South)

NAYS

Members

Allen (Welland)
Atamanenko
Ayala
Bellavance
Benskin
Blanchette
Boivin
Boulerice
Brahmi
Brosseau
Caron
Cash
Chicoine
Choquette
Christopherson
Coderre
Côté
Crowder
Davies (Vancouver Kingsway)
Day
Dionne Labelle
Doré Lefebvre
Duncan (Edmonton—Strathcona)
Easter
Foote
Freeman
Garneau
Genest-Jourdain
Godin

Andrews
Aubin
Bélanger
Bennett
Bevington
Blanchette-Lamothe
Borg
Boutin-Sweet
Brisson
Byrne
Casey
Charlton
Chisholm
Chow
Cleary
Comartin
Cotler
Cuzner
Davies (Vancouver East)
Dion
Donnelly
Dubé
Dusseault
Eyking
Fortin
Fry
Garrison
Giguère
Goodale

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Gravelle
Harris (Scarborough Southwest)
Hsu
Hyer
Julian
Kellway
Lapointe
Latendresse
LeBlanc (Beauséjour)
Leslie
MacAulay
Marston
Mathysen
McCallum
Moore (Abitibi—Témiscamingue)
Morin (Notre-Dame-de-Grâce—Lachine)
Morin (Saint-Hyacinthe—Bagot)
Nantel
Nunez-Melo
Papillon
Péclet
Pilon
Rae
Ravignat
Regan
Saganash
Scarpaleggia
Sgro
Sims (Newton—North Delta)
St-Denis
Sullivan
Toone
Turmel

Grogulé
Harris (St. John's East)
Hughes
Jacob
Karygiannis
Lamoureux
Larose
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Liu
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May
Michaud
Morin (Chicoutimi—Le Fjord)
Morin (Laurentides—Labelle)
Murray
Nicholls
Pacetti
Patry
Perreault
Quach
Rafferty
Raynault
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PAIRED

Nil

The Speaker: I declare the motion carried.

(Bill read the third time and passed)

Hon. Gordon O'Connor (Minister of State and Chief Government Whip, CPC): Mr. Speaker, I move:

That the House do now adjourn.

The Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

(Motion agreed to)

The Speaker: The House stands adjourned until later this day at 2 p.m., pursuant to Standing Order 24(1).

(The House adjourned at 1:29 a.m.)

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