



CANADA

# House of Commons Debates

---

VOLUME 137 • NUMBER 044 • 1st SESSION • 37th PARLIAMENT

---

OFFICIAL REPORT  
(HANSARD)

**Thursday, April 5, 2001**

**Speaker: The Honourable Peter Milliken**

## CONTENTS

(Table of Contents appears at back of this issue.)

All parliamentary publications are available on the  
“Parliamentary Internet Parlementaire” at the following address:

**<http://www.parl.gc.ca>**

# HOUSE OF COMMONS

Thursday, April 5, 2001

The House met at 10 a.m.

---

*Prayers*

---

## ROUTINE PROCEEDINGS

• (1000)

[*English*]

### HOUSE OF COMMONS

**The Speaker:** I have the honour to lay upon the table the performance report of the House of Commons administration for the period from April 1999 to March 2000.

\* \* \*

### GOVERNMENT RESPONSE TO PETITIONS

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

\* \* \*

### EXPORT DEVELOPMENT CORPORATION

**Mr. Pat O'Brien (Parliamentary Secretary to Minister for International Trade, Lib.):** Mr. Speaker, I am pleased to table in the House today, in both official languages, the annual report for the year 2000 of the Export Development Corporation.

\* \* \*

[*Translation*]

### INTERPARLIAMENTARY DELEGATIONS

**Mr. Bill Graham (Toronto Centre—Rosedale, Lib.):** Mr. Speaker, pursuant to Standing Order 34, I have the honour to present, in both official languages as well as in Spanish and in Portuguese, the report of the inaugural meeting of the Interparliamentary Forum of the Americas, held here in Ottawa, March 7 to 9, 2001.

[*English*]

You were good enough to preside over the opening of the session, Mr. Speaker, which brought some 100 parliamentarians from the Americas together from 28 countries to form an interparliamentary forum which will allow us to communicate with one another throughout this hemisphere.

Parliament had the opportunity to serve as the historic place for this extraordinarily important meeting. At that time we were also able to provide information and guidance to the leaders of the Americas who will be meeting in Quebec City.

**Mr. John Harvard (Charleswood St. James—Assiniboia, Lib.):** Mr. Speaker, pursuant to Standing Order 34 I have the honour to present to the House, in both official languages, a report from the Canada-United Kingdom Interparliamentary Association concerning the visit to London, United Kingdom, held from March 4 to March 7, 2001.

\* \* \*

### CRIMINAL CODE

**Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.)** moved for leave to introduce Bill C-24, entitled an act to amend the Criminal Code (organized crime and law enforcement) and to make consequential amendments to other acts.

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

\* \* \*

• (1005)

### FARM CREDIT CORPORATION ACT

**Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.)** moved for leave to introduce Bill C-25, an act to amend the Farm Credit Corporation Act and to make consequential amendments to other acts.

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

\* \* \*

### DIVORCE ACT

**Mr. Roger Gallaway (Sarnia—Lambton, Lib.)** moved for leave to introduce Bill C-334, an act to amend the Divorce Act (child of the marriage).

*Government Orders*

He said: Mr. Speaker, I am pleased to introduce this bill. The objective of the bill is to declare that a child who has reached the age of majority is not a child of the marriage within the meaning of the Divorce Act by reason of only being enrolled in a program of studies at a post-secondary school level.

Accordingly the court would not be able, except for some other reason, to make a child support order to cover all or part of the child's post-secondary expenses if the child has reached the age of majority.

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

\* \* \*

[Translation]

**CONTROLLED DRUGS AND SUBSTANCES ACT**

**Mr. Bernard Bigras (Rosemont—Petite-Patrie, BQ)** moved for leave to introduce Bill C-335, an act to amend the Controlled Drugs and Substances Act (medical use of marijuana).

He said: Mr. Speaker, I am very pleased to introduce this bill that would amend the Controlled Drugs and Substances Act to authorize the possession of 30 grams or less of marijuana for medical purposes.

The only requirement would be for the user to have a medical certificate. The purpose of this bill is to decriminalize the medical use of marijuana and to follow up on a decision made by an Ontario court on July 31, 2000.

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

\* \* \*

**CRIMINAL CODE**

**Mrs. Pauline Picard (Drummond, BQ)** moved for leave to introduce Bill C-336, an act to amend the Criminal Code (genetic manipulation).

She said: Mr. Speaker, I am pleased to introduce today a bill to amend the criminal code in order to prohibit the genetic manipulation of a human cell, a zygote or an embryo with a view to preventing human cloning. Any person guilty of such an offence would be liable to a fine, imprisonment or both.

As we know, the pace of scientific discoveries and technical advances in biotechnology has accelerated over the last few years which forces the legislator to take note of the situation.

Faced with this undeniable fact, almost all the developed countries in the world have put on a spurt and, over the last few months, quickly passed legislation to prohibit human cloning or at the very least to strictly regulate genetic research. In Canada, there is nothing at all, there is a legislative vacuum. That is why I am introducing this bill.

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

[English]

**PETITIONS**

## VIA RAIL

**Mr. Peter Adams (Peterborough, Lib.):** Mr. Speaker, I rise to present two more petitions from citizens of the Peterborough area and beyond, including Ajax, Durham, Victoria, Haliburton and Brock. They want the re-establishment of VIA Rail service between the city of Peterborough, the county of Peterborough and Toronto.

• (1010)

The petitioners point out the environmental advantage of a reduction in greenhouse emissions and the health advantages which also result from reducing emissions. They point to the benefits to Peterborough in terms of it being an educational and tourist destination and a commuter base and the advantages to Toronto in terms of relieving traffic in that area.

The two petitions urge the re-establishment of VIA Rail service between Peterborough and Toronto.

## BIOARTIFICIAL KIDNEY

**Mr. Peter Adams (Peterborough, Lib.):** Mr. Speaker, I have another petition on behalf of people suffering from end stage kidney disease. The petitioners point out that whereas kidney dialysis and successful transplantations have helped and certainly do help, there are not enough organs for transplantation and dialysis services are very limited.

Therefore they urge the federal government to support the development of the bioartificial kidney which will replace both dialysis and transplantation as a source of relief for people with end stage kidney disease.

\* \* \*

[Translation]

**QUESTIONS ON THE ORDER PAPER**

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

**The Speaker:** Is that agreed?

**Some hon. members:** Agreed.

**GOVERNMENT ORDERS**

[English]

**CANADA ELECTIONS ACT**

The House proceeded to the consideration of Bill C-9, an act to amend the Canada Elections Act and the Electoral Boundaries Readjustment Act, as reported (without amendment) from the committee.

*Government Orders*

## SPEAKER'S RULING

**The Speaker:** There is one motion, an amendment standing on the notice paper for the report stage of Bill C-9, an act to amend the Canada Elections Act and the Electoral Boundaries Readjustment Act.

[*Translation*]

I have examined the motion carefully. I realize that it is similar to a motion that was debated and defeated in committee. In spite of some apprehension in selecting the motion, I have decided to give the hon. member the benefit of the doubt. Therefore, Motion No. 1 will be debated and voted upon.

## MOTIONS IN AMENDMENT

**Mr. Antoine Dubé (Lévis-et-Chutes-de-la-Chaudière, BQ)** moved:

Motion No.1

That Bill C-9, in Clause 2, be amended by replacing lines 31 to 33 on page 1 with the following:

"committee of the House of Commons that normally considers electoral matters, after consultation with the committee of the Senate that normally considers those matters."

He said: Mr. Speaker, the aim of this amendment is to prevent our being obliged to consult or include the Senate in amendments to the Canada Elections Act.

It would be a bit of a paradox, in the case of a law that applies to elections that apply to members of the House of Commons, to have people not elected involved. I would point out that I personally have nothing against those who make up the other House. We meet them fairly regularly and many of those I have met are competent and nice.

But one thing must be remembered. We must not forget that they are often appointed by the Prime Minister of the House of Commons. Who does the Prime Minister appoint? Generally, he appoints people he knows well and whose work, often partisan, he values. One way to compensate them for the work they have done is to appoint them to the other House.

Of course, we cannot rule out the fact that they have experience in a number of instances, but sometimes the subjective criterion is left up to the Prime Minister. There was the vote we had yesterday calling for a public inquiry on the conduct of the Prime Minister in his riding, especially given the fact that he himself appoints the ethics counsellor who reports to him.

We think that the people in the other House should not be consulted on this. They are just more people who would offer an opinion on ways to change the ridings and electoral boundaries.

● (1015)

When an election is involved, members of the opposition are entitled to speak, but if the dice are loaded from the start, if things are decided by friends of the Prime Minister or by people he considers his supporters, in principle, these people will tend to support the recommendations of the party in power, the party of the Prime Minister who appointed them.

This is why I am moving this amendment. It is out of respect for the people and because I am concerned about the continuity of this institution, which in our opinion, has become obsolete.

This is not the first time we have taken such a stand. In 1993 it was part of our election platform. We have consistently held that position since we first came here in 1993. We have always been opposed to having joint committees that include elected members of parliament and non-elected people to discuss, particularly in this case, electoral issues. Most of these non-elected people are not former members of parliament. They have not been confronted to electoral reality and they do not know what they are talking about in this regard even though they may have contributed, in a partisan way, to getting someone elected.

This is why the Bloc Québécois feels that the proposed amendment is very relevant. Mr. Speaker, we thank you for having accepted it and thus allowing the House to look at it.

We invite our colleagues from all political parties, and particularly opposition parties, to support it. I am thinking more specifically of Canadian Alliance members. Even though we do not necessarily share their view, we arrive at the same conclusion. They are hoping for an elected Senate while we want to get rid of that institution. But we agree on the problem which is that the people in the other place are not elected.

Hopefully we can get the support of the other two political parties, namely the New Democratic Party and the Progressive Conservative Party. Members of these parties have already said that we should examine this issue among elected representatives and consult the public. We should get people's opinions because we work for them first and foremost. It is important to know what the public thinks because it is the public who elect us to this House. This must be done in the best possible conditions.

People must be confident that this parliament works in the best possible democratic spirit. Since I have a few more minutes, I might add in this connection that this government sees itself as the great champion of democracy on the international level. We must admit that it has acquired a certain reputation for this, so much so that some MPs, even opposition ones, are occasionally called upon to monitor elections in other countries.

As a member of the subcommittee on human rights, I know that Canada sees itself as a promoter of human rights. On occasion I

*Government Orders*

have trouble adding my voice to those who say Canada is a champion in this field, when I see the major shortcomings that still exist within the country, particularly as far as campaign funding is concerned.

As the rules stand at present, big business can make campaign contributions. We have long opposed this and our last suggestion was that it at least be restricted to \$5,000 or less.

• (1020)

I have no problem with the people across the floor, or anyone in this institution, ministers in particular, and the Prime Minister, making a contribution internationally with delegations or on other occasions making statements about how other countries ought to operate more democratically, ought to respect human rights more. However, we must ensure at the same time that we here in Canada really respect this evolution or, how shall I put it, this affirmation of these democratic concepts.

That is the reason behind my amendment this morning which was seconded by my colleague the hon. member for Beauport—Montmorency—Côte-de-Beaupré—Île-d'Orléans. That is the reason behind this representation.

I thank in advance all opposition members and those in the Liberal ranks as well who dare to support us. A number of them have often told me that they are not always totally thrilled—like last night—to toe the party line. They are sometimes obliged not to follow their convictions. In this case, since elections are concerned, I trust they will be faithful to their convictions and think of democracy.

**Mr. Michel Guimond (Beauport—Montmorency—Côte-de-Beaupré—Île-d'Orléans, BQ):** Mr. Speaker, I would like to congratulate my colleague, the hon. member for Lévis-et-Chutes-de-la-Chaudière. By this amendment and by this motion, he is showing that he is capable of expanding his horizons and that he is an extremely versatile member of parliament. We know the work that my colleague from Lévis-et-Chutes-de-la-Chaudière has been doing in the shipbuilding area, in shipyards not only in Quebec but also in Canada. Our colleague from Lévis-et-Chutes-de-la-Chaudière has managed to get all shipyard owners and unions throughout Canada to reach a consensus.

I think the fact he has moved this amendment to Bill C-9, an act to amend the Canada Elections Act and the Electoral Boundaries Readjustment Act, shows that he is capable of speaking out on other issues. Thus, the hon. member for Lévis-et-Chutes-de-la-Chaudière is not a one issue man; he is a versatile man.

That being said, during the short time that has been allotted to me I would still like to add for our viewers and for our colleagues here in the House who are listening very carefully to my speech, that this amendment is being made to page 1 of the bill. It would amend section 18.1 of the elections act and would boil down to

changing the role of the other House with respect to adopting amendments to the elections act. Specifically, the chief electoral officer would be able to use an electronic voting process.

I sit on the Standing Committee on Procedure and House Affairs. About ten days ago, Mr. Kingsley tabled his report on the last general election held on November 27, 2000. We will have the opportunity to come back to it and to suggest further amendments to the elections act.

But I can say that it is in several ridings of Quebec and Alberta—and I know this has not happened by chance because there is a majority of Alliance members in Alberta and a majority of Bloc Québécois members in Quebec—that there were the most problems during the last election held November 27.

• (1025)

In only 10 minutes I do not have time to list all the problems with unco-operative returning officers and unsuitable polling stations.

In a space no bigger than 10 square feet there were six or seven polling divisions. According to the elections act, candidates can visit polling stations, shake hands with the representatives of all parties. We could literally see for whom people would be voting. Some polling stations were located very far from the homes of elderly people whose mobility is sometimes reduced and that was to discourage them from voting.

I must tell the House that the Bloc Québécois is drawing up a list of the problems from the November 27, 2000 election and we will have an opportunity to come back to them. I personally advised Mr. Kingsley that there will have to be improvements.

This bill introduced by the government House leader gives returning officers authority to try alternative voting means, including electronic voting. The bill provides that the introduction of such a process would require the approval of both Houses, the House of Commons and the other chamber, whose members as we know are not elected.

We are being upfront. The purpose of our amendment is to take away the right of the Senate—the other chamber—to give its approval and amend the clause such that only consultation is required. We realize that there is a difference between consulting and obtaining approval. We are aware of this difference and we have moved this amendment deliberately.

We have done so because 301 members of this House, whatever their political stripe, recognize that members of this House were all democratically elected—some races were tighter than others—by the people of Quebec and Canada.

Contrary to what goes on in other countries, nobody in Canada or in Quebec voted in the November 27 election with a machine gun to their back. People expressed their choice freely. The result is the

37th parliament. In my view, the 301 members here are entirely legitimate, regardless of their political affiliation.

The problem arises when a non-elected House is given the power to decide how elected representatives will be elected. I do not know whether that is clear; I am getting lost myself. There may have been too many “elected’s” in my sentence, but I think the House understands. The problem is giving to another appointed body—a body that is rewarded, therefore not elected—the power to decide how elected representatives will be elected. This makes no sense.

It should be consulted because it is supposed to be a House of sober second thought. We know that under British parliamentary tradition the House of Commons represents commoners. We are the representatives of the common people, while the other chamber represents the aristocracy, the lords in the British system.

I am sorry but I prefer to be a member of the House which represents the population, the ordinary people, those who every four years can tell us “You are doing a good job, we will keep you” or “You are not doing a good job, you are out”. This is democracy and this is why, in democracy, we go from one government to the other, which is called state succession.

It is therefore important to take away from the Senate the power to decide about electronic voting.

**Mr. Yvan Loubier:** It should be abolished.

• (1030)

**Mr. Michel Guimond:** As my colleague from Saint-Hyacinthe—Bagot has just said, the solution would be to abolish the Senate. But we must not forget that in the present system, when pollsters ask Quebecers about the Senate, 84% are in favour of abolishing it. In the other provinces, they want a triple E Senate, a Senate with more powers.

We will probably not see the abolition of the Senate in this lifetime. We in Quebec, however, could go about it differently through sovereignty for Quebec. Once we are sovereign there will be no more Senate, no more Governor General, no more lieutenant-governor, but only government of the people by the people.

I know that I am running out of time, but I would like to talk about a number of members of the other place. Are we, as elected representatives, prepared to give non-elected parliamentarians like Lise Bacon, a former Liberal minister appointed by Liberals, John Bryden, a Liberal senator from New Brunswick, Ross Fitzpatrick, a bagman from British Columbia, and the list goes on, the power to decide for us, we who represent the people and speak for the people in this House?

### *Government Orders*

**Mr. Scott Reid (Lanark—Carleton, Canadian Alliance):** Mr. Speaker, I am happy to speak today in favour of the amendment put forward by my hon. colleague, the member for Lévis-et-Chutes-de-la-Chaudière.

[English]

The member suggests that the committee reviewing any possible electronic voting or voting changes would only seek consultation from the Senate and that the committee of the Senate would not exercise a veto over any proposed changes to the voting.

This is an excellent idea. A similar amendment, which I thought was a good idea, was proposed by members of the Bloc Québécois in committee. I believe the suggestion was actually an improvement over what was suggested when the bill was being reviewed in committee because it allowed the committee of the Senate to actually provide some guidance.

We can benefit from the wisdom in the Senate. The Senate was originally understood to be, as we all know, a chamber of sober second thought. In fact, this might be sober first thought, as it were, but nonetheless a sober commentary, not an actual veto. I think that is a very profitable thing to do.

However, giving a veto over changes, which is the way the relevant section of the proposed law is currently worded, would give a committee of an unelected chamber actual control under the law of Canada over a part of the election law of the country. I think that is a precedent that has already been set, but it is a slippery slope down which we do not want to continue where unelected people have greater and greater control and those of us who are elected, and therefore those who elect us, are less and less in control of the political agenda. This is particularly true when we are speaking of the actual election law of the land, surely the most sacred of all our democratic institutions.

The suggestion I would make is that the Senate actually would have a valuable role and a Senate committee ought to have a veto over any election law changes if the Senate itself were elected. When the amendment came up at committee meetings, I raised the point that it would be very advantageous if in the future we were to allow for greater control from the Senate if it were ever elected. I know I differ from my colleagues in the Bloc Québécois and the New Democrats in favouring an elected Senate as opposed to the abolition of it, but there is a valuable role a second elected chamber can play, particularly when it is elected on a different basis from the House of Commons.

• (1035)

Many countries around the world have an elected second chamber. I am thinking here for example of Switzerland, the United States, Australia and Germany which use different systems. We forget sometimes that prior to 1867 the united province of Canada did have an elected second chamber. Perhaps one of the greatest

*Government Orders*

steps backward that occurred at the time of confederation, when so many other good measures were put forward and set in stone, was that we went from an elected to an unelected second chamber.

My colleagues from the Bloc Québécois are particularly sensitive to the problems of having an unelected body practising a veto over the electoral law because of the fact that Quebec has not that long ago had the experience of having its own unelected second chamber. It was only in the 1960s that a constitutional amendment was passed removing that unelected second chamber in Quebec.

I recently had the experience of going through an old issue of a magazine, I think it was the French version of *MacLeans* published around 1965, which listed all the then incumbents in Quebec's second chamber. It included the dates members were appointed and their ages. One member on that list had been born in the 1870s, a man practically as old as confederation itself. This was an unelected member sitting in that chamber and serving out his time. As it turned out, he was a very long lived gentleman who had been appointed back in antediluvian times and continued to serve as a member of that chamber. I have no idea of his attendance record or of his mental state but he continued to function and, along with a small group of colleagues, to have the ability to block all the laws of the province of Quebec.

In fact that upper house sometimes did block laws when its own privileges were being attacked. It was very concerned about its own privileges. I do not think we want to see that kind of power, which already exists to some degree in the Senate, in Canada. We do not want to see that kind of power being used by committees over business that relates purely and entirely to this Chamber.

It is very important that we have that distinction as long as this is the only democratic Chamber in the country. As long as the country does not have any form of referendum law, citizen initiative, recall law or any of the basic accoutrements of a democratic society, as found in the more democratic societies of the world, then surely we do not need unelected bodies having direct control over changes that would make this place more democratic and the manner in which members are elected to this Chamber more democratic.

I want to briefly refer to the concept of electronic voting and other types of voting that was suggested in the original text of the bill. That is actually a very valuable provision. We should be considering the possibility of electronic voting for citizens.

When I was seeking election there were a number of people unable to cast ballots because they were ill, incapacitated or out of the country. Proxy voting allows to some extent for this problem to be dealt with, but it is an awkward system. It is possible that it could be improved upon. I know all members would want to see

any improvement in access to voting for Canadian citizens to go forward. The idea of having some provision that permits for the potential for electronic voting for Canadians is something that should be encouraged.

**Hon. Lorne Nystrom (Regina—Qu'Appelle, NDP):** Mr. Speaker, I want to say a few words in support of the motion put forward by the member from the Bloc Québécois. It is really to remove the veto from the Senate in terms of legislation we are debating today concerning the Elections Act of Canada.

● (1040)

I suppose the most perverse power we could give the Senate is a veto over election laws because its members are unelected. Why the government would insist on doing that is beyond me.

Members of the Senate of Canada are appointed. The Senate is not democratic and its members are not elected nor accountable. Its members do not have constituencies. They do not face voters and they do not get swayed by public opinion. However the Senate does have veto power in terms of changing the electoral law of the country for those of us who are elected, who have constituencies and who go back to our ridings and face our electorate time and again.

That is a very perverse type of democracy if one were to define what democracy is. I therefore certainly support the Bloc Québécois in terms of the amendment before the House today.

The Senate issue has been around for a long time. My recollection of history is that when the country was founded every province had an upper house and a lower house, whether it was Ontario or Quebec, the Atlantic provinces, Prince Edward Island and so on. I think even Manitoba had that. I think six or seven of the provinces had upper and lower houses. One by one their upper houses were abolished. I think Quebec was the last one to abolish the upper house.

[*Translation*]

It was in 1968. The Quebec Legislative Council, Quebec's senate, was abolished. It was the red chamber and it was abolished in the province of Quebec. The same thing happened in every Canadian province where there was a second chamber. It was abolished because Canadian provinces did not need two chambers.

[*English*]

However we have an anachronism in the House of Commons. About an hour ago, while speaking at a public policy forum here in the city, one of the questions that came up was that of the Senate.

We now have an unelected Senate. All the polls I have seen show that about 5% of the people support the Senate and yet the



government across the way does nothing about it. There is a debate in the country whether or not we should reform the Senate, elect it or abolish it.

Over the years many attempts have been made to change the Senate, to elect the Senate. I remember back in 1991-92, right before Charlottetown, when there were committees of the House of Commons, the Beaudoin-Edwards and the Beaudoin—Dobbie committees. The most difficult issue we had to face was what to do with the Senate. That was the very last issue with which we dealt.

At the end of the day the three parties of the House of Commons came to an agreement about reducing the powers of the Senate, ensuring it had equal representation, not from each province but from the five regions of the country. We had the Atlantic, Ontario, Quebec, the prairies and British Columbia, along with the north. It would have given each of the five regions in the country 20% of the seats in the Senate.

Then we all agreed, which was difficult for some New Democrats, but I was the party spokesman at the time, to elect the Senate and to elect it entirely by proportional representation. That was a three party agreement.

I see a great Liberal Party enthusiast from Hamilton cringing in his seat, but that is the record of the House. If he goes back to the Library of Parliament he would see where his party stood. His spokesperson then was André Ouellet, the former minister of external affairs from Papineau who is now the chairman of Canada Post. The Liberal Party, led by the present Prime Minister, endorsed the idea of an elected Senate by PR, with reduced powers and equal representation, not from each province but from the five regions.

What happened to that unanimous proposal of parliament was that it went to that great Canadian institution, which is also a little bit undemocratic, called the first ministers' conference. The first ministers, Prime Minister Mulroney and the premiers, took only a few minutes before they rejected the idea proposed by the House of Commons and came up with the proposal in the Charlottetown accord which was still an appointed Senate with reduced powers and an increase in the number of seats in the House of Commons. It was a convoluted dog's breakfast that was turned down by the people of the country.

Once again we are back in the same place. During Meech, as well, there was an attempt made around that time to change the Senate. I think at that time there was a proposition that the Prime Minister would appoint senators from a list provided to the Prime Minister by each of the provinces. That actually did not make it into the Meech Lake accord but it was one of the proposals at the time.

There have been all kinds of different proposals on the Senate. The triple-e movement, which was spawned in part in western Canada, requires that every province have an equal number of

### *Government Orders*

senators. We would have a powerful House of Commons and a powerful Senate and the two would balance each other off.

• (1045)

That never got off the ground and never will because Ontario and Quebec with their population and their power cannot agree, will not agree and have never agreed to an equal Senate where Prince Edward Island has the same power as Ontario and where New Brunswick has the same power as Quebec, if indeed the Senate has any powers at all. If the Senate does not have any powers, why even have a Senate if it is just to become a debating chamber?

There have been all kinds of attempts to reform and change the Senate. Another idea pushed by the Alliance and the Reform Party is to start on an ad hoc basis electing senators one by one. I think that would be a great mistake. If we start electing senators one by one at the present time, we would empower these people. We would enshrine in perpetuity the present extremely unfair representation in the Senate where British Columbia with around three million people would have six senators and New Brunswick with 500,000 or 600,000 people would have ten.

It would also enshrine the existing powers which are almost as strong as the powers of the House of Commons. It would be locking into our constitution a vision that was drafted back in the 1860s. That is not the right vision to pursue. That is a vision that would discriminate, for example, against western Canada. British Columbia, Alberta, Saskatchewan and Manitoba would have six senators; New Brunswick and Nova Scotia would have ten; Newfoundland would have six; and Prince Edward Island would have four.

Yet the position of many people in the Reform Party is that we should start electing these senators on an ad hoc basis, as was done in the United States many years ago and led to an elected senate in that country.

I do not think many Canadians would want province by province representation in the Senate today because it does not reflect today's population. It does not reflect the large populations in Alberta and British Columbia. It does not reflect the tiny populations in some of the Atlantic provinces. I do not think many Canadians, if we had an elected Senate, would want to have the Senate exercise its existing powers, which are pretty awesome powers compared with those of the House of Commons. They are very seldom exercised today because the Senate does not have legitimacy.

It is like a dog chasing its tail. It is a never ending debate. It goes on and on. To get the triple-e we would need a constitutional amendment. At the very best we would need an amendment supported by the House of Commons, the Senate and two-thirds of the provinces reflecting 50% of the population, a never ending debate.

*Government Orders*

The Prime Minister at one time played around with the idea of Senate abolition. John Crosbie's biography states that when Brian Mulroney was first elected prime minister the first thing he wanted to do was to abolish the Senate. He never got around to doing it because of the complexities of the present system.

I have come full circle. In the final analysis there is no way we will ever reform the existing Senate. There is no way the existing Senate will be elected with any significant powers to make it worthwhile.

If we elect the existing Senate it will not cost the existing \$60 million it spends. Once it is legitimate and elected with powers, we could double and triple the cost of the Senate as it empowers itself because it is legitimate, because it is elected.

I question whether we need two big, powerful elected bodies. The way to go is to abolish the existing Senate and bring the checks and balances into the House of Commons by empowering parliamentary committees and creating more independence for each and every member of parliament through fewer confidence votes, as is the case in most parliamentary democracies around the world. That is the direction in which we should be going.

It is time we had a backbench revolt on this issue. It is time we empowered ourselves as parliamentarians and said to the government that enough is enough, no more of the charade of unelected people parading around pretending they have all this power and yet have no legitimacy, no democracy and no accountability to anyone in the country.

That is a national disgrace. It is an eyesore. In the name of democracy, let us change that situation and change it now. This modest amendment by the Bloc will go part way to doing that by saying it wants a veto over the election bill. Instead all we do is consult with the Senate, but we cannot veto it.

Let us stand and vote for this change. To hell with the party whips. Let us make that modest change by ourselves.

• (1050)

**Mr. Derek Lee (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, it is always interesting to see how we grapple in the House with issues involving the other place. I want to put on record my position and what I believe to be the position of the government in relation to the amendment.

The current legislation governing elections allows the chief electoral officer to undertake studies and test or pilot projects involving the use of electronic voting in elections. That was an innovation put into the Canada Elections Act adopted by parliament last year.

Most Canadians would agree it is a useful device. It allows the chief electoral officer to alter the way Canadians might vote in a

test or pilot project without having to change the legislation first. It is forward looking and a little bold. Parliament decided that if we were to allow this test or pilot project to occur, we would want the House to approve it first. I am sure Canadians would agree with that as well.

When the bill was passing through the other place senators made the point that they had been excluded from the process which in part pre-empts the existing law on how elections are held. The government through the minister gave an undertaking to the Senate that when the bill was passed there the government would introduce an amendment to address that issue.

In the current bill before the House there is an amendment which provides that before such a test or process takes place approval would be obtained from both the committee of the House and the committee of the Senate that normally deal with those issues.

The amendment before the House now would alter that approval process in the bill. It would call for the House to give its approval but for the Senate only to be consulted. That is the proposed change to the bill, but I also point out that a plain reading of the motion before us suggests that the House must consult the Senate before it gives its approval to electronic voting.

I am not entirely sure that is what the mover intended. I am not sure it was intended that the House be restricted when it gives its approval; perhaps only that the Senate be consulted. In any event the amendment as it is now drafted is unclear on that point because of the apparent absence of the conjunctive word and. I will not inquire further into that except to say that as I read it the proposed amendment may not accomplish precisely what the mover wanted.

The Senate wanted the amendment to ensure that its approval was obtained before the test or pilot project was adopted. As all members know, the Senate, the other place, wishes to deliver on its role as an equivalent house of parliament. It would not in the ordinary course want to be excluded from legislative matters. I suspect it would never even permit itself to be excluded from the legislative process, but it certainly did notice when the bill was passed that it had been excluded from the approval process which would allow the pilot project to pre-empt the otherwise prevailing laws governing elections.

It is in good faith that the Senate requested the amendment. The Senate continues to have a strong interest in how elections in Canada are run. It wants to be involved in any change.

• (1055)

If we ask average Canadians on the street whether the House should have an exclusive right of approval and the Senate should not have any role in making changes to the Canada Elections Act, not all but many would say that the Senate could probably make some good, objective commentary in the process. The Senate

would not be involved in elections. At present senators are definitely not involved in elections.

Members of the House might take umbrage at any suggestion that they have a role in elections. but the Senate has a role to play when it comes to the framework legislation that governs elections and delivers on the charter based rights of Canadians to vote to ensure their constitutional democratic system is operating properly. Many experienced senators in the other place understand how elections are run and can participate constructively in that type of approval process.

In delivering on its commitment the government at this point is quite certain that the amendment in the bill, not the motion in amendment proposed by the hon. member, reflects the undertaking given at the time of the passage of the bill last year. For the other reasons mentioned in my remarks I cannot support the motion.

**Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC):** Mr. Speaker, I congratulate the Bloc member for bringing forward this motion in amendment. It is a sincere attempt to improve upon a bill which is rather narrow and rather focused in its content. It is a response to a supreme court decision in *Queen v Figueroa* that basically looked at the definition of a political party as it appears on a ballot and at the requirement to have a certain number of candidates in an election to qualify for the right to have a name denoted on a ballot.

This debate is somewhat digressing into a broader issue. A number of members have a very legitimate interest in the issue. The member for Regina—Qu'Appelle has been a longstanding abolitionist of the Senate. He brings a great deal of knowledge and history to the debate. We have heard his facts as well as the comments of other members about what they would prefer to see.

As a member of the Conservative Party I am quite proud of the fact that real efforts were made to reform, improve and modernize the Senate. Major initiatives were put before the country. The Meech Lake and Charlottetown accords dealt in great detail with the ways in which we could approach the Senate.

There are recent converts to the cause who suggest the Conservative Party has perpetuated the existence of the Senate. There were very legitimate attempts to bring the Senate into the modern era. In fairness, when we look at the model in Great Britain, the mother of all parliaments, we see that country struggling with its upper house.

The member for Regina—Qu'Appelle also talked about the history of the provinces, particularly the province of Quebec which most recently went through this debate and in its wisdom decided to do away with its upper chamber.

### *Government Orders*

There is a very legitimate basis to the motion that has been put forward today. On behalf of the Conservative Party I would reluctantly say that this is not the way to go about it. It should not be done in a piecemeal fashion. I do not say that in a derogatory sense, but to exempt the Senate from certain legislation while allowing it to continue to perform its function on other legislation is not the way to go about changing the current system. It is not the approach we would advocate.

There is a legitimate concern when we are talking about elections. This legislation is about elections, yet senators do not subject themselves to elections.

• (1100)

However, to suggest that we simply exempt them from the process of sober second thought, of examination of legislation on this one bill as opposed to other bills, is not the approach we would advocate.

As a member of the Conservative Party I do not shy away from involving myself. The party has never shied away from looking at how we bring the Senate into the modern era, if at all. There are many members in our party and many senators who realize that the system cannot currently bump along and continue to exist in its present form. It is not acceptable. It is not something that the overwhelming majority of Canadians accept.

The Senate, as it has in the past, continues today to perform a very legitimate service, although the fashion in which it is constructed is not in favour with most Canadians. It is not popular or politically correct to praise senators, but there are many in the Senate who currently take their role extremely seriously. They serve the country with great distinction. They come to the Senate with skills that are of great assistance and they continue to be a great asset.

It is wrong to suggest that because senators have never been elected it is illegitimate that they sit in the upper chamber and preside over medicare improvements, justice issues or issues that affect Canadians in a fundamental way.

There was a gathering this morning in the foyer of the Senate where they were discussing ways in which the medical community could work closer with politicians, both elected and unelected, to improve our health care system. Liberal Senator Kenny presided over a Senate committee that has brought forward many good ideas which form the basis of the upcoming study that will be chaired by the prominent former premier, Mr. Roy Romanow.

It is a case of throwing the baby out with the bathwater. If we rush headlong into Senate abolition there is a risk of losing a great repository of information, knowledge and ability. That would be a shame if that were to happen.

*Government Orders*

I am not in favour of the amendment. There is a time and a place to go into the issue of Senate reform and the ways we can improve our entire democratic system. There are ways we can improve our electoral system and the voting process which is the basis of how this place exists and how we interact with Canadians at election time. However, to vilify the institution in its entirety and to denigrate individual members is not the approach that I would put forward.

There are recent converts. The Canadian Alliance has a senator. It is quite interesting how its approach has softened so much, now that there is a senator in its midst. We have to be at least intellectually honest when we are discussing this issue. There have been offers in the past for members of the New Democratic Party to join the Senate. To their credit they have remained consistent in their position on how they would approach the Senate.

The motion focuses on removing the Senate from how legislation would proceed. If we are to do it, we should do it in an overall fashion, not by exempting Senate deliberations on singular bills, which is what the amendment would accomplish.

**Mr. Gurmant Grewal (Surrey Central, Canadian Alliance):** Mr. Speaker, on behalf of the constituents of Surrey Central I am very pleased to participate in the report stage debate of Bill C-9.

Bill C-9 is an act to amend the Canada Elections Act and the Electoral Boundaries Readjustment Act.

● (1105)

In the last session I spoke to Bill C-2 which was passed in the House. The Canadian Alliance or Reform Party at the time opposed the bill. The Liberals should be ashamed because Bill C-2 had so many serious flaws in it that it was not only undemocratic but almost anti-democratic. Bill C-2 made Canada look like a dictatorship.

Among other technical matters Bill C-9, which is an amendment to Bill C-2 passed in the last session, stipulates that if the chief electoral officer wishes to examine certain things like alternative voting processes such as electronic voting, the alternative cannot be used without the approval of both House and Senate committees. Clause 2, which we intend to amend, states:

The Chief Electoral Officer may carry out studies on voting, including studies respecting alternative voting means, and may devise and test an electronic voting process for future use in a general election or byelection. Such a process may not be used for an official vote without the prior approval of the committees of the Senate and the House of Commons that normally considers electoral matters.

The term Senate is used and that is why the amendment is being proposed. I congratulate the hon. member for Lévis-et-Chutes-de-la-Chaudière who moved an amendment which reads:

That Bill C-9, in Clause 2, be amended by replacing lines 31 to 33 on page 1 with the following:

“committee of the House of Commons that normally considers electoral matters, after consultation with the committee of the Senate that normally considers those matters.”

The Canadian Alliance supports the amendment because it takes the role of the Senate out of the bill. Our policy book, which is dictated by grassroots members of the Canadian Alliance, states in section 71:

We will support the election of senators who would then have a democratic mandate to carry out their constitutional responsibilities. We will further support the distribution of Senate seats on an equal basis determined through constitutional discussion with the provinces and territories.

The Canadian Alliance advocates Senate reform. Senators try to do their job the best way they can. As co-chair of the Senate and House of Commons Joint Committee on Scrutiny of Regulations I had the opportunity to work directly with senators. There are senators who work very hard. There is wisdom in the other chamber and we look forward to the sober thought from the other place.

There are senators who want to have a veto in our elections act on how Canadians elect members to represent them in the highest chamber. The Senate wants to have a veto in the bill, a veto the weak and arrogant Liberal government is allowing in the bill. That is a serious concern. Senators are elected in other countries. Our largest trading partner, the U.S., elects its senators.

● (1110)

The point which would motivate us in the Chamber to support the amendment is that senators are not accountable to constituents because they do not have any constituencies. They do not represent constituencies. They are appointed by the Prime Minister of Canada and tend to be accountable to him.

I commend B.C. Senator Gerry St. Germain, who has offered, and who is prepared to resign from his senate seat provided the Prime Minister appoints an elected senator to the Senate. That senator has made a bold step and I appreciate his intention.

The Canadian Alliance members support the amendment. Under the current legislation, only approval of the House of Commons committee is required. Giving the Chief Electoral Officer the freedom to examine innovative alternatives that could help to modernize our electoral process is a good thing but it should be limited to the elected members who represent Canadians in the House of Commons.

On this side of the House, our ears perk up when we see the use of the word Senate, particularly in reference to it interfering in the election process. Are the Liberals preparing to have the Senate kill any innovative ideas the Chief Electoral Officer may propose? Maybe we cannot trust the Liberal government. The Canadian

*Government Orders*

Alliance believes that the voters, not the government, should decide whether a party or a candidate is worthy of a vote.

As all opposition parties will be supporting the amendment, it is now up to the Liberals. If they do not accept the amendment, it would be another example of how they are making Bill C-9 anti-democratic.

[*Translation*]

**Mr. Stéphane Bergeron (Verchères—Les-Patriotes, BQ):** Mr. Speaker, it gives me great pleasure to speak to the motion in amendment put forward by my colleague for Lévis-et-Chutes-de-la-Chaudière. It seems to me that it is totally relevant.

During my speech I may have the opportunity to respond to a number of the assertions made by my colleague for Pictou—Antigonish—Guysborough, which, notwithstanding all the respect I have for him, appear to be slightly false.

I think that the Parliamentary Secretary to the Leader of the Government in the House of Commons has best described a moment ago in his speech how things have been done so far and why we are putting forward this amendment.

He explained how this provision of the elections act, within Bill C-2, came to be, to ensure that if new voting techniques were to be tried it would be only after the Standing Committee on Procedure and House Affairs, which normally looks into these matters, approved the implementation of such a pilot project.

Everything was going well. The amendment proposed in Bill C-2 was passed. It was included in the Canada Elections Act which was used, need I remind members, in the last general election.

• (1115)

Bill C-9 corrects a series of small errors that had gone unnoticed because Bill C-2 was passed in such a hurry. Again, I need hardly remind the House that if this legislation was rammed through in such a hurry, it was essentially due to political considerations as the government wanted amended electoral legislation as quickly as possible in order to call an early election, which is precisely what happened and which confirms our opinion in this regard. The government has now introduced Bill C-9 to correct a series of small errors that had gone unnoticed in Bill C-2 given the haste I have just talked about and also to correct another element of the bill that is more substantial as it gave rise to a court ruling.

I should also point out that certain recommendations were made to the government following the Figueroa case. The government preferred to take the case to court, at taxpayers' expense, rather than consider the opinions expressed. It lost the case. It is coming back to us now to introduce a more substantial amendment in order

to comply with the court decision in Figueroa concerning the number of candidates a political party must field in order for the name of the party to appear on the ballots.

Among those technical amendments they proposed one, amendment No. 2, which modifies section 18.1 of the Canada Elections Act to ensure that before any pilot project can be implemented to modify the voting process, the chief electoral officer will have to obtain not only the approval of the House of Commons committee that normally considers electoral matters, that is the Standing Committee on Procedure and House Affairs, but also the approval of its senatorial counterpart.

I submit respectfully that it is surprising that we would have to consult a non-elected institution to determine the relevance or the opportunity of any pilot project concerning an election. That is why we thought it was appropriate to propose that this reference to the Senate be removed.

Needless to say that this amendment which we proposed in committee was rejected because the government House leader argued that ours is a bicameral parliament. Therefore we have two Houses, and as long as there are two Houses, as long as we do not decide otherwise—which brings us back to the debate of the member for Regina—Qu'Appelle—we must face that reality and take into account the fact that the Senate must concur in any legislation. Very well.

I am not particularly in favour of the Senate in its present form or of a second chamber within Canadian parliament, but I nevertheless agree that since we respect the institutions as they are right now we must involve senators in the passing of any legislation, until further notice. But this is not what we are debating now. What we are taking about is consultation, opinion and approval regarding the implementation of a pilot project, a new method of voting. If I have the time I shall return to this later.

This is simply a technical opinion. How is a group of unelected representatives in a position to provide an opinion on such a matter? I ask you, Mr. Speaker. I know that you are not going to give me any answer, Mr. Speaker, but I am asking anyway.

The question has to be asked eventually, as my colleagues for Regina—Qu'Appelle and for Pictou—Antigonish—Guysborough have suggested. Ultimately, we will have to look at the role of the Senate, at whether it is appropriate to maintain that institution. That is not however what interests us in this debate. The purpose of the amendment is not to exclude senators from the legislative process. It merely requires the chief electoral officer, when he wishes to test new voting methods, to consult those who being elected themselves are perhaps in a position of being able to provide him with appropriate feedback.

*Government Orders*

• (1120)

Recently, the government House leader has been doing the rounds and trying endlessly to convince us that the amendment presented by our colleague from Lévis-et-Chutes-de-la-Chaudière does not say what that member meant it to say.

I do not know if the government House leader has the extraordinary gift of being able to read people's thoughts and thus knows what my colleague from Lévis-et-Chutes-de-la-Chaudière had in mind when he drafted this amendment and when he introduced it in this House.

Personally, I think that this amendment says exactly what the Parliamentary Secretary to the Leader of the Government in the House said earlier, namely that it seeks to ensure that before testing new voting processes, the chief electoral officer must get prior approval of the Standing Committee on Procedure and House Affairs of the House of Commons and must consult the Senate committee that considers these matters.

The claim made by the government House leader, which goes against the view of his parliamentary secretary but is supported, seemingly, by the Privy Council's learned legal officers, is that this amendment would require the Standing Committee on Procedure and House Affairs to consult its counterpart in the Senate before giving its approval to the chief electoral officer.

I respectfully submit that I cannot figure out which version makes Privy Council's legal officers come to that conclusion. Perhaps it is the English version which, incidentally, is a translated version since the motion was originally drafted in French.

In the French version a comma replaces the word "et" in an enumeration. In the current text, if we replace the comma with the word "et", the amendment is very clear and specific. The purpose of this amendment is to provide that the chief electoral officer must get the approval of the Standing Committee on Procedure and House Affairs and must consult its Senate counterpart before implementing a new voting process.

Unfortunately, I am running out of time and I will not have the opportunity to express my view on electronic voting. However I must say, with all due respect for the other place, that we chose not to exclude it from this technical process, but to get it involved through a consultation process. This is why I am asking all hon. members to support this amendment.

[*English*]

**Mr. John Bryden (Ancaster—Dundas—Flamborough—Aldershot, Lib.):** Mr. Speaker, this is one of these occasions when I am a little puzzled by what happens in this place because if I were

an opposition member of parliament I would be firmly opposed to this particular amendment.

Rather than serve the opportunities of parliament in general in making sure that the government does not dominate, what this does is it gives back to the government enormous power over whether or not an official vote using electronic means will take place.

Originally in Bill C-2, there was a clause, the clause that is under debate right now, which basically said that the chief electoral officer can experiment with electronic voting, but if he wants to actually undertake an official vote with electronic technology he has to get the prior approval of the appropriate committee of the House of Commons. That committee, incidentally, we would assume to be the Standing Committee on Procedure and House Affairs.

What the amendment in Bill C-9 does is it takes away this exclusive power of the committee of the House of Commons to decide whether an official vote will be taken with electronic means and adds in a committee from the Senate. So now under Bill C-9 there would be two committee approvals required. The motion before the House would again revert us back to Bill C-2 by taking away the approval of the committee of the Senate.

• (1125)

I point out that what we are talking about here is an official vote. That is what the clause says, an official vote. That means somebody is going to be elected or not elected.

The way the original clause read, by giving the decision on whether electronic voting should be used or not in an official vote, it was giving it exclusively to the Standing Committee on Procedure and House Affairs, a committee that is dominated, always dominated, by the government. Basically, the original clause guaranteed that if approval was sought government approval would be given, either side. Or if the government disagreed with the possibility of using electronic voting, let us say it is a byelection, the government, using its majority on the procedure and house affairs committee, could stop it from happening.

This is where I get really puzzled. Basically, what the amendment does is it takes away some of that government power. It dilutes it by requiring approval to come from the appropriate Senate committee as well. That is not such a bad thing because the Senate is indeed not an elected body and it is not under the same direct pressure that MPs are from their own governments. I can tell you, Mr. Speaker, on a standing committee it is very difficult for members on any side to buck the basic policy of their party, and you would not expect it to happen on the procedure and house affairs committee in this particular instance.

However, for a Senate committee, even if every member is appointed by the government, it would not matter because the

*Government Orders*

senators are still unelected and when it comes down to a matter of having to use their conscience, their discretion on something that is extremely important, we are talking about someone being elected officially to the House by a certain means, so, Mr. Speaker, it seems to me, on the opposite side, on the opposition side, every MP should be opposed to the amendment.

I note that the Canadian Alliance speaker that spoke just before me made a mistake because he suggested that all opposition MPs were in favour of this particular amendment that is proposed by the Bloc Quebecois, but in fact I did note that the speech from the Conservative member was opposed.

I would suggest that the opposition members reconsider because, while as a government MP I am happy to give my government lots of power and lots of things, I can tell you I am very nervous about giving my government, which could be the government of another party in the future, any kind of exclusive control over deciding whether or not an official vote should be taken by one means or another.

I point out, and I emphasize this to all members, that we are talking about approvals that come in committee. We are not talking about something that is debated in this entire House. We are not talking about a vote in the House or a vote in the Senate. We are merely talking about approvals in committee and I suggest to you, Mr. Speaker, the way the clause was written in the original bill, Bill C-2, was seriously flawed because basically it gave the power of approval to a committee of the House which is dominated by the government, which would have meant it would have been a rubber stamp approval anyway, and the amendment which the government itself is introducing goes a long way toward diluting this power and making sure that, as best we can, there is another calculation, another evaluation of the issue by the members in the other place, who I think we could trust in a situation like something as important as a vote that would bring a new member to the House of Commons, that we could count on the senators no matter what their original party affiliations to act in their very best judgment.

**Mr. Brian Fitzpatrick (Prince Albert, Canadian Alliance):** Mr. Speaker, it is a real pleasure to address this topic. I certainly concur with my Bloc colleagues that there is a very distasteful feature to having the Senate in its current form have a hand in deciding our electoral system.

Some members have said that the Senate has had nothing to do with our electoral process. I think they are wrong. Many of the people who are in our Senate today are there because they had a very direct hand in our electoral process.

• (1130)

They were excellent at raising and collecting money for parties. They ran very effective election campaigns for key people who

would have had trouble winning without their assistance. There was a payoff from the electoral system for good work done for the party.

It was also suggested in the House that the Senate is the only appointed place that has anything to do with our electoral system. I remind members opposite that the current Supreme Court of Canada, armed with a new philosophy of judicial activism, has made major decisions about electoral law that have outraged the public. Ninety-five per cent of the public was totally outraged that a prisoner serving a life sentence would have the right to vote in an election. Perhaps prisoners would be able to run for election if we carried it far enough.

The government of the day decided it would not use a safeguard that is in our constitution, the notwithstanding clause. To say that appointed people have nothing to do with this is a little off base.

Much of the debate in the House since I have been here has centred on one issue: the concentration of power into one person's hands or one office. Everyone has heard Lord Acton's famous statement about corruption and how it can corrupt. I have heard some good speeches in the House in the last while. It is too bad they had to be misinterpreted for political purposes. People have pointed out historical experiences where Lord Acton's dictum could be shown to be true.

People in Canada assume those sorts of things cannot happen here. I do not want them to happen here either but we would be off base to ignore the lessons of history. We should be implementing safeguards to make sure we do not have that sort of concentration of power.

An individual for whom I have a lot of respect, Gordon Robertson, served under four prime ministers and was Clerk of the Privy Council. I think members opposite would be quite familiar with Mr. Robertson. He is a highly respected person. Mr. Robertson is very concerned about what has happened to parliament and about the concentration of power in the Prime Minister's office. He has stated that we have an elected dictatorship and that the cabinet has become nothing but a focus group for the Prime Minister's office.

Given those statements, I find strange some of the comments my NDP colleagues have made about the Senate. Their comments are out of sync with this place. If I understand my NDP colleagues, and they have supporters on the Liberal side, they want to abolish the Senate. They say that an elected Senate with regional representation would be good for the country but that Ontario and Quebec would not accept it. They say that it would take a constitutional amendment to change the Senate.

Did it ever occur to them that it would take a constitutional amendment to abolish the Senate? If we must go through the exercise we should do the right thing and not the wrong thing. Abolishing the Senate in its present form would only give the

*Government Orders*

Prime Minister one more power card. It would complete the picture.

There are two very good reasons we should have an elected, independent and powerful Senate. First, it could deal with the issue we are confronted with in the House: the concentration of power into one person's hands. Concentration of power leads to abuse of power. There are no checks or balances in our system to effectively deal with it. That is the dilemma. Everyone is looking at the issue and asking what mechanisms we have to deal with wrongdoing, and there are none.

• (1135)

What a powerful, elected and independent Senate would do first and foremost is put in the system a badly needed check and balance, a counterbalance to the concentration of power.

I am surprised my colleague in the NDP does not recognize that an elected Senate that fairly represents the regions would go a long way toward alleviating the regionalism, alienation and fragmentation in the country. It would make people in all regions feel they had a powerful and effective voice in the federal government. Many of the folks in various regions of the country, believe it or not, do not believe they have any say or input into the system. They do not have connections to the Prime Minister's Office and they are left out of the equation.

I will address certain other matters that were said in the House. Somebody mentioned that the Charlottetown accord had a provision for an elected Senate and implied that the public had rejected the Charlottetown accord because of that provision. I think that is wrong. The Charlottetown accord, had it been any longer, would have been competing with *War and Peace* for length.

Under the accord one province, and I am surprised the province did not support the referendum, could have vetoed anything that affected culture. Culture to me is a mile wide and a mile deep. It probably deals with everything we do as parliamentarians. That proposal would have given one province a loaded gun. Some 58 things were open for further negotiation and discussion.

**Mr. Derek Lee:** Is this *Cross Country Checkup*?

**Mr. Brian Fitzpatrick:** Yes, it is. We are giving government members a check up. We are educating them. We are seeing if their listening skills are working.

It is also implied that we do not elect senators. Alberta elected one very good senator, Mr. Waters, an outstanding person. The people of Alberta voted for that person to be their Senate representative. The prime minister at the time had the courage to respect the democratic will of the people of Alberta.

It is too bad the Prime Minister who followed him ignores that procedure. We have elected senators-in-waiting in Alberta, whom the people want to be their voice in the Senate, being denied representation. There are people in Alberta who have worked hard for the party opposite, have collected money and have done good things for it. They are the people who have been elected and should be in the Senate.

If the country wants to go into the next century with a proper system of government and a proper system of checks and balances, it needs a powerful, elected and independent Senate, whether it wants to admit it or not. If we do not bring in that necessary reform we will one day regret not having seized the opportunity to do so.

**Mr. Dick Proctor (Palliser, NDP):** Mr. Speaker, I too should like to participate very briefly in the debate today on Bill C-9. I support the modest proposal put forward by the Bloc to restrict the power of the unelected Senate to have a veto over elections. It is impossible to escape the irony of an unelected Senate somehow having a veto over what we do to further democracy in the land.

• (1140)

I have listened to some of the previous speakers. I agree with the speaker who immediately preceded me regarding the almost absolute power of the Prime Minister's Office. It has far more power than that of the president of the United States where there is a system of checks and balances.

We are aware that many attempts have been made over the years to reform the Senate and that all attempts to date have met with abject failure. I see this proposal as a very modest one to limit the power of the Senate. It proposes to consult the Senate on issues rather than give it a veto.

The Bloc has made a reasonable suggestion. I listened with care as well to the member for Pictou—Antigonish—Guysborough who cautioned against doing anything in a piecemeal fashion.

The concern of a number of us in this party is that past attempts to make broad changes and to have an elected Senate, as we have seen in Charlottetown, Meech Lake and other attempts, have all ultimately met with failure. We are grappling with the need to do something.

Members get up from time to time to talk about an elected Senate and they ask the Prime Minister, when a vacancy occurs, whether he would allow an election in the province where the vacancy has arisen. The answer is always no, with some qualifiers about Meech Lake and about Charlottetown.

What is proposed here is simply a modest way to curtail the power of the Senate. As I said, it is totally ironic that unelected senators should have a veto.



*Government Orders*

A previous speaker from the government side questioned whether a conjunction existed in English or whether the bill was lacking a conjunction. If that is his only problem why does he not move a friendly amendment and let us get on with it?

Earlier this week I had occasion to meet with someone from Bolivia, which we would normally consider a third world country. He was very interested in our political system. He wanted to know about elections to the House of Commons and then he innocently asked how our senators were elected and for what term of office.

It is embarrassing for most parliamentarians, and probably for many Canadians, to have to say that we appoint senators rather than elect them. We do not do the appointing. The Prime Minister appoints the Senate and each member therein.

He looked at me in a strange way, as do a lot of guests to our country when we reveal that we have one of the few bicameral systems in the world where one House is elected and the other is appointed. The upper chamber is appointed by one individual and has no checks and balances. There is no opportunity for a committee to decide whether a Senate candidate is suitable.

The Prime Minister can simply wake up one morning and say it is time to appoint so-and-so. That is why people like Gordon Robertson and Donald Savoie are concerned about the absolute power of the Prime Minister's Office and the almost total absence of checks and balances.

To come back to the amendment, it is a very modest one. It is trying to address the difficulty we have in dealing with electoral reform and whether we should have a Senate. The member for Regina—Qu'Appelle makes a very good point. He has come full circle on this issue and now believes that the way to go is to abolish the Senate.

• (1145)

In answer to the previous speaker, that would only give more power. If we were to have a system of proportional representation where we would perhaps have a first past the post system for some members and then proportional representation for some others, we could achieve the best of both worlds. However, we would do it in one institution, in the House of Commons, as opposed to having a House of Commons and a Senate.

I very much support this modest amendment made by the Bloc this morning and I encourage other members to do so as well.

**Mr. Bill Blaikie (Winnipeg—Transcona, NDP):** Mr. Speaker, I want to make a few comments on the amendment because it is an opportunity for us to reflect on the role of the other place in

general, but also to reflect on the irony of a procedure established by the bill whereby the other place would have a decisive role to play in something having to do with elections.

The amendment does not completely leave out the Senate. It talks about consulting the other place. That is appropriate. We can consult the other place. We can consult Canadians. We can do a lot of consulting. The question is whether or not the other place, which is an appointed chamber and not an elected chamber, should have a decisive say in something having to do with elections.

There are two ways, it seems to me, that the argument for the amendment can be established. One is simply the argument based on democratic principle, that being the fact that elections have to do with democracy and the Senate, being an appointed body, should by definition keep its nose out of things having to do with elections out of respect for the fact that senators are not elected themselves.

The second reason is something which I suppose has always been the case but has become more aggravated in recent years, that is, generally election law is something that is decided on by all the parties in the House of Commons through a House of Commons committee or by consultation with parties outside the House. By involving the Senate in this way, we are basically saying that after all the work is done among the five parties in the House, and perhaps even after consultation with parties that have not been able to elect people to the House of Commons, a decisive role is going to be given to a chamber where really only two parties are represented. I know there is now an Alliance senator but that does not really take very much away from my argument.

The fact is that the Senate is a chamber made up of Liberals and Conservatives. It is made up of people who have been appointed over the years by those parties that have formed the government in the country. When the Liberals are in power, Liberals are appointed. When the Conservatives were in power, Conservatives were appointed. Sometimes there is the odd exception and an independent is appointed, but by and large the Senate is a chamber made up of people who belong to the two political parties in this country that have formed governments over the years.

Now that we have a five party House, it seems a little odd to me that a chamber or a House in which three of the parties are unrepresented should have this kind of role to play. That is one of the reasons I think this amendment is just not in order procedurally and also politically.

I listened with interest to the apologia for the Senate that was given by the member for Pictou—Antigonish—Guysborough. He was being a faithful Conservative and defending many of his

*Government Orders*

colleagues in the Senate. That is understandable, but it seems to me the argument he made, which is that there are good people in the Senate and they do good work, is just not sufficient. It is true that there are good people in the Senate and they do good work. It is not the work they do: it is the role they have.

• (1150)

The Senate has a decisive constitutional role in our democracy which we say is inappropriate given the fact that senators are appointed. There are all kinds of people throughout the country in various contexts who are good people and do good work, but they do not have the constitutional power that the people in the Senate have, who are good people and do good work. If they want to be good people and do good work they can do it somewhere else. They can do it where they do not have the constitutional power that should be vested only in people who are elected.

That is our point and it is the reason why for so many years the NDP and, before that, the CCF have been for the abolition of the Senate. It is an affront to our democratic principles to have this appointed body in our midst with that much power. I say that with all due respect to the many senators whom I know who are very dedicated to the country and do very good work. That is beside the point, and that is the point I am trying to make.

It may be that abolishing the Senate is not on and that reforming the Senate, as many have suggested over the years, is what we need to look at. We in the NDP have been open to that. We supported Meech Lake and we supported the Charlottetown accord even though those accords did not abolish the Senate, but because they went some way toward reforming the Senate and making it democratic or in some cases such as Meech at least making it more responsive to provincial input and in Charlottetown actually making it elected.

We in the NDP supported that kind of Senate reform. We are not absolutist in our demand that the Senate be abolished but we are absolutist in our demand that it be changed and in our demand that ultimately the Senate be made a democratic Chamber rather than an appointed Chamber.

It is true that one of the ironies of recent Canadian political history is that the very same party that has made a political career out of exploiting the need for Senate reform, particularly as it relates to western and regional alienation, is the same party that in my judgment and in the judgment of others has actually stood in the way of Senate reform on a couple of occasions. While I am sure that there are people in the reform alliance political constituency who genuinely wish for Senate reform, it almost seems to me sometimes that if we ever did have reform, it would be a disaster for them because it would mean that this great hobby horse of theirs would be eliminated.

There is some evidence to back this up, because on two occasions there was opportunity for Senate reform. In Meech the provinces were going to be given the opportunity to provide a list that the Prime Minister would have to pick from in order to appoint senators, until such time as there was genuine Senate reform, so that there would be pressure on the federal government to reform the Senate. If there was no reform, then the provinces in perpetuity would have the power to influence who became senators in this way. However, that was not on. That was another occasion for outrage on the part of people in the reform alliance political constituency. Then in Charlottetown we had another opportunity.

• (1155)

I think these things are worth saying because it may well be that when the history of our democratic institutions is written, unless something dramatic and hopeful happens in the next little while, the very people who have made so much out of wanting to reform the Senate will be shown to have been the people who stood in the way of that very reform.

**Mr. Ken Epp (Elk Island, Canadian Alliance):** Mr. Speaker, I was not going to rise on this occasion, but after the speech from my colleague from the NDP I cannot help but respond to some of the things he has said. Imagine putting at our feet the responsibility for preventing reform of the Senate when we have been the champions of it. I cannot believe he would even try to do that.

I would like to set the record very straight. So often when we talk about the unelected Senate, the Prime Minister in particular loves to do what the member for Winnipeg—Transcona just did, which is to say that we had the choice and we were against the Charlottetown accord.

Mr. Speaker, I want to point out to you, to other members in the House and to all Canadians who have ever heard our story that we were against the Charlottetown accord for 100 reasons. Unfortunately, the few tepid movements in that accord toward reforming the Senate were not sufficient for us to say that we would eat all the gravel, the dirt and the stinkweed in that meal and call it a pie. No, we were not ready to do that.

Indeed, the accord did say that there was some measure of voting for the Senate. If we look at it more carefully, it did not give the right to the people to elect the Senate. That was an option, but as I recall, the Charlottetown accord said senators could also have been put forward by lists from the legislatures of the provinces. What we have there is just another way of getting an unelected Senate.

We proposed, and we stand by it, that in our modern society in Canada, where we call ourselves a democracy, there should be nothing less than a Senate that consists of members elected by the people they represent, just like we are sent here by electors in our

ridings. That is how senators should be elected. When the Prime Minister and members of the NDP tell us they are against an elected Senate because our party did not accept the Charlottetown accord, that is a misstatement of our representations in that area.

Another thing I have to say on this issue of the Senate is that we believe the House of Commons is properly constituted when it represents the population in the country. Right now we have the situation, and we have had it for many years, where, because 60% of the population of the country is in Quebec and Ontario, 60% of the members of the House are from Quebec and Ontario. We accept that. That is representation by population.

However, the Senate has 24 members from Ontario and 24 members from Quebec. What does British Columbia have, which is the third most populous province in the country? It has six senators. Did the Charlottetown accord correct that? No, it did not. Not only do we have the overbearing weight of legislative authority by two provinces telling the others what will be done in the country, but we have it duplicated in the Senate.

It is absolutely positively true that what we need is a Senate that is proportional to the provinces, not the populations of them. It is done in the United States and in a number of other countries. Maryland has two senators and California has two senators, which is not in proportion to their populations but because the role of the U.S. senate is to balance the interests of regions and states against the predominant majority, and in our case it would be the House of Commons and a predominant majority from the two most populous provinces.

With respect to the amendment putting the Senate in control, in any way, of affecting our legislative outcomes in elections, it is almost an oxymoron. These members are not elected but are going to become involved in our elections. How absurd. I simply say, loud and clear, let them be elected. Let them represent the people who they are supposed to represent.

● (1200)

The province of Alberta, from which I come, has 23 out of 26 members of parliament who are Canadian Alliance members. That is a simple fact. Alberta people believe most strongly in the policies, the principles and the integrity of our party so they voted for us.

When we had senatorial elections, whom did they select in our province? With more votes than any member of the House of Commons got, they selected two members who happened to be associated with the Canadian Alliance. Those are our senators in waiting. Are they getting respect? No. Who does the Prime Minister appoint when there is a vacancy in Alberta?

I have no disrespect at all, because I know that it is against the standing orders, but I say this genuinely. I have the highest respect

### *Government Orders*

for people who are in the Senate from our province. I happen to know Tommy Banks a bit. I have admired some of his works for many years. Now he is a senator which is great. Had he run for election and the people said that he was their selection, then fine. However, we had an election for the Senate and he did not even run.

I have heard it said in the United States that to be a senator one has to win an election. In Canada to be a senator, one has to lose an election. People who run for the currently governing party, if they lose in their riding, end up getting appointed to the Senate instead. That is absurd. It does not sit with modern day democracy.

We are talking about a Senate which balances the powers of this place by one in which senators are equally represented across the country, in terms of the same number of senators per province. We are talking about an elected Senate, elected by the people. We are talking about an effective Senate which basically would continue with the powers that the Senate has now.

I strongly urge members, especially the Prime Minister, to watch his tongue when he says that we rejected an elected Senate because we did not support the Charlottetown accord. One just cannot give a guy a little bit of a dirty stick with some icing on it and say "Here, eat the whole thing". We would have taken the icing all right but it was covered with so much other totally objectionable material that we had no choice. The Canadian people proved that we were the ones who were right. When an analysis was done across the country, the Canadian people were the ones who rejected the Charlottetown accord. It was not us. All we did was get into the debate.

Just talking about the Charlottetown accord debate, I remember I was a recently elected nominee for our party at that time. I was elected in June 1992 to represent our party in the next federal election which we thought would possibly be that fall. Of course we know that the Conservatives postponed it because all indications were that they were going to lose, and how they lost.

Here I was a neophyte, a math and computer teacher, and I was asked to go to a forum in one of the towns in my riding to debate the Charlottetown accord. I was on the stage with no less than the woman who until recently was the leader of the Liberal Party in Alberta. At that time her name was Nancy Betkowski. She was an Alberta cabinet minister in the Conservative government of the day. Next to her was Brian O'Kurley, the previous member of parliament for Elk Island. He was of course a Conservative member. There was a Conservative member of parliament, a Conservative member of the cabinet from the province and me.

In my introductory speech, which was one of my first public speeches, I remember clearly saying I never thought that I would see the day when I would be standing on the platform with two other people and they would be considered the heavyweights.

*Government Orders*

• (1205)

As it turns out we had the right ideas. We had the right analysis on the Charlottetown accord, and we stand by it. As they say on that good game show “that’s my final answer”.

[*Translation*]

**Mr. Ghislain Lebel (Chambly, BQ):** Mr. Speaker, I am pleased to take part in this debate to support the amendment moved by the member for Lévis-et-Chutes-de-la-Chaudière. Under the proposed electoral reform, the Senate, that group of wise individuals who represent the financial interests of Canada’s economic elite more than they represent the Canadian people, is to be consulted.

I think that these people, who are not elected, should not impose their view of how members of this chamber should be elected. This would give them a power and authority that they do not legitimately have because they are not elected.

Nor can I let pass without comment the views of the Canadian Alliance member who is all for what was described in the Charlottetown accord as a triple-e Senate: elected, effective, and I forget what the third e stands for.

I would like the member to give this some thought. The Bloc Québécois is saying that the Senate should be abolished; it no longer has a role to play. The Senate had a purpose in the time of Caesar in ancient Rome. But I ask the member who is waxing on about the beauty and grandeur of an elected Senate what happens when an elected Senate opposes a policy of the governing party.

We have experience of this in Quebec. At one point there was an independence party in power in Quebec and 75 federalist MPs representing Quebec in Ottawa. The federalist MPs said “We represent the views of Quebecers just as well as MNAs do”. What happens when an elected Senate tells the elected representatives of this House “We represent the Albertans who elected us just as well as the Canadian Alliance, 23 of whose 26 candidates were elected. We are just as legitimate as the Alliance”?

This is where things get tough and complicated when a second elected House wants to have its authority recognized and sometimes claims to have greater authority than the elected members of this House. Instead of solving the problem we are inviting squabbles between elected members in both houses.

We used to have that situation in Quebec. This is nothing new. Until 1965 when it was abolished, we had a second chamber called the executive council. Nobody in Quebec has ever asked for the reinstatement of this provincial institution. It has never been said in print or elsewhere that this was a great loss for democracy or for the Quebec people. For all intents and purposes, this assembly of

unelected members did not represent in any way the day to day interests of the public.

Now that my distinguished colleague of the Alliance who spoke so highly of the triple-e Senate has finished his discussion with his colleague, I would ask him to think this over. He said that in Alberta his party won 23 seats out of 26. If we had an elected Senate, senators elected in Alberta would be able to work against the elected Alliance members of Alberta. We would end up with the same kind of situation we had with Trudeau. He was a member from Quebec in Ottawa and he said that he represented Quebecers as well as the Quebec government did. He even said we were a tribe and many other things besides.

• (1210)

Members can see the dichotomy this created within the population of Quebec between the federalists and the sovereignists. At this point there would be a similar split between the Alliance partisans and the Senate partisans, if we can put it that way.

The position of the Bloc Québécois is to abolish this outmoded institution which dates, as I said, from ancient Rome before the time of Caesar. It is very costly, adds little and defends little or rather does not represent the day to day interests of the public. These are people who are, more often than not, being compensated for services rendered.

I agree with the member who said that in the United States a person has to be elected to become a senator. In Canada, a person has to be defeated. A person must have run in a riding during an election, lost or been rejected or revoked by the public. This is the way to become a senator. This is the history of the Senate in Canada.

Most of those who sit in the Senate are being thanked. It is a way of recognizing service which, at times, has nothing to do with the administration of a country. It is pure and simple recognition for support, a hand up, a kind word with respect to the Prime Minister during an election, for example, or an attempt to influence the public during a vote which is compensated by an appointment to the Senate.

For example, there are appointments in other areas. I learned that my adversary in 1993, the person running against me in Chambly, is now the president of the Canada Post Corporation. I am delighted at his appointment as, he is a competent individual. This is perhaps not the usual way to get this sort of job, but luck arranges many things. The current president of the Canada Mortgage and Housing Corporation is, in my opinion, a competent individual, and I am delighted at his appointment.

However, I know lots of others who had absolutely not one ounce of administrative ability or anything else. As a reward for running or for getting absolutely slaughtered in the polls—because they

knew in advance that there was no hope of victory in a given riding—they were told “Run, and you will get your reward”. Depending, I presume, on people’s qualifications, they ended up at various levels of government bodies or agencies or crown corporations. Some of them are here on the Hill in ministers’ offices when their only qualifications are to have been a defeated candidate.

We are saying that this change to the Elections Act, is necessary. The chief electoral officer, a neutral citizen, must be given authority. Until now his neutrality in performing his duties has never been questioned. The Elections Act contains many shortcomings.

All members here are elected. As the hon. member for Beauport—Montmorency—Côte-de-Beaupré—Île-d’Orléans has said, no one has ever been elected to this place after campaigning at gun point in his or her riding. We are all representatives of the people, democratically elected and entitled to hold a seat in this place, even if this does not always suit those who are seated on the opposite side of the floor. The opposition has a right to be here under our parliamentary system and it plays an important role.

In my opinion, there are many things that need changing. Surely electronic voting will be one of those changes. The bill permits electronic voting to be used, but there are some other points that are questionable. For instance, for the owner of a nursing home to be able to vote for all his residents is somewhat undemocratic, in my opinion.

• (1215)

Thought should perhaps be given to having a voter’s card because there is too much of this kind of substitution. There are people who vote eight, ten, twelve, fifteen times on the same voting day. Unfortunately the legislation governing the last election was new as well. It had been substantially amended and instead of improving matters it made them worse.

In the future, I hope that electronic voting or some other process will bring about an improvement instead of the opposite.

[*English*]

**Mr. John Duncan (Vancouver Island North, Canadian Alliance):** Mr. Speaker, it is an interesting debate today. When it comes to democracy most politicians have something to say.

I have some background on the proposed legislation from the standpoint that it all derives from what happened to the Communist Party when it was running candidates and what happened in the courts when it was stripped of its assets because it ran less than 50 candidates. The government, in my mind, went overboard.

The government has done everything it could to have a monopoly on politics and to find a way to exclude parties that it considers

### *Government Orders*

potentially troublesome. That is not democracy. It is not acceptable for the government to take the actions that it does.

The only accommodation that the Liberal government has made toward the response of the courts in this whole action is that it is now saying that a party only needs to run 12 candidates in order to have a party label on the ballot. That is a precious small concession when one considers what it takes to run a political party.

Candidates need the ability to raise funds and to mobilize for byelections. They need the ability to secure party assets that continue from election to election and to have a continuous stream of revenue for political activity. They need to be able to carry out those activities without being hampered by a size determined by the government. It is very anti-democratic.

It has to be looked at not from the standpoint of a start-up or smaller party but from the standpoint of being a member of the public. Does the public not deserve to know, according to label, what that person wishes the label to be?

None of it makes sense when it is looked at in the true spirit and sense of democratic principle. It only makes sense if one is trying to restrict the political spectrum in some way and trying to create a monopoly on politics.

It goes to the posture and attitude of government and of governance. It is one more reflection, after being in this place for eight years, of a government that enjoys governance too much. It is prepared to dismiss anything that may disquiet its enjoyment of governance.

• (1220)

It is reflected in many ways. I must conclude that government members, whether they are on the backbenches or in cabinet, are so immune to other people’s feelings that very often they do not actually even recognize other points of view. Nor do they recognize the toxic ramifications of some of their actions. They may not today or tomorrow but they do filter into our society and into our so-called democracy in ways that chip away day after day at basic democratic principles and basic individual rights.

What is being done now will be challenged and it will go to the courts again. The government has attempted to control third party spending limits on advertising and that kind of thing. It is a whole attitude posture, positioning to increase the comfort zone of the government, fortifying its monopoly on politics and excluding criticism.

The government is very consistent in how it approaches all these issues. When there is pressure for change the status quo is worse than standing still. The status quo is going backward because most of the other western democracies are not retaining the status quo.

*Government Orders*

They are moving forward. Considering where we stack up on basic democratic principles, we are having a much more difficult time justifying that we are a true democracy.

I will refer to something that is near and dear to my heart. Some members did bring into the debate some of the experiences they shared in terms of the Charlottetown accord and all the discussion, debate, heat and light that led up to that whole exercise.

I was highly motivated as a citizen in 1992 to do something about what I saw as an imposition by all political parties in the House and by all provincial premiers. We were not here. We only had one member. The comfortable political elite of the nation tried to ram down the throat of Canadians an agreement that would have changed the country forever and would have made it even more difficult to make effective, progressive and democratic change in the future. However we have been going backward even without the referendum.

I was very motivated personally and that is what led me into the political arena. If I had not been motivated in that regard I would not have been motivated to run for federal politics and I would not be here today. It is that simple. Maybe that is good. Maybe it is bad, but I have enjoyed my time here.

• (1225)

It was interesting to be part of the no side with limited resources, resources that were raised in ways that involved a lot of personal sacrifice, and then to watch the highly financed yes committee. There is no way to compare it. If a forensic audit were carried out, it would find that some business was done in that time that was not tidy. I am thankful for the opportunity to have spoken to the legislation.

**Mr. Deepak Obhrai (Calgary East, Canadian Alliance):** Mr. Speaker, it is a pleasure for me to speak on behalf of the constituents of Calgary East. I had no intention of speaking to the bill, but as the debate carried on and the points of view were put forward I thought it would be appropriate to join the debate.

The points that were raised have strong ramifications. There is a plea from members on this side of the House for the government to look at the way parliament is functioning, at the way elected officials are functioning and at the way power is concentrated in the PMO.

I have two points to make. Before I speak about the Senate and the way our democracy works, I would like to make a small point about elections. When I was signing my final returns the returning officer brought to my attention complaints that she and other returning officers had received when the chief electoral officer had made comments regarding his consultation process during the last general election.

The chief electoral officer said that he had met with DROs and key players to prepare his report. Unfortunately he made comments in his statement concerning DROs whom he had not consulted. He did not explain why he had not consulted them. It raised unhappiness with the DROs who were not consulted. By addressing the issue here I would hope that the chief electoral officer would address it with the DROs who were not consulted and who were not very happy with those comments.

I would like to talk about democracy in our country. In 1999 I had the privilege of being asked by the former Governor General of Canada to join him on a state visit to five countries in Africa. I was informed that the purpose of the state visit was to promote democracy in these countries where democracy was slowly taking root.

When I looked at who was going on the state visit I found out that we would be accompanied by two senators. The comments that I am about to make have no bearing on the two senators or their characters. I am sure they are very fine gentlemen. I know them very well and I have great respect for them.

It is the institution we are talking about and not the individuals. I was puzzled and disturbed to be going on a state visit to other countries to talk about democracy accompanied by the symbols of what is not a democracy in this country. These are people who sit in a chamber. They are not elected by the people of Canada but are appointed by one individual at his whim. How can we call that a democracy? That institution represents a power that is in one office.

• (1230)

Here we were going to another part of the world to tell it about democracy and how democracy works in our country. I found that very contradictory, so I wrote back to the Governor General and told her that. I asked if she would perhaps allow me the opportunity, when meeting with parliamentarians in other countries, to tell them that there was a problem with democracy even in our country and that reforms were needed. After some pause I was given permission by the Governor General to bring up this point.

Henceforth, everywhere we met with parliamentarians, I made sure they understood that there was not a full-fledged functioning democracy in Canada, that Canada also had problems and that Canadians were demanding reforms to make it a truly functioning democracy.

When I brought up this subject, it was amazing that parliamentarians in other countries stopped, looked and listened. They could not believe we had an upper house in Canada that was not elected, that it was appointed and appointed by one person. They could not believe that was possible, and that we call that a parliament of Canada. The more I talked about it the more they shook their heads. I told them they should not do this. I told them

that as they were laying the foundations of democracy not to import to their countries the mistakes, those cracks in democracy.

When I meet with foreign delegates who come to Canada, the first thing they ask is how can we have a chamber that is not elected. Democracy means the voice of the people, not the voice of the elite. The people can only be heard through elections, not through appointments.

What we have is a fundamental flaw in our democracy. That is why the voices of Canadians across this nation are demanding that this parliament be reformed so that it can truly represent the voice of the Canadian people.

Our provinces have asked that their voices be heard. That is why the province of Alberta went through an election and elected two senators. This is the choice of the people of Canada.

At this stage I would like to commend the former senator, Mr. Ghitter, who resigned from the Senate because he felt it did not reflect the will of the Canadian people. I hope that is the reason he quit.

Senator St. Germain is still in the Senate but has publicly stated that he would like to be an elected senator. I am sure those senators would. I have met nice senators. There are good senators and hard working senators. I am sure if all senators ran for election and got the legitimacy of the people, they would be far happier to sit in that chamber than they are right now.

Those are the comments I wanted to make. I hope the words spoken by the members in this place will have some impact on the government to see that there is a reform of parliament and that there is a voice of the people in this parliament.

● (1235)

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

**Some hon. members:** Question.

**The Deputy Speaker:** The question is on Motion No. 1. Is it the pleasure of the House to adopt the motion.

**Some hon. members:** Agreed.

**Some hon. members:** No.

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

**Some hon. members:** Yea.

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

**Some hon. members:** Nay.

### *Government Orders*

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

*And more than five members having risen:*

**The Deputy Speaker:** Call in the members.

*And the bells having rung:*

**Mr. Ken Epp:** Mr. Speaker, I rise on a point of order. I was at a distinct disadvantage since, as you know, I am totally unilingual so I speak only English. There was no translation available and I do not know what the government member said. If you will inform me of what he said, and depending on that, then I would possibly have a response.

**The Deputy Speaker:** With somewhat different approaches, the whip on behalf of the government and the hon. member for Crowfoot on behalf of the official opposition, we end up with the same result. When a vote is deferred to the next sitting day, in this case being Friday, it is automatically deferred to Monday.

The recorded division on report stage Motion No. 1 will take place on Monday, April 23 at the end of government orders.

\* \* \*

### **BUDGET IMPLEMENTATION ACT, 1997**

The House resumed from April 2 consideration of the motion that Bill C-17, an act to amend the Budget Implementation Act, 1997 and the Financial Administration Act, be read the second time and referred to a committee.

**Mr. Ken Epp (Elk Island, Canadian Alliance):** Mr. Speaker, I want to thank you for that clarification. I appreciate that you compensate for my inabilities. I am surrounded by people who do that for me and I really am appreciative.

I would like to say at the outset that Bill C-17, the act we are now debating, is an act to amend the Budget Implementation Act, 1997. This is an act that has been around for almost four years, and we are now going to amend it. It deals with the implementation of the 1997 budget.

Over the last number of years we have had a number of these bills. About a year or so ago we debated an implementation bill that extended back 10 years. It just so happens that the finances of the government are done with the announcement of them in a budget by the finance minister and that makes them law. Then afterward we do it. We tax the people and take the money from them. If the budget includes the giving of grants the money is given, and so on. Eventually we get around to passing what we have actually done.

*Government Orders*

● (1240)

It seems to me that perhaps some of these things should be done in a more expeditious manner. We would not have the problem of people not really knowing where they stand on different issues.

I would like to talk a bit about Bill C-17 and about the whole idea of budgets and finances of the government in general.

First, one of the features of the bill is it increases funding for research and development. I do not think there are very many Canadians who would not acknowledge the importance of research and development. As a matter of fact over the centuries our standard of living has increased based on the things that people have invented and discovered. Sometimes these discoveries are by accident and sometimes they are very methodically carried forward with years of developmental research. Finally, they zero in on exactly what needs to be done to achieve a certain goal, for example, in the health area.

Many decades ago I remember reading about Madame Curie who invented the x-ray. An interesting thing happened. She put a uranium source in the same drawer as some film and lo and behold the film was clouded. Therefore, she was able to deduce from that that the radiation from the source caused an effect on the film which is of course a chemical reaction.

That was the beginning of being able to analyze what was going on in a person's body, whether healthy or ill. Usually of course this is done for reasons of illness or for injury. We are able to examine what is happening without having to perform surgery. Many times, especially over the last 40 or 50 years, it has still been necessary to perform surgery to see what was going on.

I remember a very pivotal event in my life when I broke my ankle on July 1, 1968. I was out with a bunch of boys at a children's camp. I was acting as a counsellor for a couple of days. I took these boys out for a hike and we jumped a fence. I do not know, Mr. Speaker, if you even want to contemplate that. It conjures strange images I am sure when thinking of me jumping a fence, but I did. Unfortunately, when I landed I was in a twisting motion and my ankle broke. I had to hobble back to camp. It was quite a task for a guy my weight to get back since I have always been heavy. It was probably close to a kilometre from where we were to get back to camp. I had to go all that distance on one leg with a makeshift crutch because these little boys could in no way carry me. I am sure everyone understands that.

When I got to the hospital, my leg did not have to be cut off. Although one of the guys at the youth camp had suggested it as soon as I hobbled into camp. He said to some of the others "Hey guys, get the axe. We have to amputate". We had a little laugh about that.

The first thing they did at the hospital was to x-ray my leg. They determined the ankle was broken and proceeded to put it into what turned out to be an extremely painful cast. I suffered for six weeks in a cast. It was almost two years before my ankle was back to normal. At the best of times my ankles have to work pretty hard in order to carry the burden that is assigned to them. As a result of research they were able to determine how bad my ankle was damaged without having to cut the skin open and get in there and probe.

However, in my own short lifetime I remember a number of occasions where people have had an illness or an injury.

● (1245)

In order to diagnose it they had to do what was in those years called exploratory surgery. It is still done occasionally but much less now. What started out as medical research leading to x-rays many years ago has since developed into other diagnostic tools, including audio diagnosis, CAT scans and magnetic resonance imaging or MRIs. All these different techniques for getting a picture of what is inside a person are very useful. These techniques are a result of very careful research, development and testing.

The question is where the money for the research should come from. I was an academic earlier in my life. I went to university and those were probably the best years of my life. I had more time then, and I say that with all due respect to the pages who are very busy now as students. I had more time then to read books just for the fun of reading them than I have now with the business of life that happens when one accepts adult and family responsibilities and all other things that go with them.

In my career as a student and later on as an educator in a technical institute I always felt that there was a proper role for the use of public funds to fund research and development. One example would be the academic research environment in a university working in conjunction with perhaps the Medical Research Council of Canada. In Alberta we have a very strong Alberta Research Council in Edmonton and Calgary. I am specifically familiar with the one in Edmonton but there is also one in Devon. Each one does different kinds of research and some of it is the medical research I have already talked about.

A lot of research goes into the processing and refining of oil products in Alberta. The council looks at more efficient ways of using energy so that our non-renewable resources are treated carefully and we do not run out of them.

These research projects are very worthwhile. Although there is a proper role for the funding of many of these projects by private enterprise, and that happens big time, there is a role for the use of public funds through the universities, through the research councils



and through all the different granting institutions we have developed in the last number of years.

One thing that has happened in Bill C-17 is that there will be an addition to the Canada foundation for innovation. Whereas before it had \$500 million in its budget based on the mini budget of the Minister of Finance last fall, the bill would now add another \$750 million, making the total \$1.25 billion for research. That part of the bill is very worthwhile.

I am rather surprised that you are giving me a signal for time, Mr. Speaker. It was my impression that I had a 20 minute time slot and I am prepared to speak for 20 minutes.

**The Acting Speaker (Mr. Price):** It was a 10 minute speech and the hon. member split his time with the speaker who spoke last on it.

**Mr. Ken Epp:** Mr. Speaker, I was not aware that I was splitting my time. I thought I was the first recognized speaker. May I have consent to continue my speech for another 10 minutes as I have only finished half of the introduction?

**The Deputy Speaker:** If I could assist the hon. member for Elk Island, the colleague with whom he was sharing his time was the member for Esquimalt—Juan de Fuca. He would have had a few minutes left on questions and comments. He was not able to be here at this time and so we continued debate with the hon. member for Elk Island for the remaining 10 minutes of that period.

• (1250)

The member for Elk Island was also asking if he could have unanimous consent to continue his speech for 10 minutes. Does he have unanimous consent?

**Some hon. members:** Agreed.

**Some hon. members:** No.

**Mr. Deepak Obhrai (Calgary East, Canadian Alliance):** Mr. Speaker, I was listening with quite an interest to what my colleague from Elk Island was saying. Since members on the governing side would not give him any time to continue with his speech, and I do not know what they are afraid of, I would like to hear what he has to say in the remaining five minutes.

**Mr. Ken Epp:** Mr. Speaker, I thank my colleague for bailing me out because I do wish to address some of my concerns. I have spoken in support of the idea of funding research and development, especially with respect to medical research that improves our standard of living. That is something we have to do.

### *Government Orders*

We also have to recognize the fact that Canadians right now are in dire straits when it comes to research and development. The bill does not address that and the government should start addressing it big time.

Pouring money into research and development is one thing, but one also has to develop the whole culture of research and development. That happens in an academic environment by being surrounded with people of like mind and of equal great ability. It occurs when we have places of research which are outstanding in their ability and which attract the best in the world.

One of our huge problems is that researchers get paid in Canadian dollars. The bill would increase the initial funding of \$550 million by \$750 million, which is more than doubling it. All that does is compensate for the fact that our researchers and scientists are paid in Canadian dollars. It means the increase is necessary to compete with our American neighbours, for example.

Currency is a very important aspect of the bill, but the expenditure is nothing but a cover-up by the government. It covers up the government policies which have brought us such an extremely low Canadian dollar. It puts us at a disadvantage when competing for the brains and bodies of the brightest in the world.

I would also like to make a point about the bookkeeping process. Over the seven or more years that I have been here now, I have seen too often how the government uses the opportunity to put into budgets things that would use up the current surplus without properly accounting for them. No other businessperson in Canada could do that. I could not as an owner of a trucking company say that in the next five years I need 10 new trucks, buy two trucks per year for the next five years and bill them all in this year's budget because I have a surplus and thus reduce my income tax.

Accounting principles and the income tax law do not permit it, yet the government does it over and over again. This one time expenditure extended over the next five years will be totally billed to this year's budget. That is a sleight of accounting hand and the finance minister should be chastized. The government has done that too often.

The government did the same thing with the millennium scholarships. In 1998 the government introduced a \$3 billion millennium scholarship fund which it was to use to help win the next election. It seems to have worked. It was billed in 1998, spread out over the next three years and very little of it paid out until the election year. Most of it was spent during the election year or leading up to the election. I take personal umbrage at that. It is offensive and it ought not to happen.

• (1255)

In summary, we support the objectives of the Canada foundation for innovation. We believe the money expended should be properly

*Government Orders*

accounted for, not just booking it in the fiscal year just ending. We believe the government is wasting time in parliament bringing in amendments that should have been done properly if it would have done the legislative work correctly, because some of the other amendments addressed that.

I have some happiness with the fact that the minister has pulled back from the Canada Pension Plan Investment Board but I deeply wish the Canada pension board would be subject to an audit by the Auditor General of Canada.

**Mrs. Bev Desjarlais (Churchill, NDP):** Mr. Speaker, it is a pleasure for me to rise on behalf of the New Democratic Party to take part in the debate on Bill C-17.

I must be clear from the beginning on what we are debating here today. We are debating an anti-democratic, unparliamentary, omnibus bill. The two parts of the bill have absolutely nothing to do with each other.

The first part of the bill appropriates funds for the Canada foundation for innovation. The second part makes amendments to the Financial Administration Act, which has nothing to do with the Canada foundation for innovation. Both issues are separate and should be dealt with in two separate bills.

In the time that I have had the honour to serve my constituents and the Canadian people in the House, I have worked on quite a few bills. Currently I am my party's critic for industry, transportation and infrastructure. I have also been the treasury board critic and housing critic and have worked on bills in those areas. I have also worked on bills, which were of particular interest to the constituents in my riding: everything from health and justice to aboriginal affairs.

I have worked on a lot of bills, and what concerns me is that the more bills I see the more common it is becoming for the Liberal government to introduce these kinds of omnibus bill. This is not a rare occurrence. This is not something the government does once in a while. It does this all the time now, although it says it is for very good reasons.

The Liberal government does not want to let parliament properly debate and scrutinize its legislation so it just slaps a bunch of completely unrelated items together and makes us vote on them all as a package. This is not a transparent and democratic process.

What is so anti-democratic about the bill? Well, as I said earlier, it has two parts. The first part would appropriate funds for the Canada foundation for innovation and the second part would amend the Financial Administration Act.

The problem is that we, in the NDP, support part one, dealing with the Canada foundation for innovation, but we oppose part two, the amendments to the Financial Administration Act.

By putting these two completely unrelated items together in one bill, we are being forced to vote against something that we like and support, the Canada foundation for innovation.

To register our opposition to the government's changes to the Financial Administration Act, we must vote against the whole bill. Members in the House, not just from the New Democratic Party but from all parties, cannot accurately represent the views of their constituents by voting on these two completely different issues together.

I will now say a few words about the parts of the bill that we would otherwise support before I move on to the reasons that we will be opposing the bill.

We support increasing the funding for the Canada foundation for innovation. The foundation does important work to support research and development in Canada's universities, hospitals, community colleges and other public and non-profit agencies.

Canada has a clear deficit in the area of research and development compared to most other members of the G-8 and this deficit has been made worse by the Liberal government's massive cuts to post-secondary education. The Canada foundation for innovation helps in a small way toward overcoming the research and development deficit. My fellow New Democratic Party MPs and I support the work it is doing.

We have heard from representatives of different areas of science and research on the industry committee about the money that was finally put into research and development. I was extremely impressed with the work they have done in such a very short period of time to promote Canadian research and development in science and technology.

• (1300)

I have been truly impressed by the fact that 75% of people involved in these areas are educated in Canadian schools. It is extremely impressive, I must admit. I did not realize it until I was part of the industry committee.

We have gone in the right direction and put federal dollars into research and development. We do not risk creating an environment where, as in the U.S., only the commercialization of science and research and development is able to succeed. We will finally support those programs.

It would be nice if the federal government had kept this issue separate from the other. We have a few ideas on how to improve the foundation's work and I hope we will be able to address them as the bill progresses.

As my colleague from the Alliance has mentioned, it would be nice if the foundation were reviewed by the auditor general. That is what the auditor general recommended, but it is not the case. As a result there has been criticism that the process is not transparent.

I recognize that representatives from the foundation who came before the industry committee were working among themselves to ensure a transparent process. We heard questions from my Alliance colleague about the improper spending of government dollars. There were suggestions that there is government intervention as to where the dollars go. We therefore need a transparent process.

In spite of Canadians not having faith in our democratic system, politicians, the government and specifically the Prime Minister, and believe me they do not, I would wager a fair chunk that they have faith in the auditor general. They have faith in the integrity of the past auditor general and I hope they will have faith in the new auditor general.

One does not hear criticism of the auditor general's reports or of his integrity. Canadians have faith in the auditor general and in the position that he holds, and I hope that will continue. We should listen to the auditor general's recommendation to have the foundation reviewed. As I said, there is not necessarily a problem. However to have faith in the system and ensure public dollars are spent wisely and legally we must do so.

Part 2 of the bill, the changes to the Financial Administration Act, governs the rules for borrowing by government departments, agencies and certain crown corporations to make them more accountable to the Department of Finance. That is a good thing. It closes a loophole that needs to be closed. What we in the New Democratic Party object to specifically and very strongly is clause 6 of the bill which adds the Canada Pension Plan Investment Board to the list of crown corporations exempted from the Financial Administration Act.

My fellow NDP MPs and I do not support exempting the CPP Investment Board from the Financial Administration Act. The CPP Investment Board is not like the CBC or the Bank of Canada. It does not need to be arm's length from the government. We believe that the crown corporation entrusted with investing the hard earned pension money of Canadians should not be exempt from democratic oversight.

We said the same thing when the CPP Investment Board was created by the government a few years ago and we stand by that today. This is the pension money of Canadians. It is what many Canadians will rely on in their retirement years. For many people it is pretty much all they will rely on.

The corporation entrusted with that money ought to be responsible to the Canadian people, not to a government appointed investment board. However it is not. The way the Liberals have set up the

### *Government Orders*

corporation, the only people it will be responsible to are bankers on Bay Street. That is a dangerous way to treat the hard earned pension money of Canadians. By the time my three kids reach retirement age they will look back on how today's Liberal government handled the Canada pension plan and say that it was a mistake to set up it up as the CPP Investment Board.

My party colleagues and I indicated that we believe pension dollars should be invested into ethical funds and ethical investments. What is the reasoning of a government which promotes healthy living and anti-smoking but allows the CPP to invest in tobacco companies?

• (1305)

What is the reasoning behind that? What is the reasoning behind the board's investment in Talisman, the energy company which is tearing itself through Sudan and which is, from my perspective, certainly a part of the carnage taking place within that country?

I take offence to even a penny of my pension dollars going to Talisman, Imperial Tobacco or any fund like that. As a citizen and a payer of pension dollars, I should be able to tell the government it cannot invest at least my share of CPP payments into those kinds of funds.

Believe it or not, some of us feel strongly enough about the issue to forsake the increased profit of selling tobacco to people in China. As the domestic tobacco market shrinks due to growing public awareness of its health risks, I do not want our dollars to promote it anywhere else in the world.

In conclusion, I reiterate my party's opposition to the bill even though there are parts of it we like. It is extremely disheartening that we cannot support the setting aside of money for the Canada foundation for innovation. We are not able to support it because we must vote on the bill in its entirety. Although we support the setting aside of money for science, research and development, we stand clearly and strongly for a democratically accountable CPP investment board which answers to parliament, and the bill does not provide for that.

I restate once again my profound displeasure with the government for bringing forward these measures in an anti-democratic and unparliamentary omnibus bill. It should have brought in two or three separate bills to allow each issue to be voted on separately. It once again shows the Liberal government's profound contempt for democracy. It is something Canadian people will not let the government get away with forever.

**Mr. Deepak Obhrai (Calgary East, Canadian Alliance):** Mr. Speaker, it is a pleasure to rise on behalf of the constituents of Calgary East to speak to Bill C-17. My colleague from the NDP quite rightly pointed out that a lot of things are wrong with the bill. We agree with many of the issues she raised today.

*Government Orders*

She said the bill was anti-democratic. I will make this observation. My colleague from Elk Island spoke prior to her. He addressed his concerns about the bill. Due to a mix up he thought he had 20 minutes to speak but he did not. As he did not have time to make all his points he asked for unanimous consent to be allowed to do so. Members from the government side refused.

What is the government afraid of? This is the house of democracy. The Liberals should let people speak. They are the governing party. They should show by example what is democracy. For the Liberals to deny my colleague his right to speak indicates they are afraid of something. They are afraid we will be able to show what is glaringly wrong. They are afraid of this coming out.

As my colleague from the NDP stated very clearly, the bill is anti-democratic because it has two parts, the Budget Implementation Act and the Financial Administration Act. She rightly pointed that it creates a problem for the opposition as to what it should support.

In reference to the Canada foundation for innovation, let me quote the Canadian Alliance policy of the last election. It stated:

We will appoint a Senior Advisor on Technology with private sector technology experience to report directly to the Prime Minister. . . We will bring the best ideas in business, government, and universities together to facilitate the transition to the new economy and position Canada as a global leader. . . We will increase support to Canada's research granting councils, and appoint a Chief Scientist of Canada to co-ordinate science activities in all government departments and ensure that science, not politics, prevails. . . We will increase Research and Development funding by \$500 million.

• (1310)

As far as the Canadian Alliance and its members are concerned, we recognize the importance of technology and of supporting research with public dollars. Our nation has a proud history of producing excellent scientists. Our record shows we are quite capable of being the best in the world.

Everyone in Canada is extremely proud of Drs. Banting and Best who invented insulin for the treatment of diabetes and changed thousands of lives around the world. That is highly commendable and Canada is quite rightly proud of it.

We do not lack brains. We do not lack men of distinction in our nation. We agree with the government that it should support technology and research.

The world is becoming smaller. Borders are disappearing. We are moving into an era of globalization and fewer borders. As borders diminish competition increases. As competition increases, nations that are poised to take advantage of innovation and new ideas are the nations that will progress.

Canada should position itself to take advantage of globalization in the coming years. If we do not, someone else will and at the end of the day we will be the losers. It would be a tragedy not to support

it when we have such an intelligent workforce and such illustrious persons in our universities and research councils.

We have no problem supporting the first part of the bill, although we have some questions as to the amount. We say \$500 million. The government says \$750 million. There is a slight difference there but the objectives are the same. We feel that our overall policy of lower taxation, freer markets and less government interference would eventually see more dollars put into research facilities across the country.

As my colleague from the NDP stated, the second part of the bill, the Financial Administration Act, is where we have difficulty and why we will not support the bill. If the bill had been broken into two sections we would have supported the Budget Implementation Act with reference to the Canada foundation for innovation. However we have a problem with the Financial Administration Act.

Our difficulty arises with a lot of issues. First, the bill was brought forth to correct a legislative error. It is amazing that with all the bureaucrats, research staff and huge departments at the government's disposal it still makes legislative errors. It spends billions of dollars and cannot even make a bill that is right. It then must bring in another bill to correct the mistakes. When opposition members have the opportunity to show what is wrong, the government cuts debate short and does not allow us to speak.

• (1315)

Another reason we are opposing the bill is that the Canada Pension Plan Investment Board would be exempt from the Financial Administration Act. However, we do like the fact that there will be less ministerial intervention. We have been asking for less government and ministerial intervention. When there is government intervention, it spoils the good intention of a bill because it is packed with patronage. Good programs usually develop implementation problems due to unnecessary ministerial or government intervention. We are happy when we see less ministerial intervention.

We also have difficulty with the fact that the board would not be subject to the auditor general's review. The auditor general should have every right to do an audit when public funds are being used. Public funds have been sent to the government, in trust, to be used wisely and the only person who can advise the Canadian public that the money has been used wisely is the auditor general.

We look forward to the auditor general's report because he has shown time after time where the government has failed to use taxpayer money wisely. We are concerned that the Canada Pension Plan Investment Board would be exempt from the Financial Administration Act. The bill would also take away the auditor general's right to audit the board and that is unacceptable.

Similar to what was said by my colleague from the NDP, we have difficulty supporting the bill because it has two parts.

*Government Orders*

**Mr. John Duncan (Vancouver Island North, Canadian Alliance):** Mr. Speaker, the bill is undemocratic. This is the second time today that I find myself standing and talking about legislation that is undemocratic. That is the direction of the government.

I want to paraphrase a famous phrase because I do not remember the words exactly. Winston Churchill once said that democracy was very hard work but that it was the best governance system that we had. If we choose not to work hard at democracy then we will lose it.

The bill once again displays a malaise coming from the government in terms of how it approaches very important initiatives. There is nothing more important in what we do in this institution than to look after the revenue that is collected from taxpayers and purportedly spent for the greater good.

It is difficult to accept legislation that deals with two unrelated things. It was unnecessary. If we had dealt with the Canada foundation for innovation initiative separately, we could have approached it in a very professional manner. We could then have dealt with the rest of the bill, which would have been the appropriate way to do it.

• (1320)

I conclude that the government is using this as a political instrument. It would like the opposition to vote against it because then it could say that the opposition is opposed to the Canada foundation for innovation. That is absolutely not the case. We are opposed to the way that this came about.

In 1997 the Canada foundation for innovation was included in the deficit as if it were a liability even though the foundation did not exist at the end of that year. The government chose to include the \$800 million as a liability. It was a total departure from previous accounting policies, practices and principles for the third year in a row, and in contrast to public sector accounting and auditing board guidelines.

The auditor general was very kind as he called it inappropriate accounting and a parliamentary oversight. Inappropriate accounting is a very strong criticism to come from an auditor and parliamentary oversight is very kind indeed, because we are still doing it. That criticism, which should be of major concern, is being ignored. It is being ignored deliberately and not just in this instance.

What do we have here? We have the Minister of Industry making an announcement of a \$750 million spending initiative. We are not sure whether it is over ten years, or ten years plus or minus one or two, or some other factor. The government wants to set it all up as current liability and that is inappropriate accounting.

The government has now gone from the days when it was trying very hard to balance the national books, because we had a crisis in the making if we did not, to a position where we are spending \$35 billion more than we did the year before last. Thirty-five billion dollars out of Canada's budget is a very steep increase. A lot of it is going out in end of fiscal year spending sprees that are not subject to the normal course of scrutiny which happens when we have a budget in the spring with all that goes into the preparation of the budget.

We have ministers near the end of the fiscal year making spending announcements prior to any parliamentary or legislative authority and operating under the assumption that they will get whatever they want out of this place because this place is just a rubber stamp. That is the way the government treats this place and that is very destructive.

• (1325)

Instead of bolstering, boosting and creating a progressive dynamic democratic institution, we are going backward. It happens time and time again. We have not had a government committed to democratic principles for a very long time.

There may be some historical reasons for that. We were a much more homogeneous country early in our history. We have always been a country with a small population in a large land. Governance was easier and it was more consensual. We were also a very centralized country, whereas today it is very clear that we are becoming less centralized because we are getting a lot more economic growth from outside central Canada.

When I was a young man we were taught that our major city was Montreal, Toronto was second, Vancouver was third and Winnipeg was fourth. Things are very different today. At least three of the top five financial cities in Canada are in western Canada. There has been a complete re-jockeying of positions in cities like Montreal and Winnipeg.

This has changed the dynamics of the country much faster than our central bureaucracy or federal governments up until now have recognized. We need a government that works hard to make legislative initiatives and other initiatives fit into a modern, progressive and democratic model. Unfortunately that is not happening.

Our party would like a simple amendment to be made to the legislation. We would like to have the auditor general oversee on an ongoing basis the Canada foundation for innovation. That is not in the legislation. Unfortunately that is consistent with where the government is coming from. We would make that amendment to the bill and I would hope that government members would support it.

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

**Some hon. members:** Question.

*Government Orders*

**The Deputy Speaker:** The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.

**Some hon. members:** No.

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

**Some hon. members:** Yea.

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

**Some hon. members:** Nay.

**The Deputy Speaker:** In my opinion the yeas have it.

*And more than five members having risen:*

**The Deputy Speaker:** Call in the members.

• (1330)

*And the bells having rung:*

**The Deputy Speaker:** Accordingly the vote is deferred until Monday, April 23, at the end of government orders.

\* \* \*

### INCOME TAX AMENDMENTS ACT, 2000

The House resumed from March 27 consideration of the motion that Bill C-22, an act to amend the Income Tax Act, the Income Tax Application Rules, certain acts related to the Income Tax Act, the Canada Pension Plan, the Customs Act, the Excise Tax Act, the Modernization of Benefits and Obligations Act and another act related to the Excise Tax Act, be read the second time and referred to a committee.

**Mr. Deepak Obhrai (Calgary East, Canadian Alliance):** Mr. Speaker, I am sure people will be surprised to see me get up for the third time within two hours. This is a unique happening in the House. I would like to remind people that this is happening because the governing party is refusing to debate these issues and is refusing to defend its bills. As such, the bills are going through more rapidly because only the opposition is pointing out what is wrong with the legislation. The government is refusing to defend itself.

It is a pleasure to rise on behalf of the constituents of Calgary East to speak today to Bill C-22, an act to amend the Income Tax Act, the Canada Pension Plan, the Customs Act, the Excise Tax Act and the Modernization of Benefits and Obligations Act. This bill,

like many dealing with the tax code, is an omnibus bill, meaning that it deals with a number of issues at once.

As mentioned in the title of this bill, acts included are the Income Tax Act, the Canada Pension Plan and the Excise Tax Act. While each of these acts deserves attention and has important consequences for Canadians, I would like to address my thoughts to how this act impacts on Canada's competitiveness.

I have been appointed chair of the advisory committee on globalization and competitiveness by the Leader of the Opposition. The mandate of this advisory committee is to advise and to get input from business leaders, academics, non-governmental organizations and Canadians from all across the country on the possibilities and pitfalls of globalization for Canada.

There are countless ideas about how to make Canada more competitive in a more interconnected world. These ideas need a voice in parliament and the public sector. It is hoped that the Canadian Alliance will be that voice.

For years the Liberal government has ignored the reality that Canada is losing valuable ground to our neighbours to the south and to our major international competitors. We know that the new U.S. administration won a mandate based on the promise of substantial tax relief and a targeted plan of debt reduction.

We know that income taxes are not the sole indicator of the tax divide between Canada and the U.S. Canadians face other taxes that push the total tax burden higher. The total tax burden includes sales taxes, payroll taxes and other levies by all levels of government, which create a Canadian tax burden that is up to one-third higher than that of the U.S. It is clear that if Canada does not follow U.S. tax reductions, the country will fall further behind.

Mexico, our NAFTA partner, also has vigorous plans to become a major centre for North American investment. Canada will face increasingly tough competition from Mexico in our plans to attract foreign investment. Mexico enjoys a unique position as a member of NAFTA. It is the only North American country that has a free trade agreement with the European Union as well as with Mercosur, the free trade bloc with Brazil, Argentina, Uruguay and Chile.

The challenges presented by Mexico and the U.S. are just two examples of why Canada cannot afford to continue making negative public policy decisions that impact our competitiveness.

When the current foreign affairs minister was the Minister of Industry, while he was curtailed because he was representing the government, he did at times manage to raise warning signs about our country's tax bracket and competitiveness.

• (1335)

A survey of the world's most competitive economies by the Swiss-based International Institute for Management Development

has placed Canada at number 11, a drop of one place from last year. The institute praised Canada for its infrastructure, legal framework and human resources, but gave poor marks for its record in science and technology and for uncompetitive taxes. Just before speaking on this bill, I spoke on another bill in reference to welcoming the government's initiative in helping science and technology.

For years many of Canada's most successful companies and business people have argued that high taxation impacts Canada's ability to be competitive in a more interconnected world. High taxation discourages investment and innovation and it is a major cause of the brain drain. These issues have been pointed out time after time to the government.

John Cleghorn, former chairman and CEO of the Royal Bank, said that higher taxation has diverted savings into the government sector that would earn higher productivity returns for companies and societies at large in free markets. He went on to say that higher taxation also hits living standards more immediately by cutting off what is left in our pockets at the end of the day to spend on our families and ourselves.

Canadian business leaders and academics will agree that for Canada the challenge is to build a more innovative economy that is well positioned for competitive success in the new global market. To succeed, Canadian firms must take full advantage of the opportunities created by greater economic integration and increased cross border flows of goods, services, technology, ideas and knowledge.

The responsibility for building a more innovative and competitive economy falls primarily on Canadian managers and entrepreneurs. However, government has a role to play as well. Government can reduce taxes. It can ensure that Canadian students are some of the most highly educated in the world. It can provide the conditions necessary to make Canada the final destination of foreign direct investment from all regions of the world. The government can and must do all those things, but sadly the government does not.

The government claims in the bill that it has cut taxes by \$100.5 billion over five years. This is what it is saying based on its list.

However, let us look at reality. The reality is that we must subtract \$3.2 billion over five years for social spending. The child benefit is a spending program delivered through the tax system and it is an increase. It is not a tax decrease, it is a spending increase. However, the government says it is a tax decrease. It does not recognize that it is a tax increase. As well, indexation is accounted for separately.

Next we must subtract \$29.5 billion over the five years for increased CPP premium hikes. We all know that CPP premiums have been increased, yet the government refuses to say that is part of its tax cuts and puts it separately. In reality, when we look at the

### *Government Orders*

competitiveness for everything, it is a burden. The burden comes out of the government's mismanagement of the CPP. I was part of the debate on CPP premiums. What is interesting is that when CPP was first introduced the government was saying the same thing that it is now saying after 20 years of CPP premium increases. Nothing has changed over that time.

As well, indexing personal income taxes is meant to hold the tax burden constant over time, so it should not be counted as a tax reduction.

Therefore, when we take out all these things, there is only \$47.1 billion in net tax reduction provided over five years. Let me repeat that: it is only \$47.1 billion over five years, not the \$100.5 billion that the government is claiming. We can see innovative accounting here, with the government giving the illusion to Canadians that they are facing major tax relief over the next five years when in reality that is not happening.

● (1340)

I received a call from one constituent who was a little puzzled because he had heard about the government reducing taxes and he could not understand why his net take home pay had suddenly decreased. I asked him to take a closer look to see if his CPP premiums had increased. Sure enough, CPP had increased. That is why he is taking home a smaller cheque.

The government's current policy does not create the competitive environment that we need to position ourselves for taking advantage of the global economy. The Canadian Alliance has proposed further reductions in taxes, which would create an environment that businesses are looking for on behalf of Canadians in order to poise themselves to take advantage of the 21st century.

**Mr. Roy Cullen (Parliamentary Secretary to Minister of Finance, Lib.):** Mr. Speaker, unfortunately I am not sure if the member opposite has actually read the budget or the economic update but he seems to have missed a number of points.

Maybe I could start with some of them. The \$100 billion tax cut announced in the economic update is the largest tax cut in Canadian history in dollar terms. Let me provide some examples.

The member opposite seemed to indicate that there is no real tax cuts or that they are minimal. Of course he mixes up, as the Alliance Party always does, the Canada pension plan. The Canada pension plan is a contribution based program, an investment in the future. It consists of contributions from employers and employees, so it is not a tax at all and the member knows that. Of course the premiums do not go to consolidated revenue. Let me read an example:

A two-earner family of four has a combined income of \$60,000. Last year they paid about \$5,700 in federal income tax. Next year, their taxes will fall by over \$1,000—a first year tax cut of 18 per cent. In less than four years their taxes will fall by 34 per cent.

*Government Orders*

In another example, a one-earner family with two children that makes \$40,000 will see income taxes decline by 59% from what otherwise would have been paid in federal taxes, which I think is a pretty reasonable measure.

I am wondering if the member opposite realizes as well that by the end of June the CPP contributions will have maxed out, as we say, as will EI generally. Any small impact of the increase in the CPP will of course disappear at the end of June. In terms of net disposable income this will be a huge boost to Canadians. They will have more money in their pockets and more again in the years to follow.

I wonder if the member has actually calculated that and what that would mean to Canadians in a very positive way.

**Mr. Deepak Obhrai:** Mr. Speaker, finally the government side has asked me a question. I have been up on three bills and this is the first time the government has asked a question. Obviously something is bringing them to this point.

The member across the way has brought up the same point I just mentioned when I said the government is claiming \$100.5 billion in tax cuts while in reality the cuts are only \$47.1 billion. Whether it is a CPP increase or whether it is the other indirect increases the government has put in, the examples the member cites are examples of ideal conditions, which impact a very small number of families.

I am sure that when the member goes back to his riding constituents will phone us and find out that contrary to what government members have been saying, that is not what the tax on their take home pay is. As a matter of fact they are taking advantage of provincial governments such as the governments of Alberta and Ontario that are reducing taxes. The take home pay increase is coming from the provincial governments and they want to take credit for it.

• (1345)

At the end of the day we should ask all Canadians what their take home pay is and they will say it is contrary to what government members are saying. That is not the reality out there. It is similar to the home heating fuel program they brought in which resulted in criminals getting the cheques. At the same time they were saying they were helping the poor.

**The Deputy Speaker:** Before I resume debate I would like to address myself to the hon. member for Elk Island. When I was last in the chair, I believe it was late Tuesday afternoon, he rose on a point of order.

We had conflicting views on the standing orders regarding the matter of the vote on the business of supply being deferred and

whether debate should have continued. The member for Elk Island was correct.

**Mr. James Moore (Port Moody—Coquitlam—Port Coquitlam, Canadian Alliance):** Mr. Speaker, since the very beginning of time it has been a practice for citizens to pay tax to support the services they receive.

The Book of Genesis tells us that both Abraham and Jacob paid a tax of 10% on what they owned and this tax was called a tithe. Later the Council of Vienne which sat from 1311 to 1312 approved giving the money from the tithe collected over a six year period to the King of France to finance the crusades. The concept of a simple tax on revenue has been with us for a very long time, as has been the concept of directing tax money to fund the costs of a war.

It came as no great surprise when the federal government in 1917 introduced the Income War Tax Act as a temporary measure. The act was 10 pages long and used relatively simple language. The basic obligation to pay income tax was clearly stated in subsection 4(1) where it said:

There shall be assessed, levied and paid, upon the income during the preceding year of every person residing or ordinarily resident in Canada. . . the following taxes:

(a) four per centum upon all income exceeding fifteen hundred dollars in the case of unmarried persons and widows or widowers without dependent children, and exceeding three thousand dollars in the case of all other persons.

At that time university educations were a rarity and one certainly did not need a degree to figure out whether or not one owed taxes and, if so, exactly how much.

Today the tax act is a case study in bafflegab. It stands in violation of one of the most basic rights of Canadians: the right to know and understand the laws that affect them.

Canada, like most other Commonwealth countries, has specific legislation requiring the publication of our laws. The Publication of Statutes Act requires that our laws be printed and distributed to the public so that the public may know the law.

Just as our legal system has long held that ignorance of the law cannot be a defence, it requires that citizens be able to access the laws and therefore know exactly what they are. This includes the Income Tax Act.

When we think about it, every citizen should know their rights and obligations. That is a basic tenet of a proper running democracy. The Canadian Charter of Rights and Freedoms meets this standard.

On the Department of Justice website the charter prints on to seven neat pages and can be downloaded in seconds. It has clear, concise wording. For example, subsection 6(1) says:

Every citizen of Canada has the right to enter, remain in and leave Canada.

Canadians who have completed a grade three education will understand this sentence and, more important, will understand their rights and obligations.



By stark contrast the Income Tax Act is there as well. The Income Tax Act is also on the Department of Justice website. A warning lets would-be downloading taxpayers know that the act is a whopping 5.3 megabytes in size, relative to the seconds it takes to download the charter. One can only assume that this warning is so users can make room on their hard drive and/or prepare themselves for a lengthy wait by reading *War and Peace* or building a ship in a bottle.

When one finally receives the completed file one is also in for a very nasty surprise. Actually one is in for two surprises. The first surprise is that the act is not really written in either of our official languages. Turning to subsection 2(2), I will read the first paragraph which is written in both English and French:

• (1350)

In English it reads as follows: “The taxable income of a taxpayer for a taxation year is the taxpayer’s income for the year plus the additions and minus the deductions permitted by Division C”.

I have chosen one of the more straightforward paragraphs. In order for taxpayers to answer the basic question “How much do I owe” or “combien dois-je au gouvernement”, Canadians who own mutual funds or who have invested in an RRSP need not only a profound knowledge of arcane English but a mind which is sufficiently powerful to follow the logistical gymnastics of the basic calculations. It is amazing how far we have regressed since 1917.

The version of the Income Tax Act which is on the Department of Justice website was last updated on August 31, 2000. That means that the web version does not reflect the changes to the act made by the October 18 pre-election mini budget. Even after wading through thousands of pages of linguistic fog, the taxpayer would still not have a clear answer to the question “How much do I owe?”

Fortunately the private sector is willing to help. The problem is that the tax act is so complicated that the books which try to explain it are nearly as thick as the act itself. Arthur Andersen’s *Preparing Your Tax Return* is 1,264 pages with a 40 page index. Let us think about that. The index to the guide is four times the length of the original temporary Income Tax Act. It is, however, the authoritative guide, the one that the Canada Customs and Revenue Agency uses to understand the act that it must administer.

The authors of this book accurately summarize the problems with the Income Tax Act in the book’s foreword. They write:

Because of the complex nature of the Canadian Income Tax Act, the fact that relatively few of its provisions have been interpreted by the tax courts, and that some

### *Government Orders*

of its provisions have not even been interpreted by the CCRA, it has not been possible to provide answers to all of the questions which may arise.

The complexity of the tax act is such that an entire industry now exists to help Canadians navigate the minefield the act has become. Accountants, tax guides and online tax filing services multiply like yeast in a warm oven in an effort to help the average person answer that simple five word question: “How much do I owe?”

With the complexities of the tax code that Bill C-22 adds, just imagine if other government obligations were crafted with the same complications. For example, how many traffic deaths would result if the rules of the road were as complicated as the tax act?

How many Canadians would never travel abroad if a passport application form were nearly as difficult as a tax return? How many Canadians would watch Peter Mansbridge if he used taxspeak in his newscasts? How many Canadians would drink water from a public drinking fountain if the state could not affirm the cleanliness of that water in fewer than 120,000 words?

On top of the lunacy and the complexity of our tax code, I suspect that the fog the Canadians face in understanding their tax code is deliberate on the part of the Government of Canada. I think there is an agenda here, a hidden agenda.

The fact is the relief that average Canadians feel upon successfully filing their jungle gym tax returns probably acts to dull the rage taxpayers feel working eight weeks longer than their American friends to pay their federal taxes. Let us not forget that even as the finance minister postures and smiles in the House, American workers pay their tax bill on May 3 while it takes Canadians until June 30. Perhaps it is the relief of actually working for themselves on July 1 that puts so much of the glee into Canada Day celebrations.

The result of those taxes has driven the Canadian dollar into a downward spiral. It is now hovering between 63 cents and 64 cents. The tax cuts that President Bush is considering in the United States will both affect the value of our dollar and further widen the income gap between working class Canadians and their neighbours south of the border.

Government members continue to posture and smile around their mini budget’s tax relief but it hardly gives them bragging rights. It is like the Trabant claiming to be the best built east German sedan. It may be true, but it is of little comfort in a world where other countries are doing much better.

It is of even less comfort when we realize that we are paying far more federal taxes today proportionately than our grandparents paid in 1917. In 1917, a family of two with a single income of \$3,000 paid \$120 in taxes. In today’s money that is roughly \$1,349 in taxes on income of \$33,373.

*S. O. 31*

• (1355)

In 1917 Canadians started paying taxes when they earned in today's dollars almost \$16,800. Today individuals under the Liberal government start paying taxes when they earn less than \$8,000. In other words the tax code has become more regressive: more Liberals, more regressive.

This year a Canadian family of two earning that same \$33,000 will pay \$3,422 in personal income tax after the finance minister's biggest tax cut in history. That means for every \$3 in taxes in 1917 today's taxpayer will pay \$7.61.

If we think back, in 1917 Canada was deeply involved in the great war. Hundreds of thousands of Canadian men were fighting in Europe. Canadians supported and subsidized 100% of their patriotic effort. Their existence was 100% subsidized through tax dollars. The government introduced the Income War Tax Act to finance the war and help those brave Canadians.

Today in times of unprecedented peace and stability the government needs more than twice as much tax revenue from the average person just to run the status quo, and it does not even run that very well or outside debt.

That is a scary thought and really demonstrates the need for genuine tax relief. Other countries have figured it out. The government has not but other countries have. Places such as Ireland have learned that cutting taxes means job growth, increased competitiveness and a higher standard of living. The Celtic tiger has outpaced Canada in both standard of living and competitiveness since 1989.

The government needs to do two things to convince my generation to stay in Canada and to lure other workers here. It needs to simplify the tax system and it needs to cut taxes overall.

Simplifying our tax system is needed because it lets people know directly how much they owe and because it focuses the debate not on the language of the act but on the amount paid in tax. In other words, how big is the government and how much do we have to ante up for it? That is a healthy debate for the country.

Once people get a clear avenue of calculating their real tax burden they will demand tax cuts with the same zeal they now demand for balanced budgets. When that day comes the government will have no choice but to limit its voracious appetite for tax dollars and offer meaningful tax relief. On the same day Canada's standard of living will rise and our international competitiveness will be boosted if the government shows this kind of leadership.

As a member of the most overtaxed and debt saddled generation in Canadian history, I will celebrate that day when it comes. In the meantime I will continue voting against and speaking against

Liberal halfsteps and increased tax code complications such as we see embedded in the bill we are debating today.

**Mr. Rick Casson (Lethbridge, Canadian Alliance):** Mr. Speaker, I just want to say that was the best speech we have heard from that riding in about three years.

On the weekend there was an article in the *National Post*. It was quite a lengthy editorial about the things Canada could do to get ahead of the U.S. as far as economic policy is concerned. There were a number of really broad based, thinking outside the box kinds of scenarios.

I would like to ask the member what he thought of a particular scenario. It was suggested that young people starting in the workforce should be able to earn the first \$250,000 of their lives taxfree to give them a head start in building their homes, raising their families and educating their kids. What does the member think about a scenario like that?

**Mr. James Moore:** Mr. Speaker, a proposal allowing people to earn \$250,000 before they owe their first nickel to the finance minister is the kind of progressivity we need.

I am a former student. Rather than giving a GST rebate cheque for home heating fuel expenses to students who do not pay those expenses, who do not need it and do not deserve it, why does the government not give broad based tax relief that really means something?

As the hon. member for Lethbridge knows, in modern Canada today a totally obscure bureaucrat who knows nothing, has invented nothing and has created nothing has more power in our economy than a Canadian who creates 10,000 jobs. That is the reality and we need to change it.

---

## STATEMENTS BY MEMBERS

[English]

### LANDMINES

**Mr. Mac Harb (Ottawa Centre, Lib.):** Mr. Speaker, the Government of Canada is fully committed to the implementation of the Ottawa convention to ban landmines, to assist landmine survivors and to prevent the devices from inflicting deadly harm sometimes well into the future and many years after military conflicts are over.

• (1400)

Canadian industry plays an important role in this effort, in co-operation with our Centre for Mine Action Technologies. Since 1981, for example, Med-Eng Systems of Ottawa has provided protective equipment to help save the lives of bomb disposal and demining personnel in over 130 countries worldwide.

With the assistance of this corporation and through the Department of Foreign Affairs and CIDA, Canada has proudly donated demining equipment for use in six different countries affected by anti-personnel landmines, including Ecuador, Peru, Jordan, Yemen, Bulgaria and Moldova. Soon Bosnia-Herzegovina and Croatia will be added to the list.

All Canadians can be proud of our efforts to help prevent further suffering from landmines.

\* \* \*

### THE CONSTITUTION

**Mr. Roy Bailey (Souris—Moose Mountain, Canadian Alliance):** Mr. Speaker, this morning in the House there was an interesting debate on Canadian elections, with reference to the current unelected Senate of Canada as laid out in the constitution.

For the most part, Canadians are totally unaware that our constitution is virtually impossible to amend. The support for successful change can only come from the central provinces. An amendment requires the support of two-thirds of the provinces and 50% of Canadians.

How long will Canadians tolerate such centralized power? Will one province, which is smaller than my province, continue to have four MPs and four senators? Will another province continue to have 75 members of parliament guaranteed, regardless of size?

The Canadian constitution was originally written to protect the political power of central Canada. Regionalism is a direct result of this central power. Constitutional change is long overdue.

\* \* \*

### SHIPBUILDING INDUSTRY

**Mr. Tony Tirabassi (Niagara Centre, Lib.):** Mr. Speaker, shipbuilding and the contribution of this industry to the economy of this nation is of highest importance.

From my part of the country, Niagara, in southern Ontario, we have the Port Weller Dry Docks and the Welland ship canal. Port Weller Dry Docks has operated its shipyard for 55 years and employs 500 people. The direct and indirect impact of the marine industry on the region of Niagara is in excess of \$.25 billion.

Today the Minister of Industry received the Shipbuilding and Industrial Marine Report. Through this document, the four member team has outlined practical and workable recommendations to improve the competitiveness of Canada's shipbuilding and industrial marine sector and to capture opportunities for growth. I, along with everyone concerned with this issue, applaud the efforts of those who participated in the industry-labour team.

*S. O. 31*

Shipbuilding is an issue of importance and of relevance not only to the region of Niagara but to all of Canada.

\* \* \*

[Translation]

### PROSTATE CANCER

**Mr. Yvon Charbonneau (Anjou—Rivière-des-Prairies, Lib.):** Mr. Speaker, in men, prostate cancer is the second most common type of cancer and the second greatest cause of death from cancer.

However, thanks to a recent breakthrough achieved with the help of funding from the Canadian Institutes of Health Research, there is hope in the fight against this disease.

A team under Dr. Simard, working in the T wing of the Laval University CHUL research centre, and Dr. Johanna Rommens, of the Toronto children's hospital, have recently discovered the gene causing prostate cancer.

This discovery is important because of the difficulty in determining the specific genes causing diseases such as cancer. Although it is still too soon to develop a genetic test to screen for this type of cancer, this discovery will be a springboard to other very important discoveries.

[English]

Dr. Simard and Dr. Rommens are true Canadian heroes and I am proud to be a member of a government—

**The Speaker:** The hon. member for Etobicoke—Lakeshore.

\* \* \*

### WORLD HEALTH DAY

**Ms. Jean Augustine (Etobicoke—Lakeshore, Lib.):** Mr. Speaker, April 7 is World Health Day. The theme of this year's public awareness campaign is mental health. The campaign aims to draw the attention of Canadians to the challenges that mental illness and brain disorders pose to individuals and families affected by them.

Mental illness accounts for enormous suffering, disability and increased mortality. An estimated 400 million people around the world suffer from mental and neurological disorders. It is often associated with violations of human rights, stigma, unemployment, social exclusion, poverty, shame and secrecy.

● (1405)

The solutions to mental illness can be found in communities through mental health services, scientific research and the health policies of government.

As we mark World Health Day, I call upon my colleagues to join in this World Health Organization campaign to make good mental health a priority.

*S. O. 31*

### MULTICULTURALISM

**Mr. Gurmant Grewal (Surrey Central, Canadian Alliance):** Mr. Speaker, the disgraced junior multiculturalism minister's hurtful smears and remarks contradict her own government's foreign policy.

When she smeared Kamloops and Prince George she also compared Northern Ireland to ethnic cleansing in Kosovo and Macedonia. She is seriously undermining Canada's efforts in the peace process in Northern Ireland. Canada has contributed over \$5 million of our tax dollars to peace building efforts in Northern Ireland. The Prime Minister must replace this minister before she does more damage. The minister is subverting international efforts in the peace process.

She is inflicting injuries not only at home but also on the world stage. Her smears not only contradict her own department's mandate but also work against the government's foreign affairs agenda.

The Prime Minister must not send this embattled minister to South Africa for the United Nations world conference on racism.

\* \* \*

[*Translation*]

### MEMBER FOR CALGARY—NOSE HILL

**Ms. Carole-Marie Allard (Laval East, Lib.):** Mr. Speaker, the official opposition has gone too far. On Tuesday in this House the member for Calgary—Nose Hill compared our Prime Minister to Slobodan Milosevic, the butcher of the Balkans. This former president of the former Yugoslavia is to face the international tribunal accused of war crimes and genocide.

Such insinuations are inadmissible. They discredit this House and our Prime Minister.

Our Prime Minister is a man of integrity who has served the Canadian public honestly for over 30 years. No comparison may be made between him and Milosevic. The member showed a lack of respect for him and for our institutions.

**The Speaker:** Order, please. Statements by members may not be used to attack other members. This is contrary to the rules.

\* \* \*

### CANCER AWARENESS MONTH

**Mrs. Suzanne Tremblay (Rimouski—Neigette-et-la-Mitis, BQ):** Mr. Speaker, every year for the past 40 years spring brings back Cancer Awareness Month.

April 5 is Daffodil Day, a day that will in fact last three days and help cancer societies collect several millions of dollars to be used primarily to fund research on that disease.

Over the years, the daffodil, which looks both fragile and strong, has become a symbol of hope and determination against all types of cancer. That disease could affect one person in three by the end of the year 2001.

April is designated to bring awareness to this particular disease. That is what the Fondation québécoise du cancer, which works to alleviate the plight of those who are affected by the disease, is doing.

During the next three days let us stop at the daffodil booths and contribute generously to the fundraising campaigns of the Quebec and Canadian cancer societies.

\* \* \*

[*English*]

### HOUSE OF COMMONS

**Mr. Derek Lee (Scarborough—Rouge River, Lib.):** Mr. Speaker, on Tuesday this week we debated an opposition motion calling for a public inquiry. That motion was defeated, but during the debate a most regrettable comparison was drawn between Slobodan Milosevic and the Prime Minister of Canada.

Many times in this House the passion of some members for the subject of debate causes them to personalize their remarks and say things they should not. This is an occupational hazard for people such as us, who spend a lot of our time in politics working with our mouths. Occasionally we make mistakes. The appropriate resolution of a verbal mistake, no matter why it has occurred, is a verbal apology, and our House accepts them.

Comparisons between our Prime Minister and Slobodan Milosevic should be seen as odious to all of us in the House and hopefully to Canadians at large. I ask the member to reconsider her remarks and to put this matter right in the way we all have to do here from time to time in this great place: with an apology.

\* \* \*

### BRANT FESTIVAL

**Mr. James Lunney (Nanaimo—Alberni, Canadian Alliance):** Mr. Speaker, today it is my pleasure to announce a very special event that will be happening on Vancouver Island. This weekend the oceanside area of Parksville and Qualicum Beach is hosting the 11th annual Brant Festival. The festival celebrates the arrival of thousands of black brant geese migrating from Mexico to Alaska.

Birdwatching, nature hikes, art exhibits, wood carving competitions and lectures by renowned wildlife experts are all part of the festivities.

• (1410)

Highlighting this year's festival is the official dedication to the Mount Arrowsmith Biosphere Reserve. The United Nations has awarded official recognition to the unique ecological attributes, from the 1,817 metre elevations of Mount Arrowsmith, to the 300 metre depths of the Strait of Georgia, and our beautiful coastal communities.

The biosphere designation will help promote conservation and responsible development. I wish to extend congratulations to festival organizers and to Dr. Glen Jamieson, president of the Mount Arrowsmith Biosphere Foundation, and his team on achieving the MABR designation.

\* \* \*

### HOUSE OF COMMONS

**Mr. Steve Mahoney (Mississauga West, Lib.):** Mr. Speaker, the debate in this place has been acrimonious at best, but it hit an all time low on Tuesday when a member tried to draw a comparison between our Prime Minister and the butcher of the Balkans, Slobodan Milosevic.

That member may think that is just insulting Liberals, but in fact it is insulting to all Canadians who have moved to Canada from the former Yugoslavia and to Canadians in general.

The member should withdraw the words and apologize. The member has shown a total lack of morals, sensitivity and understanding in a blind zest to destroy our Prime Minister's reputation.

Canadians will not forget this repugnant example of a member who debases her party, herself and this place by making these scurrilous comments. The member—

**The Speaker:** The Chair is very concerned with the tenor of some of the comments. I urge hon. members to remember that Standing Order 31 statements may not be used for attacks. I recognize the hon. member did not name an hon. member but we are going very close to the line here. I wish hon. members would restrain themselves.

\* \* \*

### CANADA POST

**Mr. Pat Martin (Winnipeg Centre, NDP):** Mr. Speaker, Canada Post has announced that it is celebrating the summit of the Americas in Quebec with a special postage stamp.

This is ironic because Canada Post is one of our public services that is very vulnerable to challenges under these free trade agreements. In fact, UPS is suing it right now for \$230 million in lost opportunity because it says Canada Post is a monopoly.

*S. O. 31*

What exactly are we celebrating here? The loss of our economic sovereignty? What is the stamp going to show? Perhaps a nice picture of Hughie pepper-spraying a bunch of college kids would be appropriate, or perhaps a picture of riot police strong-arming peaceful protesters. How about a picture of a UPS truck delivering our mail? That would be the vision of the future.

Where does Canada Post get off being a cheerleader for what amounts to a charter of rights for foreign corporations?

I say it is nothing more than cheap political propaganda. It is using a stamp to celebrate a trade deal that threatens to stamp out democracy.

\* \* \*

[*Translation*]

### SHIPBUILDING

**Mr. Antoine Dubé (Lévis-et-Chutes-de-la-Chaudière, BQ):** Mr. Speaker, on behalf of all Bloc Québécois members, I wish to express our strong support for the report of the national partnership project committee set up by the Minister of Industry which is designed to make our shipyards more competitive.

This report is in response to the work of the shipbuilding coalition and to my Bill C-213. It is a major victory for Bloc Québécois members, for the other members who supported me and for all the stakeholders in the marine sector.

While we are pleased that the government is finally doing something to make our shipyards more competitive with those of countries that subsidize this industry or continue to apply protectionist measures, we must deplore the fact that the minister intends to take six months to follow up on the recommendations contained in that report.

Since the Liberals have made a habit of postponing things, I will soon introduce a new bill to force the federal government to take quick and concrete action to help the shipbuilding industry.

\* \* \*

[*English*]

### ORGANIZED CRIME

**Mr. Paul DeVillers (Simcoe North, Lib.):** Mr. Speaker, in October of last year the House of Commons subcommittee on organized crime completed its study and issued its report on organized crime in Canada.

I am pleased to note that this morning legislation and comprehensive measures introduced by the justice minister and the solicitor general incorporated several key recommendations made by the subcommittee.

*Oral Questions*

Among these were the recommendations to strengthen anti-gang legislation to provide prosecutors and police with more effective tools, to protect jurors, prosecutors, police and other participants in the justice system from intimidation, and to encourage greater co-operation and information sharing among the various agents of justice and law enforcement involved in organized crime investigations.

[Translation]

Parliament and Liberal government members are committed to fighting organized crime and I am asking all members of this House to support the measures announced today.

\* \* \*

• (1415)

[English]

**NEWFOUNDLAND**

**Mr. Norman Doyle (St. John's East, PC):** Mr. Speaker, Newfoundland's terms of union of Canada transferred jurisdiction over Newfoundland's ports and harbours to the Government of Canada.

The Department of Fisheries and Oceans is currently divesting itself of 325 harbours nationwide and 136 of them, fully 42%, are in Newfoundland.

Given the harsh economic realities in many rural coastal communities in Newfoundland, that is not a fair move by the federal government. If the Government of Canada cannot or will not find the money to manage these harbours, how does it expect the harbour committees to do it?

First it was our airports, now it is the harbours and, according to today's news reports, tomorrow it may be our nation's water supply. Is nothing sacred to the government?

**ORAL QUESTION PERIOD**

[English]

**PRIME MINISTER**

**Mr. Stockwell Day (Leader of the Opposition, Canadian Alliance):** Mr. Speaker, last night the Prime Minister ordered Liberal MPs to vote against the wishes of the majority of their constituents, and vote against an independent inquiry. He has also declared open season on directors of public commissions. A few weeks ago he actually ordered his MPs to vote against their own promise in terms of voting against having an ethics commissioner.

The very checks and balances that are needed to maintain democracy are constantly being subdued by the Prime Minister. Will he not do the right thing and, in spite of the forced vote last night, ask for an independent inquiry and restore the faith—

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

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, the Canadian public is absolutely tired of the personal attacks from the opposition. They want the opposition to start dealing with the real business of the nation.

Members of my caucus voted yesterday as members of a caucus. I was not present because I wanted them to express their personal views. I am very grateful they all voted the way they did on the motion.

**Mr. Stockwell Day (Leader of the Opposition, Canadian Alliance):** Mr. Speaker, he said that he did not want to have anything to do with it and that he wanted his MPs to express their own views. Is he telling us that nobody from his office or the whip's office communicated to the MPs at all in terms of telling them to vote against the majority of their constituents last night? Yes or no. He had nothing to do, the whip had nothing to do and nobody told MPs how to vote. Is that true?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, I have great respect for my MPs and I am the leader of a party of which I am very proud.

The one thing I would like to say to the Leader of the Opposition is that when a member calls the Prime Minister of Canada, Milosevic, and is backed by the member's leader, it is the most disgraceful thing I have ever heard.

**Mr. Stockwell Day (Leader of the Opposition, Canadian Alliance):** Mr. Speaker, if that is where he wants to go, he did not answer, yes or no, so that was very instructive to Canadians. He did not answer again.

It was the former Clerk of the Privy Council who served under Mr. Pearson and Mr. Trudeau, Mr. Gordon Robertson, who literally wrote the book on ethics. He recently said that the Prime Minister had lowered the bar.

Now, with the quashing of a public inquiry and these constant orders to their MPs to vote against their constituents, he has dropped the bar even farther. We are wondering how far this Liberal limbo will go.

The Prime Minister has lowered the bar on public ethics. Is this the legacy that he is happy about leaving to Canadians?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, because the Leader of the Opposition had foot in mouth disease he forced taxpayers of Alberta to pay \$700,000. After that there was a payback to his party by the law firm of \$70,000. Two months after this action by the law firm, it cooked the books to pretend that one individual, two months after the election, willingly gave \$70,000 to a losing leader and a losing party. It is absolutely unbelievable and probably scandalous.

*Oral Questions*

• (1420)

**Miss Deborah Grey (Edmonton North, Canadian Alliance):** Mr. Speaker, that is not to mention the \$2.5 million the taxpayers kicked in—

**Some hon. members:** Oh, oh.

**The Speaker:** Order, please. The Chair cannot hear the question. The hon. member for Edmonton North has the floor.

**Miss Deborah Grey:** Mr. Speaker, what about the \$2.5 million for airbus and \$45 million for Pearson? That is quite a chunk of change.

Yesterday we asked the industry minister a question about Jonas Prince. It involved his legal responsibility for the Business Development Bank and the Export Development Corporation.

Today I would like an answer to my question. Has Mr. Prince or any of his companies received any direct or indirect funding from Industry Canada, the Business Development Bank or the Export Development Corporation?

**Hon. Brian Tobin (Minister of Industry, Lib.):** Mr. Speaker, I would be very happy to look into the question that has been raised and report back to the House at the first opportunity.

Let me say to the member opposite that everybody in Canada is waiting for the Leader of the Opposition and for the foreign affairs critic to issue an apology for comparing the Prime Minister of Canada to the butcher of the Balkans. This is lower than low. It demands an apology and it should be issued without delay.

**Miss Deborah Grey (Edmonton North, Canadian Alliance):** Mr. Speaker, I would like to tell the minister to stay tuned.

The question was very simple and it concerned Mr. Prince or any of his companies. The minister said that he would look into it. He has had 24 hours to look into it. This same question was raised yesterday.

Again, there could be some link. We do not know that but we want the minister to look into it. We are not asking for the release of any information. We just want the minister to tell us whether Jonas Prince or his companies received any direct or indirect government funding.

**Hon. Brian Tobin (Minister of Industry, Lib.):** Mr. Speaker, today at the Museum of Civilization an expedition has been mounted. It is a very important one. It covers the fishery of Canada. A particular segment of it has been dedicated to the greatest fishing expedition ever in the history of this country that turned up nothing. It is dedicated to the Leader of the Official Opposition.

[Translation]

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, another contradiction cropped up yesterday in the Grand-Mère golf club and Auberge Grand-Mère affair.

The Prime Minister claimed in this House that he had not read the September 1999 agreement until last week. Yet when the ethics counsellor—or the so-called ethics counsellor—testified before the standing committee on industry, his reply to my question as to whether the Prime Minister was directly involved in the negotiation was “Oh yes, he was directly involved in the negotiation”.

I would like to know whom we are to believe, the Prime Minister who tells us he was not aware, or the ethics counsellor who says “Oh yes, he was directly involved in the negotiation”.

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, I have said it clearly and I repeat: I saw the document in question only last week.

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** So, Mr. Speaker, the ethics counsellor has, I take it, not exactly told us the truth.

In actual fact, however, whether the Prime Minister read the document or did not read the document makes no difference. The document exists and is signed by his company. In this document we find that the Prime Minister renounces all ownership rights which means he had such rights. Also, that he offers a seller's guarantee which means he had something to sell. What is more, he makes a commitment to pay the legal costs of the purchaser, Michaud. What big-heartedness.

If all this is not a conflict of interest, what is it?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, what it is is the tabling of a document. That document is the contract of a sale that took place on November 1, 1993. And after that date I was no longer the owner of the shares. I no longer had any interest whatsoever in the golf club.

**Mr. Michel Gauthier (Roberval, BQ):** Mr. Speaker, will the Prime Minister not admit that it is rather odd, for those watching in the habit of doing transactions, to have a person who sold property in 1993 end up six years later a signatory to a document giving the vendor's guarantee, promising to assume the legal costs and transferring his property rights.

How does he explain that?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, once again, the most surprising thing is that the opposition has absolutely nothing to say about the administration of this government.

I signed a contract on November 1, 1993 and I disposed of my shares.

*Oral Questions*

• (1425)

**Mr. Michel Gauthier (Roberval, BQ):** Mr. Speaker, the Prime Minister is setting himself up as judge and jury in this matter. He is deciding on his own that there is no problem, that the opposition need not get in a state.

I put the following question to him. When the opposition has documents, including a contract signed in 1999 which incriminates him up to here, how can the Prime Minister think there are matters more important than the integrity of the Prime Minister to all those watching?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, Canadians know very well the Prime Minister of Canada. Next week will mark 38 years I have served this country as an MP.

It was in fact to avoid any conflict of interest that I sold my shares before becoming Prime Minister, that is, a few days before I was sworn in on November 1, 1993.

\* \* \*

**THE ENVIRONMENT**

**Ms. Alexa McDonough (Halifax, NDP):** Mr. Speaker, in the past, Canada was a world leader on environmental issues.

But yesterday, the Minister of the Environment more or less confirmed that Canada will not be ratifying the Kyoto accord because of NAFTA and its trade relationship with the United States.

Will the Prime Minister explain to us why Canada has changed its position on the Kyoto accord?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, the position of the government is absolutely clear. We intend to implement the Kyoto accord and we hope that all countries in the world, including the United States, will respect the agreement which was reached.

For our part, we believe that Canada is entitled to count on so-called sinks in the Kyoto accord and also to be given credit for the fact that we are a very large exporter of non-polluting resources vis-à-vis the United States. We want these credits to be recognized for Canada, but we intend to respect the Kyoto accord.

[English]

**Ms. Alexa McDonough (Halifax, NDP):** Mr. Speaker, I think Canadians recognize backtracking and waffling when they see it. They are concerned about it with respect to Kyoto and with respect to the protection of our water.

In the last parliament, government members actually voted for a ban on the export of bulk water. Yesterday the Prime Minister opened the door on the very opposite.

I would like to ask the Prime Minister to explain. Why has he flip-flopped on something as fundamentally important to Canadians as our water?

**Hon. John Manley (Minister of Foreign Affairs, Lib.):** Mr. Speaker, let us be very clear on this. The Government of Canada will oppose the bulk removal of water from any of our major drainage systems, period, point final, c'est clair.

Control over boundary waters is covered in Bill C-6, which is currently before parliament. As for control over waters that are entirely within the jurisdiction of the provinces, each province has taken action with respect to that.

Our position is clear: There will be no removal of bulk water from drainage systems in Canada.

\* \* \*

**PRIME MINISTER**

**Right Hon. Joe Clark (Calgary Centre, PC):** Mr. Speaker, the Prime Minister's personal company must pay the cost of Michaud's witnesses at any inquiry.

Yesterday was the first time in Canadian history where a Prime Minister was forced to miss a vote because of conflict of interest under parliamentary rules.

My question is for the Prime Minister. When he signed the so-called bill of sale was Jonas Prince present at the time of the Prime Minister's signature? Will the Prime Minister table his schedule for that day?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, I cannot understand it. This man has been in the House of Commons for far too long to be asking questions just to destroy reputations. He is just fishing. I thought he had a little decency but of course in growing older he is getting worse.

\* \* \*

**AGRICULTURE**

**Right Hon. Joe Clark (Calgary Centre, PC):** Mr. Speaker, yesterday the minister of agriculture told the Senate that his answer to an illegal American ban on P.E.I. potatoes was to have islanders consider getting out of the potato industry. That is like telling Ontario to get out of the auto industry.

The Prime Minister is meeting President Bush in Quebec. Will he tell the president to lift the illegal U.S. ban on P.E.I. potatoes? Will the Prime Minister bring back to the House concrete assurances that P.E.I. farmers will be able to export their potatoes this year?

• (1430)

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, at long last. I would like to inform the leader of the fifth party, who is paying himself \$300,000 per year, which is twice as much as the Prime Minister, that the first item I discussed with the president when I was in Washington was agriculture and specifically, among the two problems, one being wheat, the first one was potatoes from P.E.I.



## Oral Questions

## TRADE

**Mr. Grant McNally (Dewdney—Alouette, Canadian Alliance):** Mr. Speaker, the Prime Minister and his international trade minister are fundamentally at odds regarding the linkage of energy with softwood lumber.

The Prime Minister is now musing that he wants to put a tax on oil and gas sold to the United States. The international trade minister says that the two issues should be treated separately.

Who is speaking for the government on this issue?

**Mr. Pat O'Brien (Parliamentary Secretary to Minister for International Trade, Lib.):** Mr. Speaker, traditionally Canada does not make linkages from one sector to another.

As the Minister for International Trade has repeatedly said, we have an excellent case in softwood lumber on its own merits but the reality is, we would like to see a far better climate on trade with the United States which claims to be free traders.

**Mr. Grant McNally (Dewdney—Alouette, Canadian Alliance):** Mr. Speaker, it is the Prime Minister himself who has raised the spectre of linkage on this issue.

Yesterday the Prime Minister referred to President Bush as “a naive cowboy”. Insulting the president of the United States is not the best strategy for ensuring future co-operation between our two countries. By musing about linking softwood lumber with energy exports he raises many questions.

Here is a question for him. Will he now impose a national energy style program export tax on energy?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, that is inaccurate information. I never said that about the president. I have a lot of respect for him.

Canada has signed a free trade agreement with the Americans. We want free trade not only in resources but in agriculture and in softwood lumber.

\* \* \*

[Translation]

## FREE TRADE AREA OF THE AMERICAS

**Mr. Pierre Paquette (Joliette, BQ):** Mr. Speaker, as part of FTAA negotiations, the Canadian government is consulting various business groups on Canada's position and on the state of negotiations through the sectoral advisory groups on international trade, or SAGITs.

Can the Minister of Foreign Affairs confirm that representatives of the business community have had access to FTAA negotiating texts, the same ones which were denied to the public and parliamentarians?

[English]

**Mr. Pat O'Brien (Parliamentary Secretary to Minister for International Trade, Lib.):** Mr. Speaker, as the hon. member well knows, the Minister for International Trade has consulted very widely on this file. He has met repeatedly with provincial ministers. He has met with lumber people from every region of Canada. There has been a special parliamentary series of hearings on this issue.

Canada has been a leader in transparency on this issue. The minister is today pressing for more transparency in Buenos Aires.

[Translation]

**Mr. Pierre Paquette (Joliette, BQ):** Mr. Speaker, I think the parliamentary secretary misunderstood the question.

The question is whether members of the business community had access, in the advisory groups, to the texts he is refusing to let us see.

How can he explain that these members of the business community were allowed to see the texts, while parliamentarians and ordinary Canadians and Quebecers were not?

[English]

**Mr. Pat O'Brien (Parliamentary Secretary to Minister for International Trade, Lib.):** Mr. Speaker, if the hon. member has some specific evidence that he would like to show me after question period, I would be very interested in seeing it and take up the matter with trade officials.

Most of the research I am hearing today from the opposition has come from the *Globe and Mail* and the *Toronto Star*.

\* \* \*

## THE ECONOMY

**Mr. Ken Epp (Elk Island, Canadian Alliance):** Mr. Speaker, the government's fiscal policies are not working for Canadians. In 1997 our productivity growth was at 2.3%. Now it is barely half of that. This means that our standard of living is falling, along with our dollar.

What steps will the finance minister take to reverse these worrisome trends?

• (1435)

**Hon. Paul Martin (Minister of Finance, Lib.):** Mr. Speaker, the first step would probably be to simply illuminate the hon. member as to the real facts.

The fact is that our productivity began to increase in 1997, not decrease. If the member wants further indicators, our national net worth is now at an all time high. Our personal disposable income is on the increase.

*Oral Questions*

The fact is that Canadians are doing better. The hon. member is wrong.

**Mr. Ken Epp (Elk Island, Canadian Alliance):** Mr. Speaker, I am talking about the rate of growth. The minister is talking about productivity. Our rate of growth is now fantastically short of the rate of growth of the Americans. Statistics Canada gave us that information just this week.

The American growth rate is almost four times what ours is. That means that in the economic race it is moving ahead on eight cylinders and we are sputtering along on two. Our economy lacks acceleration.

What will the minister do to keep us from falling way behind the Americans—

**The Speaker:** The hon. Minister of Finance.

**Hon. Paul Martin (Minister of Finance, Lib.):** Mr. Speaker, the hon. member is wrong. If he is talking about productivity, our productivity growth is increasing. It began to increase in 1996 and 1997 after about a decade of falling, and it has turned around under this government.

If the hon. member is talking about economic growth, well, my God, we are projected to have much stronger growth this year than the United States. Over the course of the last four years we have created virtually twice the number of jobs as the United States.

The only rate of growth that is steadily declining is the popularity of the Alliance Party.

\* \* \*

[Translation]

**TAX AGREEMENTS**

**Mrs. Pauline Picard (Drummond, BQ):** Mr. Speaker, at the beginning of the government's mandate when its moral code was less elastic, the Minister of Finance had to withdraw from cabinet whenever the issue of shipbuilding was on the agenda.

Now the Minister of Finance is allowed to fully get involved in the issue of tax havens.

How can the minister justify such involvement considering that he owns 11 companies in tax havens, including eight in Barbados? Is this not as obvious a conflict of interest as one can find?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, again, the Minister of Finance complied with all the rules that existed when he assumed his duties.

He is a very honourable person and, again, the Bloc Québécois, whose popularity is also declining, is only trying to smear people.

I have total confidence in my Minister of Finance and so does the whole Liberal Party caucus.

**Mrs. Pauline Picard (Drummond, BQ):** Mr. Speaker, it is a well known fact that the Minister of Finance is benefiting, through eight of his companies, from the tax treaty between Canada and Barbados.

What credibility can the minister have, since he is directly involved in an issue in which he has a personal interest through eight of his companies?

**Hon. Paul Martin (Minister of Finance, Lib.):** Mr. Speaker, first, the treaty with Barbados was ratified in 1980, long before I came into the picture.

That being said, Canada has been a leader in the movement to eliminate harmful tax practices. In this regard, Canada has been a leader among OECD countries. We are also taking the lead among the finance ministers of the western hemisphere and we will succeed in eliminating these practices.

\* \* \*

[English]

**SHIPBUILDING INDUSTRY**

**Mr. James Rajotte (Edmonton Southwest, Canadian Alliance):** Mr. Speaker, today the Minister of Industry responded to a report on the future of the shipbuilding industry in Canada and ruled out future subsidization of this industry.

Since the minister has firmly committed to not subsidizing the shipbuilding industry, would he explain why the federal government has not fought the American, NAFTA-exempt, Jones act to allow Canadian shipbuilding companies to expand into the United States?

**Hon. Brian Tobin (Minister of Industry, Lib.):** Mr. Speaker, the Alliance Party may be over there talking about providing huge subsidies for the shipbuilding industry, but we think the shipbuilding industry is capable of being innovative, using new technologies, using training and using access to the marketplace to carve out a niche that will be successful for Canadian workers.

● (1440)

We do not have the defeatist attitude of members of the Alliance Party who think we can only do business with subsidies. We are not of that view.

**Mr. James Rajotte (Edmonton Southwest, Canadian Alliance):** Mr. Speaker, that is quite a role reversal.

During his last provincial election campaign in Newfoundland, the industry minister told shipyard workers that if his government did not make the shipbuilding industry self-sustaining, then they could tie metal plates to his ankles and throw him over the wharf. That was five years ago. Now he is the federal industry minister and he still has no plan.

When will the minister either produce a plan or return to the wharf?

*Oral Questions*

**Hon. Brian Tobin (Minister of Industry, Lib.):** Mr. Speaker, that is not what I said, but I can think of a good use for some metal plates and whose ankles they should be tied to.

A federal government appointed task force has just reported today. The members of the task force have done an excellent job in providing a tool kit with a wide variety of options open to us to improve the quality and productivity of our shipbuilding industry. We will carefully analyze that report and report back to the House at the appropriate time.

\* \* \*

**ORGANIZED CRIME**

**Mrs. Marlene Jennings (Notre-Dame-de-Grâce—Lachine, Lib.):** Mr. Speaker, the threat that organized crime poses to our families, businesses, farms and our sense of safety and security in our communities is well known by constituents in my riding and in the riding of Brossard—La Prairie, whose MP has worked very hard on this issue for many years. It is well known by all Quebecers.

Would the Minister of Justice tell the House how the measures she and the solicitor general announced will improve the fight against organized crime?

**Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.):** Mr. Speaker, after consultations with provincial and territorial counterparts, police, prosecutors and the subcommittee on organized crime, my colleague, the solicitor general, and I introduced aggressive new measures and announced new resources to fight organized crime.

Among other things, the legislation would target participation in criminal organizations, improve the protection of those who work in the justice system from intimidation, simplify the definition of criminal organizations and broaden the powers of law enforcement officers to seize proceeds of crime.

We are sending a clear message that this government stands with the police and prosecutors who are an aggressive—

**The Speaker:** The hon. member for Winnipeg North Centre.

\* \* \*

**EMPLOYMENT INSURANCE**

**Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP):** Mr. Speaker, today is a great day for women. Kelly Lesiuk from Winnipeg won her EI charter challenge and achieved a wonderful victory for women and part time workers.

Justice Salhany has just found that the EI program, which requires workers to accumulate 700 hours of employment to

qualify for benefits, is unconstitutional and demeans the essential human dignity of women.

My question is for the minister responsible for the status of women. Will she promise Canadian women that she will fight to translate this decision into law and—

**The Speaker:** The hon. Secretary of State for the Status of Women.

**Hon. Hedy Fry (Secretary of State (Multiculturalism)(Status of Women), Lib.):** Mr. Speaker, this government has always fought very hard for the rights of women to have an economic status better than the one that many have. We have always fought for women to be able to work in the workplace and to be able to have the advantages and the benefits that they require to allow them to have choices. We will continue to do so.

\* \* \*

**FRESHWATER EXPORTS**

**Mr. Bill Blaikie (Winnipeg—Transcona, NDP):** Mr. Speaker, on Tuesday in the House, the right hon. Prime Minister talked about water being excluded from NAFTA. Just days before that, the Minister of the Environment was expressing his concern about Premier Grimes' plan to export water from Gisborne Lake in Newfoundland on the grounds that because of NAFTA, this would bind the rest of the country in a way that he found unacceptable.

I want to ask either the Prime Minister or the Minister of the Environment to explain this contradiction. The Prime Minister is saying that it is excluded and the Minister of the Environment is worrying about the NAFTA consequences of Gisborne Lake. Which is actual government policy when it comes to this particular issue?

• (1445)

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, in the days of 1993 before signing NAFTA, I definitely know that one of the things my government demanded from the Americans and the Mexicans was that water should be excluded from the NAFTA.

It was agreed to by the Americans and by the Mexicans at that time so we could sign. We had a very important victory in the first week we formed the government.

\* \* \*

**LUMBER INDUSTRY**

**Mr. Bill Casey (Cumberland—Colchester, PC):** Mr. Speaker, the government would have the softwood lumber industry believe that we are in the calm before the storm when in fact the storm is right now. In four months every truckload of lumber exported to the

### Oral Questions

U.S. today could be charged back countervail and anti-dumping charges retroactively to last Monday.

Four months of potential charge backs would cripple and close sawmills right across the country. What is the government doing to alert these sawmills of this danger? What is the government doing to help mitigate the damages?

**Mr. Pat O'Brien (Parliamentary Secretary to Minister for International Trade, Lib.):** Mr. Speaker, the Minister for International Trade has proposed an envoy system, as the hon. member knows, with his counterpart, U.S. trade representative Zoellick. He is today pressing that case in Buenos Aires.

The fact of the matter is that Canada needs a pan-Canadian approach to this. Free trade is the answer. That is exactly what we have now. If the Americans will just live up to their claims of being free traders everything will be just fine.

\* \* \*

### FRESHWATER EXPORTS

**Mr. John Herron (Fundy—Royal, PC):** Mr. Speaker, Canadians want trade with the United States in potatoes, in softwood lumber, but not in bulk water.

Will the Prime Minister stand in this place and deny or rescind comments that his government will entertain the shipment of bulk water? Moreover, will he assure Canadians that he will not jeopardize the natural heritage of Canadians and once and for all say that Canada's water is not for sale?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, it is exactly because the Conservative Party did not put that in NAFTA that we had to move on it in the last week of 1993. If we had not changed it, water might have been part of NAFTA and we might have been obliged to sell it.

Because of the quick action of a brand new government within weeks after we were sworn in, we blocked that loophole.

\* \* \*

### THE ENVIRONMENT

**Mr. Bob Mills (Red Deer, Canadian Alliance):** Mr. Speaker, the government will continue to boast about its spending on reducing carbon emissions, but the government is way off its target for meeting its Kyoto promise, regardless of the newfound enthusiasm that our green Prime Minister seems to have.

My question for the Minister of the Environment is not about spending. It is about commitment. Is the government committed to meeting its Kyoto target of 6% below 1990 levels by 2008?

**Hon. David Anderson (Minister of the Environment, Lib.):** Mr. Speaker, ignoring the fact that the Alliance Party was against the Kyoto target the Prime Minister accepted, may I simply repeat for members of the Alliance and the New Democratic Party leader who clearly are unaware of what was said yesterday in the House. I quote:

Nevertheless, as the Prime Minister made clear yesterday and in previous statements, Canada is committed to the Kyoto protocol. We want to implement its provisions and we urge other countries to do the same.

In response to a second question, I added:

—we want the Kyoto agreement to be put into effect. We certainly want to make sure that we have sinks included because there are great opportunities for reducing greenhouse gases—

**The Speaker:** The hon. member for Red Deer.

**Mr. Bob Mills (Red Deer, Canadian Alliance):** Mr. Speaker, everyone cares about the environment but we are asking about accountability. Kyoto was the result of backroom deals. There was no public position before Kyoto. There was no analysis of the costs and benefits.

At present there are new pressures on Canada and Canadian energy. Will the government do the right thing this time and conduct national transparent consultations on the issue of climate change?

**Hon. David Anderson (Minister of the Environment, Lib.):** Mr. Speaker, I thank the hon. member for his question. I can assure the hon. member that I will be meeting with ministers of the environment of the provinces and territories very soon. We will be discussing climate change among other issues.

I know this is also true of the Minister of Natural Resources. I know it is true of many other ministers of the government and the first ministers of Canada who discuss these issues when they meet.

\* \* \*

[Translation]

### TAX AGREEMENTS

**Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ):** Mr. Speaker, it is well known that 11 of the companies owned by the Minister of Finance are based in tax havens, including eight in Barbados, and that consequently, the minister benefits from the tax agreements signed by the Government of Barbados and the Government of Canada.

● (1450)

If the Minister of Finance is serious when he says that we must eliminate tax havens, is he prepared to take a concrete measure that comes under his responsibility and cancel the tax agreement between Canada and Barbados, as demanded by the OECD?

*Oral Questions*

**Hon. Paul Martin (Minister of Finance, Lib.):** Mr. Speaker, following the discussions at the OECD and other negotiations within the G-7, it is very clear that we must proceed multilaterally, not unilaterally.

This is Canada's position and that of all the other major countries. It is the only way to succeed in eliminating these harmful tax practices.

**Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ):** Mr. Speaker, what credibility does the Minister of Finance have considering that he has eight companies in Barbados? We are asking him to do something that comes under his responsibility, namely to cancel the tax agreement signed by Canada and Barbados from which he and his companies are benefiting.

I agree that we must eliminate tax havens. Everyone must join the fight against tax havens. But the minister can immediately cancel the tax agreement signed by Canada and Barbados.

Will he do so? Yes or no?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, as I said before, such personal attacks in the House are simply disgusting.

We are here to serve the public. We have a Minister of Finance who is regarded as one of the best in the world. He has held that position for eight years and he has the trust of not only my party, but of all Canadians.

**Mr. Yvan Loubier:** This is a cheap shot. This is dishonest and disgusting.

**Some hon. members:** Oh, oh.

**The Speaker:** Order, please. The hon. member for Renfrew—Nipissing—Pembroke has the floor and we want to hear his question.

\* \* \*

[*English*]

**TELECOMMUNICATIONS**

**Ms. Cheryl Gallant (Renfrew—Nipissing—Pembroke, Canadian Alliance):** Mr. Speaker, in a world of 500 digital channels Canadians are telling us that choice is what they want in television. Government policy currently forces viewers to subscribe to television services, to pay for channels they do not want because they have to buy a bundle of programs in order to get the shows they do want.

Since the technology exists, will the Minister of Canadian Heritage act now so that consumers only pay for what they want rather than being forced to pay for what they do not want?

**Hon. Sheila Copps (Minister of Canadian Heritage, Lib.):** Mr. Speaker, there is absolutely no requirement on any consumer to subscribe to any cable service.

**Ms. Cheryl Gallant (Renfrew—Nipissing—Pembroke, Canadian Alliance):** Mr. Speaker, my supplementary question is for the Minister of Industry. As it is obviously in the best interest of Canadians to have the Broadcasting Act and the Telecommunications Act under the responsibility of a single minister, will the minister act now to ensure that the future of the Broadcasting Act and the Telecommunications Act will be decided by the marketplace and not by some misguided notion that government should pick winners and losers in a 500 channel world?

**Hon. Sheila Copps (Minister of Canadian Heritage, Lib.):** Mr. Speaker, I am amazed a member of a party, the vast majority of which comes from Alberta, would stand in her place and oppose the policy that created thousands of jobs in Alberta.

In the last four years the investment in television in Alberta has gone from \$50 million per year to \$200 million, precisely as a result of the Canada television fund and the far-sighted investments of the government in concert with the private sector.

I am sorry that her party is against television jobs because on this side we support the hundreds of thousands of people—

**The Speaker:** The hon. member for Tobique—Mactaquac.

\* \* \*

**LUMBER INDUSTRY**

**Mr. Andy Savoy (Tobique—Mactaquac, Lib.):** Mr. Speaker, many constituents in my riding depend on softwood lumber for their livelihood. One in eight jobs in New Brunswick relies on softwood lumber. Approximately 40 communities in Atlantic Canada rely almost exclusively on softwood lumber as their major industry.

Atlantic Canada softwood lumber producers are very concerned about the anti-dumping petition recently filed in the U.S. My question is for the Parliamentary Secretary to the Minister for International Trade. What is the government doing to preserve Atlantic Canada's free trade in softwood lumber?

**Mr. Pat O'Brien (Parliamentary Secretary to Minister for International Trade, Lib.):** Mr. Speaker, I thank my colleague and all my Liberal colleagues from Atlantic Canada who have been so vigorous on this file.

• (1455)

As the hon. member knows, the minister is in Buenos Aires today pursuing the matter of an envoy, which is a good way to make progress on this issue. We will continue to fight for free access for Atlantic softwood lumber, but in the context of free access for all Canadian softwood lumber because that is supposed to be the agreement.

*Oral Questions*

Alan Greenspan, chair of the federal reserve, yesterday cautioned against protectionism on softwood lumber and everything else.

\* \* \*

**FOREIGN AFFAIRS**

**Mr. Keith Martin (Esquimalt—Juan de Fuca, Canadian Alliance):** Mr. Speaker, last month I returned from the Sudan and introduced a 14 point peace plan because that country is moving away from peace, not toward it.

Will the Minister of Foreign Affairs work with our international partners and demand that the government of Sudan and the Sudan's People Liberation Army implement an immediate ceasefire and allow complete and free access to all relief shipments into the south?

**Hon. John Manley (Minister of Foreign Affairs, Lib.):** Mr. Speaker, first let me acknowledge the useful report that the hon. member provided to me after his visit. I expect to receive reports as well from the other members who were there.

Second, let me say that I recently met with Senator Lois Wilson, who is a special envoy to the Minister of Foreign Affairs on Sudan, in order to ensure that her involvement continues as we try to support the efforts that are being made in order to encourage a peaceful resolution.

The tragedy that has befallen the people in the Sudan is one that frankly is breathtaking and—

**The Speaker:** The hon. member for Esquimalt—Juan de Fuca.

**Mr. Keith Martin (Esquimalt—Juan de Fuca, Canadian Alliance):** Mr. Speaker, I want to draw attention to another even more critical issue that is urgent because it places the lives of about one million people at risk. There is impending starvation in the south. A million people are poised to die in the next month.

Will the Minister of Foreign Affairs ask the international partners to redouble their efforts to ensure that the people in the south will gain urgent access to food? The UN world food program has said it is just about ready to put out its press releases to talk about the body count. We cannot wait. Will the minister ask our international partners to put food on the table?

**Hon. John Manley (Minister of Foreign Affairs, Lib.):** Mr. Speaker, first let me acknowledge that good question. Second, let me say that we continue to work to encourage the IGAD movement to do what is necessary to encourage a peaceful resolution of the situation in the Sudan. My colleague, the minister responsible for CIDA, has been involved as well in supporting efforts in order to ensure there are adequate provisions.

The truth is that there is a civil war going on and there are casualties. It is a situation that cries out for a solution from the nations of the world.

\* \* \*

[Translation]

**THE ENVIRONMENT**

**Mr. Bernard Bigras (Rosemont—Petite-Patrie, BQ):** Mr. Speaker, Canada has refused to sign the Montreal declaration on greenhouse gas emissions.

Yesterday, the Minister of the Environment said that Canada did not sign because it was the host and that it was customary not to vote on items that are not on the agenda.

Now we learn from checking with the Department of Foreign Affairs that this decision was not a matter of protocol but a purely political one.

Does this political decision by Canada not indicate that, slowly but surely, Canada is withdrawing its support for the Kyoto protocol?

[English]

**Hon. David Anderson (Minister of the Environment, Lib.):** Mr. Speaker, we had a paragraph of the communique of the 34 nations of the Americas that met in Montreal which referred to climate change.

That said, there was a separate Latin American declaration made which is certainly its right and privilege. I said at the time we had very little to take exception with in that but as we were chairing that meeting we could not take part.

With respect to the second part of the hon. member's question, I wonder whether he listened to my answer yesterday when I said to the hon. member for Rosemont—Petite-Patrie that the Prime Minister made clear—

**The Speaker:** The hon. member for Yukon.

\* \* \*

**FISHERIES**

**Mr. Larry Bagnell (Yukon, Lib.):** Mr. Speaker, the Americans are overfishing Yukon salmon. In recent years the Yukon river salmon that reach Yukon have been diminishing drastically. Last year it was so bad that some Yukon fisheries were closed.

Since the early 1980s the Canadian government has been negotiating with the United States on a management framework for Yukon river salmon.

• (1500)

Could the Minister of Fisheries and Oceans update the House and my constituents here and in Yukon on the progress of the bilateral discussions with the United States?

**Hon. Herb Dhaliwal (Minister of Fisheries and Oceans, Lib.):** Mr. Speaker, I am happy to announce today that after 16

years of negotiation the United States and Canada have reached an agreement on Yukon salmon.

This has been a long time irritation to Canada. This is great news with respect to Yukon salmon, which has been threatened. Our agreement clearly states the catch sharing agreements, the conservation and the enhancement of Yukon salmon. The treaty is great for salmon and it is great for the fishing community in the north.

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

**Some hon. members:** Hear, hear.

**Some hon. members:** Oh, oh.

**The Speaker:** I know there is a lot of competition, but the Chair has to make difficult choices once in a while.

\* \* \*

#### ETHICS COUNSELLOR

**Right Hon. Joe Clark (Calgary Centre, PC):** Mr. Speaker, the hon. member for Winnipeg—Transcona. My question is for the Deputy Prime Minister.

The government has received recommendations from the ethics counsellor proposing to close the loophole that lets ministers call crown corporations with impunity.

Will the government introduce changes to the law that would prevent that interference with crown corporations and that would make the ethics counsellor responsible directly to parliament and not simply to the Prime Minister?

**Hon. Herb Gray (Deputy Prime Minister, Lib.):** Mr. Speaker, I will take my hon. friend's comments as a representation.

**The Speaker:** As tempting as it is I see that our time has expired. We will have to save the hon. member for Winnipeg—Transcona for another day.

**Some hon. members:** Oh, oh.

**The Speaker:** With unanimous consent, we could go ahead. Is it agreed?

**Some hon. members:** Agreed.

\* \* \*

#### FRESHWATER EXPORTS

**Mr. Bill Blaikie (Winnipeg—Transcona, NDP):** Mr. Speaker, I hope no one was under the impression that I was trying to block out of vision the former prime minister from the Speaker's eyes.

My question is for the Minister of the Environment. Given what the Prime Minister said, which was sort of do not be worried as far as NAFTA and water are concerned, I wonder whether the Minister of the Environment is now prepared to rescind the concern he was

#### *Business of the House*

expressing a week ago about Premier Grimes' plan in Newfoundland.

Is there no problem with respect to NAFTA now? Has the Prime Minister changed his mind?

**Hon. David Anderson (Minister of the Environment, Lib.):** Mr. Speaker, the hon. member clearly has not understood the importance of making sure that water is not considered an item of trade under NAFTA or other trade agreements.

We have to make sure that we do not get into a situation, through inadvertence or any other reason, whereby water then comes under NAFTA provisions. To do that we have an accord with the provinces and territories. To do that we have legislation in the House, Bill C-6, to deal with boundary waters.

It is clear that we must follow the procedures we have laid down and follow them to the letter.

\* \* \*

#### PRIVILEGE

##### COMMENTS OF MEMBER

**Mrs. Diane Ablonczy (Calgary—Nose Hill, Canadian Alliance):** Mr. Speaker, concerns have been raised about remarks I made on Tuesday when I spoke to the Alliance motion to set up an independent inquiry into the Prime Minister's business dealings concerning a hotel and golf course in his riding.

To my regret, I quoted from an article on Yugoslavia and the abuse of power by former president Slobodan Milosevic. I deeply regret having used that line of thought. It was an error in judgment on my part and one for which I am truly sorry.

To all those who have been hurt or offended by my remarks, I sincerely apologize.

\* \* \*

• (1505)

#### BUSINESS OF THE HOUSE

**Mr. Chuck Strahl (Fraser Valley, Canadian Alliance):** Mr. Speaker, if the House leader will not answer the first question, I have a supplementary one for him.

Would he tell us what the business of the House will be for the rest of today and tomorrow, and then after the Easter break will we get an opportunity to speak about softwood lumber and other important issues involving natural resources? Will we get the chance? Would the minister tell us?

**Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, I am pleased to answer what is undoubtedly the most thoughtful question asked thus far today.

### Government Orders

This afternoon we will continue with Bill C-22, the Income Tax Act amendments proposed by the very excellent Minister of Finance. Then we will deal with Bill C-4, the sustainable development foundation legislation. Tomorrow we will do report stage and third reading, hopefully, of Bill C-12, the Judges Act.

On Monday, April 23, we shall call Bill C-13, the GST technical amendments. We will then follow this with the organized crime bill, introduced earlier today.

Tuesday, April 24, will be an allotted day at which time members could raise such issues as softwood lumber, as they perhaps should have last Tuesday when it was an opposition day and other less significant issues were raised.

On Wednesday, April 25, we will begin with third reading of Bill C-9, the Canada Elections Act legislation.

\* \* \*

[Translation]

### WAYS AND MEANS

#### NOTICE OF MOTION

**Hon. Paul Martin (Minister of Finance, Lib.):** Mr. Speaker, pursuant to Standing Order 83(1), I wish to table a notice of ways and means motion relating to tobacco products. I am also tabling explanatory notes.

I ask that an order of the day be designated for consideration of the motion.

[English]

**Hon. Ralph Goodale (Minister of Natural Resources and Minister responsible for the Canadian Wheat Board, Lib.):** Mr. Speaker, pursuant to Standing Order 83(1) I wish to table a notice of a ways and means motion respecting the long term management of nuclear fuel waste, and I ask that an order of the day be designated for consideration of the motion.

---

## ROUTINE PROCEEDINGS

• (1510)

[English]

### COMMITTEES OF THE HOUSE

#### CITIZENSHIP AND IMMIGRATION

**Mr. Derek Lee (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, there have been consultations and I think you would find unanimous consent to deal with the following committee travel authorization. It is a single committee authorization. I move:

That the Standing Committee on Citizenship and Immigration be authorized to travel to Vancouver, Winnipeg, Toronto and Montreal from April 29 to May 4, 2001 in relation to Bill C-11 and that the necessary staff accompany the Committee and that the Committee be authorized to televise its hearings.

**The Speaker:** Is there unanimous consent of the House for the parliamentary secretary to present the motion?

**Some hon. members:** Agreed.

**The Speaker:** The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.

(Motion agreed to)

---

## GOVERNMENT ORDERS

[English]

### INCOME TAX AMENDMENTS ACT, 2000

The House resumed consideration of the motion that Bill C-22, an act to amend the Income Tax Act, the Income Tax Application Rules, certain acts related to the Income Tax Act, the Canada Pension Plan, the Customs Act, the Excise Tax Act, the Modernization of Benefits and Obligations Act and another act related to the Excise Tax Act, be read the second time and referred to a committee.

**Mr. James Moore (Port Moody—Coquitlam—Port Coquitlam, Canadian Alliance):** Mr. Speaker, we were in the questions and comments phase of the discussion. I have largely concluded my comments so I would entertain any questions.

However, I did want to remind the government of the issue of brain drain and the further complications in the tax code that Bill C-22 presents. I will give the example to the House of my own family.

My brother-in-law lives in Louisiana. My sister lives in Atlanta. They are part of the brain drain. In the 19th century, the great exodus of Loyalists to Canada on the underground railway had a song they used to sing. It was called *Follow the Drinking Ground*. The chorus of the song is:

So long old master  
Don't come after me  
I'm heading north to Canada  
Where everybody's free

That was the chorus of the song they sang when they came to Canada because Canada was the place where everybody was free.

Since then it is astonishing how things have changed. The underground railway has turned into a highway heading south, by which the best and brightest leave the country. They leave this country for better opportunities.



My own sister is an example of that. She has a degree in communications in French from Simon Fraser University and she is in Louisiana helping Canadian firms that are trying to sell Canadian products in the French Bayou country. She is a Canadian earning her keep in the United States because this country does not treat her the way she thinks government really should treat its best and brightest.

The United States has a better environment for cultivating, sustaining and taking care of the best and brightest in their country. The Americans treat young people as a resource.

In this country we do not get that. The finance minister brags in the House of Commons day after day about the fact that we have a balanced budget, but he does not give credit to the people who balanced the budget: young people, entrepreneurs, the best and brightest, small business owners, families, the people who sacrifice, and people in the university departments like the small university I went to, the University of Northern British Columbia, which has a crisis in its entire financing structure because of the government.

We have a balanced budget for a whole host of reasons, like the hospitals that get shut down because of this government and like the overtaxation of small businesses. The government stands atop a dustbin of bad decisions. It stands atop the rubble of bad financial decisions and atop the shoulders of small businesses and says that because of the government and its decisions Canada has a balanced budget. Canada has a balanced budget because of nothing government has done. We have a balanced budget because of a whole host of reasons, which frankly the government does not control. The finance minister and the Prime Minister do not appoint Alan Greenspan. They do not decide the economic growth rates of the United States. They opposed free trade. They increased taxes. They increased the payroll taxes that kill jobs and the Canada pension plan. They are driving the best and brightest out of this country.

They talk and brag about balancing the budget and about bills like Bill C-22 that we are debating today, but Bill C-22 goes in the wrong direction. It further complicates the tax code. It makes it less likely that people, entrepreneurs and builders, will want to stay here because they see that this country will be something they want to be part of in 20 or 30 years. That is not good enough.

I would love to see the day when we go back to that chorus of the underground railway, where Canada is an enterprise state, where we can sing that chorus again and be proud of it. For the government members who just walked in, I will remind the House of what that chorus is:

So long old master  
Don't come after me  
I'm heading north to Canada  
Where everybody's free

### *Government Orders*

We need economic freedom and political freedom. We do not have them, we deserve them, and if we do not, we are only sacrificing our future.

• (1515)

**Mr. Paul Szabo (Mississauga South, Lib.):** Mr. Speaker, before question period the member was commenting on a suggestion that the first \$250,000 of income be tax free. I believe the member's response to that suggestion was that that was the kind of progressivity that we should have.

It makes me reflect on the issue of progressivity in our tax system. For members information, progressivity is a principle by which the ability to pay is a founding principle. It means that at certain thresholds as our income grows the rate of income taxation would increase.

The member for Calgary Southeast once explained to the House that a 17% flat tax or single rate tax was a progressive tax because the more one would make the more one would pay. That is kind of interesting. Mathematically it is true but progressivity it is not.

Could the member square the fact that he is a proponent of progressivity in our income tax system, yet his party continues to suggest that we should not have different rates of taxation depending on how much we make. Rather we should lower it so high income earners pay less money under a flat tax or single rate tax and in fact pay the same effective tax rate as low and middle income Canadians.

**Mr. James Moore:** Mr. Speaker, this is what happens in politics when a political debate is dumbed down into catch phrases that are supposed to represent entire economic thoughts.

The progressivity that the member talks about is nonsensical. He is describing progressivity as progressive larger chunks of income that the government takes away. Our concept of progressivity is moving the economy forward, rewarding the best and brightest and letting people keep more of what they earn so they can have a better future. That is progressive.

Although it is broken, flawed and unproven in almost every jurisdiction it has been tried, there is an economic argument presented in *Das Kapital* that says "The harder you work, the more you build, the more people you employ, the more you innovate, the more entrepreneurial you are, the more the state should punish you". Yes, there is an argument out there for that.

Speaking as a young Canadian, and I hope I am not alone, it is rather progressive to say to people that the bigger the risk they take, the more successful they are, the more people they employ, the more ingenious they are, the more creative they are, the bigger sacrifices they make, the more the state is going to champion them as the kind of people that ought to live here, not the kind of people we are going to target and punish because we can take money from them and give it to the Secretary of State for Multiculturalism. That is not progressivity.

*Government Orders*

However the Liberals seem to define progressivity as the progressively larger chunks that the government can take away from the builders, producers, entrepreneurs and the people who make the country work. I would suggest that the Finance Minister spend more time out there talking to small business people and telling them that in Canada they are worth something because they make the country work. They employ the people and they make the country work. The government should reward them not punish them for being the best that this country has.

**Mr. Roy Cullen (Parliamentary Secretary to Minister of Finance, Lib.):** Mr. Speaker, I would have to disagree with the member for Port Moody—Coquitlam—Port Coquitlam. I miss the kind of passion and energy that the previous member from that riding had. I find it strangely ironic that a member would stand up in the House and say that Canadians will not like \$100 billion in tax cuts because it is going to complicate things.

I will go back to the flat tax or single rate tax. Of course what it did was shift the burden of tax from high income Canadians to middle income Canadians, and close to the election campaign the Alliance changed it to a 17%, 25% tax. We are not sure where it is going with its single rate tax but I am not sure anybody cares very much.

The member talked about complexity in the income tax system. We might all agree that the Income Tax Act is complex.

• (1520)

However if the Alliance Party were to introduce a flat tax or single rate tax, does that mean that all the various deductions such as RRSP, medical expenses over a certain amount, charitable donations in certain circumstances, et cetera would not apply, or would he simply have Canadians take a number and multiply it by 17 or 25?

A lot of Canadians think that might be the case, but many of the member's colleagues in the House said that it will not be that way. They said we would have all the same deductions because that was what Canadians wanted and expected. Could the member clarify that?

**Mr. James Moore:** Mr. Speaker, along with the language of progressivity, it speaks again to what I said before about the contortions taken to distort a position of a political party.

Single rate tax is not a flat tax. There is a big difference. There is also a big difference between \$47.1 billion in tax relief which is what is actually happening, not \$100 billion in tax relief. He is not factoring in the Canada pension plan. This is what Canadians do not understand.

He made reference to the previous member for my constituency and said he missed him. The 70% of people in the riding who did not vote for him sure do not miss him.

This speaks to Liberal math. It is not \$100 billion in tax relief. It is \$47 billion. There is a bottom line net amount. The net amount is not good enough. Young Canadians are still leaving the country. Businesses are still closing down. Provinces are not better off. The welfare state gets larger and larger.

Frankly, I would like to see a lot of government departments have smaller budgets.

**Mr. Paul Szabo:** Name them.

**Mr. James Moore:** The hon. member says to name one. The Secretary of State for Multiculturalism deserves a smaller budget. There is one.

**Mr. Paul Szabo:** Why?

**Mr. James Moore:** Because she does not.

**Mr. Keith Martin (Esquimalt—Juan de Fuca, Canadian Alliance):** Mr. Speaker, it is a pleasure today to speak on Bill C-22. I find it intriguing, listening to the debate, the completely different psychologies of our side and that of the government.

I listened to some of the comments made about the tax structure. Our party is for a progressive tax structure, not a punitive tax structure which is what we have today.

Why do we have a system where the more one earns, the greater chunk is taken away? Our party has always fought for the ability of individuals to take care of themselves and for a fair tax structure that takes the same percentage from the amount people make as they grow older. Therefore the more one makes, the more one pays, but the more one pays is not a greater percentage of what one makes.

Also what is not as well known perhaps is that our party stands for radically and dramatically improving the health and welfare of the poorest and most impoverished people. How would we do that? Simply by raising the amount of money that people would have to make before they pay taxes. That is progressive, innovative and demonstrates ingenuity.

If the government truly wants to help those who are most in need, then it would look at our single tax rate, look at the way we have articulated it and understand very clearly that it strikes a balance between helping those who are most impoverished while enabling those who are innovators to have the tools to innovate.

There is one major complaint that I think all members in the House hear when they talk to small and medium sized businesses in their ridings. That is the government takes too much money from their pockets. They generate jobs, innovate and are the major engine of economic growth in our country.

They ask us why the government is not listening. There have been reports and committees at federal and provincial levels for

years. Report after report says the same thing. Canadians want the ability to provide for themselves, to pay a fair share of tax but not a punitive share of tax. Businesses want to generate the funds to hire people, to do research and development and engage in the actions that build a strong economy which enables us to have strong social programs.

One of the mythologies that has always been connected to the right of the political spectrum is that the right does not care, the left does and that the right only cares for the rich, the left cares for the poor. This is completely nonsensical.

• (1525)

We have shown and demonstrated over the years that the budgets put out by the members of New Democratic Party have been abysmal and the arithmetic has not added up. Instead of helping the poorest people in our society, they would actually hurt them. What they would do is raise taxes up to such a level that the ability of the private sector to function would be constricted and restricted. This leads to brain drain, the exodus of businesses from Canada and the lack of ability for businesses to get on the cutting edge in their chosen field.

Some would say we need to raise taxes even more. If we look at the European models of Sweden, Norway, Switzerland and countries that have historically been the bastions of socialism, countries that have been looked upon from the socialist left, as being the nirvana of economic thought, they not only damaged and destroyed their social programs, they gutted the soul of their countries and severely compromised their economies. This has been proven in history.

I would encourage members of the NDP to listen very carefully and look at their history books. What they ought to do is come over to the Canadian Alliance, as should members from across the House, and listen to what we have fought for over a long period of time. Indeed, the former leader of the Reform Party was an individual who was at the forefront of this and deserves a great deal of credit for doing this.

One of the major reasons I joined the party in 1993 was out of a deep concern over the state of our social programs. I did not look at the NDP for that. I chose the Reform Party. Why? Because the Reform Party articulated constructive economic solutions to enable us to have a fairer and a lower tax rate which would give our private sector the ability to generate the funds to expand. It would also provide the moneys for our social programs.

A healthy economy and a healthy private sector means strong social programs. After all, the best social program any individual could ever have is a job. Whatever we can do to strike that balance between enabling our private sector to be strong, aggressive and competitive, as well as ensuring that we have tight, strong social programs that are targeted and fair, will create the right balance.

### *Government Orders*

I believe the public who is watching and members from across party lines will understand very clearly that this is something we have striven for throughout our entire professional careers here.

We only need to look at the tax differential between ourselves and the United States to see what it has done. We heard about the brain drain. We heard about the exodus of companies. Perhaps what we have not heard about is a more subtle and perhaps more insidious problem in our society. That is what this has done to the soul of our country.

Punitive tax rates erode the deep, inherent desire that all of us have to strive to better ourselves. It destroys that edge of innovation that every country needs to be competitive in a global environment. Let us not forget that we are not only competing among ourselves, within provinces and between provinces, more important we are competing with other countries. As the barriers to trade come down, which is a good thing, we will have to find our niches and be more aggressive in how we capitalize on those.

I would also re-articulate the issue of a single tax rate, not a flat tax rate, but a single tax rate that lowers and simplifies the tax system while still allowing many of the deductions that we have enjoyed in the past.

I would also suggest, and this is a personal issue, that we lower the GST. The government has never looked at lowering it, although it promised to, or simplifying it. One of the major complaints we all hear about back home is that the GST is far too complex. The amount of money that goes into managing it chews up about one-third of all the moneys received from GST. That is not an efficient system.

Personally, I would implore the government to look at ways to simplify the GST, make it a single one time per year reporting, make it more comprehensive and lower the amount by 2%.

• (1530)

On the issue of payroll taxes, the EI moneys that companies pay are in many ways just another tax. The government has generated billions of surplus dollars from the EI fund that we have said time and time again must go back into the hands of the Canadian people and the companies that hire them.

EI, under the guise of being a social program, is actually a tax. Payroll taxes by and large are another form of tax. What we can do is ensure fair EI payments and restructure EI into a true insurance policy.

I will also speak about charitable donations. There is a theory that the higher the taxes, the greater the desire of individuals to donate in order to receive a tax benefit. The facts prove the opposite to be true. The United States has done some interesting studies to show that the more money people have after tax, the more they donate.

*Government Orders*

Between 1982 and 1989 the marginal top tax bracket in the United States dropped substantially. The amount of money people had in their pockets increased dramatically and there was a 29% increase in the amount of money people donated. That is a huge amount.

These days, when people have less and less money and non-governmental organizations have more and more responsibility to raise money, is it not fair and equitable that the government give them a chance to take care of themselves? Is it not fair that organizations like the Canadian Cancer Society, Juvenile Diabetes Foundation Canada and others have an opportunity to raise money from the public and that the public derive the benefit from that?

We cannot take money away from non-governmental organizations while denying them the ability to raise money. The government should look at what the U.S. did in terms of enabling people to increase their donations. Again, it is about more money at the end of the day in people's pockets.

Another thing the government can do is enable NGOs and the people who donate to them to derive the same tax benefit as a person who donates to a political party. Why do people who donate to the Liberal Party or the Alliance Party receive a higher tax benefit than if they donate to the Canadian Cancer Society?

We should ensure there is equitability, that a person who donates to an NGO receives the same tax benefit as someone who donates to a political party. I encourage the government to look at that. It is quite innovative work. People in Canada who rely on non-governmental and charitable organizations would benefit enormously from such a progressive move on the part of the government.

Another thing the government can do in an age of so much new wealth is enable people in the top tax bracket to create foundations. Foundations can be an enormous generator of funds for charitable and other non-governmental organizations. Why does the government not put provisions into the tax structure that enable people to create foundations which give them control and ownership and, I would argue, efficiency in ensuring those moneys get to people in need?

Another innovative program is energy tax incentives. The United States in its budget last year put through some innovative energy tax incentives aimed particularly at reducing greenhouse gas emissions. Many of those tax benefits rest on the ability of individuals to invest in other forms of non-fossil fuels and non-greenhouse gas producing energy sources that benefit both the environment and the individuals themselves.

• (1535)

I encourage the government to look at what the U.S. has done. Solar power, new ways of heating homes and hybrid cars that use non-fossil fuels would all provide our environment, individuals and the organizations producing them the tax incentives that would wean us away from fossil fuels.

Our demand for energy will increase substantially. We will need alternative fuel sources. Nuclear power is a clean source, but it has an obvious downside. Fossil fuels are limited. Since greenhouse gas emissions will only increase, we must look at alternative measures. We could learn from the U.S. energy tax incentives to greatly improve our environment at home.

On the education system I encourage the government to look at another proposal from our side, the income contingent loan repayment plan. Students today face increasing difficulty in finding the money to pay for their education.

I am a physician, but I could not have gone to medical school if costs had been what they are today. Tuition fees at my alma mater are now more than \$12,000 per year. There is no way, given the socioeconomic conditions I grew up in, that my family could have afforded the fees. That is the situation students across the country are facing.

We are now seeing a very dangerous situation in which professional faculties are becoming the purview of the rich. A recent study looked at family incomes at various schools, and I will take the University of Western Ontario as an example. The study found that over the last four or five years the average family income went from \$60,000 to more than \$120,000 for students entering medical school at the University of Western Ontario. That pattern is borne out across the country and in other professional faculties like law and dentistry.

People in lower socioeconomic groups who want to enter professional faculties face an economic obstacle. Gaining access to professional faculties is no longer an issue of merit or competence. It is becoming an issue of how much money one's parents make. This is a critical issue that must be dealt with now. It is an matter of fundamental fairness for a country that prides itself on equality for all people regardless of socioeconomic condition.

The situation will only get worse. I encourage the Prime Minister to call together the ministers of education across the country to urgently look at the matter.

The shortage of professors and faculty members is also an issue now and will be one in the future. Across the country the dearth will become critical. It is so bad now that universities and post-secondary institutions have sent out a clarion call for help. We must find innovative ways to train and retain individuals who can teach and work in our post-secondary institutions. A professor cannot be trained overnight. It takes at least seven years.

I encourage the government to raise the issue at a first ministers conference as soon as possible. It will take years to deal with it, but it must be done for the sake of our youth and our economy. The economy is predicated on hiring and training good, competent individuals. If we cannot train people of excellence our economy will face a fate we do not want to contemplate.

*Government Orders*

Lastly I will address the issue of accountability. My colleagues have raised the issue time and time again. A backbench member of the Liberal government articulated a solution with which it is difficult to disagree. The individual quite intelligently raised, as have my colleagues, the fact that we do not know where our money has been spent.

• (1540)

We need to know the amount of money going in, where it is spent and what the output is. Whether we are talking about health care, agriculture or the environment, we need to measure this. There are ways it can be done.

Every ministry ought to be on a spreadsheet so that a deputy minister would know, if asked, where the money has gone, how it was spent and have a way of measuring the output. That is what we want and what the public wants. If we are to build an effective public service we must do that.

The government has been very clearly asked to do this by the Clerk of the Privy Council. He has asked for an urgent indepth look at our public service and how we can make it more efficient. The good people who work in our public service urgently need that as well. We must find ways of innovating and allowing members in the public service to put their incredible talents and intelligence to the best use.

I will again draw attention to something Mr. Gore did when he was vice-president. President Clinton asked Mr. Gore to rejuvenate the public sector. Mr. Gore did something I thought was quite innovative. He told public sector members they had carte blanche to do the right thing but with certain restrictions. He then gave them a card listing the restrictions.

We need to be able to unleash the power of our public service. We need to increase its efficiency and accountability. We need to streamline it so we have an efficient public service that works for the public good.

I know my time is up. I will close by saying that the bill, while it moves in the right direction, should have come out three years ago.

**Mr. Paul Szabo (Parliamentary Secretary to Minister of Public Works and Government Services, Lib.):** Madam Speaker, one item the member talked about in his speech was the differential between the tax benefit for political donations and the tax benefit for charitable donations. That issue has been with us for some time.

I did a quick calculation. The member will probably know that if someone were to make a political donation of \$1,400, his or her income tax rebate, all other things considered, would be \$500 because it is limited to that amount. If the same person contributed

that \$1,400 to a charity, received the 17% tax credit on the first \$200, the 25% credit on the next \$200 plus the provincial income taxes which are calculated on the federal, the person would get a bigger tax refund on a \$1,400 contribution made for charitable purposes than on one made for political purposes.

It is not black and white that political donations are more beneficial than charitable donations. There is a crossover point. The benefit continues to rise for charitable donations whereas there is a cap of \$500 on political donations for all contributors.

I suggest to the member that there is a rationale behind political donations having a higher tax credit rate for the first \$200. The reason, as I understand it from the discussions that led up to providing the credit, is that it provides all Canadians an opportunity to seek public office at the federal level and to be able to raise money in a way which would allow them to compete in a federal election.

That is a very expensive proposition, as the member knows. Members of parliament have limits in the range of \$60,000 to \$70,000 to run an election campaign. It is a very expensive proposition. The credit encourages individual taxpayers to contribute to the democratic process so that all Canadians, regardless of their state in life or their economic condition, have an opportunity to run in an election campaign. I raise that with the member simply for his information.

The question I have is on a related matter in the sense that the member is talking about equity and progressive taxation.

• (1545)

There may be a difference in the discussion when we talk about progressive taxation versus progressivity. The member's colleague who spoke previously addressed the issue of providing a tax free amount of \$250,000 of income that would somehow encourage or stimulate people's investments.

It was described as being the kind of progressivity that we would like to have in Canada. If the Canadian Alliance is talking about progressivity, not progressive taxation but progressivity, as a desirable aspect in our income tax system, could the member help the House understand how it could also propose a single or flat tax of some rate that would lower the income tax burden of high income taxpayers and put that burden on middle income taxpayers? This is not progressivity but quite the opposite.

**Mr. Keith Martin:** Madam Speaker, most Canadians do not have \$1,400 to donate to any charitable organization including political ones. The member should take back to his cabinet that the government should be increasing the amount of tax benefit individuals receive at the lower level because most people donate less than \$200, not \$1,400.

*Routine Proceedings*

On the issue of the tax structure, our party's tax benefits and deductions are progressive. The current tax structure is a punitive tax structure. As an individual earns more, the system takes away more.

What that does to an economy was seen profoundly in the United Kingdom prior to Margaret Thatcher. Prior to Mrs. Thatcher the tax structure was similar to ours. The government member would call it progressive but in fact it was punitive. What it did was gut its economy. Mrs. Thatcher reduced taxes and managed to rejuvenate the economy.

Ireland is another example. It had a punitive tax structure such as the one that Canada has versus the more progressive one that it has today.

The government also has very sly methods of taking money away from individuals. I draw the attention of the House to one very important point. The government is giving money to our soldiers on the one hand and on the other hand it is yanking the money away with increased rents on their private married quarters and forcing them to pay for things they did not pay for before. It is giving money with one hand but taking money with two hands.

That is what the government is doing to the men and women in our military. It is disgusting. These people put their lives on the line for us and the government is shafting them. I will be raising that again with the Minister of National Defence as soon as possible. I have raised repeatedly in the past. I encourage the member to raise it and fight for it within his own caucus because this stone will not be left unturned.

**Mr. Brian Fitzpatrick (Prince Albert, Canadian Alliance):** Madam Speaker, I should like to make a comment on something that was said before I get to my question. In the 1980s U.S. tax policy was to lower taxes, simplify them and flatten them in a major way. It is called efficient market theory. Today the U.S. produces 35% to 40% of the world's GDP with 5% of the world's population. Whether we are talking about autos, softwood lumber or whatever, Canada is very dependent on the robust healthy economy of the U.S. I would like to see Canada get that economic growth participation and the population base to go with it.

We only have 30 million people. The U.S. has 300 million. Very often we forget that point. Our population is not growing and we do not have a very large market. We have to find a way of getting a market in this country.

My colleague raised something that I do not know a whole lot about. I would ask him to enlighten the House on it.

• (1550)

In Saskatchewan, the Bill Gates Foundation contributed something like \$20 million. The money was invested in remote communities in rural Saskatchewan, which include a lot of first nations

communities, to provide computers and get individuals on the Internet. It is something the government talks a lot about, but we do not have a lot of evidence of it. However Mr. Gates and his foundation made that a reality in Saskatchewan.

I am very interested in the whole idea of foundations. Rather than bureaucrats and government dictating and determining where investments go, we could get those people who have shown they can create wealth and produce goods and services to get the economy going. To have people like Mr. Gates, Mr. Buffett, or someone along those lines with a foundation making those sorts of decisions in our economy could spawn some things. I was very interested in the hon. member's comments in that regard. Maybe he would enlighten us on how the bill would encourage that sort of development in our nation.

**Mr. Keith Martin:** Madam Speaker, the fact of the matter is that we do not have that kind of tax structure. The bill does not have that kind of provision. The member raises the very interesting example of an American philanthropist who has decided to donate a substantial amount of money to our country.

We are missing an enormous source of innovation, energy and money that could be applied to some of the neediest people in our country. Many individuals who have made large sums of money in business would like to do that. They are very successful and intelligent people who could use the skills they applied in business to provide such a public service through their foundations. The government does not need to do anything about that. It just needs to give them the chance to do it.

I am almost finished drafting a private member's bill that deals with the issue. When I introduce it, I look forward to support from all members of the House.

---

## ROUTINE PROCEEDINGS

[English]

### COMMITTEES OF THE HOUSE

INTERNATIONAL TRADE, TRADE DISPUTES AND INVESTMENT

**Mr. Derek Lee (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.):** Madam Speaker, I rise on a point of order. Ongoing consultations allow me to seek unanimous consent to put the following motion dealing with committee travel. I believe you would find unanimous consent for the following motion:

That the Subcommittee on International Trade, Trade Disputes and Investment be authorized to undertake a study of Canada's economic relations with Europe, and further that the committee approve a proposed budget for eight members of the subcommittee, along with the necessary subcommittee staff to travel to Paris, Geneva, Berlin, and Brussels during the period of April 22 to May 5, 2001.

*Government Orders*

**The Acting Speaker (Ms. Bakopanos):** The House has heard the terms of the motion. Is there unanimous consent?

**Some hon. members:** Agreed

(Motion agreed to)

---

## GOVERNMENT ORDERS

[English]

### INCOME TAX AMENDMENTS ACT, 2000

The House resumed consideration of the motion that Bill C-22, an act to amend the Income Tax Act, the Income Tax Application Rules, certain acts related to the Income Tax Act, the Canada Pension Plan, the Customs Act, the Excise Tax Act, the Modernization of Benefits and Obligations Act and another act related to the Excise Tax Act, be read the second time and referred to a committee.

**Mr. Gurmant Grewal (Surrey Central, Canadian Alliance):** Madam Speaker, I rise on behalf of the constituents of Surrey Central to state our case in opposition to Bill C-22, the Liberal government's proposed changes to the Income Tax Act, the income tax application rules, the Canada pension plan, the Customs Act, the Excise Tax Act and many other acts.

Earlier this morning I spoke in opposition to the Liberal's proposed changes to Bill C-9, the Canada Elections Act. That act creates a two tier electoral system. Among other things, it discriminates against smaller political parties. The Liberals are eroding our democracy with that bill and we cannot support it.

Bill C-22 seeks to amend the Income Tax Act and statutes originally included in Bill C-43 and to put into place key aspects of the last two budgets. The bill has 31 amendments touching on a number of tax deductions and their definitions.

There are three main reasons the official opposition and my constituents oppose the bill. First, the bill fails to address the enormous complexity of the tax code. It adds further complexity to an already complex tax code.

• (1555)

Second, it undermines the family, particularly one income families.

Third, the tax cuts provided for in the bill fall far short of what the Canadian Alliance proposed and what the government must do to increase our nation's productivity, competitiveness and standard of living. I would like to elaborate on those three points beginning with the complexity of the bill.

The government should be moving toward simplifying and broadening the base of the tax code. Lowering the taxes of all Canadians would be easier and it would have a far more positive impact for everyone. If the tax code were simplified and if it had less exemptions, further clarification would not be necessary.

The bill adds to the enormous complexity of the Income Tax Act with its numerous amendments. Rather than simplifying the act as the Canadian Alliance would do, the Liberals continue to maintain a costly and complicated tax code.

Another reason for my opposition to the bill deals with measures in the bill that assist the tax position of families with some minimal tax reductions. Nothing is done to address the longstanding inequality between single income and dual income families. The bill increases the inequity by increasing the child care tax deduction which is only available to high income or dual income families.

The bill also erodes the legal position of marriage. By changing references of spouse to common law partner it is including same sex partners.

Even after the changes proposed in the bill, Canadians would continue to pay far too much in taxes. The mini budget claimed to cut taxes by \$100.5 billion over five years. However here is the reality. It is a bit technical so I would like to go into a little detail.

From the \$100.5 billion claim of gross tax relief we must subtract \$3.2 billion over five years for social spending, chiefly the child care tax benefit. The child care tax benefit is a spending program delivered through the tax system. The increase in the tax benefit should not be confused with being a tax decrease as it is a spending increase. The figure above excludes indexation because indexation is accounted for separately.

We then have to subtract \$29.5 billion over five years for increased CPP premium hikes. We then have to subtract \$20.7 billion over five years for cancelled tax hikes, namely indexation. Indexing the personal income tax system is meant to hold the tax burden constant over time so it should not be counted as a tax reduction.

Therefore when we take into consideration all those deductions, the net tax relief is only \$47.5 billion provided over five years, not immediately.

The reality of the Liberal Party's 2000 tax relief package is that it is less than half of what it claims it is and half of what the Canadian Alliance proposed during the election.

These are the realities when we do a little math and we go into detail. This is how the tax relief would work in contrast to the image of tax relief the Liberals are projecting through their propaganda. We are watching a smoke and mirrors show by the government with respect to the bill.

*Government Orders*

• (1600)

Bill C-22 is a 500 plus page bill. I will read it later on because it will take too long. The Liberals say the bill is concerned with administrative, technical and implementation measures. They say it implements about \$100 billion in tax cuts over five years. As I demonstrated it does not. It is less than half of that amount.

The more people study the bill, the more problems they will find. The more people study the bill the more complexities it creates in the minds of Canadians. I will take the time to go over some of the points.

There are 31 amendments in the bill. One amendment is about non-resident film and video actors. It would apply a new 23% withholding tax on payment to non-resident film and video actors and their corporations, with an option to have the actors and corporations pay regular part 1 tax on the net earnings instead. This provision alone hurts my beautiful province of British Columbia where film making has become popular and is contributing to the economic well-being of my province.

Canada Citizenship and Immigration has also imposed restrictions on issuing visas to those who are trying to come to Canada to make films and make the best use of the beautiful British Columbia scenery and its facilities. This hurts B.C. Those people then go to other countries to make films. Why should they come to B.C. to make films? Many people are hoping the film industry will contribute to the prosperity of my province.

The bill deals with limited liability partnerships, replacement property rules, types of property to be considered, stop-loss loans and a capital tax. An additional capital tax would also be imposed on life insurance corporations. Foreign affiliate losses would determine the affiliate or accrual property income for a particular taxation year. It deals with a foreign affiliate held by a partnership with simultaneous control in a chain of corporations and the control of their stake. It deals with advertising expenses concerning periodicals and magazines between Canada and the United States. It also deals with trusts and the tax treatment or property distribution from a Canadian trust to a non-resident beneficiary. Further, it deals with mutual fund trusts, RRSPs and adjusted retirement income funds.

When we go into the detail of the bill, we will notice that there are more complexities, more anti-family type situations and many other things.

There is taxpayer migration which is the ability to tax the gains accrued by immigrants. It will affect the projection of the country's image with respect to future immigrants.

With reference to foreign branch banking, there would be a 15% investment tax credit for certain grassroots mineral exploration. There is the foreign exploration and development expenses and the value of foreign resource property owned. It would impose a 30%

restriction for the annual deduction of new foreign exploration and development expense benefits.

There are many other points. Here is another one. There would be a foreign tax credit on oil and gas production sharing agreements. Another one is weak currency debt that limits the deductibility of interest expenses and adjusts foreign exchange gains and losses in respect of weak currency debt and associated hedging transactions.

There are many points in the bill which will further make the tax codes very complicated.

• (1605)

Since capitalization, it reduces the acceptable debt to equity ratio from 3:1 to 2:1 and it repeals the exemption for manufacturers for aircraft and aircraft components.

As far as CPP contributions on self-employed earnings, these amendments introduce a deduction from business income for one-half of CPP contributions on self-employed earnings with the other half of the contributions remaining eligible for the CPP tax credit.

Here is something regarding students and scholarships, fellowships and bursaries. The exemption would be increased by \$3,500 for scholarships, fellowships and bursaries received by the taxpayer in connection with the taxpayer's enrolment in a program and in respect of the taxpayer claiming the education tax credit.

Here is another one for the education tax credit. It would double the monthly amounts the tax credit allows to full time and part time students based on \$400 and \$120 respectively.

It also affects the medical expense tax credit.

There is not one area that does not affect families, caregivers, infirm dependant tax credits, disability tax credits, child care expense deductions and so on. Therefore, I assume this bill will not only be affecting families but also those individuals and low income people.

The Canadian Mining Association supports some aspects of this bill. It supports the definition of mining property, yet it was not aware of the changes until the official opposition contacted it. The association was not consulted. It had to learn from us that the definition of mining property was being tinkered with by the government.

This is a government from behind closed doors. Surely if the government was sincere in its intention, it would have contacted stakeholders and various groups in Canada. It would have listened to Canadians. It should have understood that Canadians want the tax credits to be implemented sooner rather than up to 2005.

The bill guarantees that the basic personal exemptions will hit a minimum of \$8,000 by the year 2004. The credits and relief



provided in the bill are a step in the right direction, but they are baby steps nonetheless.

Efforts have been made to reduce the capital gains tax, deficit surtax, marginal rates, raise marginal income thresholds and tighten up various other rules surrounding deductions. The bill would increase and clarify the disability tax credit.

There are some good points and some bad points.

In conclusion, Canadian Alliance members would restore public confidence in the fairness of the Canadian tax system by reducing its complexity. We would restore indexation and move toward a simpler tax system built around a single rate of taxation to ensure lower taxes for all Canadians. We believe all Canadians above a minimum income level should share in the cost of the services provided by the government, which benefit all of us irrespective of income.

We hope the government will consider the amendments and what witnesses have said at the committee hearings on this bill. At this point the Canadian Alliance will not be supporting this bill.

**Mr. Roy Cullen (Parliamentary Secretary to Minister of Finance, Lib.):** Madam Speaker, the member for Surrey Central along with his previous colleague made the argument that Canadians would not be very happy with the tax package because even though it was \$100 billion it would complicate things. Of course even their own tax proposals do not uncomplicate things, as they have said in this Chamber.

While we all agree that tax simplification is perhaps a good objective, with respect, I believe the member is missing the point. Canadians do want tax relief. They embrace this tax relief, the largest tax relief package in the history of this country.

Then the member for Surrey Central, along with previous colleagues, argued that the tax relief package was really not \$100 billion and was somewhat less. He argued, for example, that Canada pension plan increases should come off that amount. He and Canadians know that the Canada pension plan is an employee-employer based contribution pension scheme where Canadians are investing in their future retirement, health and well-being. It is not a tax. The premiums do not go to consolidated revenue. It never was a tax, never has been and never will be. He knows that is disingenuous at best.

● (1610)

He also argued that by reindexing the tax system that that was not a tax saving. I used some examples earlier. A one earner family with two children today is making \$40,000. By the end of this tax relief package their federal tax burden will be reduced by 59%. That is 59% less federal income tax that they would pay compared with what they would have paid if this was not implemented. To say that cannot be counted as tax relief is absolutely incredible.

### *Government Orders*

I would like to put this question to the member for Surrey Central. Leading up to this budget, Alliance members invariably stood up in the House and said that the Liberal government had increased taxes a multitude of times. We had not increased taxes at all. They were really saying that because we did not reindex the tax system we were effectively increasing the tax. I think that was their point. When asked to name the tax increases, they could not because taxes had not been increased.

How can they now claim that because we have reindexed the tax system, before it was a tax increase, but we cannot now say it is a tax decrease? Could the member explain that?

**Mr. Gurmant Grewal:** Madam Speaker, I know that the hon. member spoke to this bill earlier and I listened to his concerns. I intended to address some of the concerns he mentioned during his speech.

He continues to insist that the bill is a simplification of the Income Tax Act and various other acts. Why then are the amendments needed? The Income Tax Act is very complicated. The new bill has over 500 pages and is further complicating the situation.

The hon. member said that the bill would offer huge tax relief. However, it is too little too late. He bragged about the government's tax relief. According to the hon. member he said that it would be the largest tax relief in Canadian history. I have to contradict him on that point.

I would like to remind the member that the tax decrease which the government is proposing is not an actual tax decrease. I showed through the calculations that it would be less than half and would be over a number of years. I would like to remind him that the largest tax increase in Canadian history took place during this Liberal regime.

He asked me to mention one example. There was a 73% tax increase in CPP. That is the largest tax increase in Canadian history.

It was the Canadian Alliance Party which talked about bracket creep. The government finally listened to us. Whenever I talk to my constituents I always tell them that our party is not only holding the Liberals' feet to the fire, but our party has been carrying a flashlight for a long time. We show the Liberals the darkness and they keep walking behind us. However, the Liberals do not listen. They do not get it right. They steal from our party policy from time to time but we wish they would steal more. Unfortunately, they do not get things right.

Various tax increases, including levies, show that there is a tax increase. I mentioned CPP. The hon. member mentioned that the CPP was arm's length from the government. If that is the case, why did the government grab the surplus from the CPP fund? The CPP premiums were paid by employers and employees and should have been lowered.

*Government Orders*

• (1615)

The hon. member does not have it right. He should probably take this point into consideration. That is why our party proposed those amendments. The government should listen to Canadians because probably that will help to simplify our Income Tax Act and various other taxes.

**Mr. John McCallum (Markham, Lib.):** Madam Speaker, I rushed over here to ask a question because I cannot agree with very much that the hon. member has just said. In fact, I have a triple-barrelled question.

First, what I cannot understand is what one might call opposition ingratitude in the face of what the whole world has described as the impeccably timed tax cuts, the largest in Canadian history, praised by the IMF and OECD, et cetera, which came into effect at exactly the right moment, January 1 of this year. Second, I would like to ask a question with respect to the hon. member's complaints about the Canadian pension plan contributions and indexation. Finally, I would like to ask a question with respect to the Alliance proposals. If I may, I will go through each of these very briefly.

The fact of the matter is that the Americans are now talking about tax cuts which the Canadian government has already implemented at precisely the right time, at the moment of the slowdown.

**An hon. member:** But not over five years.

**Mr. John McCallum:** Over five years, but in the first year there is a big chunk of tax cuts. If we add up the federal contribution and the provincial contribution, it comes to 1.5% of GDP, which is an extremely large number, among the largest in the G-7. No other country's timing is as good.

It is open to debate whether this impeccable timing is a matter of good luck or good advice last year by private sector economists or the brilliance of the finance minister. I will leave it to the opposition to allocate the credit. Whatever the reason, these tax cuts have come in at just the right time, just when the doctor ordered them, just when this slowdown began.

This is my first question: why is the hon. member not more grateful for this impeccable timing?

Second, I will leave out the CPP, Madam Speaker, to be brief.

The hon. member claims that the Alliance program was superior to the Liberal program that has given us the biggest tax cut in Canadian history. I would be the first to acknowledge that the Alliance tax cuts were bigger than ours. However, there is a double problem. With regard to the Alliance tax cuts, according to Department of Finance officials and bank economists—not me, because I know I am tainted now, being a politician—had we gone with the flat tax or single rate tax cuts, we would have had an \$18

billion fiscal hole. I would ask the hon. member to explain what he would have done about that fiscal hole.

The only way out of it would have been Draconian expenditure cuts, including cuts to core programs, because that \$18 billion exceeded the so-called frivolous spending, according to the Alliance. The cuts would have had to be to core spending programs, which would have made the slowdown slower than it has been. Not only that, but the Alliance program with its flat tax would have, in a single leap, taken us to the most unequal, unfair tax system in the whole of the western world.

My question is this: why does the hon. member not accept the fact that we had this impeccable timing, for whatever reason, and how can he explain the fact that his admittedly larger tax cuts would have either given us an \$18 billion fiscal hole or would have required Draconian tax cuts to core social programs, including health care?

**Mr. Gurmant Grewal:** Madam Speaker, I thank the hon. member, who is a former banker and economist, for this triple-barrelled question. However, my time is short and I think he talked about the whole economy. It would probably take six hours to answer this question in detail.

However, I appreciate the hon. member's question and I appreciate his acknowledgement that the tax cuts in the Canadian Alliance plan were greater and that they were the largest tax cuts in Canadian history. I compliment the hon. member for being honest and straightforward in acknowledging that. When a Liberal member acknowledges that the tax cuts our party was proposing were the highest, I consider it a compliment.

• (1620)

Then he went further in talking about that \$18 billion hole. However, let me remind the hon. member, who is an economist and who has a huge amount of experience in working with banks, that we would eliminate the waste in the government and cut spending by government as well. The hon. member knows that nine cents of each tax dollar is wasted by the government. That alone reduces by a significant amount what he is talking about if we take that 9% off the \$142 billion revenue of the government that goes to wastage.

He talked about taxation and other things. I would remind the hon. member that it is his party that has been governing this country for quite a long time. It is his party that has contributed considerably to the debt in this country, with 42 cents of each tax dollar going toward debt payment. The Liberals are responsible for putting us at an economic disadvantage.

Look at the low dollar. The hon. member will agree with me that it is this government that is responsible for lowering our dollar, increasing our taxes and increasing our debt. In particular, our personal income taxes are the highest of the G-7 countries, even after this tax relief by the government.

The hon. member should give serious thought to recognizing that the tax relief given by the government is not enough. As he is an expert on this issue, I urge him to lobby the government and to give his advice to the government to lower taxes, not in five years and not by half of what they are telling us, but by the right amount, which Canadians deserve.

**The Acting Speaker (Ms. Bakopanos):** That was the last speaker on the bill. However, earlier I saw three members rise to ask questions. Is there unanimous consent to allow the three members to ask their questions?

**Some hon. members:** Agreed.

**Some hon. members:** No.

**Mr. Gurmant Grewal:** Madam Speaker, I rise on a point of order. It has been a very interesting debate and we have had an encouraging response from all members. It is very good to have discussion from all members.

In that spirit, I would like to point out that Canadian Alliance members did not oppose that consent. I would ask you to seek unanimous consent of the House again, because Canadian Alliance members will say yes to extend the question and comment period.

**The Acting Speaker (Ms. Bakopanos):** Unfortunately it did not receive unanimous consent, so I am assuming that we will put the question.

**Mr. Brian Fitzpatrick:** Madam Speaker, I rise on a point of order. All I wanted to do was to pay tribute to a Canadian who won the Nobel Peace Prize, Robert Mundell, who would not agree with anything that my learned friend—

**The Acting Speaker (Ms. Bakopanos):** Is the House ready for the question?

**Some hon. members:** Question.

**The Acting Speaker (Ms. Bakopanos):** The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.

**Some hon. members:** No.

**The Acting Speaker (Ms. Bakopanos):** All those in favour of the motion will please say yea.

**Some hon. members:** Yea.

**The Acting Speaker (Ms. Bakopanos):** All those opposed will please say nay.

**Some hon. members:** Nay.

### *Government Orders*

**The Acting Speaker (Ms. Bakopanos):** In my opinion the yeas have it.

*And more than five members having risen:*

**The Acting Speaker (Ms. Bakopanos):** Call in the members.

*And the bells having rung:*

**The Acting Speaker (Ms. Bakopanos):** A recorded division on the proposed motion stands deferred.

\* \* \*

[*Translation*]

### CANADA FOUNDATION FOR SUSTAINABLE DEVELOPMENT TECHNOLOGY ACT

**Hon. Claudette Bradshaw (Minister of Labour, Lib.)** moved that Bill C-4, an act to establish a foundation to fund sustainable development technology, be read the third time and passed.

**Mr. Brent St. Denis (Parliamentary Secretary to Minister of Transport, Lib.):** Madam Speaker, it is a pleasure to take part in the debate on third reading of Bill C-4, which would establish a foundation to fund sustainable development technology.

• (1625)

[*English*]

Sustainable development involves balanced development, an approach that avoids either/or outcomes, that does not sacrifice one essential value for another. The goals are complex, not simple, for example, not just electric power, but power without pollution, not just industrial growth and busy factories, but these without environmental damage.

We know from the history of the last 30 years that these balancing acts are achievable. We need only think of the reduction of automotive emissions, the abatement of air pollution, improvements in energy efficiency, and technologies of enhanced oil recovery that squeezed new oil from old wells and at the same time reduced the environmental footprint.

The common factor in every case has been innovation: new thinking and new technologies that transform the equation, effective technologies, affordable technologies and sustainable development technologies. Innovation has helped us progress as a society and it will continue to do so in the future.

Innovation of this order is what Bill C-4 is about. The legislation is straightforward. It would authorize the establishment of the Canada foundation for sustainable development. The foundation would administer the sustainable development technology fund of \$100 million announced in budget 2000.

*Government Orders*

The initial focus of the foundation would be on climate change and clean air because these are two major environmental challenges of our time, particularly as recent events in the U.S. have dictated. Under the climate change heading, it would concentrate on the development of new technologies to slow down, arrest and eventually roll back the threat of climate change, for example, technologies to reduce greenhouse gas emissions, to make carbon energy systems less carbon intensive, to increase energy efficiency, and to capture, use and store carbon dioxide.

In the clean air part of its mandate the foundation would focus on the development of technologies to reduce the level of contaminants in the air we breathe: volatile organic compounds, nitrogen oxides, particulate matter and others.

Technological innovation is by nature adventurous, pioneering work that will always involve some form of risk. That makes it particularly important that we achieve the best possible ratio of inputs to outputs, of investments to results.

First, the bill would require that the foundation concentrate its funding support on collaborative efforts rather than on projects by single entities. This requirement reflects a strong emphasis throughout the legislation on teamwork. It would also help ensure that funding goes to projects that receive technical review and peer support.

Second, the foundation would plan its activities to complement and to dovetail with those of other federal and provincial government programs on climate change and clean air.

In addition, the terms and conditions in the funding agreements would require the foundation to use the fund to lever investment from other sources to get the ball rolling, not to play the whole game. The foundation would fund up to 50% of eligible costs of any project but never more than 33% of eligible costs on average across the program. This requirement too is consistent with the promotion of teamwork. It is also a consistent maxim that a good predictor of a project's success is the willingness of proponents to put up some of their own money.

Let me now turn to another aspect of the proposed foundation: the arrangements for governance as visualized in the bill. Ultimately the extent to which the fund advances the cause of sustainable development depends on good targeting, good management and good administration. The machinery of government for the foundation that the bill proposes meets this requirement.

The legislation would require the foundation to operate at arm's length from the government and hon. members will see that the governance structure matches that requirement. Essentially it has two components.

• (1630)

One component would be a board of directors, an executive body that would be responsible for the management and services of the foundation and would exercise all its powers subject to the foundation's bylaws.

The second component would be a committee of stakeholders, potential clients of the foundation and other entrusted parties or members of the foundation as we call them. Their role would be analogous to those of shareholders in a private corporation in the sense that they would scrutinize and comment on the activities of the foundation.

Of the 15 directors of the board, 7 would be government appointees. Members of the foundation would appoint the 8 other directors. None of the directors or the members of the foundation would be from the government.

It is an accepted principle of sound design that form should follow function and it does in this case. The ultimate function is sustainable development, a process in which the trajectory is away from narrow perspectives to broad vision. That applies with full force to the development of sustainable development technology. It must be effective, environmentally benign and affordable. The form of the governance machinery proposed by the bill supports that breadth and balance.

[*Translation*]

Together, the members of the board of directors and of the foundation represent the experience and expertise of every sector linked to the development and implementation of sustainable development technology: the public sector, the private sector, academic institutions and non-profit organizations.

In order to have balance in the geographic sense, members will be drawn from all regions of Canada.

[*English*]

The bill also prescribes measures to ensure due diligence and accountability, requiring the foundation to establish sound financial and management controls and to appoint an independent auditor to verify the effectiveness of these controls. The foundation must submit an annual report to the Minister of Natural Resources, to members of the foundation and to the public. The report must include an evaluation of results achieved through the funding of projects and must be tabled in parliament.

The detailed terms and conditions associated with the management of the fund will be set forth in a funding agreement between the Government of Canada and the foundation. The Auditor General of Canada will scrutinize the funding agreement.

In order to begin implementation of the mandate of the sustainable development technology fund as soon as possible, Bill C-4 also contains conditional clauses that provide for the governor in

council to designate a private sector foundation to serve as the foundation in accordance with the requirements of the legislation.

The legislation stipulates that in this eventuality the assets and liabilities of the private sector foundation would be transferred to the foundation and its board of directors and corporate membership would dissolve, thus triggering the appointment of the board and members of the foundation as stipulated in the legislation.

These conditional clauses are also contingency clauses, insurance against unnecessary slippage of schedule in the start up phase. In the event of administrative or other delays of process, they would allow the government to fulfil its promises to establish the fund.

I would like to bring hon. members up to date on the history of the bill. The legislation is based upon more than two years of the most open, transparent and comprehensive consultation that involved the provinces, municipalities, the private sector, academic institutions and non-governmental organizations.

Every aspect of Canadian life was consulted in that two year process and the sustainable development technology foundation is a product of that process. However we did not stop there. The consultation process continued even after the bill was tabled in the House on February 2. We have had the opportunity to discuss the bill in detail with directors of private sector foundations. We agreed that one or two issues related to the roles of members and the timing of their meetings could use clarification. We therefore prepared amendments to the bill to achieve those clarifications.

We presented the bill and the amendments to the House of Commons Standing Committee on Aboriginal Affairs, Northern Development and Natural Resources. After vigorous and constructive discussion the legislation and clarifying amendments received approval. During report stage we debated a further seven motions in amendment. One consequential technical amendment was adopted to ensure consistency of all amendments throughout the bill.

• (1635)

[*Translation*]

I want to take this opportunity to thank all members from the various parties represented in this House for their support. Bill C-4 was much enhanced because of the positive debate that was held.

[*English*]

In conclusion I repeat what the Minister of Natural Resources has said to the House on other occasions. He said that we could not rely on technology alone to meet the challenges of climate change and clean air or to achieve the balancing act of sustainable development but that a constant flow of new technology, effective technology, affordable technology and sustainable development technology were indispensable to our success.

### *Government Orders*

As we know from experience, this is an area in which the right investment of dollars, effort and expertise directed at the right target at the right time could cut the largest problems down to size. It is the right legislation directed at the right targets at the right time. I urge hon. members to speed the legislation on its way.

**The Acting Speaker (Ms. Bakopanos):** It is my duty pursuant to Standing Order 38 to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Palliser, Human Resources Development; the hon. member for Dewdney—Alouette, Taxation.

**Mr. David Chatters (Athabasca, Canadian Alliance):** Madam Speaker, I will be splitting my time with the member for Surrey Central. I thank my colleague across the floor for the heartfelt presentation he just gave. It moved me deeply.

I am pleased to rise once again on Bill C-4. I will begin my presentation, as I have at every stage of the bill, by expressing support for the concept of bringing a group of experts together in green technologies. Our party supports the concept of creating a foundation and leveraging a fairly significant amount of dollars in the big scheme of things many times over in the private sector through partnerships to help in the development of new technologies.

It is a concept worthy of support. Our party was ready to support the bill if we could have had a simple amendment to it, just one amendment to provide some transparency and accountability. It was denied unfortunately at report stage when the government decided not to allow it. It makes me wonder why it would do that. It makes me fear that the concerns I have expressed about the bill are true and there is a reason the government does not want transparency.

The bill is a simple continuation of a process started three years ago in December 1997 when the Kyoto protocol was signed and Canada agreed to reduce greenhouse gas emissions to 6% below 1990 levels for the period 2008 to 2012.

There are many experts who feel that such a dramatic reduction is not possible or feasible as the goal of a 6% reduction represents about a 25% reduction from projected 2008 to 2012 emission levels, using a business as usual trend of rising greenhouse gas emissions as the basis.

To further complicate these projections Canada's levels of greenhouse gas emissions have risen steadily in the last few years to a much higher level than was previously projected.

Despite these complications the government continues to attempt to meet the Kyoto commitments with a variety of actions. For example, one such action was the government's action plan 2000 which proposed what strategic actions the government would take to meet our Kyoto commitments.

*Government Orders*

The problem is that the plan only aims to reduce the emissions by 65 million tonnes per year during the commitment period of 2008 to 2012. That is only one-third of the way toward the Kyoto commitment.

• (1640)

We had a good discussion this morning in committee with the climate change secretariat. It was obvious that the government would have great difficulty even reaching the one-third milestone toward the Kyoto commitment. There was also increasing evidence that climate change however much it was influenced by man's activities was inevitable. The government should move to some degree toward helping Canadians to adapt to climate change rather than perpetuating the myths that somehow the Kyoto commitment would prevent it, would reverse the trend and would save the world.

In September 2000 Environment Canada reported that the United Nations revealed that Canada's greenhouse gas emissions were 13% above 1990 levels in 1998. These levels have risen consistently due to factors such as the greater use of coal to produce electricity. If natural gas prices remain high, and we have seen evidence of that in Alberta, coal could be used even more than it is now. If Canada continues its business as usual, it is quite possible that the gap between projected emissions and the Kyoto target would be 26% or significantly higher.

Government documents regarding the bill state that Canada is a world leader in many climate change and energy efficiency technologies with emerging strengths in other areas. That is a term that the minister uses often in committee and in the House. I have to question why, if what he says is the case, Canada is relying so heavily on sinks and tradable credits in its Kyoto strategy? If we combine the increase in emission levels with the fact that the Kyoto protocol has virtually fallen apart over the issue of carbon sinks, it is clear that much needs to be done before Canada can consider itself well on the way to a significant reduction in emissions.

Canada is in serious trouble and serious trouble calls for serious solutions. If Bill C-4 lays out the groundwork for a key part of the government's climate change plan then we are all in trouble. The government should be providing a solid, accountable, transparent and responsible plan that would translate into a foundation. That plan should be producing real benefits to Canadians rather than the current legislation that plants the seeds to grow an enormous patronage plum, and I do not mean a tree.

There are a number of problems with the bill that I hoped to see addressed either in committee or at report stage in the House. For example, the issue regarding the accountability of the foundation and its reporting practices. I would like to see the auditor general have access to the foundation's books. The auditor general should bring forward regular audits to ensure that the foundation is being run in a reasonable and responsible manner.

As things stand now, rather than having the auditor general perform an audit of the foundation's books, perhaps the foundation could use the government's demonstrated standards of bookkeeping. Members must forgive me if I do not find that a particularly comforting thought. After all, for the last 10 years the auditor general has given his opinion on the financial statements of the Government of Canada.

During that period the government has flunked the exam seven times. Only three times has the auditor general been able to give a passing grade to the government's bookkeeping. That is a terrible average. It gets even worse if we look back further than just 10 years. The former auditor general could give only one clear opinion during his entire 10 year term.

If the government is to hold the foundation to those standards we are in for more mismanagement and bungling, for we know how fond those Liberal members are of spending money without requiring any sort of framework, authorization or even paperwork. I had hoped they had learned their lesson.

No one doubts the intention of the bill. It is sound. I would have supported an organization that exists to promote the development of new technologies to assist in sustainable development, including those technologies that address climate change and air quality issues.

Canada has some serious climate change issues that need to be addressed. Since the government is already committed to a certain course of action, we had better start producing rather than just talking about it.

• (1645)

Descriptions of the bill contain all sorts of glorious sounding intentions. For example, the fund will encourage innovation by helping companies develop new technologies and bring them to market. The fund will complement other federal programs, build on efforts to engage external partners, and promote the efficient use of resources and technologies.

According to the government new technologies developed by this fund will provide the opportunity for Canadians to access the opportunity side of the climate change equation. Again I have to question the bill. The government is making taxpayer dollars available on extremely vague criteria. Is that what it means by opportunities being created?

My impression is that the opportunities being created were supposed to be for the development of new technologies that would benefit all Canadians, not for the friends of the government to benefit simply from the receipt of Canadian tax dollars.

The foundation will be composed of fifteen members. The fifteen members of the foundation are assembled first and seven are appointed by the governor in council who then appoints eight other members. The chair and six members of the board are then appointed by the governor in council, and those seven people appoint eight other members for the board. Both the foundation and

*Government Orders*

the board have fifteen members and fourteen of the total thirty members are handpicked by cabinet.

The chair and directors of the board are eligible for five year terms. Directors and members can be reappointed for one or more terms. It all sounds rather cushy to me. If someone has a friend in the right place, he or she could be appointed to the foundation.

There are two rather frightening aspects to this process. Just as the chairperson, directors and members are appointed by the governor in council, they can also be removed for cause by the governor in council. Notice that reads cause, not just cause.

If members of the foundation are to be kept on at the whim of cabinet or the Prime Minister, what are the chances that they will ever make a decision independently? For example, what if the chairperson makes a reasonable but unpopular decision and turns down a grant to a friend of the Prime Minister? Will that person then be removed from the board?

What if a director recommends that a project be denied but the chairperson is a Liberal crony? Would that be considered cause? What if a member is doing a terrible job but is a close friend of the Prime Minister or the privy council? Does the member then get to keep the job and the money and cannot be removed by anybody but the Prime Minister?

We have certainly heard many examples in the House recently about the Prime Minister and how he can assert his influence over those he personally appoints.

I do not think I have to tell anybody about the issue of the governor of the Business Development Bank and about the billion dollar boondoggle in Human Resources Development Canada where ministerial interference directed money to constituencies and to organizations that did not meet the criteria of the program. Those issues are fairly well known by everyone in the House and I would expect fairly well known by everyone across the country.

We had hoped that at least there would be some safeguards against this practice in the bill, but unfortunately those safeguards are sadly lacking.

Another concern regarding the way the foundation will be staffed relates to the provisions for expertise in its chairperson. The bill states that the appointment of directors is supposed to ensure expertise of its directors and that the board should be representative of persons engaged in the development and demonstration of technologies to promote sustainable development. Curiously, though, the bill makes no such provision for the appointment of the chairperson.

It seems to me that the bill is just leaving the door wide open for patronage and just waiting for some friend of the Prime Minister to walk through.

I also have some concerns regarding how members of the foundation will be compensated for their contributions. The bill states that the directors may be paid remuneration that is fixed by the foundation's bylaws and that they are entitled to be paid reasonable travel and living expenses incurred by them in the performance of their duties.

If the board is setting their own bylaws, where are the checks against unreasonable salaries? It sounds like a great opportunity for these appointed cronies to find themselves a tidy, new source of cash.

The House will remember Ted Weatherhill and his expense account. He is the bureaucrat who charged Canadian taxpayers \$21,000 in three years for his travelling expenses. Certainly he was entitled to collect reasonable expenses for the job he was doing for the government. Perhaps the possibility of that happening exists under this foundation. Those could hardly be considered by anyone to be reasonable expenses. Even the Liberals who fired him over the issue did not think his expenses were reasonable.

• (1650)

At least there is some mention of the salaries of directors in the bill. Bill C-4 makes no mention of the chairperson's salary and how it will be determined. Quite frankly with the way the government likes to throw money at its friends, I would just as soon not leave this sort of thing up to chance.

At the beginning of my comments I made mention of my concerns regarding the financial operations of the foundation. I would like to take some time to expand somewhat on those concerns. The bill is terribly vague on how its financial operations will work. I have to question exactly how the foundation intends to sustain its financial viability without an ongoing infusion of taxpayer dollars?

The bill states that the board shall establish investment policies, standards and procedures that a reasonably prudent person would apply with respect to a portfolio of investment to avoid an undue risk of loss and obtain a reasonable return. I wonder if the same standards of investment will be used as those that guide Canada pension plan investments. If so, the financial stability of the foundation is doomed.

On February 15, 2001, the CPP fund, made up of \$41.6 billion in assets invested mostly in bonds, reported a \$453 million loss on stock investments in its fiscal third quarter.

In the bill currently before the House the government is trying to prevent public scrutiny of how the Canada pension plan fund is performing. It seems to me that this fund made up of billions of taxpayer dollars is just a bit too large to sweep under the carpet. At

*Government Orders*

the very least it would make a large lump in the carpet that would be pretty tough to ignore.

If this is the pattern that the foundation will follow, we might as well go ahead and buy ourselves some gas masks because there will be little progress on the development of climate change science and technology.

There are many serious problems with the legislation. I would like to know why we need this new Liberal friendly and expensive bureaucracy when there are many other funding vehicles already in place that could accomplish the same goals.

There are regional development groups that receive federal funding and have local boards which approve high risk investments and give loans. There is also the Federal Business Development Bank. All these groups are under the purview of the Auditor General of Canada. They could cover the responsibilities of the foundation and prevent establishing another expensive bureaucratic mess.

While I am sure the Prime Minister would like to ensure that his friends retire comfortably, when it comes to taxpayer dollars I would like to see a better guarantee of an open, accountable, transparent and responsible organization than what this confusing legislation would suggest.

Before my colleagues across the floor accuse me of being anti-environment, I should like to quote from the Canadian Alliance policy which states:

We are committed to protecting and preserving Canada's natural environment and endangered species, and to sustainable development of our abundant natural resources for the use of current and future generations. Therefore we will strike a balance between environmental preservation and economic development. This includes creating partnerships to promote meaningful progress in the area of environmental protection.

Clearly the Canadian Alliance is in favour of taking steps to ensure cleaner air through new technologies. However, as I have already mentioned, this foundation has the potential to be so riddled with patronage that little if anything meaningful will be accomplished.

The Canadian Alliance believes, as the auditor general indicated in his latest report to parliament, that government agencies, boards and commissions must be staffed with competent, experienced people who are appointed through an open and accountable process based on merit. Quite frankly there is sadly little merit present in either this bill or the foundation it will create.

It is because of the lack of merit shown in the many ways I have mentioned that I will be voting against the legislation. I urge other members of the House to do the same.

**ROUTINE PROCEEDINGS**

[English]

**COMMITTEES OF THE HOUSE**

## JUSTICE AND HUMAN RIGHTS

**Mr. Derek Lee (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.):** Madam Speaker, I rise on a point of order. There have been consultations in connection with amendments to the report of the justice committee tabled in the House earlier this week.

I understand there would be unanimous consent to deem the first report of the Standing Committee on Justice and Human Rights to be changed so that the reference to "line 16 on page 26" is altered to "line 9 on page 25" and the reference to "line 2 on page 41" is altered to "line 9 on page 40" in English and to "line 6 on page 40 in French".

In advance of receiving consent I thank the members of each opposition party.

**The Acting Speaker (Ms. Bakopanos):** Is that agreed?

**Some hon. members:** Agreed.

**GOVERNMENT ORDERS**

• (1655)

[English]

**CANADA FOUNDATION FOR SUSTAINABLE DEVELOPMENT TECHNOLOGY ACT**

The House resumed consideration of the motion that Bill C-4, an act to establish a foundation to fund sustainable development technology, be read the third time and passed.

**Mr. Gurmant Grewal (Surrey Central, Canadian Alliance):** Madam Speaker, the people of Surrey Central are pleased to have me participate in the debate today concerning the establishment of a foundation to fund sustainable development technology.

In the 2000 federal budget the Liberals announced that they would be creating a sustainable development technology fund. They earmarked \$100 million as the amount of initial funding. They are proposing a foundation to administer these funds. In the debate today we are disappointed that the committee hearings on the bill did not result in the Auditor General of Canada overseeing the books of the foundation.



*Government Orders*

I will quickly review what the foundation is supposed to do. The sustainable development technology foundation is allegedly to operate at arm's length from the government. It is to be operated as a not for profit organization. It will administer funding primarily to projects related to greenhouse gas reduction and improving air quality.

The foundation will dole out funds on a project by project basis. The foundation will accept proposals from existing and new collaborative arrangements among technology developers, suppliers, users, universities, not for profit organizations, and organizations such as industrial associations and research institutes. The government originally expected that the foundation would be in place by March 2001.

The people of Surrey Central support this initiative. We believe that this is the kind of thing where our government should be taking the lead. I would venture to say that members on all sides of the House want to protect Canada's environment and work on projects related to greenhouse gas reduction and improving air quality. Our children certainly want that. We want our children and grandchildren to have that.

Canadian Alliance policy supports these kinds of sustainable development initiatives. I want to make that absolutely clear by stating our policy. We are committed to protecting and preserving Canada's natural environment and endangered species and to the sustainable development of our abundant natural resources for the use of current and future generations.

Therefore we will strike a balance between environmental preservation and economic development. This includes creating partnerships with provincial governments, private industry, educational institutions and the public to promote meaningful progress in the area of environmental protection. That is the policy we have pledged to follow when we form the next government.

As a government the Liberals have mismanaged our environment and failed to provide sustainable development. This weak Liberal government has signed international treaties including Kyoto, Beijing and Rio, with no intention whatsoever of carrying out those commitments.

The government has made political decisions about matters that require scientific decisions. The conservation of fish species was based on political decisions, not on scientific evidence or scientific research. The safety of the bovine growth hormone was influenced by political pressure and political interference rather than by scientific evidence and research.

The government is too busy trying to garner votes and counter Canadian Alliance policy rather than allowing scientific principles and evidence to drive the efforts to protect our environment and meet our international commitments.

• (1700)

Since 1993 the Liberals have been promising Canadians that they were going to pass endangered species legislation, which of course died twice on the order paper. After seven or eight years, what do we have? We have another bill they are promising to pass.

The endangered species bill they are proposing is an assault on property owners in Canada. It is confiscation without compensation. It is hard to imagine. It is so undemocratic that it is anti-democratic, but that is another story for another day.

This weak Liberal government that lacks vision really has done nothing in terms of initiatives for our environment and sustainable development since 1993. Other countries have passed legislation and are way ahead. Even the United Nations itself has a sustainable development office, but the Liberals allow Canada to once again be left behind.

The bill was originally introduced as part of budget 2000, delivered almost a year ago. Now, after a year of doing nothing, the government wants the bill to pass through the House and the Senate as soon as possible and receive royal assent so it can dole out \$100 million. Is this simple mismanagement or is it indicative of the usual way the government operates? It could not care less about debate in the House. It does not hesitate to use closure or time allocation to ram any bill through.

At any rate, it is important to note that the official opposition wants to support the bill today, but we wanted to see some amendments as well. We would have supported the bill one year ago, but the government did not allow it to go forward until this month, at least one year late if we use the Liberal government budget 2000 agenda, and seven or eight years late according to the red book one promise.

Let me talk about suggestions we have for the Liberals concerning the bill. Our suggestions really do not have anything to do with the sustainable development aspect of the bill. The amendments needed do not have anything to do with the projects related to greenhouse gas reductions or improving air quality.

Our amendments have to do with the Liberal Party's arrogance. Canadians are very uncomfortable with patronage, which denies them transparency and accountability.

Let me read a simple paragraph from Canadian Alliance policy:

We believe that a non-partisan civil service, an independent judiciary and competent leadership of government agencies, boards and commissions are vital in a democracy. We will therefore ensure appointments to these positions are made through an open and accountable process based on merit.

The Liberals are proposing to turn the sustainable development foundation into a Liberal patronage pork barrel. The people of Surrey Central and I are dismayed. We are disappointed that the government would take such a wonderful initiative of supporting

*Government Orders*

projects related to greenhouse gas reductions and improving air quality and turn the efforts into some kind of Liberal Party payoff.

The Liberals are trying to arrange it so that the chairperson and a minority number of directors and members are appointed by the governor in council. They then appoint the remaining members to complete the 15 person board of directors. Obviously the foundation will become another Liberal patronage plum. When will the Liberals evolve in the new millennium and put a stop to these kinds of 17th century old boys' club practices? When will they abandon the politics of exclusion? When will they stop implementing their systems of disenfranchisement?

The patronage practices of the government are virtually fascist by strict political definition. The Canadian Alliance will put a stop to this sort of thing when it forms the next government.

The creation of a sustainable development foundation is something all Canadians have wanted for years. The Liberals are turning it into some kind of arena for political payoffs. What a shame.

• (1705)

Let me talk about the auditing of the foundation. Again, while the foundation would provide an annual report to parliament, the foundation would appoint its own auditors and have final approval on the financial reports before they are made public. While the legislation does not set out rules as to who would be eligible to be the auditor, the government refuses to allow the Auditor General of Canada access to the foundation's books.

It is no wonder that the government does not want the office of the Auditor General of Canada involved. It knows that the auditor general has been very critical of its practices. The Liberals have had a difficult ride with the outgoing auditor general. His most recent report was probably his most scathing indictment yet of the government. Each auditor general's report on the mismanagement of the Liberal government is worse than the previous one.

The official opposition wants these issues, the question of who will audit the foundation and the question of how appointments will be made to the foundation, dealt with. We ask the government to look at these issues seriously. These are non-partisan, good suggestions. We will not allow these two concerns to be swept under the carpet by the Liberals. Based on these two things, we have to oppose the bill and we do not want to have to do that.

Another issue, our environment, is the most important thing that the House of Commons could be dealing with. Debates on the environment speak to the very future of the human race on this planet. All else really pales in comparison when we view what other subjects we could be debating in the House of Commons.

Bill C-4 is a good example of the weaknesses of the government when it comes to the issue of sustainable development.

I would also point out that in regard to the idea of creating a new foundation of this sort the government does not really talk about where it would be based and what centre it would be working out of. It actually puts into question the future of the International Institute for Sustainable Development, located in Winnipeg. We already have one institute for sustainable development and its future is in jeopardy.

I participated in the second reading debate of the bill and was very interested in the remarks of my colleague from Winnipeg Centre. He has some serious concerns about the hidden agenda of the Liberal government when it comes to the future of the sustainable development centre in his riding. I share his concerns.

The institute was created years ago and has had its funding reduced year after year, to the point where it is really a shadow of its former self. There was a time when it had a staff of 140 people and its own building. It now occupies a very small office, with maybe a handful of people, on the third floor of a nondescript office building in the centre of downtown Winnipeg. We wonder if the government has completely forgotten it already has an institute for sustainable development. Maybe the Liberals are threatening to axe what is left of the International Institute for Sustainable Development.

We have to compare the \$100 million figure that the Liberals have given us in Bill C-4 to cover the issue of sustainable development with the government putting \$1.3 billion into a very narrow and fixed program, a one time payment to offset energy costs for Canadians. The government missed the target with that one as well, sending cheques to students, prisoners, MPs and deceased Canadians but not to those who pay the heating bills.

Getting back to the institute in Winnipeg, if there is \$100 million to spend, why would the government not restore the institute to its former stature, that of a world leader, research centre and resource library for anyone interested in the whole concept of energy conservation or sustainable development? Why not enhance the Winnipeg facility as a centre of excellence right in the centre of Canada and become world leaders so we can export the technology?

• (1710)

In conclusion, once again we have the Liberals taking an initiative, one that everyone would want to support, the creation of a sustainable development foundation, but what do they do? They turn it into a venue for patronage payoffs and they close the books to the auditor general. They want to control the \$100 million they are giving to the foundation without anyone else finding out which Liberal Party donors receive the bulk of the \$100 million.

It would be amazing if it were not so sad. The people of Surrey Central, who want to support the creation of the sustainable

*Government Orders*

development foundation, do not want to support the bill because of the way the Liberals are playing politics with it. If the Liberals are prepared to fix the flaws and the corruption they have written into the bill, then we would be more than happy to support it.

[*Translation*]

**Mr. Serge Cardin (Sherbrooke, BQ):** Madam Speaker, why a law to establish a foundation to fund sustainable development technology? The question arises: Why establish a foundation, especially one outside the government? I think this kind of question is totally relevant, especially since two things happened since yesterday which made me wonder even more about the reason for this foundation.

The first thing happened yesterday during the debate on Bill C-209 brought forward by my distinguished colleague from Jonquière, for whom I have the utmost respect because of her mind as well as her heart. The member for Jonquière presented a bill calling for a tax deduction to encourage greater use of public transit.

In his reply, the Parliamentary Secretary to the Minister of Finance said that it was an excellent initiative on the part of the member. I was amazed to hear him say that. I thought it was a great start. It was great, but it did not last.

He immediately went on to sing the praise of all government policies regarding the environment, air quality and so on, to brag about the hundreds of thousands of dollars and even the billions of dollars invested in these areas, all that to say, in the end, that he would not support the bill because it was too simple.

As simple as Bill C-209 may have been, it could have had a major impact on climate change, thus on sustainable development.

In a previous political life, as an alderman in Sherbrooke, I sat for several years on the Sherbrooke area transport commission. Many studies were carried out on road transport—especially on motor vehicle transport versus public transit—and I noticed that the impact was significant.

Depending on economic cycles, ridership varied according to the subsidies the public transit system got. Of course, there were operation subsidies and capital grants.

• (1715)

We were promoting public transit, but ridership varied depending on the economy cycle. When subsidies started to drop and the price of cars started to go down or rebates were offered with no freight fees and 0% interest, people stopped using public transit.

Instead of spending millions of dollars to establish a foundation, the government could have supported or should support the bill brought forward by my colleague from Jonquière in order to improve ridership. But I gather that the Parliamentary Secretary to

the Minister of Finance does not understand a thing about the Hygrade sausage principle: the more you eat. . .

**Ms. Jocelyne Girard-Bujold (Jonquière, BQ):** The more you eat it, the more you like it, and the more you like it, the more you eat it.

**Mr. Serge Cardin:** Even I had forgotten how it went. I had a memory lapse.

**An hon. member:** Increase the supply and the demand will increase.

**Mr. Serge Cardin:** That is right. And the same applies to public transit. We must encourage the use of public transit and make sure that when Bill C-209 is brought back to the House for debate in a short while, the government will invest in the proposed initiative.

Another thing surprised me. This morning at the Standing Committee of Aboriginal Affairs, Northern Development and Natural Resources, we heard the parliamentary secretary. He talked about climate changes. We also heard about the Kyoto protocol.

The government says it is prepared to invest hundreds of millions, even billions of dollars in some areas. It will also invest \$100 million in the foundation. We were supposed to achieve major reduction of greenhouse gas emissions based on 1990 levels. But the fact of the matter is that there has been a 13% increase based on those levels. Not only did we not reduce our emissions, but we increased them by 13% even though the government told us that it had invested huge amounts in support of sustainable development.

It is estimated that only one-third of the reduction objectives set in 1997 for the period between 2008 and 2012 will be met. We can see that on one hand the government refuses initiatives, as small as they may be, that would be highly effective in dealing with climate change, but, on the other hand, with the hundreds of millions and even the billions of dollars it has spent, it has not even managed to stabilize greenhouse gas emissions. In fact, it has only managed to increase them.

The bill to establish this foundation raises a lot of questions besides what we were able to observe in a relatively short time. In less than 24 hours we were able to see that the government is saying two different things but is not getting any results.

Of course the Bloc Québécois is against the establishment of this foundation because it raises a lot of concerns, to which I will get back later on. I could go through them quickly.

There is the division of power and the fact that Quebec already has such a foundation. There is the concentration of power and the fact that the bill is rather vague in its definitions, which I would describe as risky, and so are the expressions used. There is also a

*Government Orders*

huge disparity between the recommendations from the issue table and the bill.

Of course if we talk about the foundation itself, the objective pursued is certainly a lofty one. Sustainable development, the reduction of greenhouse gas emissions, air quality, are all lofty goals, but this bill is obviously not the tool we need to achieve results.

If we look at the situation in Quebec, I said earlier that there is indeed a concern with regard to the division of power. This bill seems to be another roundabout way for the federal government to interfere in areas of provincial jurisdiction.

Unfortunately, this bill is so broad in scope that it could enable the federal government to invest in an area that should be under Quebec and the other provinces' jurisdiction.

• (1720)

At first representatives from the other provinces could be supportive of the bill. They never take exception to the fact that the federal government gets involved in their jurisdictions and manages things for them. For Quebec, however, this is unacceptable.

During consideration at committee stage we prepared amendments effectively asking that Quebec be allowed to opt out of that foundation, with full compensation, because our province already has a foundation, the *Fondation d'action québécoise pour le développement durable*. The government invested close to \$45 million in that foundation.

Allow me to digress for a moment. Earlier I referred to our discussions this morning at the standing committee on natural resources regarding the Kyoto protocol. It was mentioned that greenhouse gas emissions had increased by 13% in Canada. However, Quebec is the province with the lowest increase, with 7%. This is almost seven times less than the province with the highest increase.

So we feel that the foundation is effective. If it had an additional \$25 million or so to promote technologies, the results would be even more conclusive.

As far as we are concerned the issue of the foundation is settled: we do not need it. All we need is money, because the needs are in Quebec. One also wonders about a foundation that is outside the government. The government would hardly have any control over it. Automatically there is also the element of concentration of powers.

The foundation can look after its own business itself, but we know that there is always an important link with the government—not with parliament—because it is the government that, to all intents and purposes, appoints the 15 directors. The bill provides that the first seven are appointed by the government and eight

others by the directors themselves. We know that ultimately the government will be appointing all 15.

Today, certain people reminded me that when the government, the Prime Minister in particular, began establishing foundations or agencies with directors he himself appointed, he seemed to be rewarding his friends with plum appointments. If he has a lot of such appointments to hand out before leaving, maybe he should be leaving soon.

So here are another 15 friends he can introduce to the board of directors, 15 who, for all intents and purposes, will be accountable to the government. The government even has the right to remove them for cause.

The bill is rather vague with respect to the definition of “eligible project”. Does an eligible project to improve air quality mean that they will also fund projects having to do with nuclear technology, for instance? Nothing would appear to prohibit it, although this would run counter to the Kyoto agreement and nothing would indicate the contrary.

Who will, indirectly, draw up the eligibility criteria? The government as well, but the foundation will never be accountable to parliament. It was this that prompted a major amendment. This amendment called for the auditor general to be able to audit the foundation in order to evaluate its performance against objectives, the way in which funds were distributed, and whether such distribution was cost-effective.

• (1725)

Even before that amendment was proposed a request had been made to ask the auditor general to appear before the standing committee on natural resources.

We can see the impact that visit would have had on the drafting of various clauses and changes to be made to the bill. The auditor general has repeatedly criticized the fact that appointments made by the Prime Minister and the government are more often than not based on partisanship rather than merit. The risk is still there.

Had the auditor general appeared before the committee to assess the bill, he could have suggested changes to avoid these near conflicts of interest that can exist between the government and a so-called independent foundation.

**Ms. Jocelyne Girard-Bujold:** Transparency.

**Mr. Serge Cardin:** Yes, as my distinguished colleague and member for Jonquière just said, it goes to a matter of transparency. It could have ensured some degree of transparency.

For these various reasons the Bloc Québécois will not be supporting the bill. We could perhaps have supported it had all our amendments been accepted in committee. At any rate, with part of them not having been approved, we already knew then that we would not be supporting this bill. Quebec has its own foundation.

The only thing we would be willing to accept is a transfer of available funds for the reduction of greenhouse gas emissions to promote sustainable development.

[*English*]

**Mr. Gerald Keddy:** Madam Speaker, before I start to debate I would like to raise a point of order. You recognized me to speak earlier and I sat down because the Bloc member had not actually put his name on the debate schedule. I believe I did have the floor.

I would like to have my 15 minutes to speak. I am the only opposition member of parliament who has an amendment to the bill. I feel I have some things to add to the debate on the bill. I would ask unanimous consent of the House to finish my comments.

**The Acting Speaker (Ms. Bakopanos):** I would advise the hon. member that this is not the end of debate. This is the first round of debate on the bill. The hon. member will have whatever time is left from the two minutes or one minute to continue when the bill comes back to the House.

Is there unanimous consent?

**Some hon. members:** Agreed.

**Some hon. members:** No.

**Mr. Gerald Keddy:** Madam Speaker, I will take my two minutes to thank you for asking. If we will be able to debate the bill when it comes back to the House, I would certainly take my 40 minutes at that time.

**An hon. member:** It is 20 minutes.

**Mr. Gerald Keddy:** We only have 20 minutes. Now we get into trouble. It is a slippery slope.

**The Acting Speaker (Ms. Bakopanos):** Let me clarify something in terms of the point of order the hon. member raised. To be clear, there is no list. It is a courtesy that has been decided upon by the House leaders. It is true that we go through a certain rotation that has been agreed by the House leaders.

It is also true that the hon. member from the Bloc did not stand at the same time, but he did stand and it was his turn. He had the 40 minutes if he wished to avail himself of them. The hon. member will have 20 minutes beginning the next round.

**Mr. Gerald Keddy (South Shore, PC):** Madam Speaker, I think I have about 30 seconds left to add a few comments today. It would certainly be a mistake if I did not take full advantage of the minute and 30 seconds or so that I have today to speak at least briefly to the bill being debated.

### *Private Members' Business*

I appreciate the fact that we will be able to come back to the bill at another time, shorten our speaking points a bit and be able to get another kick at the proverbial can.

We in the Conservative Party would applaud a number of things in Bill C-4. The whole idea of sustainable development and a reduction of greenhouse gas emissions are commendable projects that everyone in parliament would tend to support.

• (1730)

Unfortunately, it is the legislation itself. It is how it is worded. It is how it is crafted. It is the fact that there is not a sunset clause in it. It is the fact that there is no accountability. It is the fact that the auditor general is not able to look at the books.

There are a number of things wrong with this particular piece of legislation that could have been corrected at committee and report stage. Government members failed to do that. We have a better piece of legislation than we had to begin with. It did a slightly better job but it did not go all the way. For that reason, we certainly cannot support this piece of legislation. It is my understanding that the rest of the opposition parties cannot support it either.

I will be more than happy to continue and debate this on another day at another time.

[*Translation*]

**The Acting Speaker (Ms. Bakopanos):** It being 5.30 p.m., the House will now proceed to consideration of private members' business as listed on today's order paper.

---

## PRIVATE MEMBERS' BUSINESS

[*English*]

### ALCOHOLIC BEVERAGE LABELLING

**Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP)** moved:

That in the opinion of this House, the government should consider the advisability of requiring that no person shall sell an alcoholic beverage in Canada unless the container in which the beverage is sold carries the following visible and clearly printed label: "WARNING: Drinking alcohol during pregnancy can cause birth defects."

She said: Madam Speaker, it is an honour for me to introduce a motion in the House this afternoon calling upon the government to consider the idea of labels on alcohol beverage containers for the purpose of dealing with a preventable tragedy in our society today, fetal alcohol syndrome.

*Private Members' Business*

[Translation]

It is a pleasure to have this time in the House today to discuss something of such importance to today's society. This motion is calling upon the government to require alcoholic beverages to carry a warning label as part of an all-out campaign against fetal alcohol syndrome.

[English]

I want to begin by expressing some thanks for the work that has been done leading up to the debate here today.

First, I want to express appreciation to members of the all party subcommittee of the House for agreeing to make the motion votable.

Second, I want to pay a special tribute to a member of the House who has worked long and hard on issues pertaining to fetal alcohol syndrome and who has in fact pioneered the notion of labels on alcohol beverage containers here in Canada today. I am referring specifically to the work of the member for Mississauga South. It is very important that we recognize the work of that member because he has led the way in the House for many years in pushing very hard for education programs pertaining to fetal alcohol syndrome and in pursuing the idea of labels on alcohol beverage containers.

You are no doubt fully aware, Madam Speaker, of the work of that member in terms of a book he wrote. I refer specifically to *Fetal Alcohol Syndrome: The Real Brain Drain*, and a campaign he initiated called "Drink Smart Canada", which lists a number of conditions that are either directly or indirectly due to alcohol.

I want to mention the work of the member for Mississauga South in pursuing this matter before the House. In fact, I am not the first one to bring the matter here. The member for Mississauga South has done so previously in the form of a bill, introduced in parliament and dealt with at the Standing Committee on Health two parliaments ago.

• (1735)

I want the record to show that we are following in the footsteps of other people's work and that has to be recognized.

I also want to thank members of all parties for their support on this issue. There has been support and encouragement from representatives of every single party in the House today. I think we have the basis for a non-partisan approach to a very serious issue. It is my hope that we have a real possibility in society and in parliament to achieve something that until recently we thought was impossible.

The whole idea has not only been pursued by the member for Mississauga South in parliament, but it was pursued actively by a standing committee of parliament back in 1992. I am referring

specifically to a comprehensive study done by the then standing committee on health and welfare entitled "A Preventable Strategy".

One of the recommendations of that report was to add warning labels to alcohol products informing Canadian consumers of the danger that drinking while pregnant could cause birth defects. That was a very useful document that shed tremendous light on a very serious issue in our society today. It created tremendous public support and interest for pursuing the idea of labels on alcohol beverage containers.

Over the course of the past decade, numerous members of parliament and activists have been involved in building awareness around the issue. It is important for all of us to acknowledge the extent of the work done by the professionals, volunteers and other advocates who have worked for many years, first to have the condition of fetal alcohol syndrome recognized and then for programs to assist individuals and their families to cope with this disability.

Many others have worked to sensitize teachers and other professionals, and still others have focused on educating the public. Among those, many have campaigned for warning labels on alcohol as a means to raise public awareness.

That is what we are dealing with today. We know that this is not the be-all and end-all in terms of a solution to a very serious problem in our society today. We are presenting it as one element of a comprehensive education strategy to address a very serious problem in Canada today, fetal alcohol syndrome.

Some have asked me why I am bringing this issue forward. I want to give a little background. First, this is a continuation of work I did when I was a member in the Manitoba legislative assembly and is a follow up to our attempts in that province to achieve some form of labelling on alcohol products. That work demonstrated for me the difficulties in pursuing labels on a provincial jurisdictional basis, being informed fairly early on in that debate that we needed a national strategy.

Some jurisdictions have taken steps to put labels on alcohol beverage containers. I want to mention the work in both the Yukon and the Northwest Territories that pursued this and implemented a form of labelling back in the early 1990s. They recognized early on that there had to be some notification, some attempt to make women aware of the dangers of drinking while pregnant and how it could lead to birth defects, and the possibility of fetal alcohol syndrome.

In Manitoba we did not win the battle for labelling but we at least achieved the ability to put messages on the brown paper bag in which alcohol bottles were placed. It was a step. It was my hope to continue that fight here. It is great to be able to follow in the footsteps of others who have done this work.

I also feel an obligation to represent my constituents on something as important as fetal alcohol syndrome. No community is spared the effects of fetal alcohol syndrome. Some communities have a higher incidence than others. In parts of my constituency of Winnipeg North Centre there is a very high incidence of fetal alcohol syndrome.

● (1740)

It is related and tied directly to poverty, despair, depression, unemployment, poor economic circumstances, lousy housing and lack of nutritional food. That reflects the demographics in my constituency. It is understandable how that leads to a greater incidence of drinking and a higher incidence of fetal alcohol syndrome.

I think I bring to this Chamber the expressed intention on the part of constituents is to have me pursue this matter.

In my constituency there are a number of organizations that are working very hard on some groundbreaking projects that are making a difference bit by bit. They have to be acknowledged. We have to in this place do whatever we can to acknowledge those efforts.

I am thinking specifically of a school by the name of David Livingstone which is in the heart of the inner city of my constituency, where the problems of economic and social insecurity are enormous. The school has taken up the challenge of putting in place a program that will help identify the problem of FAS and help develop programs that will meet the needs of those children. There are no textbooks. There is not a lot of help out there in terms of how to actually work with kids with fetal alcohol syndrome. However it is making a difference, and I wanted to acknowledge the work of the David Livingstone school and its principal, Angeline Ramkisson.

The other reason I bring this matter before the House today is a very personal one. I happen to have a son with a disability. My son is 16 years old. He was diagnosed with a rare genetic disability when he was three years old. As a result of that, he has severe learning disabilities, profound developmental delay and lives with uncontrollable seizures.

In the case of my personal experience, my son's disability is not related to fetal alcohol syndrome but that is neither here nor there. The issue for me is that having the experience, as a parent, of living with and caring for a child with a disability reminds me each and every day that we have to do everything we can in this place to help parents, families and children who are dealing with disabilities.

When we think about this debate and the work that is involved, we have to remind ourselves that we are talking for a lot of families who are struggling on a day to day basis with some very difficult challenges and we have to play our part.

### *Private Members' Business*

It is sometimes hard to separate the personal and the political. In my case, I do not think I can. The personal is the political. The challenges I deal with on a day to day basis, the experience I have learned through working with my son, have made me a more effective member of parliament and have driven me to pursue issues such as this one.

One thing I learned, in terms of addressing the needs of my son Nick, is that we must do everything possible to help children with disabilities but we must also, whenever possible, find ways to prevent disabilities, if they are preventable.

Today we are dealing with a disability, with a syndrome that is entirely preventable. Let us make no mistake about it. We are talking about fetal alcohol syndrome which is a condition that can be prevented. It is caused by a woman drinking while pregnant.

If we can do anything to inform women to take precautions during pregnancy and to try to prevent any child from being born with fetal alcohol syndrome, then we will have done a great service. There is no pretence here today that we are going to wipe out fetal alcohol syndrome. There is no suggestion here today that every child born with a disability is the result of drinking while expecting.

● (1745)

What we are saying is that there is a link between drinking while pregnant and fetal alcohol syndrome. If we could make women aware of the dangers of drinking while pregnant, then we would have made a big difference. Even if one child is spared fetal alcohol syndrome because we have taken action through a measure as simple as putting labels on alcohol beverage containers, then we would have served our constituents and the people of the country well.

There is much to say about fetal alcohol syndrome, and I know other members will talk about it today. I hope the member for Mississauga South has a chance to speak because he is truly familiar with the issues.

We have to remember that we are talking about a syndrome that is the most severe in a spectrum of abnormalities found in the children of women who have consumed alcohol while pregnant. It is the leading cause of developmental delay. No accurate statistic exists on the total number of individuals with FAS but estimates indicate that there may be as many as three children per 1,000 births.

When we add the whole question of fetal alcohol effects, a related syndrome to FAS, we are talking about many more and the numbers rise significantly. There is no cure and the damage cannot be undone. The main feature of the condition is that it can be totally eliminated through prevention.

*Private Members' Business*

My plea today is for the House to build on the work of other members who have come before me and who have tried to accomplish something that is fundamental to a comprehensive strategy on fetal alcohol syndrome: to provide warning labels on alcohol beverage containers. That does not seem like a big deal, especially when we consider that labels have been required by law in the United States for over 10 years. The United States government has, since 1989, required all alcohol beverage containers to contain warning labels. No dire consequences flowed from that decision. The alcohol industry is still alive and well. Everything that we have heard about the reaction to that decision has been positive.

People who are not addicted to alcohol and women who are pregnant have taken note. People who would not otherwise be aware of the link between drinking while pregnant and fetal alcohol syndrome are taking note. It does help and it does make a difference. That is the point of today's debate.

The member for Mississauga South referred the following quotation to me which says it all. Denny Boyd, who wrote an article in the *Vancouver Sun* on November 27, 1995, said:

The intended purpose of warning labels on alcohol containers is to act as a consumer lighthouse, sending a signal of impending danger.

Does that not say it all? We are a lighthouse sending a warning, sounding the alarm bells about the possibility of the dangers that can occur when drinking while pregnant.

We are trying to make a difference and there is a real possibility of that. In the last number of years, since the member for Mississauga South and others in the House worked on the issue, there has been a growing awareness about what fetal alcohol syndrome really is and what kind of consequences it can have for all of us. We know more today about the millions of dollars society spends to support one child with fetal alcohol syndrome. We also know more about the links between fetal alcohol syndrome and juvenile delinquency.

• (1750)

We know that probably over half the cases we are dealing with on a day to day basis in terms of juvenile delinquency are directly related to disabilities. Some of those disabilities are related to fetal alcohol syndrome. If we understand the consequences for society then should we not take whatever steps we can to make a difference?

That is what we are proposing today. I look forward to hearing from members of all parties about the value of the motion and about whether we can continue the work started by the member for Mississauga South.

We should not only consider it because it makes good public policy sense, but we should consider it because we have the

backing and the support of many thousands of Canadians right across the land.

A recent survey indicated that Canadians in large numbers supported the idea of warning labels on alcohol beverage containers. An Environics poll conducted for Health Canada and released in January 2000 found that 90% of people approved of warning labels and that two-thirds of those asked strongly approved of warnings on alcohol beverage containers. The report on the poll concluded that there was substantial public support for initiatives to inform people about the risk of alcohol use, including warning labels on alcohol products and others.

We have public support and the support of other provincial and territorial jurisdictions. We have the commitment and the dedication that we bring to this place. We should not lose this moment. We should act today.

[Translation]

**Mr. Yvon Charbonneau (Parliamentary Secretary to Minister of Health, Lib.):** Madam Speaker, it is with great pleasure that I speak to Motion M-155, which reads as follows:

That in the opinion of this House, the government should consider the advisability of requiring that no person shall sell an alcoholic beverage in Canada unless the container in which the beverage is sold carries the following visible and clearly printed label: "WARNING: Drinking alcohol during pregnancy can cause birth defects".

Before beginning, I wish to congratulate the member for Winnipeg North Centre most sincerely on moving this motion.

[English]

Before I address the motion itself I should like to recognize the longstanding efforts of my colleague, the member for Mississauga South. Members on both sides of the House will be aware that he has been involved with the issue for many years. He has been an advocate for efforts to combat fetal alcohol syndrome. I applaud his tenacity.

[Translation]

Furthermore, this tenacity was reflected in certain undertakings by the Prime Minister in his Address in Reply to the Speech from the Throne on January 31.

[English]

I am pleased to stand in support of the motion. I agree that warning labels on alcoholic beverages should be considered. Currently Yukon, Australia and some U.S. jurisdictions require alcohol warning labels. While research studies demonstrate that it may not be the most effective way to reach groups at a high risk of alcoholic use, it is timely to review these findings.

[Translation]

However, warning labels on alcohol must not be taken in isolation. They must be part of a comprehensive strategy to combat



alcohol abuse, which in turn can lead to fetal alcohol syndrome and fetal alcohol effects. An effective comprehensive strategy must include a number of elements: awareness-raising campaigns, research, life-skills based approaches, and substance abuse prevention programs.

Let me outline quickly what the Government of Canada is doing to address the tragedy of fetal alcohol syndrome.

A wide variety of measures have been and are being implemented in Canada to address this syndrome. These measures have included extensive attempts and many programs to educate the public about the dangers of drinking while pregnant.

• (1755)

On January 28, 2000 a fetal alcohol syndrome-fetal alcohol effects initiative received \$11 million for three years. This was an announcement that we made at the time and the program is now under way. This initiative builds on the excellent work currently being done in the provinces and territories and in communities by parents and support groups.

[*English*]

The \$11 million in funding is being used to enhance activities in a number of areas, including public awareness and education, surveillance, early identification and diagnosis, fetal alcohol syndrome and fetal alcohol effects training and capacity development, co-ordination, integration of services, and a strategic project fund.

Health Canada has established a national advisory committee on fetal alcohol syndrome and fetal alcohol effects. The committee will provide independent strategic advice and expertise to Health Canada on fetal alcohol syndrome and fetal alcohol effects and promote collaboration and partnerships across disciplines and sectors.

[*Translation*]

Health Canada is also working with the provinces and territories to develop a national public education and awareness campaign on this syndrome and on fetal alcohol effects. A joint launch of a poster and pamphlet is expected in May 2001.

[*English*]

Furthermore, the First Nations and Inuit Health Branch is also developing a fetal alcohol syndrome and fetal alcohol effects public awareness campaign that reaches out to first nations and Inuit populations in a culturally sensitive manner.

[*Translation*]

In order to ensure access to appropriate treatment for pregnant women with substance use problems, Health Canada also provides

### *Private Members' Business*

funding to the provinces and territories through the alcohol and drug treatment and rehabilitation program. Also through this program, Health Canada promotes best practices, evaluates model programs, and disseminates leading-edge information.

Health Canada is also providing funding to the Canadian Centre on Substance Abuse to enhance the national information service and the On-Line Fetal Alcohol Syndrome-Fetal Alcohol Effects training project for frontline workers in the Canadian prenatal nutritional program and the community action program for children.

[*English*]

Health Canada, working with key stakeholders, will be conducting a national survey of physicians to determine current knowledge, beliefs and attitudes with respect to fetal alcohol syndrome and diagnosis. The First Nations and Inuit Health Branch of Health Canada is working with the Indian and Inuit health committee of the Canadian Pediatric Society to identify diagnosis criteria. The information will be used as a baseline measure for policy and education initiatives geared toward health professionals.

Finally, Health Canada will be hosting a national forum in the fall of 2001 for the purpose of developing a national action plan for fetal alcohol syndrome and fetal alcohol effects involving the relevant sectors: education, corrections, social services and jurisdictions across Canada.

[*Translation*]

These initiatives are just a few of the many activities taking place across Canada to combat this syndrome, but they give a good picture. Although Health Canada recognizes that the majority of adult Canadians use alcohol in a way that is not harmful to their health, it is we who must combat this serious problem on behalf of Canadian children.

If this motion is passed by the government, as we hope it will be, the consideration by the House of Commons of the desire expressed in Motion M-155 will no doubt contribute to raising public awareness and go a long way to improve the situation.

• (1800)

[*English*]

**Mr. Keith Martin (Esquimalt—Juan de Fuca, Canadian Alliance):** Madam Speaker, it is a pleasure to speak to this very important motion, Motion No. 155. I compliment the member for Winnipeg North Centre and the member from Mississauga for bringing the issue up.

Fetal alcohol syndrome is one of the reasons children incur brain damage in utero. It is the leading cause of preventable brain

*Private Members' Business*

damage in Canada. It is extraordinary. In some communities the rates are very high and exceed 12 children per 1,000. The cost is about \$350,000 per child up to the age of 18, not to mention the massive human cost to the individuals and families involved.

I draw attention to the fact that it is not only alcohol that causes children to be born with brain damage. Other substances, such as glue, gasoline and illegal drugs, can poison the brain of a growing fetus and the damage in many cases is irreversible. We must therefore look at the issue in a much larger context.

I agree with the parliamentary secretary that the evidence is out on whether labels are a solution. However, I strongly urge the government to look at the issue in a larger context to see how we can more effectively prevent substance abuse and the incidence of FAS and FAE. As I said before, the damage is due not only to alcohol but to glue, gasoline and illegal drugs.

In my clinical experience, every pregnant patient I have ever met who consumed these injurious substances knew full well that they would damage the baby. Every one of them knew this. Fifteen year old girls accompanied by their caregivers have told me they did not care what happened to their baby. They said that they would keep the baby if it was cute and give it up if it was not. When asked if they cared whether the child had been damaged by the chemicals they said that they did not.

This is less a question of knowledge than of other issues. Much of the alcohol consumed by pregnant women who will deliver FAS and FAE children is produced at home. They throw potato peels, yeast and a few other things into a big vat, let it ferment and the result is beer of sorts. That is what is consumed, not the brand names bought in the liquor store.

What can we do to address substance abuse problems and reduce the incidence of FAS and FAE? New medical technology shows clearly that substances in the neuropathways of the brain travel around in a circle. We must therefore deal with the neuropathway of the addict's brain.

People must be taken out of the drug environment. New medical tools work very well along with the usual detox and counselling. Some European models, particularly Switzerland and the Netherlands, have a 60% cure rate after one year for substance abusers, particularly hardcore narcotic abusers. That is absolutely extraordinary.

I know from personal experience that many of the things we do today make people go around in a circle. They do not address the problems in a substantive way. I therefore encourage the government to work with its provincial counterparts and to look at some of the European models with high success rates. An effective approach involves not only detox, counselling and medical therapies but also skills training, jobs and a secure environment away from the drug environment these people are in.

Let us talk about prevention. We can look at the head start program. We passed the program in 1998. It works. It is not only cost effective but has brought about a dramatic reduction in substance abuse. It will reduce fetal alcohol syndrome. There will be less chance that the baby the woman carries will be marred by FAS, FAE or other brain damage.

I have put forth a bill that would enable the courts to put a woman in a treatment facility against her wishes if she is consuming substances that are injurious to her fetus. It is not an abortion bill, and would apply only to cases where the woman has chosen to take her pregnancy to term. If the woman has repeatedly refused all treatment and is of sound mind she can be put into a treatment facility against her wishes.

• (1805)

The parallel to this is what is done for psychiatric patients who are a danger to themselves or to others. It is not a punitive action against women. It is merely a last ditch effort to try to help prevent those fetuses from suffering the problems of FAS and FAE. When I put the bill forward, and I have put it forward three times in the last three parliaments, people who said they supported it were individuals who work with children with FAS and FAE and their families.

The NDP member made an articulate description of the social issues surrounding these problems. She could not be more correct. In many aboriginal communities with extraordinarily high rates of FAS and FAE, we must determine how we can enable them to have the best social program of all, which is a job.

Unfortunately our country has chosen to compartmentalize aboriginal people. We have chosen to treat them differently. We deal with them differently through an Indian Act which creates a form of apartheid. It has been highly disruptive to these communities. It has eroded them from within and it has prevented them from being able to be masters of their own destiny, as well as capitalizing on the economic opportunity that should be available to them.

High rates of unemployment and poverty have contributed to the high levels of FAS and FAE. Matthew Coon Come, grand chief of the first nations, has made some very articulate statements that should be supported for aboriginal communities to get their own house in order and for aboriginal leadership to do so as well. That would be a welcome change in many communities and one that we would support as well.

We must deal with the issue of substance abuse in a much broader range. We need to deal with prevention through the head start program. We need to deal with new treatments that we have today such as the European model that works with detox, counselling, medical therapy, skills training and getting people out of their drug environment for an extended period of time.

The latter is very important because we know that if addicts go back into the drug environment a chemical cascade takes place

*Private Members' Business*

within their brains. They become excited and are prompted to resume the substance abuse consumption they were doing before. We also need to look carefully at private member's bills that have been put forth on the issue.

There is also the case of Miss M in the home province of the member from the NDP. She was a young woman who as a result of glue sniffing had two children with brain damage. She was put in a treatment facility against her wishes. A court challenge took place and after a period of time she was released. However she was off her drugs and she got her life back in order. She delivered a baby that was the first baby she had that was not brain damaged.

When she was asked whether or not the short period of time in a treatment facility, albeit against her wishes, had an impact, she said that it did. She said that it was probably the most important thing that had happened to prevent her from having another child that would be irreversibly brain damaged.

I can only prompt the House to look at it from the context of our judicial system too because we know that almost 50% of the people in our jails have some form of FAS and FAE. They have severe problems with cognitive skills. They have severe problems trying to acquire the skills necessary to be an integrated member of society. As a result many of them get into the unfortunate cycle of crime, punishment and incarceration.

These are the challenges of today that have not been dealt with in a very pragmatic way. However, these are the opportunities that the ministers of justice and health can use their skills toward by working with their provincial counterparts.

It would require a national approach involving the provinces, the Government of Canada and other communities to deal with this scourge. I am very happy and I compliment the member from the NDP and members from all sides who have brought to the attention of the House the problems of FAS and FAE as well as some of the issues and challenges that we must address to solve this important problem.

● (1810)

[*Translation*]

**Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ):** Madam Speaker, first I would like to add my voice to those of my colleagues to congratulate and thank the member for Winnipeg North Centre, whom I know very well since we work together on the Standing Committee on Health.

I know that the well-being of people in her riding and of Canadians in general has always been her first priority. Obviously,

being pragmatic, she wants to take concrete measures to deal with an important problem for children.

As our colleague from the Canadian Alliance said, we are the protectors of children in a way because the problem we are debating is certainly detrimental to mothers, but it is even more detrimental to children.

I believe that as parliamentarians we have a responsibility to make sure that we do all we can in the area of prevention.

I think the motion brought forward by the member for Winnipeg North Centre is interesting because it forces us to reflect on the balance between coercion and prevention that must exist in the legislative tools available to us.

Recently in the House we have been reflecting a lot on these issues. Last Friday, another member of the NDP proposed that the month of May be dedicated to the prevention of hepatitis. He reminded us that there are seven types of hepatitis and that one way to prevent this disease is, of course, through information.

Today, his colleague from Winnipeg North Centre is taking over to remind us that fetal alcohol syndrome is preventable.

We all know people afflicted by illness. Some suffer from cerebral palsy, others from severe diabetes, others yet from heart disease. This is obviously very tragic on a personal level, but it is different perhaps from fetal alcohol syndrome in that FAS is, in a way, the result of a behaviour.

This behaviour can be avoided. It can be avoided if we put everything into play socially so there is maximum information available to those who are primarily responsible, since they give life, carry the children and, of course, are women. I am not saying they have sole responsibility.

I want to join with the member for Winnipeg Centre North. I think our ridings are quite similar. My riding is in the centre of Montreal, in the eastern central part, to be more precise. I too in my riding have a high number of underprivileged people. It is an industrial neighbourhood which underwent a major process of de-industrialization in the early 1980s.

I do not know if people recall, but there was a big crisis in the shipbuilding industry in the early 1980s. There was a big crisis in the traditional industries linked to textiles and metallurgy, known as the soft sector, and there was a major crisis in the shoe industry.

These three sectors were central to the economic life of the riding of Hochelaga—Maisonneuve. It is a riding with a high number of underprivileged people. It is clear that fetal alcohol syndrome is to be found in communities with high levels of

*Private Members' Business*

poverty. In this regard, we can ask ourselves as parliamentarians why there is more poverty in certain communities than in others.

There are of course personal variables. There are variables relating to the manufacturing profile and to the economic profile of our ridings. But in the life of an individual, sometimes things go badly. We lose confidence in the system. I would say there are unwanted pregnancies sometimes. There are people who plan pregnancies, who want to have a child and for whom doing so gives meaning to life. I think this is true for most people.

• (1815)

There are probably circumstances in life where if a pregnancy is imposed, unwanted, accidental, a woman might be tempted to turn to alcohol. When things are not going well, when we are depressed, when we lose confidence, when we are in an environment where we feel useless, alcohol may unfortunately become a form of escape. This is why the proposal of the hon. member for Winnipeg North Centre makes such sense.

In my speeches I always like to give examples. No member of parliament could present a bill to force someone to make a success of his or her life. From a legislative point of view, we cannot force people to do so. What we can do as parliamentarians is provide them with tools and training so they are equipped as best as they possibly can be to go through life, and particularly rough times.

The hon. member for Winnipeg North Centre is asking us to rely on information. Sometimes, pregnant women may not be adequately informed. If they see this warning on alcoholic beverages—wine, beer and other spirits—we can assume that it will deter them from drinking excessively.

Earlier, the parliamentary secretary and member for Anjou—Rivière-des-Prairies told us that this motion must be part of a set of means. I am pleased to learn that in May an information campaign will be launched with the release of a brochure and a poster. I believe that all these tools can help us beat fetal alcohol syndrome.

I see that I only have three minutes left. I promised to take only eight minutes because I know that there are discussions between the parties to leave more time for the hon. member for Winnipeg North Centre.

So I will conclude by congratulating the hon. member and asking for a unanimous vote on her motion.

**Mr. André Bachand (Richmond—Arthabaska, PC):** Madam Speaker, I too, will be brief. The quality of the speeches made by the previous speakers was such that I could even refrain from taking part in this debate.

First, I think the member for Winnipeg North Centre and the member for Mississauga South deserve to be congratulated for the

interest they have been showing in this issue for several years. Some nine or ten years ago, a committee presented a report on fetal alcohol syndrome. Recommendation no. 5 dealt with labelling.

Other measures were also recommended at that time. Some were implemented only a few months ago or a few years ago. We know the government is slow and this is why opposition parties have to push a little.

Thank God something else was done. The government helped to some extent, but it must be noted that the industry, as a result of that report or other reports, realized the importance of awareness and education campaigns and started to do something about it.

We saw brewers and winemakers, state monopolies such as the SAQ in Quebec, take a portion of their revenues, a small one of course, to educate people on the effects of alcohol. An effort to increase awareness has been made over the last few years by the provincial governments, which control their liquor boards, by the federal government and by the industry. However, there remains an issue that is pretty important: labelling.

• (1820)

Of course, we should not get into a labelling frenzy and get to the point where a bottle of beer or a bottle of wine carries several warnings. Too many warnings kill the message.

However, there is nothing better than to start at the beginning. If someone is aware of fetal alcohol syndrome, that person might also be aware of the global impacts of alcohol for the rest of his or her life. If a woman is not too familiar with the consequences that alcohol can have on her unborn child, with a good education program and adequate warning labels, other people will let her know.

Of course, when we see a label we do not pay too much attention to it, but when we see a pregnant woman close to us we tend to say “Be careful”. I have the chance to have a little boy, my angel. I never even thought of offering a glass of wine to my wife when she was pregnant. If she had taken one glass of wine, the baby would not have suffered from the syndrome. That is not the point, but at least there is an awareness. If everybody was more aware of all this, we would hear less comments like “Come on, just one little glass will do no harm”. But sometimes we do not know the effects that alcohol can have on a person. There again, we should not panic. The baby will not develop the syndrome with just one glass. All this is a matter of awareness.

This is why we are wondering what consequences the labelling done in the United States will have, as we said earlier. Of course the industry is worried. This is normal. When we see other legislative follies, I think the industry is right to be alarmed.

That said, the industry's current labelling practices for exports might well apply domestically as well. What finer message to send

*Private Members' Business*

to the public than to tell them that parliamentarians, in a motion introduced by the hon. member for Winnipeg North Centre, are going to force the government, in a manner of speaking, to take them into consideration. We will have to cross our fingers and hope that the motion will acquire a "C" instead of its present "M" and that it will lead to a real bill the House will be able to consider very quickly.

I will stop here. I thank my hon. colleague from the NDP for her initiative. Speaking of the New Democratic Party, I often treat the opposition parties well, but the NDP has been—and we see this evening once again—a sort of social conscience for the country. We are very glad of its existence.

[*English*]

**Mr. Stan Keyes (Hamilton West, Lib.):** Madam Speaker, the hon. member for Winnipeg North Centre listed those who have devoted themselves to building awareness of the importance of drinking responsibly. To be fair, one group the hon. member forgot to mention is the Brewers Association of Canada.

Warning labels on alcohol beverage containers on their own will not put an end to the most serious problem of fetal alcohol syndrome. In fact research has shown that 98% of women of childbearing age already know about the link between alcohol misuse and fetal alcohol syndrome. They are already aware of it.

I have a brewery in my riding. There are many members of parliament with breweries in their ridings. I believe the Parliamentary Secretary to the Minister of Finance, the member for Etobicoke North, has two breweries in his riding. We will not apologize for the fact that we have breweries in our ridings, because since 1987 the Brewers Association of Canada and its member brewers have devoted well in excess of \$100 million to communicating messages about the importance of drinking responsibly.

In addition to high profile advertising campaigns, brewers provide significant funding and other resources to a range of partner organizations involved in alcohol research, counselling, and the direct delivery of educational and awareness programs.

Putting a label on a bottle on its own will not do the job. It is all the other work that is being done currently by those who are responsible, by those organizations like the Brewers Association of Canada.

For example, there is the Motherisk program of the Hospital for Sick Children. Canada's brewers sponsor Motherisk's national toll free alcohol and substance use help line, 1-877-FAS-INFO, which provides callers with fact based information on how alcohol and substances can affect a developing fetus.

• (1825)

There is the Canadian Centre on Substance Abuse. Funding is provided to the Fetal Alcohol Resource Centre of the Canadian Centre on Substance Abuse, which acts as a clearing house for information on FAS-FAE for medical professionals, parents and children.

The BAC, the Brewers Association of Canada, provided funding to the College of Family Physicians of Canada to design a program for family physicians called the alcohol risk assessment and intervention, ARAI, program. The ARAI method gives family doctors the tools needed to identify patients most at risk, which helps them identify and help patients with problems related to harmful alcohol consumption.

Brewers sponsored the caring together program of the Native Physicians Association, which produced an FAS information poster series, video and guide, as well as an interactive board game aimed at native youth, which uses traditional symbols and teachings to address native lifestyle and health concerns. This is not just a label on a bottle but actual traditional symbols used by our native communities so they better understand the problem.

The Brewers Association of Canada together with Young Drivers of Canada developed a video message that tells new drivers not to drink and drive. We have all seen it. This message, delivered by professional race car drivers, is seen by more than 40,000 new Canadian drivers each and every year.

The Brewers Association of Canada initiated a partnership with L'Université de Moncton and the University of New Brunswick to develop Internet based activities for use in schools to educate young teens about alcohol.

The BAC is a partner in a computer based training software focused on the safe operation of personal water craft. BAC messaging encourages responsible behaviour and urges people not to drink and drive on the road or on the water. Other program partners include Bombardier and Shell Canada. This is a team effort. It is a delivery of a message by all concerned.

Since 1982, Canadian brewers and their U.S. counterparts have funded the Alcohol Beverage Medical Research Foundation. Associated with Johns Hopkins University, it provides research grants to study the medical, social and behavioural impacts of alcohol consumption. The foundation has provided more than \$30 million in funding to 480 research projects here in Canada and in the U.S.

How about Speak Up, Speak Out, Be Heard? This is a multimillion dollar public service alcohol information campaign targeted specifically at young people using concepts and messages developed by young Canadians to be relevant to people their own age.

In order to leave time at the end of the debate to ensure that we have an opportunity to have a vote on this particular issue, I will

*Adjournment Debate*

conclude with the following words. The president and CEO of the Brewers Association of Canada, Sandy Morrison, said:

We work with a lot of people who are dedicated to bringing important information about responsible behaviour to those who need it. At a very human and personal level, these people are making a difference.

At a very human and personal level, these people are making a difference.

**The Acting Speaker (Ms. Bakopanos):** Is the House ready for the question?

**Some hon. members:** Question.

**The Acting Speaker (Ms. Bakopanos):** 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 (Ms. Bakopanos):** All those in favour of the motion will please say yea.

**Some hon. members:** Yea.

**The Acting Speaker (Ms. Bakopanos):** All those opposed will please say nay.

**Some hon. members:** Nay.

**The Acting Speaker (Ms. Bakopanos):** In my opinion the yeas have it.

*And more than five members having risen*

**The Acting Speaker (Ms. Bakopanos):** Call in the members.

*And the bells having rung:*

**The Acting Speaker (Ms. Bakopanos):** The recorded division on the motion stands deferred until Monday, April 23 at the end of the time provided for government orders.

---

## ADJOURNMENT PROCEEDINGS

● (1830)

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

### HUMAN RESOURCES DEVELOPMENT

**Mr. Dick Proctor (Palliser, NDP):** Madam Speaker, I rise as a result of an exchange I had with the minister responsible for human

resources back on March 23, during which I indicated concern about the system on CPP disability payments that was stacked against Canadians to the point where advocates were increasingly coming in to the system to give a hand on a very uneven playing field.

I had indicated to the minister that some of the advocates had been harassed in the past and, in her response, she kindly said that I should provide information on the allegations I had made. This turned out not to be necessary because the office of the commissioner of review tribunals wrote a letter almost immediately saying that in his two and a half years in that job, there had never been an advocate excluded.

However, he went on to say that one witness was excluded last fall in a situation in Alberta where a person who had multiple sclerosis and serious cognitive disabilities repeatedly asked for her representative. There was some confusion that the representative was actually an advocate. It took six months. There has been no response yet from the office of the commissioner to that individual. Obviously the case needs to be reheard immediately.

In the few minutes that I have I want to talk about the bigger picture of CPP disability benefits and why there are advocates entering the system. My contention is that it is because the system is clearly working against ordinary Canadians.

Two hundred thousand Canadians have been rejected over the last five years because either their forms were incomplete, their medical evidence was lacking or there was a misunderstanding of the basic criteria of a very complex form.

The guidelines were changed as well in 1995. They were made much more restrictive. I will give one example. It was assumed that people over age 55 prior to 1995 who were found to be disabled to do their own jobs were also disabled to do any other job. That has now been rescinded and that opportunity no longer exists.

People who may have contributed to CPP for their entire working life may all of a sudden need it but when they do it is not available. The rationale is that this saves money. It is estimated that there will be a \$1 billion savings in this account alone by 2005.

In a contest between the bottom line versus compassion and social justice for Canadians, the bottom line wins every time. This is a national concern.

Older Canadians are often very proud. They are very reluctant to talk about infirmities they may have acquired. We have poorly versed medical professionals who simply do not understand all the facts. We lack finances for the professional testing that would help to sort this out.

*Adjournment Debate*

## TAXATION

There are no government provisions for appeals, forms or kits. Most people who are denied can rarely speak with an adjudicator as there is no money available for them. The CPP disability plan is a bewildering, non-transparent maze. I am sure every member of parliament has problems with this in their constituencies. It is a totally unacceptable situation.

The caucus I represent will fight for progressive changes to this. We will win, not on behalf of ourselves but on behalf of disabled Canadians from coast to coast to coast.

[*Translation*]

**Ms. Raymonde Folco (Parliamentary Secretary to Minister of Human Resources Development, Lib.):** Madam Speaker, allow me to thank the hon. member for Palliser for the question he asked the Minister of Human Resources Development a few days ago.

[*English*]

I will answer the member by saying that the office of the commissioner of review tribunals is a quasi-judicial body that operates independently from Human Resources Development Canada. In other words, it is completely at arm's length. It oversees the work of review tribunals which hear appeals from CPP or OAS clients whose applications for benefits have been denied. These are the clients I think the hon. member has been speaking about.

• (1835)

The Government of Canada works within the requirements of the CPP legislation in determining who is eligible for disability benefits. This definition has not changed since 1996. It is no more and no less stringent since then. In fact, the legislation states that a person's disability must be severe and prolonged in order to prevent him or her from doing any work on a regular basis. This is what the law requires.

All applications, including any new information provided, are thoroughly reviewed by Canada pension plan medical adjudicators to ensure that applicants qualify for disability benefits.

[*Translation*]

In recent years, the Department of Human Resources Development has taken measures to improve the CPP disability benefits program.

The department more than doubled the staff responsible for medical assessments so as to be able to make decisions more quickly. It also significantly increased the number of judges appointed to the appeal board and the number of hearings to speed up the processing of appeals.

It is not necessary for CPP disability benefit claimants—

[*English*]

**The Acting Speaker (Ms. Bakopanos):** The hon. member for Dewdney—Alouette.

**Mr. Grant McNally (Dewdney—Alouette, Canadian Alliance):** Madam Speaker, my question is in further pursuit of an answer to a question I had asked in February with regard to the home heating rebate for individuals in British Columbia. I wanted to know why the rebate was administered in such a way that those people who should have received the rebate did not and those who should not have received it did.

More than anything, I want to let my constituents speak tonight to the parliamentary secretary and to the government on this particular issue. I have received a number of letters and rather than fill in my own words, I will use the words of my constituents.

One constituent who wrote me on this particular topic said the following:

I am writing to you to express the outrage I feel about the natural gas rebate to some of the citizens of Canada. To hear that rebate cheques have been issued to children, prisoners and to people that do not even use natural gas makes me angry. When issuing the rebates the government should only have issued them to those that have actually paid for natural gas.

What a novel idea. The constituent goes on to say:

The lack of planning and thought that went into this program is beyond my comprehension and leaves me with little faith in those that we elect to wisely spend our hard earned monies. I am writing this e-mail to you in the hope that you will be able to convey my concerns and outrage to the members of Parliament. They need to know that ordinary working Canadian is really fed up with this type of nonsense and waste! Some common sense should prevail.

I agree with my constituent.

Another constituent wrote:

I'm angry and I want the government to know about it.

I'm sick and tired of hearing that this, that and the other thing has gone up in price every time I turn around. I haven't had a decent increase in wages for years. I'm trying to support myself and have never relied on the government for help in any way—never applied for welfare or Unemployment Insurance benefits. I have been a monetary supporter of the system since my teens and I am now 52. I am an honest, hard working person—period.

In summary, I don't think the way eligibility for the rebate was decided upon was fair—but who am I—just one small person in a country of many.

Two more people wrote to me and said:

This letter is to let you know that we are Canadians who are terribly upset at the recklessness of the Canadian Government at sending out the heating rebates to only a certain class of people.

They go on to say that they are very upset.

Another person wrote and said:

I am outraged at the way the Liberal government spent millions of dollars, supposedly to help people offset the high cost of heating their homes with natural gas. Issuing these cheques to GST recipients who are incarcerated, children, people who heat their homes with alternative fuels and don't use natural gas at all is stupidity at its worst. Because my net income is (around 32,000) I'm not entitled to a GST rebate but I have to heat my home the same as everyone else. I have stopped using my natural gas fireplace and keep the thermostat set at 15 degrees and wear lots of clothes because I can't afford the high cost of heating my house. It just infuriates me to think that not only am I paying to keep violent offenders in jail but that you gave them more spending money while I sit here in the cold struggling to make ends meet.

*Adjournment Debate*

• (1840)

I have many more letters from constituents commenting on this rebate and wanting to know how the program was administered. It may have started as a good idea but it was administered in such a way that caused great concern to many people in my riding and across the country. We would like to have an answer from the government.

**Mr. Roy Cullen (Parliamentary Secretary to Minister of Finance, Lib.):** Madam Speaker, if the member will recall, last fall the government indicated that it would provide some relief to Canadians for energy costs that were anticipated to rise quite significantly during the winter, which of course they did, and especially natural gas.

The government was then faced with the situation of getting relief out to Canadians, not next winter but this past winter because it was this past winter when we felt that natural gas prices in particular would be severe.

In terms of the instrument we used to get that relief to Canadians, the government was left with basically one instrument and that was to get the rebate out through the GST rebate. Those who were eligible for the GST rebate in 1999 received \$125 per individual and \$250 per household. Eleven million Canadians benefited from this program at a one time cost of \$1.3 billion. I am

sure the member did not read all the letters from those who received the cheques, but 11 million of them did.

The problem that was presented to the government was that looking at different alternatives involved a huge bureaucracy. Forms would have to be checked. People could say that they paid for their heat but then we would have to actually check it out. We would have had a huge bureaucracy. Of the \$1.3 billion that was available, perhaps \$700 million would actually go to the program needs and meeting the objectives for which we were striving.

The government did know that the method it used was not perfect. It had some risks. However, we are quite confident that it reached the vast majority of Canadians who were in need. Those who argue that they do not pay for their heat will eventually be charged for it by their landlords. I think we used the best instrument available to us to make sure Canadians got relief this past winter, not next winter.

[*Translation*]

**The Acting Speaker (Ms. Bakopanos):** The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 6.43 p.m.)

---







# CONTENTS

Thursday, April 5, 2001

## ROUTINE PROCEEDINGS

### House of Commons

The Speaker ..... 2819

### Government Response to Petitions

Mr. Lee ..... 2819

### Export Development Corporation

Mr. O'Brien (London—Fanshawe) ..... 2819

### Interparliamentary Delegations

Mr. Graham ..... 2819

Mr. Harvard ..... 2819

### Criminal Code

Bill C-24. Introduction and first reading ..... 2819

Ms. McLellan ..... 2819

(Motions deemed adopted, bill read the first time  
and printed) ..... 2819

### Farm Credit Corporation Act

Bill C-25. Introduction and first reading ..... 2819

Mr. Vanclief ..... 2819

(Motions deemed adopted, bill read the first time  
and printed) ..... 2819

### Divorce Act

Bill C-334. Introduction and first reading ..... 2819

Mr. Gallaway ..... 2819

(Motions deemed adopted, bill read the first time  
and printed) ..... 2820

### Controlled Drugs and Substances Act

Bill C-335. Introduction and first reading ..... 2820

Mr. Bigras ..... 2820

(Motions deemed adopted, bill read the first time  
and printed) ..... 2820

### Criminal Code

Bill C-336. Introduction and first reading ..... 2820

Ms. Picard ..... 2820

(Motions deemed adopted, bill read the first time  
and printed.) ..... 2820

### Petitions

#### VIA Rail

Mr. Adams ..... 2820

#### Bioartificial Kidney

Mr. Adams ..... 2820

### Questions on the order paper

Mr. Lee ..... 2820

## GOVERNMENT ORDERS

### Canada Elections Act

Bill C-9. Report stage ..... 2820

#### Speaker's Ruling

The Speaker ..... 2821

#### Motions in amendment

Mr. Dubé ..... 2821

Motion No. 1 ..... 2821

Mr. Guimond ..... 2822

Mr. Loubier ..... 2823

Mr. Guimond ..... 2823

Mr. Reid ..... 2823

Mr. Nystrom ..... 2824

Mr. Lee ..... 2826

Mr. MacKay ..... 2827

Mr. Grewal ..... 2828

Mr. Bergeron ..... 2829

Mr. Bryden ..... 2830

Mr. Fitzpatrick ..... 2831

Mr. Lee ..... 2832

Mr. Fitzpatrick ..... 2832

Mr. Proctor ..... 2832

Mr. Blaikie ..... 2833

Mr. Epp ..... 2834

Mr. Lebel ..... 2836

Mr. Duncan ..... 2837

Mr. Obhrai ..... 2838

Mr. Epp ..... 2839

Division on Motion No. 1 deferred ..... 2839

### Budget Implementation Act, 1997

Bill C-17. Second reading ..... 2839

Mr. Epp ..... 2839

Mr. Epp ..... 2841

Mr. Obhrai ..... 2841

Mr. Epp ..... 2841

Mrs. Desjarlais ..... 2842

Mr. Obhrai ..... 2843

Mr. Duncan ..... 2845

Division on motion deferred ..... 2846

### Income Tax Amendments Act, 2000

Bill C-22. Second reading ..... 2846

Mr. Obhrai ..... 2846

Mr. Cullen ..... 2847

Mr. Obhrai ..... 2848

The Deputy Speaker ..... 2848

Mr. Moore ..... 2848

Mr. Casson ..... 2850

Mr. Moore ..... 2850

## STATEMENTS BY MEMBERS

### Landmines

Mr. Harb ..... 2850

### The Constitution

Mr. Bailey ..... 2851

### Shipbuilding Industry

Mr. Tirabassi ..... 2851

### Prostate Cancer

Mr. Charbonneau ..... 2851

### World Health Day

Ms. Augustine ..... 2851

### Multiculturalism

Mr. Grewal ..... 2852

### Member for Calgary—Nose Hill

Ms. Allard ..... 2852

<b>Cancer Awareness Month</b>	
Mrs. Tremblay .....	2852
<b>House of Commons</b>	
Mr. Lee .....	2852
<b>Brant Festival</b>	
Mr. Lunney .....	2852
<b>House of Commons</b>	
Mr. Mahoney .....	2853
<b>Canada Post</b>	
Mr. Martin (Winnipeg Centre) .....	2853
<b>Shipbuilding</b>	
Mr. Dubé .....	2853
<b>Organized Crime</b>	
Mr. DeVillers .....	2853
<b>Newfoundland</b>	
Mr. Doyle .....	2854

### ORAL QUESTION PERIOD

<b>Prime Minister</b>	
Mr. Day .....	2854
Mr. Chrétien .....	2854
Mr. Day .....	2854
Mr. Chrétien .....	2854
Mr. Day .....	2854
Mr. Chrétien .....	2854
Miss Grey .....	2855
Mr. Tobin .....	2855
Miss Grey .....	2855
Mr. Tobin .....	2855
Mr. Duceppe .....	2855
Mr. Chrétien .....	2855
Mr. Duceppe .....	2855
Mr. Chrétien .....	2855
Mr. Gauthier .....	2855
Mr. Chrétien .....	2855
Mr. Gauthier .....	2856
Mr. Chrétien .....	2856
<b>The Environment</b>	
Ms. McDonough .....	2856
Mr. Chrétien .....	2856
Ms. McDonough .....	2856
Mr. Manley .....	2856
<b>Prime Minister</b>	
Mr. Clark .....	2856
Mr. Chrétien .....	2856
<b>Agriculture</b>	
Mr. Clark .....	2856
Mr. Chrétien .....	2856
<b>Trade</b>	
Mr. McNally .....	2857
Mr. O'Brien (London—Fanshawe) .....	2857
Mr. McNally .....	2857
Mr. Chrétien .....	2857
<b>Free Trade Area of the Americas</b>	
Mr. Paquette .....	2857
Mr. O'Brien (London—Fanshawe) .....	2857
Mr. Paquette .....	2857

Mr. O'Brien (London—Fanshawe) .....	2857
<b>The Economy</b>	
Mr. Epp .....	2857
Mr. Martin (LaSalle—Émard) .....	2857
Mr. Epp .....	2858
Mr. Martin (LaSalle—Émard) .....	2858
<b>Tax Agreements</b>	
Ms. Picard .....	2858
Mr. Chrétien .....	2858
Ms. Picard .....	2858
Mr. Martin (LaSalle—Émard) .....	2858
<b>Shipbuilding Industry</b>	
Mr. Rajotte .....	2858
Mr. Tobin .....	2858
Mr. Rajotte .....	2858
Mr. Tobin .....	2859
<b>Organized Crime</b>	
Mrs. Jennings .....	2859
Ms. McLellan .....	2859
<b>Employment Insurance</b>	
Ms. Wasylcia—Leis .....	2859
Ms. Fry .....	2859
<b>Freshwater Exports</b>	
Mr. Blaikie .....	2859
Mr. Chrétien .....	2859
<b>Lumber Industry</b>	
Mr. Casey .....	2859
Mr. O'Brien (London—Fanshawe) .....	2860
<b>Freshwater Exports</b>	
Mr. Herron .....	2860
Mr. Chrétien .....	2860
<b>The Environment</b>	
Mr. Mills (Red Deer) .....	2860
Mr. Anderson (Victoria) .....	2860
Mr. Mills (Red Deer) .....	2860
Mr. Anderson (Victoria) .....	2860
<b>Tax Agreements</b>	
Mr. Loubier .....	2860
Mr. Martin (LaSalle—Émard) .....	2861
Mr. Loubier .....	2861
Mr. Chrétien .....	2861
Mr. Loubier .....	2861
<b>Telecommunications</b>	
Ms. Gallant .....	2861
Ms. Copps .....	2861
Ms. Gallant .....	2861
Ms. Copps .....	2861
<b>Lumber Industry</b>	
Mr. Savoy .....	2861
Mr. O'Brien (London—Fanshawe) .....	2861
<b>Foreign Affairs</b>	
Mr. Martin (Esquimalt—Juan de Fuca) .....	2862
Mr. Manley .....	2862
Mr. Martin (Esquimalt—Juan de Fuca) .....	2862
Mr. Manley .....	2862
<b>The Environment</b>	
Mr. Bigras .....	2862
Mr. Anderson (Victoria) .....	2862

<b>Fisheries</b>	
Mr. Bagnell .....	2862
Mr. Dhaliwal .....	2862
<b>Ethics Counsellor</b>	
Mr. Clark .....	2863
Mr. Gray .....	2863
<b>Freshwater Exports</b>	
Mr. Blaikie .....	2863
Mr. Anderson (Victoria) .....	2863
<b>Privilege</b>	
<b>Comments of Member</b>	
Mrs. Ablonczy .....	2863
<b>Business of the House</b>	
Mr. Strahl .....	2863
Mr. Boudria .....	2863
<b>Ways and Means</b>	
<b>Notice of Motion</b>	
Mr. Martin (LaSalle—Émard) .....	2864
Mr. Goodale .....	2864

#### ROUTINE PROCEEDINGS

<b>Committees of the House</b>	
<b>Citizenship and Immigration</b>	
Mr. Lee .....	2864
Motion .....	2864
(Motion agreed to) .....	2864

#### GOVERNMENT ORDERS

<b>Income Tax Amendments Act, 2000</b>	
Bill C-22. Second reading .....	2864
Mr. Moore .....	2864
Mr. Szabo .....	2865
Mr. Moore .....	2865
Mr. Cullen .....	2866
Mr. Moore .....	2866
Mr. Szabo .....	2866
Mr. Moore .....	2866
Mr. Moore .....	2866
Mr. Martin (Esquimalt—Juan de Fuca) .....	2866
Mr. Szabo .....	2869
Mr. Martin (Esquimalt—Juan de Fuca) .....	2869
Mr. Fitzpatrick .....	2870
Mr. Martin (Esquimalt—Juan de Fuca) .....	2870

#### ROUTINE PROCEEDINGS

<b>Committees of the House</b>	
<b>International Trade, Trade Disputes and Investment</b>	
Mr. Lee .....	2870
Motion .....	2870
(Motion agreed to) .....	2871

#### GOVERNMENT ORDERS

<b>Income Tax Amendments Act, 2000</b>	
Bill C-22. Second reading .....	2871
Mr. Grewal .....	2871
Mr. Cullen .....	2873
Mr. Grewal .....	2873
Mr. McCallum .....	2874
Mr. McCallum .....	2874
Mr. Grewal .....	2874
Mr. Grewal .....	2875
Mr. Fitzpatrick .....	2875
Division on motion deferred .....	2875
<b>Canada Foundation for Sustainable Development Technology Act</b>	
Bill C-4. Third reading .....	2875
Mrs. Bradshaw .....	2875
Mr. St. Denis .....	2875
Mr. Chatters .....	2877

#### ROUTINE PROCEEDINGS

<b>Committees of the House</b>	
<b>Justice and Human Rights</b>	
Mr. Lee .....	2880

#### GOVERNMENT ORDERS

<b>Canada Foundation for Sustainable Development Technology Act</b>	
Bill C-4. Third reading .....	2880
Mr. Grewal .....	2880
Mr. Cardin .....	2883
Ms. Girard-Bujold .....	2883
Mr. Cardin .....	2883
Ms. Girard-Bujold .....	2884
Mr. Cardin .....	2884
Mr. Cardin .....	2885
Mr. Keddy .....	2885

#### PRIVATE MEMBERS' BUSINESS

<b>Alcoholic Beverage Labelling</b>	
Ms. Wasylycia-Leis .....	2885
Motion .....	2885
Mr. Charbonneau .....	2888
Mr. Martin (Esquimalt—Juan de Fuca) .....	2889
Mr. Ménard .....	2891
Mr. Bachand (Richmond—Arthabaska) .....	2892
Mr. Keyes .....	2893
Division on motion deferred .....	2894

#### ADJOURNMENT PROCEEDINGS

<b>Human Resources Development</b>	
Mr. Proctor .....	2894
Ms. Folco .....	2895
<b>Taxation</b>	
Mr. McNally .....	2895
Mr. Cullen .....	2896

**MAIL  POSTE**

Canada Post Corporation/Société canadienne des postes

Postage paid

Port payé

**Lettermail**

**Poste – lettre**

**03159442**

**Ottawa**

*If undelivered, return COVER ONLY to:*

Canadian Government Publishing,  
45 Sacré-Coeur Boulevard,  
Hull, Québec, Canada, K1A 0S9

*En cas de non-livraison,*

*retourner cette COUVERTURE SEULEMENT à:*

Les Éditions du gouvernement du Canada,  
45 boulevard Sacré-Coeur,  
Hull, Québec, Canada, K1A 0S9

**Published under the authority of the Speaker of the House of Commons**

**Publié en conformité de l'autorité du Président de la Chambre des communes**

**Also available on the Parliamentary Internet Parlementaire at the following address:**

**Aussi disponible sur le réseau électronique «Parliamentary Internet Parlementaire» à l'adresse suivante :**  
**<http://www.parl.gc.ca>**

---

**The Speaker of the House hereby grants permission to reproduce this document, in whole or in part, for use in schools and for other purposes such as private study, research, criticism, review or newspaper summary. Any commercial or other use or reproduction of this publication requires the express prior written authorization of the Speaker of the House of Commons.**

**Additional copies may be obtained from Canadian Government Publishing, Ottawa, Canada K1A 0S9**

**Le Président de la Chambre des communes accorde, par la présente, l'autorisation de reproduire la totalité ou une partie de ce document à des fins éducatives et à des fins d'étude privée, de recherche, de critique, de compte rendu ou en vue d'en préparer un résumé de journal. Toute reproduction de ce document à des fins commerciales ou autres nécessite l'obtention au préalable d'une autorisation écrite du Président.**

**On peut obtenir des copies supplémentaires en écrivant à : Les Éditions du gouvernement du Canada, Ottawa, Canada K1A 0S9**

**On peut obtenir la version française de cette publication en écrivant à : Les Éditions du gouvernement du Canada, Ottawa, Canada K1A 0S9**