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OFFICIAL REPORT
(HANSARD)

Tuesday, June 5, 2001

Speaker: The Honourable Peter Milliken

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HOUSE OF COMMONS

Tuesday, June 5, 2001

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

• (1000)

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Derek Lee (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to three petitions.

* * *

[*English*]

INTERPARLIAMENTARY DELEGATIONS

Mr. Joseph Volpe (Eglinton—Lawrence, Lib.): Madam Speaker, pursuant to Standing Order 34(1) I have the honour to present to the House, in both official languages, the fifth report of the Canada-China Legislative Association regarding the third bilateral meeting in China held in March. I think members will find it a most invaluable read. The exercise contributed to improving relations between our two nations and our two peoples. As I said, it will make great reading for all interested members.

Mrs. Carolyn Parrish (Mississauga Centre, Lib.): Madam Speaker, pursuant to Standing Order 34(1) I have the honour to present to the House, in both official languages, the third report of the Canadian NATO Parliamentary Association which represented Canada at the meeting of the standing committee and the secretaries of national delegations of the assembly held in Rome, Italy from March 30 to April 1.

• (1005)

CITIZENSHIP ACT

Mr. Andrew Telegdi (Kitchener—Waterloo, Lib.), seconded by the member for Dauphin—Swan River, moved for leave to introduce Bill C-373, an act to amend the Citizenship Act (revocation of citizenship).

He said: Madam Speaker, the bill would remove from cabinet, made up of politicians, a task for which they are unqualified of acting as a court of appeal on questions of fact and law, and transfers that task to the actual courts of appeal where they belong.

If the bill is passed it would enhance citizenship rights for nearly six million Canadians who are citizens by choice, not by birth. As the Prime Minister stated on May 18, 2000, there is one thing in the life of a nation and it is to make sure that the rights of citizens are protected by the courts in our land and not subject to the capricious elected.

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

Mr. Paul Bonwick: Madam Speaker, I rise on a point of order. I wonder if you might seek the unanimous consent of the House to allow me to table a private member's bill this morning identifying September 3rd as Merchant Navy Veterans Day. The rationale for this is because I am not sure I can get it on the order paper prior to the House rising for the summer and obviously we will not be back in time for September 3rd. The hope is that many of the veterans who are alive today will have an opportunity to celebrate that national day on September 3rd.

The Acting Speaker (Ms. Bakopanos): Does the hon. member have the consent of the House?

Some hon. members: Agreed.

* * *

MERCHANT NAVY VETERANS DAY ACT

Mr. Paul Bonwick (Simcoe—Grey, Lib.) moved for leave to introduce Bill C-374, an act to establish Merchant Navy Veterans Day.

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He said: Madam Speaker, I offer my sincere appreciation on behalf of all merchant navy veterans from coast to coast to coast to all my colleagues in the House.

This is indeed a very proud day for Canada and a very proud day for veterans from all across this great land of ours. The bill has been in the works for many months and was spearheaded through a local constituent of mine, Mr. Jack Stapleton.

On behalf of all 301 members of parliament, I ask Canadians to come together on September 3rd to celebrate the sacrifice that many men and women paid and the widows who were left behind by those who passed away during their tours in various conflicts in which Canada. I ask Canadians to come together and celebrate the fact that we have a free and democratic country due in large part to the efforts brought forward by merchant navy veterans.

As the member of parliament for Simcoe—Grey, I say bravo to all the veterans in Canada and especially the merchant navy veterans.

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

* * *

● (1010)

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Madam Speaker, I move that the 14th report of the Standing Committee on Procedure and House Affairs, presented to the House on Wednesday, May 9, be concurred in.

This particular report, as many will recall, came about as a result of the actions, not personally on the part of the Minister of Justice but more so within her department and the decision that was taken to release information about Bill C-15 that is currently before the House. The information was provided to members of the media in the form of a briefing to which members of parliament were not invited, nor were members of their staff.

It resulted in a complaint and a point of privilege that was raised on March 14 by the hon. member for Provencher. The question was deemed to be a breach of privilege by the Speaker at the time and it led to a referral to the procedure and House affairs committee where there was some deliberation which resulted in the minister herself and members of the staff appearing before the committee.

It was truly an affront I believe to all members of parliament that the minister in her wisdom and her department decided to exclude members of parliament from information on a bill which can be deemed fairly important and substantive. It takes the form of an omnibus bill, which means there are number of pieces of legislation that are put together in somewhat of an artificial form, I would suggest, in this instance because the amendments to the criminal code are completely unrelated. This is what has caused a lot of concern for members of the opposition and, I suspect, there are members on the government side who are equally uncomfortable with how the bill appears before this Chamber.

I would deem the legislation itself to be very important. It touches upon such issues as stalking and increasing the penalties that would be attached to that. It deals specifically with and creates a new offence for criminal harassment on the Internet and approaches, in a new and innovative way, the manner in which our current criminal procedure can attach to those who choose this nefarious means to harass and to stalk, in particular, children, and the availability of pornography on the Internet and the way that is dispersed.

What really offends members of the Progressive Conservative Party is that we are faced with an opportunity to bring this type of legislation into the House of Commons to pass before the recess. The Minister of Justice, for reasons perhaps known only to her, is dragging her feet on this in denying the House and thereby denying the country the ability to bring the legislation forward.

The opposition stance has been consistent in the past number of weeks which is that within the omnibus bill there are very controversial provisions that deal specifically with cruelty to animals. That is not to suggest for a moment that this type of legislation is not needed as well. It is a matter for which all members of parliament are concerned but there are elements of the bill dealing with cruelty to animals and with firearms that have caused some consternation throughout the country. Members specifically are concerned on behalf of their constituents about how this will affect legitimate professions and practices as it relates to animals, trappers, hunters and cattlemen. Those who are dealing daily, as part of their profession, with animals are very concerned about how these new criminal code provisions and amendments will affect them and their livelihood.

● (1015)

For that reason, there has to be an opportunity to examine in detail and hear from some of these witnesses at that committee. That opportunity would come through committee.

The reality, in terms of how the procedure could unfold, is the minister has been given a very legitimate offer from the opposition to sever out parts of this omnibus bill and bring it back in the fall when the entire bill under the current schedule will be revisited.

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Certain sections of that bill could be taken out. Then the Internet pornography sections, specifically the stalking provisions that would increase the current criminal sanctions for stalking, could be dealt with. This initiative was taken by Senator Oliver in the other place and is one that he pursued vigorously over the past number of years. Suffice it to say that the Progressive Conservative Party is very supportive of that provision and others.

It would also increase the sentences, specifically creating a new offence for disarming a police officer.

I know, Madam Speaker, you have more than just a passing knowledge and understanding of these types of bills and omnibus pieces of legislation. However, what has happened and what is offensive is the minister has decided to force feed the entire bill to the House of Commons. In a very strident and stubborn way she has said that she refuses to take out those sections which attach controversy and raise the ire of many in the country. Therefore, she is willing to stand pat and let the entire legislation be deferred and stalled on the order paper until next fall.

In plain speak, that is not good enough. Members of the opposition do not accept this. When we look at the priorities of the government, we are left only to wonder as to why we would be rushing headlong toward bringing in a piece of legislation which would increase our remuneration. When we have an opportunity to bring in a very positive piece of legislation that is supported by all members of the opposition, and obviously members of the government, by simply making a very small concession, I would suggest that would lead a piece of legislation—

Ms. Marlene Catterall: Madam Speaker, I rise on a point of order. I question the relevance of debating another bill before the House today in the context of a motion.

The Acting Speaker (Ms. Bakopanos): The member can debate a motion. It is within the standing orders, and it is within the context of his motion that the debate is taking place.

Mr. Peter MacKay: Madam Speaker, I commend your wisdom of that point. If the hon. government whip who has just joined us would unplug her ears and plug in her earpiece, she would know very clearly that this is extremely relevant and important, and I invite her to listen to my remarks.

What the opposition, and I suggest many in her own government, would like to see happen is for the minister to simply divide up the omnibus bill and remove two rather controversial elements of the legislation. They would be returned in stand alone form and would advance, if she would agree to this, and improve in their standing and speed in which they would pass in the fall. By doing this, it would allow Canadians to have the benefit of this new legislation which would attach specifically to Internet stalking and pornogra-

phy being sent around the country in this new way. This very nefarious practice could be addressed by bringing in this type of legislation now.

Why would we hesitate? That is the question that we are left to ponder. Why would the Minister of Justice refuse the opportunity to bring forward this very positive legislation supported by the opposition and by her own government? It seems she simply is doing this out of some defiance or stubbornness because it was an idea that originated on the other side of the House.

This is a practice that unfortunately we see far too often. Ideas somehow on this side of the House are lesser ideas or are ideas that somehow should not be given the same credence; the same way the Prime Minister would have Canadians accept that if members of this side of the House in the opposition do not get down on their knees, kiss his ring, ask for contrition and ask that we be given a pay raise, we do not get it.

• (1020)

This perpetrates again this idea that we have two separate classes of members of parliament. We have those who bow down and support the Prime Minister in his every effort and those who do not for some reason. They try to fulfil their role in opposition legitimately by questioning his ideas and vision, if there is one. This is the type of attitude.

We can talk endlessly about ways to modernize parliament. We can talk about procedural change and the way to empower members of the opposition and backbench Liberals. Yet it is this palace guard, pinnacle top-down approach, which we have seen from the Prime Minister in particular, that squashes that. It absolutely goes against any type of individual thought. It is meant entirely to put down anyone that might have an original idea.

If parliament is supposed to improve its lot, if we are to somehow improve the way in which Canadians view the legitimacy and the relevance of the Chamber, that has to change. Unfortunately, we can do everything in our power to try to change procedurally the way that the House works, but as long as this attitude exists, as long as there is this Prime Minister in place, as long as the PMO is going to view any sort of legitimate dissent or questioning of this unfettered power that has now accrued in the PMO, we are not going to see an improvement of this place. We are not going to see members of parliament encouraged to step forward into the breach on occasion against the power and the winds of change.

This is yet another example. We have a very clear, common sense opportunity to bring forward a piece of legislation that would protect children. It would increase the ability of our justice system to deal with individuals who act violently toward police. It would increase the ability of our justice system to respond appropriately

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and proportionately to those who engage in the very disturbing practice of harassment, of targeting a person and terrorizing his or her life.

The practice of criminal harassment, colloquially known as stalking, is something that has, for reasons that defy logic, taken on a whole new meaning. Quite frequently we see individuals, usually women, subjected to this very disturbing approach that destabilizes a people's lives. It injects itself into their stability or the way in which they can carry on their normal practices.

Again, this is important legislation. This is the type of bill that should be brought forward with great haste. What is the deterrent? What is blocking our ability to do that? It is the Minister of Justice who has the power and is embodied with the responsibility to protect Canadians in the first instance and to take every opportunity to bring forward this type of legislation.

I commend her for bringing it this far, but we are at the goal line. We are just about to bring the legislation forward through the House, on through the other place, into practice and into being law. Yet the minister, defying all logic, defying all reasonable approach by the opposition, and I suggest by lobbying within her own ranks, is refusing to do so, and is refusing to even answer why.

When questions were posed to her in the House of Commons, she pointed the finger in her academic, professorial way and accusatorially told the opposition that it was playing politics. We are playing politics because we want to support a government bill? That is playing politics? We are trying to bring it in so that it will be the practice to protect Canadians. That is playing politics? She is denying the opposition an opportunity to work with government simply because she feels perhaps this idea is coming from a place outside of her political world, a place outside the government's world, because only good ideas come from the government benches. That is inevitably what we are left to ponder. Why can the opposition not originate a good idea? It can, and I think most Canadians recognize that.

• (1025)

The minister of justice has a lot to answer. She seems, for reasons known only to her, to have dug in and said the government will not bring the bill forward. It will not allow Canadians to have this protective, positive legislation in place before the recess, because it has bigger priorities. It has to get pay raises through. It has to somehow improve its own lot and not that of those who would be affected by this type of criminal activity.

This report speaks volumes. This report came about as a result of the same type of action and pattern of arrogance that Canadians sadly have come to expect and have borne witness to during this government's administration. We saw the minister brought before a

committee because of this type of action before, yet it does not seem to have had the desired effect. It does not seem to have made any kind of an imprint on the minister's mind as to why she should perhaps listen on occasion to the opposition and why she might somehow open her eyes to the fact that the opposition is not always out for blood. It is not always out to try in a partisan way to embarrass the government. There are occasions where we simply want to try to support the government. This is just one of those occasions.

This is a bill that very clearly would improve the criminal justice system in the country. All it takes is a little compromise. All it takes is the minister's recognition that to give a little she would get a lot. She would get the support of this party, and I am sure other parties in the House, to bring forward Bill C-15 in a new, revamped way that would attach to these provisions and remove some of the controversial provisions.

As I said before, those issues that deal with firearms and cruelty to animals would return in the fall in a stand alone form, advancing from where they currently sit on the order paper. They would move in a more rapid pace when we return in the fall.

It seems so logical, so common sense, yet the minister has chosen to simply ignore this request, which was first brought forward through the government House leader. She was approached in a number of ways and in a number of forms. I know the member for Provencher wrote to her with a very similar straightforward request and was flatly turned down with no reasons given. That is not accountability and that is not good enough.

The Minister of Justice has something to answer to here. Because of this report, there should be a bit of a sword of Damocles hanging over her head. She has exhibited this type of strident attitude before, ignoring the pleas of the opposition and ignoring the wishes of Canadians who predominantly would support any efforts to bring in legislation that would protect them, their children, their homes and their law enforcement community.

This is the reason behind bringing this matter forward. We in the opposition have on occasion limited opportunity to ask the questions and bring forward legitimate issues. The government sets the agenda to a large extent, particularly the legislative agenda and the priorities.

Again we are left to wonder why is it that we would rush headlong into a bill that enhances our pay and our pensions? Why is that the priority before we go home? Why, in the remaining days of parliament, will members of the House and members of the Senate be dealing with that? Surely it is not consistent with what Canadians expect? Surely this is not where we should be focusing our efforts in the remaining time that we have in the Parliament of Canada. If we have an opportunity of choice between taking a pay

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raise or helping children, surely the answer is obvious. Why the minister of justice cannot see that and embrace that is beyond comprehension.

I commend the Minister of Justice for coming before the committee and making proper apologies. She admitted there was something wrong. She was prepared to make changes to ensure that this type of practice would not occur again. Yet at the very first instance, when an occasion arose where the minister could show a little understanding and willingness to compromise and work with the opposition not against it on behalf of Canadians on a very legitimate issue, her bill, she did not.

• (1030)

This is not something that originates from the opposition side. We simply are saying to the minister “Let us pass the bill. Let us get this legislation through quickly”. We want to work with her and support the legislation because it is such a positive initiative.

However, no, it does not seem like that will happen, and why? We have not heard from the minister yet. I guess the response is just because, much like the Prime Minister, because the government can. Why do animals do certain things to themselves? Because they can. As vulgar as that may sound that appears to be the response we get. There is no response because the power is there to do so and therefore the government is prepared to exercise it.

That is what enrages opposition members. That is what offends Canadians. They see that members of the Parliament of Canada cannot work together on such positive issues as protecting children and improving the way in which our justice system works. What is more fundamental than that? What is more important than that? Surely it is not pay raises. Surely it is not the way in which we can improve our own lot in life. We are elected to come here to bring forward important pieces of legislation that would do very good things.

With that, my time has expired. We would hope that we might hear at some point from the government at least, if not the minister herself, as to why this seemingly indefensible position has been taken by the minister and her department.

Mr. Ken Epp (Elk Island, Canadian Alliance): Madam Speaker, I concur as much as I can possibly concur with what the hon. member has just said.

There is a contempt for members of the opposition and even for backbenchers on the Liberal side that has been shown over and over by the government. Instead of using the ploy of enhancing the salaries of members of parliament in order to try to give them more dignity in the public eye, it is about time that the occasion be used to recognize that members of parliament are elected by their respective constituencies, are here to do a job and should be heard.

I am deeply offended by Bill C-15 and the move the government is making here by mixing into the motion many very good items with a few totally deplorable items. I have used this analogy before: we get a bowl of really nice pudding—I like custard pudding—but in it is a bunch of gravel and we are supposed to eat the whole thing. I am using the example of gravel in order to try to be polite because there are other things that come to mind which the Liberals mix into good parts of a bill.

Bill C-15, the bill under discussion here, in fact has some very good parts, as the member has pointed out, but what has the government done? It has thrown into it things that are totally offensive to most Canadians. The members of parliament on this side and the other side would love to express that, but they cannot because it is all tied together in one big package. It is an all or nothing thing.

The government is doing the same thing with MPs' salaries. There are some good things and a bunch of stuff that is bad. We cannot amend it. The government will not accept it. In its arrogance and its majority here it just does whatever it wants. The Prime Minister acts like a dictator. He says it and it is done. That is very offensive.

I would like to congratulate the member for Pictou—Antigonish—Guysborough for what he is doing today and I give him 100% support for this motion. I also believe that this report should be accepted. I would like to see the House seized with this issue before any other because of the importance of the protection of our children and our society. I would like the member's comments on that.

• (1035)

Mr. Peter MacKay: Madam Speaker, I appreciate those comments from the member for Elk Island. I know that what he has said and has put on the record is very true. It is very consistent with other behaviour on the part of the government. The Liberal government has always portrayed itself in a Janus-like way, saying one thing and doing another. We have seen that consistently since the Liberals came to office. We have seen it on a number of issues: the GST, free trade, Pearson airport. Consistently the government has said one thing and done another.

That is what is happening here in a more nefarious way. The government is bringing in a piece of legislation, saying that it feels this is important, that it is in response to what Canadians want. However, when given the opportunity and basically given a free ride, when the opposition says to pass this legislation quickly, the government says no, that is not really its priority at all. Its priority is bringing in a pay hike, putting members on the spot and somehow trying to set them up in such a way that if they do not vote for it, if they do not lay down and give the government its way they will not get it.

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This occasion is one on which the opposition is saying “Let us do a good thing before we go home. Let us bring in a piece of legislation that Canadians can respect and be proud of”.

Why would we shy away from that? Why we would not somehow try to do the right thing, put the proper emphasis on it and proportionately move in a direction Canadians would expect? It is very disappointing and very frustrating for this side of the House when we are giving the government the opportunity to do that. The government members can hang their heads in shame, but I suggest that if we leave here with that bad taste in everyone’s mouth then we have a lot to account for and I suspect we will have a long, hot summer.

Again I would hope that the government would reverse itself as it has done on so many occasions, but reverse itself in the right direction. The way the government did it on helicopters, for example, it reversed itself by in some way trying not to take the right contract. Now the Liberals are struggling to do everything they can to avoid buying the same helicopters they cancelled.

Let us try to put some of this partisanship aside and bring in a piece of legislation that Canadians want and Canadians are looking for.

Mr. Peter Adams (Peterborough, Lib.): Madam Speaker, I listened with great interest to the member for Pictou—Antigonish—Guysborough. I listened with some sympathy with respect to his discussion of the report, which was actually the topic of the motion.

However, in terms of Bill C-15, and I hope the hon. member will reply to this, it does seem to me that there must be parts of that bill that he has serious concerns about. There are the firearms part, the animal cruelty part and the law enforcement officer part. Generally speaking, I support all three of those components. I have my concerns about some parts of them, but that is normal as legislation moves through the House of Commons.

If the member is so concerned about it, would he now give us an indication of which parts of those individual areas of the legislation he disagrees with?

Mr. Peter MacKay: Madam Speaker, I appreciate the very straightforward and relevant question from the member for Peterborough. My simple response is this: where has he been? What I have said is that the difficulty I have with this legislation is the cruelty to animals provisions.

I have heard from a number of stakeholders who are concerned, including farmers, those who operate slaughterhouses, those in the trapping and fur industry and those who deal with animals regularly as part of their livelihood. They want to come before committee. That is what would hold up the bill. These people want a legitimate

opportunity to come before the committee and put their concerns on the record, which might lead to possible amendments.

I will give the government its due. It has made some amendments to those animal cruelty provisions, which have answered a great deal of what the industry was concerned about, but it is not there yet. The stakeholders want to see some possible amendments. In particular, they want an opportunity to find out if criminal charges might result from practices they are currently carrying out. That is their concern, which is very legitimate.

Similarly, there is the firearms provision. The Progressive Conservative Party has said since the introduction of Bill C-68 that it does not agree with this billion dollars or more that will be accumulated in public costs before this legislation will be in effect. We oppose it. To be consistent, we are not particularly quick to embrace the firearms provisions of this omnibus bill, but that is the point. It is an omnibus bill. It is all or nothing. It is take all of these provisions or take none.

● (1040)

What I am suggesting is that this legislation, but for those two provisions, would pass quickly through the House with the unanimous support of the opposition. The government would get its way. The bill itself, in every other way but for those two provisions, would be passed. Those two provisions would be returned in the fall as stand alone bills. They would have advanced from the point they are at now and would pass quickly in the fall.

That is what could be done instead of carrying over the whole bill and having it spend the summer sitting on the order paper when it could be in effect. The Internet stalking and pornography provisions in the criminal code would take effect by the end of the month and would start to protect young people immediately. We would beef up the sanctions that attach to police officers who are attacked by people in an effort to remove their firearms. It would beef up the stalking provisions in the criminal code and it would toughen the sanctions that attach for those who harass women and children.

That is all I am suggesting: to divide the bill up in a very logical way, remove the controversy, bring those provisions back, and pass the rest of it part and parcel in this legislation before we go home. Let us do something good before we leave instead of just jacking up our own pay.

Mr. Myron Thompson (Wild Rose, Canadian Alliance): Madam Speaker, I would like to inform the member that I totally agree with his comments.

In my riding we have probably some of the largest livestock producers in the country, who are very efficient and effective in what they do. A number of cases have gone to court because of

certain acts, like the SPCA charging farmers because a cow had a cancerous eye. Of course the courts did not charge the individual or find him guilty. It was thrown out of court. Nevertheless the lawyers made a pile of money over that kind of thing. With respect to the animal part, the bill really needs a lot deal of work. The child issue needs little or none. Could the member please explain why this minister thinks that protecting children is playing politics?

The Acting Speaker (Ms. Bakopanos): Unfortunately there is no more time left. If there is unanimous consent I can permit the hon. member for Pictou—Antigonish—Guysborough to answer the question.

Is there unanimous consent?

Some hon. members: Agreed.

Some hon. members: No.

Mr. Derek Lee (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, I just want to let the hon. members opposite know that my speaking here is just as democratic as their speaking over there. I have been listening to the debate and so far have not intervened. I am pleased to do so now.

This debate is on a motion for concurrence in a report of the procedure and house affairs committee which was tabled in the House just a few weeks ago. That report dealt with the matter of privilege that was referred to the committee from the House through the Speaker. The report, known as the 14th report, was adopted unanimously at the procedure and house affairs committee so there should be no doubt here in the House that there is cross party support for the report as tabled.

Members will also be aware that it is if not routine at least customary for the government to respond to reports of committees. I can advise the House that it is the government's intention to respond. In fact, response to that unanimous report has been prepared and will be introduced into the House on Thursday. In some respects it is regrettable that the debate now put forward—

Right Hon. Joe Clark: And debate is regrettable?

Mr. Derek Lee: Yes, it is. It is perhaps unfortunate that it needed to happen today in the views of some members when the government response is only a couple of days away. It would be preferable, I think, for all in the House to have the government response before we engage in a debate of this nature.

● (1045)

However I could not help but note that a lot of the debate that has occurred here had to do with a statute that is not even the subject matter of the motion. It had to do with a bill we call Bill C-15, a bill to revise the Criminal Code of Canada.

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I suggest that the debate we are engaging in on the 14th report of the standing committee is not really what the mover wanted to talk about at all. In fact there are other agendas in place. I have to note as well, as we all will, that we are moving toward the end of a sitting of the House. We are moving toward the end of our work. We are not all finished yet but we certainly have an obvious short list of items that we want to complete within the next week or two. As a result, there are any number of other political agendas being put forward by individual members or political parties.

I heard earlier the oft repeated mantra from across the way that the government is somehow arrogant. Of course, sitting with the government I reject that totally. The government is simply pursuing its legislative agenda, 90% of which has been on the order paper for a very long time. Members opposite know that. I do not mind hearing the mantra of arrogance repeated but I also have to point out that most of the members opposite, in the sense that they continue with the mantra, are simply continuing their membership in the ranks of the perpetually indignant. We all accept that in opposition they do have a role and that they are doing their best to fulfil it today.

I encourage members, if they are interested in the progress of Bill C-15 amending the criminal code, that they direct their attention to that outside the debate here. I do not think it is particularly relevant to the privilege matter that was discussed in the 14th report. I direct members' attention again to the fact that a government response will be tabled in the House within a couple of days and that the reported had been adopted unanimously at committee.

Having said that, I think it is appropriate to move:

That the House do now proceed to orders of the day.

The Acting Speaker (Ms. Bakopanos): 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.

• (1130)

(The House divided on the motion, which was agreed to on the following division:)

(Division No. 122)

YEAS

Members

Adams	Alcock
Allard	Anderson (Victoria)
Assadourian	Augustine
Bagnell	Baker
Barnes	Beaumier
Bélair	Bélangier
Bellemare	Bennett
Bertrand	Bevilacqua
Binet	Blondin-Andrew
Bonin	Bonwick
Boudria	Bradshaw
Brown	Bryden
Bulte	Byrne
Caccia	Calder
Cannis	Caplan
Carroll	Castonguay
Catterall	Cauchon
Chamberlain	Charbonneau
Chrétien	Coderre
Collenette	Comuzzi
Copps	Cotler
Cullen	Cuzner
DeVillers	Dhaliwal
Dion	Dromisky
Drouin	Duhamel
Easter	Eyking
Farrah	Finlay
Folco	Fontana
Fry	Gagliano
Gallaway	Godfrey
Goodale	Graham
Gray (Windsor West)	Harb
Harvard	Harvey
Hubbard	Ianno
Jackson	Jennings
Jordan	Karetak-Lindell
Keyes	Knutson
Kraft Sloan	Laliberte
Lastewka	Lavigne
LeBlanc	Lee
Leung	Lincoln
Longfield	MacAulay
Macklin	Mahoney
Malhi	Maloney
Marcil	Marleau
Martin (LaSalle—Émard)	Matthews
McCallum	McCormick
McGuire	McKay (Scarborough East)
McLellan	Minna
Mitchell	Murphy
Myers	Nault
Neville	Normand
O'Reilly	Owen
Pagtakhan	Paradis
Parrish	Patry
Peric	Peterson
Pettigrew	Phinney
Pickard (Chatham—Kent Essex)	Pillitteri
Pratt	Price
Proulx	Provenzano
Redman	Reed (Halton)
Regan	Richardson
Robillard	Rock
Saada	Scherrer
Scott	Sgro
Shepherd	Speller
St. Denis	St-Jacques
St-Julien	Steckle
Stewart	Szabo
Thibault (West Nova)	Tirabassi

Tobin
Torsney
Valeri
Volpe
Wilfert

Tonks
Ur
Vanclief
Whelan
Wood—150

NAYS

Members

Anderson (Cypress Hills—Grasslands)	Asselin
Bachand (Richmond—Arthabaska)	Bachand (Saint-Jean)
Bailey	Benoit
Bergeron	Bigras
Blaikie	Borotsik
Breitkreuz	Brien
Cardin	Chatters
Clark	Comartin
Cummins	Dalphond-Guiral
Davies	Desjarlais
Desrochers	Doyle
Dubé	Epp
Fitzpatrick	Forseth
Fournier	Gagnon (Champlain)
Gagnon (Québec)	Gallant
Gauthier	Girard-Bujold
Godin	Goldring
Gouk	Grewal
Grey (Edmonton North)	Guay
Guimond	Harris
Hearn	Herron
Hill (Macleod)	Hinton
Jaffer	Kenney (Calgary Southeast)
Laframboise	Lalonde
Lancôt	Lebel
Lunney (Nanaimo—Alberni)	MacKay (Pictou—Antigonish—Guysborough)
Marceau	Mayfield
Ménard	Merrifield
Mills (Red Deer)	Obhrai
Penson	Perron
Picard (Drummond)	Proctor
Rajotte	Reynolds
Ritz	Skelton
Sorenson	Spencer
St-Hilaire	Stinson
Stoffer	Strahl
Thompson (New Brunswick Southwest)	Thompson (Wild Rose)
Toews	Tremblay (Rimouski-Neigette-et-la Mitis)
Vellacott	Venne
Wasylcia-Leis	White (Langley—Abbotsford)
Williams—81	

PAIRED MEMBERS

*Nil/aucun

The Acting Speaker (Ms. Bakopanos): I declare the motion carried.

GOVERNMENT ORDERS

[English]

PATENT ACT

Hon. Herb Gray (for the Minister of Industry) moved that Bill S-17, an act to amend the Patent Act, be read the third time and passed.

Government Orders

Mr. John Cannis (Parliamentary Secretary to Minister of Industry, Lib.): Madam Speaker, I am pleased to rise today to begin third reading of Bill S-17, an act to amend the Patent Act. Bill S-17 is the end result of two separate World Trade Organization challenges, one by the European Union and one by the United States, against different aspects of Canada's drug patent regime.

As a result of these challenges the WTO ruled that certain aspects of our drug patent regime, namely stockpiling and our old act patent term, were inconsistent with our international obligations under the WTO agreement on trade related aspects of intellectual property rights, also known as TRIPS.

On a more positive note, Canada won an important aspect of the challenges when the WTO validated our early working exception that accelerates the market entry of generic drugs by a period of three to six and a half years.

Overall these rulings neither undermine nor threaten the underlying balance of Canada's patent regime. They do, however, mean the Patent Act needs to be amended to comply with our obligations under TRIPS.

The bill before us deals exclusively with issues of patent term and stockpiling. Its primary objective is to bring Canada's Patent Act into compliance with the WTO ruling. It is very important therefore that we proceed expeditiously with the amendments before us because the WTO has imposed an August 12 deadline for compliance with the patent term ruling.

The amendments in the bill have deliberately been kept as simple and straightforward as possible to help meet the deadline. If we do not respect the deadline we could face retaliatory trade sanctions. To avoid such a result requires that the bill be passed by parliament and given royal assent before the summer recess.

• (1135)

Some would say that Bill S-17 would alter the balance of Canada's drug patent regime. That is not the case. We have demonstrated that the amendments would not increase the price of drugs. They would affect only a small percentage of drugs on the market, less than 1%, and would not affect the speed at which generic drugs enter the market.

This demonstrates that the amendments would not undermine the balance of Canada's drug patent regime, a balance that rewards innovation and guarantees access to affordable drugs for all Canadians.

Because some have expressed concerns about how a change in the terms of patent protection would affect drug costs, I will go into the issue in more detail. We heard in committee that the number of commercially significant drugs that would benefit from patent term extension is approximately 30. That number is relatively insignifi-

cant when compared to the 5,200 patent and non-patent prescription drugs available to Canadians. The average term extension for patents on the 30 drugs I mentioned is less than six months.

The proposed amendments would not increase the overall price of drugs. Rather, they could delay by a few months the potential savings offered by generic alternatives. Even under the most generous of assumptions, the forgone savings would amount to less than one-tenth of 1% of drug sales over the next eight years.

Our current patent regime serves Canadians well. According to the latest report from the Patented Medicine Prices Review Board, prices in Canada are 11% below the median foreign price and Canadians pay 40% less for patent drugs than do Americans. The amendments contained in Bill S-17 would not hinder the PMPRB's role of ensuring that Canadians do not pay excessive prices for drug prescriptions.

Bill S-17 has undergone scrutiny by committees in both houses of parliament. The Senate Standing Committee on Banking, Trade and Commerce held hearings in March and April. As a result of the hearings I understand that committee members developed a common understanding that Bill S-17 was necessary to comply with WTO rulings.

On the more divisive issue of NOC linkage regulations, there was a general recognition from the Senate committee that they fell outside the scope of Bill S-17 and that now was not the time to address broader intellectual property rights.

The House of Commons Standing Committee on Industry, Science and Technology held hearings in May. I would venture to say that there was a general recognition by most members of the committee that meeting our international obligations was important and that the passage of Bill S-17 was necessary to do so.

On the issue of the NOC linkage regulations, we heard that the early working exception and the NOC regulations, taken together, were an important part of our balanced approach. For the most part, members of the committee agree that it was a matter for another time. The immediate priority is the passage of Bill S-17 before the summer recess.

Bill S-17 contains the amendments necessary to bring the Patent Act into compliance with the WTO rulings. Neither the WTO rulings nor the proposed amendments would undermine the structure of the Canadian patent regime as it currently exists.

It is very important that innovation continue and be rewarded and that Canadians continue to have access to affordable drugs. The government's objective is to build a world class leading economy driven by innovation, ideas and talent. We need a strong and modern intellectual property framework to do so. The amendments contained in Bill S-17 would help maintain Canada's leadership in the global knowledge based economy.

Government Orders

I urge all members on both sides of the House to work together and move expeditiously to support the bill.

• (1140)

Mr. Charlie Penson (Peace River, Canadian Alliance): Madam Speaker, I rise today to speak to third reading of Bill S-17, an act to amend the Patent Act. I will be brief in my remarks.

The Canadian Alliance supports the bill and its intent to bring Canada's patent regime up to international standards. The purpose of Bill S-17 is to bring Canada's Patent Act into compliance with the trade related aspects of intellectual property rights agreement, or TRIPS, which Canada and all other members of the World Trade Organization have signed and must adhere to.

We in the Canadian Alliance recognize that sometimes at these international bodies we will win cases and sometimes we will lose. However it is a large group. Roughly 150 member countries make the decisions. Overall, Canada gains by the process of the rule of law. We are a small member country in terms of population but we have been very influential in bringing forward proposals to do away with subsidies and tariffs internationally since the end of the second world war.

That is what it is all about. Last fall the World Trade Organization found Canada's patent legislation to be deficient because patents introduced before 1989 were given only a 17 year protection, not 20 as required by the agreement we signed, the agreement called TRIPS.

We must therefore make the necessary amendments to the Patent Act. Bill S-17 would change section 45 of the act to provide a 20 year term of patent protection from the date of application.

About 30 patents in the pre-1989 act represent commercially significant patent drugs. The Canadian Drug Manufacturers Association, which represents the generic drug industry, has fully acknowledged that the Government of Canada must make legislative changes to the Patent Act to comply with its international trade obligations. However, the association has objected to what it claims is an imbalance in drug patent regulations, particularly the notice of compliance linkage regulations. It also talks about the two year stay process that is in place.

I agree that this is an important issue but it should not slow down the passage of Bill S-17 which is intended to bring us into compliance with the World Trade Organization. That body gave us until August to change our patent laws, so we must make the amendments as soon as possible.

The Canadian Alliance recognizes that the dispute over drug regulations should not be ignored but should be examined as a separate issue. The Minister of Industry has suggested that he will

ask the committee to study the issue in the fall, and we concur completely. We should call witnesses and hear testimony on the important issue of regulations when it comes to drug patents after the 20 year process. We would encourage the committee next fall to take on the issue, listen to witnesses carefully and to make a judgment based on the information that comes before it.

I will talk a bit about how important it is for Canada to recognize and comply with rulings that are made when we sign important agreements such as the GATT under the World Trade Organization. We are a mid-sized trading nation. A large part of Canada's prosperity depends on our ability to sell our products abroad. We need the WTO and other trading agreements such as NAFTA to protect our international trade from unfair subsidies, countervailing duties and trade wars. Some may not like all the decisions coming out of the WTO but there is no question that overall we benefit from the stability and clarity the organization provides to world trade.

I will give an example of how we have gone off track from time to time and why it is necessary for us to work within the framework of these organizations. We need only look at the accelerated trade war between Canada and Brazil over regional jets. Despite winning several rounds at the WTO over the issue, the industry minister announced in January that the government would give an estimated \$1.5 billion below market interest rate loan to Air Wisconsin to help Bombardier secure a regional jet contract.

While it sounds okay on the surface, the loan was described as a one time deal to save Canadian jobs threatened by Brazil's subsidies to its regional jet manufacturer, Embraer. Rather than make Brazil see the reason in this, Canada chose not to use the process in place at the World Trade Organization which is to exercise sanctions against a rogue nation that will not comply.

• (1145)

Rather than seeing the reason in this process, as the minister suggested, Brazil has dug in its heels over the issue and feels that it has to continue subsidizing as long as Canada is subsidizing as well. All those years of working within the WTO system on this issue are now in question, and I would suggest in jeopardy, because Canada has stooped to Brazil's level. There is no end in sight to this dispute.

Bombardier is now seeking another subsidized government backed loan for another one of its customers. That customer is Northwest Airlines, the fourth biggest airline in the United States. The industry minister is seeking that loan on behalf of the government so that Northwest can be enticed to purchase Bombardier jets rather than Embraer's.

This is less than five months from the time that the Minister of Industry told the House that this would be a one time deal to bring

Brazil to its senses. It has not worked because Bombardier is back asking for another \$1.5 billion to keep it going. The trade war goes on and on.

We have been working for 50 years with institutions like the general agreement on tariffs and trade. We went through a seven year process at the Uruguay round of the GATT to bring some sanity to the process of subsidies and tariffs. Canada was a leading nation. We were well respected for our ability to move the process forward. However Canada is now working outside the rules of the WTO.

If Canada is to have any credibility in future negotiations, particularly on the issue of compliance in the drug manufacturing debate, it needs to start to comply with these rulings and work within the framework.

The framework in the Bombardier dispute with Embraer was that on December 6 the World Trade Organization authorized Canada to impose \$244 million in sanctions against Brazil to stop that unfair practice but Canada did not take that step. We were wrong in not doing that. That was the only method we had at the World Trade Organization and we chose to work outside the organization on that issue.

This points out that we need a rules based system. We have worked hard to develop it in the past. We know it is effective in cases like the Canadian Drug Manufacturers Association and its dispute in terms of the 20 year patent. Now Canada has moved to come into compliance with it. We need to continue that process and continue to work within the organization to build Canada's credibility in the future.

Other industries are watching, such as shipbuilding, agriculture, steel and softwood lumber. We need some resolve or some process to settle these disputes. Canada has been a leader for 50 years. If Canada will not work within the rules then who will?

Matching subsidies is sometimes called levelling the playing field, but the Canadian Alliance and I believe it is misguided policy. Instead taxpayers of the two countries involved end up subsidizing foreign airlines in this case.

A company in Arizona bought regional jets from Bombardier and is now saying that it did not get that kind of deal. It wants it too and is asking why it was given to everybody else. Instead of subsidizing Northwest Airlines in the United States, we should work within the framework of the WTO.

Coming back to the business of the drug patent law or patent law in general, we heard a lot of testimony in committee indicating that we need a strong intellectual property system in Canada so that those who come up with new ideas are able to realize some profit and protection for their property. I suggest it is no different in the area of drug patents. A reasonable length of time is required to recover the money. Once the patent is up, it is fine. The generic companies can then get involved and manufacture products which might be cheaper than research based pharmaceuticals.

Government Orders

I hope the important debate over notice of compliance and the regulations will take place next fall. I am looking forward to it, to see who is right on this issue. In the meantime it is very important for Canada to comply with the WTO rulings, bring Bill S-17 forward, and pass it as quickly as possible to bring us into compliance so that Canada is not a rogue nation but is working to try to resolve international issues in a reasonable manner.

• (1150)

[*Translation*]

Ms. Madeleine Dalphond-Guiral (Laval Centre, BQ): Madam Speaker, I am pleased to intervene briefly this morning on Bill S-17.

This bill does not require a long intervention, because the principles involved are relatively clear and part of the daily life of people living in a democracy. Membership in an international organization implies acceptance of the organization's decisions.

The aim of Bill S-17 is essentially to comply with two decisions taken last year. The bill brings the Patent Act into line with the requirements of the WTO.

Quebec is especially proud to have operating within its economy a number of international pharmacology and biotechnology firms. Laval, for instance, is known for its science and high technology park, a model in the area.

What would happen if Canada decided not to comply with the Patent Act any more? Of course, there would be drawn out court proceedings, with all that involves. It would mean losses somewhere for Quebec's and Canada's economies.

The Bloc Québécois will support Bill S-17. This support makes very clear the position a sovereign Quebec will take once it has the privilege and the right to sit at the table of nations and sign its own international agreements, which it will support.

This therefore is a dress rehearsal. Quebec will sign WTO agreements and recognize decisions made, because, in all good faith, this is how it would have signed international agreements.

[*English*]

Mrs. Bev Desjarlais (Churchill, NDP): Madam Speaker, I will comment on a number of different issues relating to the bill. A good number of them have been mentioned by other speakers but probably from a somewhat different context.

As someone who has been sitting on the committee dealing with the issue for a very short period of time among many other issues that were being rushed about, I will not make a point of rushing through the debate. Everyone else is talking about the need to be brief but I think this is one time when we should not be brief.

Government Orders

We are talking about an issue that relates to the health of Canadians and the health of people of the world, for that matter. It is related to the issue of patent protection and its relationship to drugs throughout the world.

I will comment on the brief period of time the Government of Canada has to deal with the issue and make sure it is passed to meet the WTO trade agreement. In its submission to the tribunal body which was ruling on the matter, the U.S. presented the reasons Canada had to comply by August 12. Normally a 14 month to 17 month period of time is given to countries to comply. In this case Canada got a whole lot less time. We got 10 months.

The U.S. submitted that Canada had a parliamentary system which would allow its government with its parliamentary majority to effectively ensure that whatever legislation it wants will be passed in a short period of time. The United States asserted that as past practice illustrated many bills had been swiftly passed by the government. For instance, in the 36th parliament 40 of the 78 government bills that received royal assent were passed in four months or less. Indeed bills have been enacted in as short a period of time as a week.

I suggest that the past practice of the government of not having full debate, full disclosure and full input from the people of Canada are the reasons Canada was given this brief period of time. It was because of the actions of the Liberal government.

According to the United States, with Canada's ability to promptly pass legislation, the underlying question was whether Canada would make the passage of the bill a priority in its legislative agenda.

• (1155)

The government did not make it a priority and did not start discussions on the bill some time ago. It brought in the bill a short time ago so there would be less discussion. Instead of bringing it through the elected House it brought it through the Senate, once again to delay the process where Canadians elected by Canadians would have the opportunity to speak their minds on the issue. What we have is very limited discussion on the whole issue of patent legislation.

We should not have to wait until the fall of this year to have a discussion which really needs to be had. I listened to my colleague in the Alliance and I was thoroughly disgusted with his comments. He was saying that we would discuss it in the fall and hear the positions then. We should not have to wait until the fall. We should have pursued the issue a whole lot sooner.

When something as important as the health of Canadians and of people of the world is at stake, why would we wait until the fall to discuss this important issue? It is probably one of the single most

important issues we have been discussing for a period of time, and it is to be rushed through.

That ends my comments with regard to why we are passing the legislation through the House so quickly. I will now discuss why we have the issue before us at all. At one time Canada would not have been subjected to rulings of the World Trade Organization which said that we had to move as a country on a decision.

We decided to have 17 year patent legislation, which is no short period of time. I challenge any drug company to say that it has not received its return a hundredfold in 17 years. It is not a matter of getting a return on research investment. It is a matter of pure and simple greed by drug companies. Prior to the legislation not a drug company was suffering. If there was a need for more research dollars the government had a responsibility to respond to that need.

The issue between the 17 years and 20 years is a matter of pure and simple greed. It is the same pure and simple greed that led a number of wonderful drug companies to work in collusion to increase the price of an additive to vitamins and other medications a few years back. They all ended up charged. It was pure and simple greed. They were not making enough billions of dollars. They wanted many billion more. We are not dealing with companies that have corporate ethics and the well-being of the world as their primary concerns.

I am not suggesting for a second that we do not need trade regulations. I am not suggesting that we do not need recognition of patent protection. I am saying that we have gone beyond reasonable patent protection to pure and simple greed.

At one time we did not have the World Trade Organization. Therefore we did not have to meet those regulations. At one time we would have had countries fighting for what would benefit the people, not for corporations making a profit. We now have a number of countries agreeing to get together, not to do what is best for the people of the world but purely for the profit of corporations.

Who do we want negotiating on our behalf when we have governments negotiating patent agreements up because they believe it is right for people to have to pay millions of dollars more for their drugs? I suggest that those negotiating are not doing their job. Those government representatives should be saying that it is out of hand and that they are not doing what is best for the people of the world. They should be negotiating those patent agreements down, not up. If our representative is not doing that he is not doing his job for the people of Canada.

That is where the changes have to be made. It is not okay to accept the fact that we have a World Trade Organization that is protecting profits for corporations and not ensuring the well-being of people of the world.

Government Orders

• (1200)

The whole issue was related to drugs. I will fall back on a comment my colleague in the Alliance mentioned, that we cannot have rogue states. Was it a rogue state that went out and said that it wanted AIDS medications cheaper, otherwise people would die off by the thousands? Was that a rogue state or was that a government acting responsibly for its people that said it would continue producing generic drugs and to heck with World Trade Organization rulings because that was good for people, not corporations?

I will comment on the specific regulations that seem to have created the greatest problem at this point, recognizing that the Liberal government's approach to getting legislation through quickly, recognizing that we are part of the World Trade Organization and recognizing that by August 12 we need the bill through. We know it will be passed.

There are some issues that the government could have addressed in the legislation that it has failed to address. First is the notice of compliance regulations. In the period of time available to us it is difficult to explain the whole process of the notice of compliance regulations, which have to come through the Department of Health, and their effect. Ultimately it lengthens the amount of time it takes generic drugs to get on the market.

It has been suggested that the period of time will not mean a great increase, but I suggest it could be \$50 million for the few drugs that may be affected. We in the New Democratic Party are often criticized because we say it is not that much money. I can tell the House that \$50 million is a lot of money. Nobody in the New Democratic Party thinks any differently. We just do not like the government's priorities on a number of issues, but \$50 million is a lot of money.

As a result of the change from 17 years to 20 years in the patent regulations it could mean \$300 million over a period of time. That is a lot of money. It is a huge amount of money. The notice of compliance regulations could have been addressed.

Rulings were made in the Senate committee. It made recommendations with regard to notice of compliance. Patent or brand name drug manufacturers came up with automatic injunctions against the generic companies to delay the process. A comment was made by the supreme court. As a result the Senate committee recognized that the observations were outside the purview of Bill S-17. It also indicated that the minister said that things would be looked at. I am just giving a general view of it.

The Supreme Court of Canada criticized the notice of compliance regulations, describing them as draconian. The high court ruling indicated that to subject generic drug producers to such a draconian regime would be manifestly unjust. Generic drugs are

kept out of the market immediately, without any consideration of the merits of either position. According to Judge Iacobucci, manufacturers of generic drugs were entitled to market their products years earlier.

We are not talking about an issue that could not be dealt with in the legislation or that would affect the trade ruling. It would not.

Another area of the bill that would not affect the trade ruling is the right of the government to make regulations related to stockpiling. We have already met the criteria of no longer allowing stockpiling right now. That is not happening. Why is it necessary to remove the right of the government to put that stockpiling back in should there be a change in the World Trade Organization ruling? Why not leave the right of the government to make that regulation?

Governments are supposed to be doing what is best for the people of their countries, not meeting World Trade Organization rulings. Therefore that regulation could have been left in. We would have adhered to the World Trade Organization ruling but still left in the right of the government to make the regulations.

• (1205)

Another issue the bill dealt with was ensuring that we went from 17 years to 20 years to make sure that the World Trade Organization ruling was met. However a number of patents go beyond 20 years. Instead of the bill making everybody fall within the 20 years, some patents out there will be allowed to go beyond 20 years. Why they were not all brought into the same 20 years is beyond me.

At one of the final meetings of the committee it was suggested that once we give someone the right to be over 20 years we cannot really take it back. There seemed to be a question of that not being the case, that as a government we pass legislation and that is the way it has to be. It leads us to question why all patents would not have been brought down to 20 years. If we could move them from 17 years to 20 years, certainly those that had 23 years protection could have been brought down to 20 years as well.

The bill is not coming before the House to benefit the people of Canada. It will not benefit the shortage of dollars in our health care system. Quite frankly it will tax our health care system that much more. Again, what kind of negotiator agrees to something like that?

I would like to refer to another area that has not yet been discussed. I represent a number of first nations communities. At a time when we are looking toward allowing first nations people the right to self-government and the right to look after their own affairs, I am extremely concerned with the shortage of adequate funds to provide the overall services first nations communities need.

Government Orders

From what I have seen in the area of health transfers I have real concern that dollars were cut in the last year or so before health transfers were to take place. I am happy to say that a number of first nations communities are treading very slowly into health transfer now because of that. They have recognized that they were being shorted on funds to look after their health services. They knew that taking over those health services would be tough.

At a time when first nations communities should be given adequate funds to take over their health services and want to do it, I am extremely concerned that we are accepting legislation that will increase the cost of health services to a large degree to first nations people.

Because of the conditions they have been living in, a higher majority of first nations people end up in our health care system for a variety of reasons. Each and every one of those first nations communities will have increased costs related to health care. From what I have seen they do not get the needed support dollar-wise or the increased support they need on a year to year basis. I am truly concerned that they will bear a greater portion of the bad effects of the legislation.

We have heard the U.S. position on how things get done by the Government of Canada, so I know the bill will pass. When first nation communities tell us that the dollars they are being given for health care just do not cut it, we will need increased resources because of the increased cost of medications. When the provinces tell us that they do not have enough money to provide our health care because of the increased cost, we will need to make sure that they are getting increased dollars to provide those services.

That is what this debate is about. It is about being forced into the position of having to ration what we have because we do not have the dollars to provide the services. That is largely due to a lack of priorities within the federal government.

• (1210)

There is no question that preventive health care is the best route, preventive measures for sure, but in the interim we must make sure we have the dollars to provide much needed medications and other services.

I urge all members to recognize that in the upcoming years after we pass the legislation. Even though it may only affect 30-odd medications, some of them are high cost medications that people just cannot do without right now.

I am getting to the end of my comments on the legislation. I know that my colleague from Winnipeg, our health critic, has her thoughts to add to it. She has seen firsthand and dealt with the issue for a number of years. She has been greatly involved for a number of years and has listened to people throughout Canada who have felt the impact of the previous increase in the patent legislation.

Certainly seniors groups around the country have indicated their objection. There is no question that seniors were a vibrant force the last time the legislation came before the House. Because of that the government of the day was made to feel some shame over what it was doing. When the present industry minister was in opposition he felt the same way as those seniors did, that it was unacceptable the government would allow it to happen.

That is part of the reason the government took a roundabout route to getting the legislation before the House this time. I commend seniors for their fight in the past. I know we will join them in the future as we continue to make sure the government acknowledges that it should be doing what is best for Canadians and not just for corporate profit.

Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP): Mr. Speaker, I begin by commending and commenting on the work of the NDP industry critic, the member for Churchill. She has done an incredible job of following the bill, pursuing amendments and making suggestions all the way through the process.

The member indicated my background in health care. I was the culture minister in 1986 and I was health critic for the NDP in the Manitoba legislature from 1990 onward. I had to deal with the ramifications of the Conservative government in Ottawa making drastic changes to the Patent Act which put us on the course we are on today.

At that time we tried very hard to get the Conservative government of Manitoba to speak out against Bill C-91 that had been brought in by the Mulroney Conservatives. We failed in terms of trying to ensure that provincial voices registered clear opposition to those very regressive moves. The battle continues today.

My questions for the member for Churchill are threefold. Since she has followed the process and been on the committee, I should like to know from her whether or not the government gave any indication of caving in further to the World Trade Organization and extending patent protection even further since we know from some of the documentary around this issue that the United States government has said it would see 20 years as a minimum.

I would also like to know whether she heard any explanations for the flip-flop by the Liberals on this issue between pre-1993 and the actions taken since they became government.

Finally I would like to know if she heard anything from the government throughout the committee process about alternatives to dramatically increasing prices in the field of drugs and solutions for a very serious problem in Canada today.

Mrs. Bev Desjarlais: Mr. Speaker, I do not know if I can answer all the member's questions in the period of time I have available. I

was extremely annoyed toward the end of our committee hearings to hear some comments that maybe 20 years was not enough.

• (1215)

I have already been quite sickened by the process of bringing the bill through the Senate and by the speed with which we are pushing it through the House without adequate consultation. My colleague from the Alliance hopes that we get a chance in the fall to really discuss the bill and hear different points of view. However, the bottom line is that we should not be approving the bill without having heard all the facts and recognizing that it is not legislation that will benefit people.

I was also sickened to hear comments saying that it was not enough. I would refer to my point that this is pure and simple greed. It is not a matter of not getting money back on our investment. I would not suggest that for a second, but we have gone beyond that. It is pure and simple greed.

Why is there this flip-flop by the government? We in opposition often hear comments that the government does it all wrong the moment it gets in. I would suggest that the present industry minister was very vocal and critical of the Tory government when it was going about this process but who had an absolute flip-flop once he showed up in the House in the last couple of years.

I would suggest that the flip-flop is due to the major lobbying effort by the brand name drug manufacturers of the government side. Major investment dollars from the brand name drug manufacturing companies go to the Liberals. I would suggest that has carried far more weight than it should have. It is disappointing. I want Canadians to be on guard and to know that there was a suggestion of increasing the patent protection even further.

I want us all to hold each and every member of the government accountable for every increased health dollar that has to be spent as a result of the legislation or any increases that they might be thinking about. I want the government to continually be taken to task this summer. I want the people in Canada to be a force out there and let the government know that it is not acceptable.

I heard my colleague from the Bloc indicate that the Bloc is in agreement because there are a lot of drug manufacturers in its province. I want the people of Quebec to also hold the Bloc and its members accountable.

Anybody who supports the legislation is, in my view, wasting valuable health care dollars as a result of pure and simple greed.

Mr. Ken Epp (Elk Island, Canadian Alliance): Mr. Speaker, I always enjoy listening to the hon. member. She has some interesting ideas and of course some of them I have heard many times before having been raised in Saskatchewan which is true CCF and now NDP country.

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I would like to pose a problem to her. If I build a house, whether I build it with my own hands or hire some workers to help me, it is mine. I and my family can live in it for as long as we wish. There is no time limitation on the ownership of that house. Similarly, if I build an apartment, I can rent out the suites in it and I can collect the rent. There is not a 17 or a 20 year time period after which she can come in with her socialist friends and start collecting the rent on half of the suites.

I happened to be a computer programmer in a previous life. I am now incompetent in that area so no one should call me. Over the last eight years I have fallen way behind. However I used to write computer programs which are now intellectual property. I would like to know from the hon. member how many years I should have the ownership of a program and be able to sell it before she can sell it and keep the money from the program that I have produced.

The simple point I am making is that R and D for these drugs companies costs millions of dollars. The legislation says that after a certain time, even though a company spent the money and did it, it is no longer theirs and somebody else can take that result and use it to produce money for themselves. How does she reconcile that?

• (1220)

Mrs. Bev Desjarlais: Mr. Speaker, I would suggest that it is fair. I have said that there needs to be a reasonable period of time where there is patent protection.

On the issue of rental properties, we saw the need to implement landlord and tenant agreements because there were landlords out there who were gouging tenants and tenants out there who were not treating the rental properties properly. They were implemented under provincial legislation so it is not unheard of.

Even though there might be millions of other people out in the world who have the same knowledge, they may not get a patent in the nick of time. How often have we heard about a particular company rushing to patent something before another company does? It is not as if it is only this one individual who has the intelligence.

We have recognized that while we are going to give companies the right of first to the post and to allow a patent, we also have to recognize they are not the only ones with any degree of intelligence and that there has to be time limits on that patent. I am suggesting that the limits we are going by now are as a result of greed and not the right to get one's investment back. I am not saying that a person cannot make a profit, but the bottom line is that it has gone way beyond.

Mr. Ken Epp: Mr. Speaker, this is the best news I have heard for a long time. One of the things I did in my previous life was write computer programs. I wrote a word processing program before Bill Gates had even thought of it. However, even though I had the

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intelligence, he managed to patent it first, which means that now after the 20 years is up I get one half of his money. I am very appreciative.

Mrs. Bev Desjarlais: Mr. Speaker, if the member were more open to a different political view he would have a right to some of Mr. Gates' money, but not half because he did not make it first to the post.

No one is suggesting for a second that there should not be rules but we really need to balance the rights of the patent and the rights of the rest of the world. That is the most important thing. Above all, people need to come first no matter what we are dealing with.

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, I have listened with interest to much of the debate by previous members who have made a very compelling case and bring a great deal of passion to this particular debate. This is understandable when we are talking about drugs, whether they be generic or manufactured, in the first instance, from a pharmaceutical company. We know those drugs are often the lifesaving instrument for many individuals.

However, when we talk about consistency and the business elements of this issue, one has to agree that the WTO, although it has not set an arbitrary length of time, it has set 20 years for the life of a patent. Canada is presently not fitting within that guideline.

A ruling has given rise to Bill S-17, the legislation that is before us, and there is an effort on the part of the Canadian government and this parliament, through the legislation, to be consistent and in line with what the WTO has said.

When applied to drug development and production, the whole notion of intellectual property and property protection becomes a very divisive issue. It is an issue that in many ways pits certain sectors of this industry against one another. Patent protection and commercial opportunities for Canadians and Canadian pharmaceutical companies are on one side of the coin, while on the other side we hear and are certainly cognizant of the need for cost effective access to these new drugs and these technologies. Therefore there is no question that there is an element of competing interest here.

It is important to recognize that without a high degree of investment in research and development there would never be this particular dilemma that we have before us. Pharmaceutical companies do require an incentive just like any other business. It therefore stands to reason that they would want to be the beneficiaries of their efforts. They want the ability to profit from their toil and their labour in the same manner afforded other industries. This type of protection is such that it allows companies to receive that reward. In a global economy, it also encourages companies to come to Canada to avail themselves of that particular protection.

• (1225)

I speak with some personal knowledge. I have a colleague in the House from New Brunswick who has been the recipient of drugs aimed at the treatment of cancer. There are other very serious illnesses, such as AIDS, which these types of drugs are aimed specifically at. Some of these drugs can alleviate the symptoms or even put the disease in remission. The member from New Brunswick tells me that the environment created through this type of legislation allows companies to come to Canada. The rationale behind the original legislation in the 1990s was to allow pharmaceutical companies that come to Canada to be open to the same type of protection found in other countries.

Like many other pieces of legislation, this legislation has been put forward to ensure that Canadian companies can be competitive in the world market, not just in North America and not just with companies here but to see that there is a level of consistency and an invitation to companies to come here and allow them to have the patent protection that they would find in the United States, the United Kingdom or other countries.

The ruling handed down has significant implications. If Canada does not choose to follow the ruling or if it somehow lags behind, there are grave implications. This is the rationale behind encouraging companies to come here and do their research and development. To be the beneficiary of this, we need to have parity with other countries.

Pharmaceutical companies that are doing research and development, the scientific background and the leg work that leads to the invention of drugs, which later become the subject of generic drugs, must to be encouraged to come to Canada. That is not to suggest that there are not occasions when generic drugs cannot play a significant role. However there is a level of patent benefit that should flow, whether it be for 10, 15 or 20 years.

The continuing argument of the Progressive Conservative Party has been that we need to be consistent. Canada has to be in line with what the WTO has said about the issue. We have to ensure that availability and access is achieved. Our efforts must be placed on lobbying in terms of making a case for access and availability of these very important drugs.

With respect to this issue and with respecting the credibility of where the government is coming from on this particular issue, there is some inconsistency that bears some mentioning.

The government took a very different stand during the initial debate in the 1990s and in particular in 1999 when the matter first came before parliament. It is fair to say that the Minister of Industry himself perhaps set a whole new standard for hypocrisy and probably raised the bar to a whole new level, such that it would make the most blatant hypocrite blush when looking at the record.

The inclusion of the current provisions in the bill were very similar and very consistent with the original position taken by the Progressive Conservatives in the 1980s. We have already heard other members mention this, but let me state what the Minister of Industry had to say initially about this particular issue. In *Hansard* on April 7, 1987, the current Minister of Industry said:

It is inconceivable to me that Parliament finds it necessary yet again to deal with yet another measure proposed by the Government because it is bound and chained by some ideological dictate which says this kind of Patent Act is necessary.

• (1230)

He went on to expound upon the evils of the direction that the government of day was headed in. He said:

The citizens will need more than generic drugs to recover from the festering wounds which are about to be inflicted on the exposed ankles of Canada's poorest citizens when the Minister sinks his teeth in, past the bone, into the marrow and sucks the life's blood out of Canada's poorest citizens with Bill C-22.

Bill C-22 was of course the forerunner to this.

Mr. Joseph Volpe: Yes, that's what he was reading from. He wasn't reading from his speech.

Mr. Peter MacKay: I hear some chirping across the way. Heaven forbid that we put into the record the actual words spoken by the Minister of Industry, the minister of reversals, the minister of rat packers, who has now in his new reincarnation completely reversed himself. He has somersaulted 180° from where he was. He has swallowed himself whole. He has done so time and again. He did so along with other members of the government on the GST, free trade, Pearson airport, helicopters and privatization. The list goes on.

Perhaps most recent and most pronounced was his reversal in terms of his commitment to the people of Newfoundland to stay in provincial politics. When the bell rang and there was an opportunity to better himself, lo and behold, he answered that bell and came to Ottawa.

While all that huffing, puffing and blowing and all the harping against the government was going on when he was among the unwashed in the opposition, he certainly made a wonderful case.

Mr. Joseph Volpe: Mr. Speaker, I rise on a point of order. I have been here since the beginning of the debate and I have listened very intently to the merits of the debate, the points at issue in the discussion. The member opposite, who is usually fairly eloquent in expressing his views and the people's views on what should be discussed, has now ranted on for the better part of three minutes in what can best be characterized as character assassination.

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Far be it for me to come to the defence of other members in the House who are capable of defending themselves but let us get—

An hon. member: He's quoting his words.

The Acting Speaker (Mr. Bélair): I understand the member. I do not know if he is right or not but let us be careful and judicious in our choice of words.

Mr. Peter MacKay: Mr. Speaker, all I can say about that intervention is that the truth hurts. I am quoting into the record the words of the Minister of Industry.

The moral flexibility that has been so common in this place, particularly on the part of that minister, is one that does offend people. It should offend the member opposite as well, because all the frothing and terrible finger pointing that went on in opposition among the current Liberals is really something to behold now. It is a foghorn type of voice that we hear from the Minister of Industry and the real shame is that coastal communities back in Newfoundland are without foghorns while we have a perfectly good one here.

It is important to focus not only on the hypocrisy but on the merits of the bill, given what the member opposite said. There is a certain degree of merit in allowing these pharmaceutical companies to be consistent and to be in a position where they can afford themselves patent protection. That is what this legislation comes down to at the end of the day.

Irrespective of those earlier positions, the government has, as it has done before, recognized the wisdom in following the policies put in place by the previous administration. Even though it was against them at the time and made great hay by pointing out how terrible it would be, it has now embraced them. It is encouraging to see that the truth has come through and that the merits of a lot of those policies which were so vilified are now becoming recognized as the right ones for the country.

With that in mind, the genesis of those types of drugs and that type of research and development, which allows these types of treatments to come to fruition, is what is really important here. We have to ensure that Canada will play a leading and pivotal role in the production of these types of drugs which certainly are meant to address in a very specific way the human ailments that exist. As we speak, there also are yet undiscovered pharmaceutical drugs with which scientists continue to experiment and continue to strive to discover. This is what is important. If we are to foster a very important and very critical industry within this country we have to be consistent. We have to be prepared to open that door to the same protections that exist elsewhere.

• (1235)

That is why in 1991 the Progressive Conservative Party moved in that direction. That is why we will support this bill, as we did in

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its introduction phase in the Senate of Canada, the other place. It is in fact to allow the benefits to flow, to recognize the importance that can be reached in this country in terms of making those drugs available and affordable and making them welcome on our market that we would be supporting Bill S-17. This research and development practice that currently exists in our country is one that we have to be extremely proud of. This is an industry in which Canadians can and do play a very leading role.

To that end we would embrace this move for consistency, this move toward ensuring Canada will be a leader and an effective player in this market. Bill S-17 does just that. It is a bill that recognizes the need for market competitiveness and the need for encouragement for our own pharmaceutical industry. It is one that is inviting and open to those who choose to come and participate in that market in this country.

We will be supporting this legislation. We look forward to this bill passing this House and becoming law in Canada.

Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP): Mr. Speaker, I appreciate the comments made by the Conservative member. He was quick to point out the hypocrisy or the flip-flop of the Liberals in the House. It is something we all enjoy doing because it is such a transparent and obvious development.

However the key issue in this debate is really this: how do we deal with escalating drug prices in this country? How do we deal with the fact that for many Canadians access to necessary medication is just not a reality? It is all well and good for the Conservatives to chastise the Liberals and not accept responsibility for the current situation we are in without giving some solution and some explanation.

My question for the member for Pictou—Antigonish—Guysborough is this one. What are the solutions that his party is prepared to offer in terms of bringing down the prices of drugs and ensuring that every citizen in our country today has access to necessary medications for their own health and well-being?

Mr. Peter MacKay: Mr. Speaker, I thank the hon. member for that question. I know she has been very much a participant in this issue, in this debate, and her question is relevant.

How do we address this issue of escalating drug costs? One way to do that is to ensure that those drugs are being produced here in Canada, at home, ensuring that there will be thousands of jobs provided through this industry. I believe that the current market will show that drugs are 40% less expensive now in Canada compared to the United States.

The other element is with respect to the World Trade Organization itself. There is indication in the ruling that the impact of the ruling over an eight year period is very much aimed at ensuring that

pharmaceutical prices do remain low and that Canada will continue to have access to these affordable drugs.

The background vaunts the Patented Medicine Prices Review Board as having “the mandate to ensure that prices of patent medicines for sale in Canada are not excessive”. There are specific provisions in place to address just the issue the hon. member raises. I would suggest that participating in the market, ensuring that Canadians are producing these drugs at home and that we do not have to always go abroad to access and to reach the available levels, in and of itself is certainly aimed at keeping the prices down.

• (1240)

I would suggest that the efforts being made to try to prevent this legislation from coming into being and to try to expand the market to include the generic manufacturers could be better spent lobbying and ensuring that the pharmaceutical producers in the first instance are aware certainly of their moral obligation. If need be, the government would have to intervene to ensure that those levels are at an affordable rate and available to those most in need.

I agree that this has to be the crux of the debate. I do not have all the answers as to how we can ensure availability and low prices but I would suggest that the WTO has taken some steps in that direction. The government itself has to be continually reminded, and hounded on occasion, to make sure there are affordable drugs, particularly drugs aimed at preventive measures and the treatment of life threatening illnesses.

Mr. Greg Thompson (New Brunswick Southwest, PC): Mr. Speaker, the member for Pictou—Antigonish—Guysborough did mention, much to the dissatisfaction of some members across the way, the present Minister of Industry’s outrage back in the late eighties when the Conservative government of the day brought in patent legislation. He quoted some of the comments the present Minister of Industry made at the time.

I would like to know why there has been a big flip-flop. Has it something to do with the reality of governing and the fact that the patent legislation did act in the fashion we thought it would? In fact it did bring thousands of pharmaceutical jobs to Canada and preserved what we had.

As you well know, Mr. Speaker, being a member of parliament very close to Montreal, we did establish a pharmaceutical research industry in that city that is one of the big engines of the Montreal economy, not to mention those in Mississauga and Toronto.

I believe the legislation did what we said it would do. It preserved jobs, created more jobs and is obviously an industry we can count on in terms of its successes, not to mention the medical

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successes. Would this stark reality be one of the reasons the present minister might have changed his position on the bill?

Mr. Peter MacKay: Mr. Speaker, I thank the hon. member for his intervention. I know that both personally and in his duties here as a member of parliament and a former health critic, he has followed the issue consistently and has spoken out on the issue on numerous occasions.

His question focuses on why people change their minds but more so on the partisan atmosphere we see here, which sometimes leads members in opposition to act irresponsibly, to go outside the bounds of constructive criticism or even sometimes warranted criticism.

The minister himself has established a record of moral outrage and righteous indignation on issues he now embraces and has publicly said he embraces. In fact he was heard recently outside of Canada directly congratulating the former prime minister, Brian Mulroney, on the introduction of the free trade agreement and suggesting he was wrong in opposing it.

It is refreshing to see an hon. member actually admit he was wrong. It happens so rarely that it is almost refreshing to people's ears to hear someone say "I was wrong. Based on the information I had at the time, I made those comments and I regret making those comments. Perhaps if I had had the benefit of hindsight and judgment I might have made a different comment".

It happens very rarely, but the Minister of Industry has a long track record of clamouring, making a great deal of partisan noise and then completely reversing himself when poised for and given the mantle of power.

It is a reminder for us in opposition that we have to be careful, thoughtful, learned and sometimes measured in our criticisms of government. It is a reminder for us to make sure that we do a little research and not just sound off every time the government introduces something. There is a responsibility in opposition just as there is in government to make thoughtful interventions, to press the government on issues and to ensure that positions are backed with sound judgment and research. If that were to happen I think the atmosphere and attitudes we need here would certainly be more digestible and acceptable to Canadians.

• (1245)

Ms. Judy Wasylycia-Leis: Mr. Speaker, I want to come back to the issue around the Conservative policy and also address the issue that the member for Pictou—Antigonish—Guysborough refuses to comment on. That is the very negative impact on health care in Canada today and the prices of drugs as a result of the Mulroney government's decision to dismantle what was then considered to be one of the best drug laws and best patent protection systems around, which ensured that not only were Canadian companies competitive internationally, but were able to provide reasonable access to Canadians.

The facts are very clear with regard to Bill C-22 and Bill C-91, that Mulroney government really jettisoned legislation that ensured competition between foreign and domestic drug companies, served most Canadians well. The only thing that has gone up since the Mulroney legislation is the prices and the profit margins for the big corporations.

Would the member account for that kind of failed policy and indicate whether he is now prepared to get with it and support us in opposing this bill?

Mr. Peter MacKay: Mr. Speaker, I guess the short answer is no. I put my comments on the record. I would be mirroring the political tact of the Minister of Industry if I was to stand up 30 seconds later and completely reverse myself. I am not prepared to do that.

I commend the hon. member for the passion and the position she has staked out for her party and her constituents. I guess it is a matter of debate. I would suggest the record will show that in the long run this is the position Canada should pursue and is one that the Progressive Conservative Party supports.

Mr. Joseph Volpe (Eglinton—Lawrence, Lib.): Mr. Speaker, I was heartened to hear the last member address the debate by mentioning that perhaps we in opposition would want to do some research. I am not in opposition, thank God. I am tempted to be flippant and ask when that will start, but I am a little more disciplined now, so I will not ask. I will exercise that discipline. I am simply thinking out loud.

Bill S-17 is a bill designed to bring Canada into compliance with World Trade Organization dictates. We have heard that from members on this side and in a rare moment from members on the opposition side. I am not one of those people who agrees with that, by the way, but I am on the government side and I have fought the good fight. I did not win that good fight, but neither has Canada nor many other countries, because they have weighed into balance that the advantages of participation in the WTO far exceed the disadvantages.

That having been said, our government is attempting to bring legislation in line with the dictates of the WTO. What that does is open up our legislation for scrutiny and remediation. In my view, this is one of the cases where the opening up of the issues relative to patent protection affords us an opportunity to take a look at the issues which need to be examined and take appropriate action.

Contrary to my previous colleague who has taken great opportunities to slag the character of one of our ministers, I am will not engage in any personality reflections. What I will do is suggest that the minister, who just underwent a huge attack by the opposition members on a personal character basis, has already given his commitment, as recognized by the member for Peace River, that

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there will be an opening up of the regulations in order to address those issues, which may appear to be lacking at this moment.

Let me address the issue of patent protection. I was on both sides of the House and on both sides of the debate when we debated Bill C-91 and when we reviewed the regulations.

• (1250)

I do not suggest for a moment that I share the same sort of self-confidence as the member who have spoken on this with such expert demeanour. However, I have learned a bit about the regulations and how the industry works.

The debate should address the workings of the industry, the consequences to the consumer, policies relative to health care, and policies related to research and development. That means a whole array of educational policies, even though that sounds like a provincial area, as they relate to institutions that provide the research and development necessary for industries, like the pharmaceutical and biotechnological industries, of which to avail themselves and provide growth.

If we are to have a reasoned and reasonable debate on the issues relative to Bill S-17, then we need to examine the successes both of the legislation and the regulation, as well as what the consequences, intended or otherwise, might be as a result of legislation that has been brought before the House.

Much has been made of the importance of providing patent protection for companies that engage in the development of intellectual properties. I do not think there is anyone who questions that a creator of something deserves the right to profit from the commercialization of that invention. We are really talking about the commercialization of inventions that may not necessarily be in the possession of the institution that files the patent. The governments of any country share in some of that contribution to the development of those intellectual properties. They do it willingly because it is an important element of growth.

I sat on both the industry and health committees when the patent prices review board came before them and outlined what the outcome was of this investment in an industry for the creation of new product. I am not making a distinction between generic and patent. It was shocking. As of 1999, Canada ranked dead last in providing brand new, innovative pharmaceutical products. We were well behind countries like Belgium, the Benelux countries, Italy, Ireland and England.

The reason I can enunciate those countries is because under these very generous patent protection conditions, which are available in other countries as well, Canada has been able to claim one product

that can be classified as new and innovative. This is thanks to all the research and development done by those industries.

When I hear the discussions on needing to have this money to develop a research and development industry, does that mean wet lab? Does that mean pure innovation? Does that mean that we have to go through the second and third phase clinical trials process, plus the advertising associated, plus the other expenses, administrative mostly, associated with getting a product on the market?

We have a fairly rigorous system for getting a product on the market because the Government of Canada, irrespective of its political stripe, is governed by one issue and one issue only. For a pharmaceutical product to go on the market, it must first, be safe and second, be effective. Until those two are proven, nothing goes on the market. The process for getting a notice of compliance is rather rigorous. That is where some of the expense is.

• (1255)

As for research and development on the wet lab side, these companies are looking for places where the ideas are percolating, where concepts can be bought and the initial steps of research and development can be had for a song, otherwise they would not be good business people. It does not matter who the people are or where they are from.

The government over the last eight years has provided an enormous amount of money for research and development to universities and the medical science institutes and hospitals associated with them, to develop that kind of an environment. As Canadian citizens we expect an industry that is responsible enough to ensure that product comes on the market in a timely fashion and in a price range that is affordable both by the marketplace and by the patients who will hopefully profit by its consumption.

I am not sure that has happened. I looked at what had happened over the course of the last seven years in terms of prices. More important, I looked at the market share by the patent holders, as opposed to the non-patent product producers and the generic producers. Sometimes they are all one and the same.

We went through a huge debate in the House in the early nineties, as the members opposite well know. The government of the day decided it would institute Bill C-91. As a result, the patent protection was supposed to go up to 20 years. Without going into all the details around the issue of the government, the one that preceded it said it wanted to create a competitive patent industry to ensure that prices would come down. It said it would develop a research centre industry in Canada and that it would make these pharmaceuticals available to a broader spectrum of the public.

Those governments adopted a series of legislation, in particular one that allowed Canadian companies to develop and produce

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product, notwithstanding the patent and the patent protection after a particular period of time, and only after the generic provided a royalty to the patent holder.

Bill C-91 did away with that. What it did not do away with were the regulations that allowed a patent holder, by merely alleging that there had been a patent infringement, to go to the courts and get an injunction against the competitor for producing a product, even though we were at the end of a patent period.

What does that mean? Essentially patent holders who rightfully enjoy the protection of the patent period can merely make an allegation of infringement. They do not have to prove it nor do they have to go through the exercise of the rule of law, as my colleague from Prince George—Peace River suggested. They do not have to go through courts for an injunction, where they might have to prove there was a patent infringement or they suffered as a result of that. They simply have to make an allegation—

Mr. Greg Thompson: Mr. Speaker, I rise on a point of order. I am listening very closely to the speaker. The point I want to make is whose side of this debate is he on? He should be on this side of the House after listening to the logic.

The Acting Speaker (Mr. Bélair): The member knows, as well as I do, that is not a point of order.

• (1300)

Mr. Joseph Volpe: Mr. Speaker, is it not wonderful to be in demand? Even opposition members recognize the value of reasoned debate. I compliment them on their perspectives. I thank them very much and I accept the compliment.

Instead of going through the rule of law it takes advantage of a very special privilege. We are not talking about duty. We are not talking about obligations. We are not talking about protections. We are not talking about due right under law, whether national or international. We are talking about taking advantage of a very special privilege that is hidden away in the regulations initially designed to ensure they would get their full 20 years.

Now that we have legislation which says they cannot have less than 20 years, there is this little regulation which says that if an allegation of infringement on a patent is made, it can be extended for another two years. So what? It is a big boy's game, no sexism intended. If they do not like it, tough luck. This is the marketplace, which is a good place because it says competition will allow the percolation not only of ideas but of a good quality product at an attractive price.

Everyone profits. That is what it does and what it says. I say no, not in this instance. We do not want that competition, not even after our legitimate 20 years are up. We can also engage in something

called evergreening or modifying it a little to get a greater extension.

There are no saints in this discussion. Nor are there any sinners. There are only those who are advancing their interests. We are trying to advance the interests of all our companies and industries. We do not want to beggar any of them.

I want to bring a bit of balance to a discussion that has turned rather personal. The minister has recognized that there is this problem. As I indicated earlier, my colleague from the Canadian Alliance complimented the minister on his commitment to address the issue in the fall. He is an honourable man. Why would anyone disagree?

It appears members opposite are all anxious to get the legislation through.

Some hon. members: Oh, oh.

Mr. Joseph Volpe: I am sorry, not all members. I did not mean to include everyone. If we are to meet the deadline of August 12 they would want the bill passed. Members would want to take a look at some of the issues associated with what must be done.

We must redress that very special privilege. There should be none in a democratic environment, in a marketplace environment. There should be no special privilege industries. Let us remove those privileges.

I spoke a few moments ago about the injunctions that ended up in court. Of 55 cases involving patent infringement that recently appeared before the courts, I think 45 have been dismissed as being frivolous. Under normal circumstances this would suggest that some companies have been taking undue advantage of an intention that was noble at its genesis and continues to be so. However, when the legislation is changed, surely regulations must follow the same due and proper course.

My colleagues have probably looked at some of the issues I have raised in terms of what these companies have provided. It is a valuable industry because it provides thousands of jobs. Let us call the generic industry its competitor. It too provides a valuable function. It provides research jobs here in Canada.

• (1305)

There is no theft of product. There is a borrowing of ideas. It is done only after a particular period of time has elapsed. I want to reassure all members here without sounding as if I am on one side or another. I want to refer to what I said a moment ago and that is that most of the money the pharmaceutical industry has spent in this country on the research and development side, aside from the administrative and advertising side, goes toward clinical trials. There is no wet lab innovation there. It is just proving that a product either has efficacy or it does not and that it is safe or it is not.

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At the very least we are at a stage where, in a competitive environment, companies, whether they are generic or patent, are now being forced to look at making use of the research and development institutions that we have funded. They are making use of that human and personal capital that emanates from those places. They are able to do it and they should be doing it right here in Canada.

When members in the House deliberate on this matter, I would like them to think in terms of final outcomes because that should be what guides a reasoned and reasonable debate. Those outcomes have to keep in mind our health care system and what its costs not only on the public purse but on the private purse, on private energies and on private resources. If government has a role then it must have a role in ensuring that the health of its people can be maintained at an affordable level.

We must ensure that those research and development institutions continue to thrive and that the manufacturing and marketing arms associated with their innovations continue to thrive.

Finally, we have to take a look at the consistency and coherence of a comprehensive plan that allows for industries to emerge, thrive and benefit the marketplace which demands its product. The marketplace includes our constituents, colleagues, friends, families and everybody who may require a pharmaceutical product down the road.

Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP): Mr. Speaker, I appreciate the speech made by the member for Eglinton—Lawrence. He spoke with a great deal of passion.

However, we have to get to the bottom of this. On the one hand the member stands up and acts as if he is addressing a new area for which he is prepared to push his government on and, on the other hand, he fails to acknowledge just how much his own government has been negligent in this regard.

We are talking about notice of compliance regulations. We are talking about the fact that the Brian Mulroney government failed to eliminate the injunction that gave brand name drug companies another two year protection beyond the 20 years. We are talking about a Liberal government that in 1998, rather than address the situation, actually made it worse.

I want the member to account for the decision by his own Minister of Industry in March 1998 to push through changes to the notice of compliance regulations, which actually evoked the ire of Canadians, health organizations and the generic drug industry. Those individuals and organizations were very concerned and went so far as to suggest that the Minister of Industry was doing nothing more than being a servant of foreign owned multinational drug companies. They called for his resignation because, as they noted,

the government did exactly what Brian Mulroney did in 1993. It moved with haste to respond in the best interests of the brand name drug companies.

How in heaven's name can the member stand up today and show such indignation over something that his government should have and should have acted but refused to act on? We are now left with a situation where we are not dealing with a 20 year patent protection but at least a 22 year patent protection. Could he account for that kind of two faced position and that kind of flip-flopping?

• (1310)

Mr. Joseph Volpe: Mr. Speaker, I thought we had emerged from the position of character assassination, but I guess that is a standard that is a little too high for most people to meet. However, in my own humble fashion, I shall make the effort.

I took some pains to describe that there have been battles fought, some won, some lost, some mitigated and some not. I have made efforts as a member of parliament, as I know you have, Mr. Speaker, and as have other colleagues on this side of the House. I do not know what happens in other caucuses but in our own caucus we really encourage diversity of debate. The reason we do that is because we cannot prevent it. We all come from different parts of the country. We were all elected by different constituencies representing different interests and we are here to ensure that those points of view formulate what will emerge as a Canadian view of life. We cannot do it if we are all silenced, so we speak up. Unfortunately that does not jibe with the perception of opposition members of what happens, but that is what life is.

We fight our fights and we move on. We would like to win them all. We would like to have our own philosophy and be the singular imprint on the decisions of any government. I would like to do that. People did not elect me to be the absolute ruler of the country, much as I would like to be. I would probably end up getting hung but I would still like to have the opportunity to glory in my own errors.

However the marketplace has decided that my point of view is not the only one. I acknowledge that and I accept it. What I am doing today, even if it bothers some members of the opposition, is reminding them that we already have a commitment to get a change that nobody on that side has pointed out yet, save the member opposite who just asked me the question and her colleague who indicated that there is a special privilege that must be removed.

Where do I stand? I have already said that, yes, we must comply. We need to comply with world trade organizations because we believe in a world that is rules based and we want the same rules based here in this country to operate internally. If that is a principle worth fighting for, will the members of the opposition begrudge me

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the opportunity to stand in the House, to which I was elected, and say that this is what we need to do and to compliment my Minister of Industry for having had the courage to say that is what we are going to do?

Mr. Greg Thompson (New Brunswick Southwest, PC): Mr. Speaker, the more I listen to the member the more confused I get regarding his position. Clearly, he does not, in his own mind, in an intellectual way support the legislation.

What kind of intellectual aerobatics is the member performing? If he does not believe in it, which he obviously does not, how can he come into the House and support it? It makes absolutely no sense on an intellectual basis.

I know he is entitled to his point of view and he has articulated that point of view, but what kind of aerobatics, what kind of trickery is he practising here? He says one thing and will vote in another fashion when Bill S-17 comes before the House for its final vote. How can he do it?

Mr. Joseph Volpe: Mr. Speaker, I am sorry the member is confused. I indicated earlier on, to my great my surprise, that this was one of those few bills that seems to have the support of opposition members. Members of the Canadian Alliance and the Bloc Québécois have said that they have absolutely no qualms at all about the bill.

Members of that party come into the House with no analysis and no deductions but all kinds of presumptions. I do not know what analysis they have because I have not heard them. I have only heard character assassinations and that they will support the bill.

• (1315)

A member of the House, no matter what side of the House he or she is on, may have a view that, without false modesty, is based on a modicum of research. Members may assail such a view and say that it is not based on thorough research, but it is based on research nonetheless. The view may not be consistent with what the members think the government wants, but it might be well reasoned and draw support for the government.

I have been sitting here all morning and members from the opposition have been slugging the government for virtually everything it has done. I am surprised we are still breathing. If one has a view and reasons it out in debate, which may be a novel word for members of the opposition, then one exercises the opportunity. Debate allows people to vent and voice their views and it lets members know their views are not ignored.

The opposition is incapable of performing its minimum duty. There are absolutely no negative consequences to expressing a reasoned and reasonable view in the House of Commons. We in the

government do so without false modesty and with the backing of all who have supported us. That is an alien concept to the members opposite. In my own defence I can only refer to the introduction of the member. He is confused.

Mrs. Bev Desjarlais (Churchill, NDP): Mr. Speaker, my colleague on the opposite side talked about the minister being an honourable man. That honourable man spoke in a totally different way when he was in opposition. I want to make that point clear. I will not bring out the reams of comments he made in the House criticizing this type of legislation when he was in opposition.

My colleague talked about a rules based economy and our need for rules. I will give an example from Haiti where rice is the main staple food. Until free trade was instituted, Haitian farmers grew the bulk of the rice they needed to feed their country. Very little was imported.

In the mid-eighties, Haiti was forced to comply with IMF rules to lift tariffs on imported rice. As a result, Haiti was flooded with highly subsidized rice grown in the United States. Haitian farmers were unable to compete with U.S. subsidized prices and were put out of business. That is a wonderful example of a rules based economy from the IMF.

I will give another example in pharmaceutical—

The Acting Speaker (Mr. Bélair): I am sorry to interrupt the hon. member. The hon. member for Eglinton—Lawrence has time for a very brief response.

Mr. Joseph Volpe: Mr. Speaker, there is not much to say. I can only applaud the member for having a philosophical position and basis for her discussions. Philosophy is a good point of departure for any debate. However, as I said earlier, I thought we were going on the facts and issues relative to the bill. That is what I focused my comments on. I am willing to acknowledge that other people have different philosophies.

Ms. Judy Wasylcia-Leis (Winnipeg North Centre, NDP): Mr. Speaker, I am pleased to have the opportunity to address an issue of fundamental importance to many Canadians. It is interesting for anyone following the debate to notice what is happening in this place.

If it were not for the NDP there would be no voices of opposition to one of the most regressive social policies in the history of the country. Any observer watching what is happening in this place will know that the tables have been turned. New Democrats in the House are calling for competition in the marketplace while Liberal members, supported by the Alliance and Conservative Parties, are

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suggesting that we need more welfare for corporations, more subsidization of the brand name drug industry and more socialism when it comes to big corporations and drug manufacturers.

Let us bring some reason to the debate. We are talking about ensuring that our legislation provides for reasonable prices in terms of drugs and necessary medications in the marketplace today. We are talking about formulating public policy that addresses fundamental values, priorities and philosophies around our health care system.

• (1320)

I listened to the comments made by members of the Alliance earlier today and their suggestion that one should never tamper with the marketplace. They say we are talking about investment by individuals and private interests which have the right to accrue benefits in perpetuity because of a one time investment or personal commitment over a period of time.

What we are talking about today is something I thought was a rock bottom value: a non-profit, universally accessible health care system. That is the framework we are operating from in trying to address drug policy. We are trying to address rapidly rising pharmaceutical prices and at the same time have a universally accessible public health care system. We are trying to balance the two.

We are trying to preserve, support and stabilize medicare but we cannot do that in the context of unfettered access to the marketplace. We cannot do that in the context of a complete cave in and a weak position by the Liberal government. We cannot do that by simply backing off and, as the Alliance members would say, letting the survival of the fittest philosophy take precedence in society today.

The context is a universal, non-profit, publicly administered, accessible health care system. In that context let us be clear. We must find a way to bring down drug prices. There is no question about it. We simply cannot go on with the way things are now. We cannot sustain medicare and ensure access by all Canadians to necessary medications at this rate. We must take action.

What the government is proposing with Bill S-17 totally flies in the face of its rhetoric and its statements suggesting that medicare is a program it believes in and wants to sustain.

I am somewhat agitated as I begin my speech, having listened to the hon. member for Eglinton—Lawrence. We have dealt with this time and time again. The government takes a strong position that is regressive and problematic for Canadian society, and then there is always a backbencher from the Liberals who stands and tries to pretend the Liberals are coming from a different position.

The hon. member for Eglinton—Lawrence will have to decide if he is supporting government policy or not. His government had a chance to deal with a very difficult situation around the two year injunction provisions and did not. The government made them worse.

I am glad the parliamentary secretary to the Minister of Industry is here. He will know that two or three years ago the then minister of industry made the situation with respect to patent protection for brand name drug companies even worse. The hon. member for Eglinton—Lawrence has the gall to stand in the House today and suggest the issue is not so bad. He suggests the extension of patent protection to bring us into compliance with the WTO is not so bad.

The real issue is that this place has never really addressed the 1993 decision of the Mulroney Conservative government not to eliminate the provision allowing drug companies to have another two years because of legal cases pertaining to the generic industry.

It is very difficult for us in the House to accept that kind of two faced positioning on the part of the Liberals. The Liberals must decide where they stand. Liberal members who disagree with the government must stand and say so and vote accordingly.

Let us be clear that in 1998 the Minister of Industry had an opportunity to deal with the situation the hon. member for Eglinton—Lawrence has commented on. He did not. He made the situation worse. Everything the government has done smacks of the Brian Mulroney approach to policy making when it comes to drug pricing and patent protection.

• (1325)

The debate is very important to us. We are doing whatever we can to oppose Bill S-17 and for good reason. Notwithstanding the substance of the issue, we have grave concerns about the fact that the bill was sponsored through the Senate. In our view that is a symbol of how embarrassed the government must be to bring in changes that fly in the face of everything it has said and done in the past.

It is hard for us to accept a bill coming from the Senate because the government has used the Senate when convenient and refused to allow bills from the Senate when not convenient. There is a two faced, double edged approach to the whole process around legislation that must be addressed.

Perhaps there is some rationale, some way to understand a bill of this nature coming from the Senate. A bill has been sponsored by an unelected, unaccountable body, the Senate, in direct response to the government caving in to a decision by another unelected, unaccountable body, the World Trade Organization. Perhaps there is a message in that in terms of what the government is all about.

Needless to say, it is repugnant to us that the government is bringing in the bill in the first place. It is made even more

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repugnant by the fact that it chose the Senate to do its dirty business.

We know very clearly what the bill intends to do. I will say it once more. It would amend the Patent Act to implement two recent decisions of the World Trade Organization. One relates to patents filed before October 1, 1989, and the other pertains to the stockpiling provisions under the Patent Act. The essence of these two aspects of Bill S-17 is more protection for brand name pharmaceutical corporations that want to hang on to their patents and prevent competition.

As we have said over and over again, and why I was so interested in the comments of the member for Pictou—Antigonish—Guysborough, is that the bill would round out and add to the policies put in place by the Mulroney Conservatives. We are dealing with a chain reaction, a continuation and enhancement by the Liberal government of the policies begun under Brian Mulroney and the Conservatives.

Perhaps the symbolism of the bill is more important in terms of understanding what kind of government we are dealing with. The bill symbolizes how much the Liberal Party has moved away from its tradition of providing balanced government and trying to ensure the needs of Canadians are protected in the face of globalization and corporate needs. That whole agenda has been transformed. Today we are at a point where the government decides it is appropriate to cave in the minute the WTO makes its rulings.

There was time. The government did not have to cave in immediately. There was ample opportunity to carve out a different position and stand up to the World Trade Organization. It chose not to. Why?

One could say it is a result of the government's general agenda to pursue globalization at all costs. It could be due to its desire to succumb not to a rules based trade agenda, as the member for Eglinton—Lawrence suggested, but to an unfair free trade approach that puts the needs of corporations like brand name drug companies ahead of individual rights and the needs of our health care system as a whole.

• (1330)

It is probably worth noting that in fact Bill S-17 was directly in response to the United States demanding interest patent protection. As my colleague from Churchill has said, it was in response to the government of a powerful country in the world today that believes a 20 year patent protection is but a minimum. That does not bode well for the future in terms of where the government might take this country given its tendency to cave in at every chance.

The bottom line is that these decisions and this law will have a very negative impact on when generic versions of brand name drugs become available on the Canadian market. The bottom line is that the bill means a delay in getting generic drugs on the market

after a patent has expired. The bottom line is that patent termination of some 30 or more commercially significant drugs, previously protected under the old provisions prior to October 1, 1989 will be extended. The bottom line is that we will be faced with tremendous delays in terms of the potential entry into the marketplace of generic substitutes, as the terms of decree of October 1, 1989 patents expire between now and 2009.

The bottom line is that we will be dealing with much greater costs for our health care system as a whole, with the significant burden of that being placed on individuals across Canada. In fact some would estimate that this simple move on the part of the government to cave in to U.S. pressures and the WTO ruling will cost us over \$100 million, just on its own, never mind the ongoing and ever rising costs in terms of patent protection or the other ways in which brand name drug companies can use the system to further their bottom lines, improve their profits and cost Canadians consumers even more. Just in terms of this bill alone there is a tremendous cost for a system that is under enormous pressure and cannot really handle or withstand any more increases than it is already facing today.

Earlier I asked a question. Is this an indication of a government completely abdicating responsibility in the face of a world trade agenda or is it a government that truly believes it has found a way to bring down drug prices and preserve our health care system?

I think the answer is obvious. We have a government that is committed to jumping to it whenever the World Trade Organization makes a ruling. We have a government that feels it must always cater to the big corporate interests of society today. It is interesting to note that the minute the WTO made its ruling on the U.S. complaint back in December 1999, the Canadian Chamber of Commerce told the government to get on with it. The government chose to get on with it.

There was time to develop a position to deal with the impact of such a decision, time to delay and certainly time to put in place provisions to counter the impact of the World Trade Organization ruling. Instead this government chose to jump to it. It did exactly what the chamber said and got on with it, bringing in Bill S-17 through the back door and forcing it through the House as quickly as possible so that it would be implemented well in advance of the deadline actually provided by the WTO, which is December.

It is interesting to note that before this past election the federal government and the Minister of Industry actually said that non-compliance was not out of the question, that they were looking at all options and that different possibilities were on the table. Yet the minute the election was over the government slipped in Bill S-17 through the back door and into this place. Unless we can stop it today it will become law and it will set us back enormously in terms of our health care agenda in the country today.

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• (1335)

My colleague, the member for Winnipeg—Transcona, who is also our trade critic, says it all when he points out that Canada has hoisted itself on its own petard. It has brought on these problems itself by playing a game on the free trade front and going after certain countries when it is in disagreement with the actions they take to protect the interests of their citizens and then having to face the consequences of other nations going after Canada when we are trying to protect our own interests. The fact of the matter is that we are facing the results of a game being played out on the world front that is contrary to any notion of democracy and certainly contrary to the idea of a nation state controlling its own agenda and setting policies that benefit its own citizens.

We are facing the consequences of the Liberal approach to trade, which really is at the root of the problem. I know it is not the time and place to get at the whole trade question, but it would be far more productive for the government to address the root of the problem than to simply say that these are WTO rules and we have to cave in, there is nothing we can do about it, and then try to cover its tracks by suggesting that the Liberals were really wrong all along prior to 1993 by suggesting that there was anything wrong to begin with in regard to the Mulroney government's decision to change our Patent Act and to add many years of patent protection for brand name drug companies.

It would be far better if the government said it is in a difficult position, some of it brought on by itself, and it now has to address it so let us be honest about what is happening and try to correct the situation. Instead we had a cave in and then a confession of previous statements made around patent protection.

However this has unfolded, and I come back to this again and again, the bottom line is that it has an enormous impact on the ability of our health care system to be sustained in the future. Let us look at what we are talking about. We are talking about an increase in drug prices. The recent study from CIHI, the Canadian Institute for Health Information, shows an almost 100% increase in drug prices in the last few years of this decade.

We are talking about 10% of Canadian people who have no drug insurance and another 10% who are under insured. We are talking about a patchwork of entitlements, about people making difficult decisions between buying the drugs and medications they need to deal with their particular health conditions and putting food on the table and about seniors with chronic illnesses who have horrible decisions to make. We are talking about enormous pressures on provincial health care systems that are making our system more and more unsustainable. Really we are talking about a self-fulfilling prophecy when we put it all together.

Our objective today is to put in place reasonable public policies to sustain our health care system. We believe that the patent

protection measures taken by the government previously and under Bill S-17 only aid and abet the agenda of brand name drug companies and do nothing to keep our prices in line, and they certainly contribute to the steady erosion of medicare. That has to be stopped. That is why we stand today and urge the government to reconsider.

Mr. Dan McTeague (Pickering—Ajax—Uxbridge, Lib.): Mr. Speaker, I was very pleased to hear the intervention of the hon. member for Winnipeg North Centre. I know it is an issue that she has spoken passionately about in the past.

I too have taken a great interest in the issue of drug patents, going back all the way to my candidacy in 1992 when I was first elected as a Liberal candidate. It was a big issue in my riding. The hon. member will know that I have no generics in my riding. However, I do have two brand name manufacturers.

The issue, however, has not garnered a lot of attention outside of the few members of parliament who have talked about it, including the member for Eglinton—Lawrence, who has also stood shoulder to shoulder with me on this issue over the past several years. It came as a bit of a surprise to see in the *Hill Times* a headline that suggests something very different from what I suggested in terms of the interview. I want to apologize to members for that. It is simply important for me to illustrate that the headline, which I had no control over, had nothing to do with the comments I made.

• (1340)

More important, though, is the question I have for the hon. member. The motion I brought into committee dealt with the question of the automatic injunction, which gives the effect of extending drug patents well beyond the 20 year patent regime. The hon. member also knows that when new drug prices are brought forward Canada is related to the other seven nations, the top nations that have the privilege of having a warehouse or head office in their own countries. We also know that when we talk about R and D, the \$900 million, much of it is for advertising.

I would like to ask the hon. member if she would comment on some of the methodologies of the PMPRB, which tend to give a very distorted view of what Canadians are actually paying when it comes to high drug costs, and on the overall implications for Canada's number one concern, the health care system.

Ms. Judy Wasylcia-Leis: Mr. Speaker, I appreciate the question. I am glad for the member's support of our position to the extent that he has stated. It was also curious to hear that he, like the member for Eglinton—Lawrence, has suggested that there is an avenue of action not yet taken. That is the elimination of the injunction in the notice of compliance regulations, which actually tack on more years to the present 20 year protection.

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I come back to the fact that the government had an opportunity to address that situation, chose not to and in fact in 1998 made it worse. How does any Liberal member stand in the House and raise this issue knowing full well that his own government and the Minister of Industry have taken action that flies directly in the face of that very reasonable suggestion?

Of course I support the elimination of the provision that gives brand name drug companies another two years to fight for their rights, adding another couple of years onto an already lengthy and overly generous patent protection provision. I also believe that there are many other courses of action we can pursue.

The member talked about some of the provisions and a review of the policies of the Patented Medicine Prices Review Board. We absolutely support the kinds of suggestions he is making. I wish we could have received support for the suggestions we have made over the last number of years.

I think the member is fully aware of an Industry Canada draft report that came out prior to 1997 and made very strong recommendations, one being that the government should ask the World Trade Organization to re-evaluate 20 year patents on drugs and should take all steps to foster international co-operation on the problems of drug costs and utilization.

I think that makes the point very well that the government could have done something other than cave in to the WTO. There is another viewpoint and there were other avenues available to the minister. It obviously chose not to take them.

The fact of the matter is that the draft report by Industry Canada suddenly was revised, amended and changed. Different recommendations came forward in the post-1997 election period because some considerable political work was done behind the scenes to make sure that the amendments were compatible with the dictates of the minister at the time and the overall agenda of the government, which was not to operate in the best interests of fair prices and policies that protect consumers but to cater to brand name drug companies, to deny opportunities for generic companies to compete in the marketplace and to condone ever increasing prices that harm our health care system and deny necessary drugs to consumers.

My question for the Liberal member who just spoke, and to others, is this: when will they convince their own government to actually take action on the recommendations that were made in the past in the consultations leading up to 1997? When will the member and others join with us in trying to force policy changes that will bring into play a more competitive marketplace and fairer prices for all?

• (1345)

Mr. Joe Comartin (Windsor—St. Clair, NDP): Mr. Speaker, I commend both the member for Winnipeg North Centre and the

member for Churchill for their comments today. They spoke with passion, sincerity and some degree of eloquence on this point. I will make a comment and then ask a question.

It is my understanding that the major argument from the major pharmaceutical companies is that they need more money in order to do their research and development. Is the member for Winnipeg North Centre aware that as much as 50 cents of every dollar that the pharmaceutical companies spend is spent, not on research and development, not on basic administration of their companies but on promotion, marketing and advertising?

As a supplementary question, what effect would this have on any potential for a pharmacare program in the country?

Ms. Judy Wasylycia-Leis: Mr. Speaker, the question about the profitability of brand name drug companies is a very important one because members of the four parties who support Bill S-17 feel that the excessive profits of these drug companies should be allowed to become even more exorbitant. Profits for brand name drug companies are already triple the industrial average and this industry is probably the second, if not the first, fastest growing industry in Canada.

We are not talking about companies that are making modest profits and getting a return on their investment. We are not talking about a corporate sector that is necessarily investing in new innovative changes and approaches to our health care system.

We have heard time and again from many witnesses and from people in the House over the course of the debate that drug companies often invest in me too drugs. They often invest in developing and finding new terminologies for disorders so they can take a drug on which the patent is about and give it a new name in response to a new disorder that they have defined themselves and get another patent extension.

Brand name companies use all kinds of games and manipulative practices to extend patent protection. Whatever the rules or laws of the land are, they will find a way around them. I do not believe we are getting a fair return on our investment. It ends up that taxpayer money and public revenues are subsidizing the extremely wealthy, profitable corporate entities that are monopolizing the field.

As I said earlier, we are subsidizing and giving welfare to these monolithic entities that are denying competition from the generic industry. That does not bode well for pharmacare and medicare. It does not bode well for Canadians who want access to drugs when they need them or to have hope of new research and the development of new products that will deal with changing circumstances and different issues.

Mr. Dennis Mills (Toronto—Danforth, Lib.): Mr. Speaker, I will be sharing my time with my colleague from Pickering—Ajax—Uxbridge.

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When I first came to the House of Commons in 1988, some four campaigns ago, I used to believe that the biggest challenge we had in the House of Commons was pushing the main financial institutions of the country to do more for small business. I stand here today to say a bigger issue is the challenge that we have as parliamentarians to deal with the most profitable companies in the world, the pharmaceutical drug manufacturers.

• (1350)

We on this side of the House have made several commitments over several campaigns to deal with the issue in the interests of consumers, of research and of having a generic drug system. I stand here today saddened that we have not been able to meet all our objectives.

We on this side of the House are blessed with having a member of parliament who has essentially devoted a great portion of his parliamentary career to dealing with the technicalities, the specifics and the development of a proper policy in the particular area of pharmaceuticals.

I support everything that my colleague from Pickering—Ajax—Uxbridge has said and I defer the balance of our 10 minutes to him.

Mr. Greg Thompson (New Brunswick Southwest, PC): Mr. Speaker, there seems to be monumental confusion among government members on whether or not they support the bill, given their past record of opposing it going back to the days when they were in opposition and fought tooth and nail against anything to do with patent legislation.

We just heard from the member for Eglinton—Lawrence, the former chairman of the health committee, who spent a career opposing this issue. He made a huge intellectual leap or performed a high wire act. Members who are totally concerned about the merits of the legislation, and rightfully so given their past history, are now telling us that they will stand in the House of Commons and support something they do not believe in. We need an explanation.

Mr. Dennis Mills: Mr. Speaker, this is something that the members of the Canadian Alliance and the Conservative Party have yet to understand. In the Liberal Party there are many of us—

Mr. Rick Borotsik: The Liberals are hypocrites.

Mr. Dennis Mills: No, we are not hypocrites. We realize that we never get everything we want within our own government, within our own executive, but at least we support our team. At the same time as we provide constructive and rigorous debate we can still hold our team together, which is something, I say humbly, my friends in the Conservative Party have yet to figure out.

Mr. Greg Thompson: Mr. Speaker, there must be total and utter confusion in the minds of the Canadian people. Two members have just spoken that do not support the government's position but will stand in the House like trained seals to support something they do not believe in.

What does that tell us about this institution called parliament? The Prime Minister can crack the whip, fold in, stand and vote for something that they do not believe in. How can they rationalize that?

Mr. Dennis Mills: Mr. Speaker, I am trying hard to communicate to the member that many of us on this side of the House are not comfortable with the direction in which we are heading in this area.

However we have world trade agreements that we have to work with. Unlike members of the Conservative Party, if they do not get their way immediately they change, they alter and they bolt. We believe that through a steady process and persistence eventually the executive of our government will come to see our position.

• (1355)

Mr. Dan McTeague (Pickering—Ajax—Uxbridge, Lib.): Mr. Speaker, I would like to offer the member for New Brunswick Southwest a bit of variety in terms of how he might want to rephrase his questions because it is obvious that he keeps asking the same questions. Let me provide him with a very simple answer.

His party had an opportunity in committee to examine a motion that would have dealt with an issue de facto that is increasing and extending patent protection beyond 20 years. No member of parliament in the House voted for it, but it was written in the regulations and is a mockery of our legal system.

The hon. member talks about the Patent Act as it relates to the ability of the drug manufacturing industry exclusively to claim an automatic infringement without even a shred of evidence. It has been built into the legislation. The hon. member's party had an opportunity to look at that point, open it up, and perhaps question in committee about it, but instead it defeated it.

I want to deal with what is at issue. Bill S-17 is about respecting our WTO commitments. There is no doubt the government and the minister have bravely moved ahead to ensure that the timetable is met. I compliment them for that and I believe we all agree that it should be met.

We have an obligation to look at the 1997 committee report of parliament which said in Recommendations Nos. 4 and 5 that we had to deal with regulations which were created after parliament had an opportunity to look at them. As members of parliament we are accountable to all people of Canada. Yet we have regulations

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which clearly and demonstrably have been shown to be more excessive than what parliament intended.

Health Canada's witnesses before the committee made very clear that the minimum extension of infringement as a result of this ridiculous automatic injunction, which exists nowhere in law and puts the reverse onus on the person applying for a new patent, creates a situation where at least 14 months is the guaranteed extension.

What is the effect on the Canadian public and the health care system? Obviously these are issues the Conservative Party and that member choose to ignore. We on this side of the House recognize the international obligations but at the same time want to make sure we have laws and regulations consistent with public expectation.

In an earlier speech the same hon. member commented on the west island of Montreal and other places across Canada that are doing very well. If the hon. member really cared about understanding where we are relative to fantasyland, he would have asked a question that was raised in committee: Why is it that Canada is now recording a \$4 billion trade deficit when it comes to pharmaceuticals when it was only at \$1 billion in 1993? Is this his vaunted research and development?

Let us talk about research and development. We now find that a good deal of the \$900 million is nothing more than advertising. Does the hon. member not find a problem with trying to tell Canadians on the one hand that they are getting lots of research and development when it is advertising to continue the opportunity of these companies to make a bit more money at the same time?

We have the highest prices for drugs in the world. The hon. member did not want to talk the question of relativity to other countries. It strikes me that we have a drug regime in which Canadians are paying among the highest prices in the world. Seventy per cent of the people in my province do not have adequate drug protection. They are people from my age all the way up to age 64. If these issues could be raised perhaps there would be some impetus to create an opportunity for us to deal with our health care system.

I hope hon. members on the other side are listening. The government and this party are. I wish they would.

STATEMENTS BY MEMBERS

[English]

VERBAL ABUSE

Mr. Shawn Murphy (Hillsborough, Lib.): Mr. Speaker, I rise today to bring awareness to the devastating and negative effects verbal abuse can have on our community, particularly among our youth.

It is a precursor to other forms of abuse and violence. It can severely damage a person's sense of self-worth and perception. It destroys self-esteem and in some cases can be life threatening. It can also affect a child's social development and may result in an impaired ability to perceive, feel, understand and express emotion.

In September of last year the province of Prince Edward Island, as a result of the work of many organizations, declared that Verbal Abuse Prevention Week would become an annual event recognized during the first full week of October. This event has led to a growing awareness about the seriousness of verbal abuse.

• (1400)

I commend the government of P.E.I. and encourage other provinces to hold similar events. As well, I urge the Minister of Health to seriously consider expanding this initiative to become a national program. It would be an important step toward reducing abuse and violence.

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INFRASTRUCTURE

Mr. Gurmant Grewal (Surrey Central, Canadian Alliance): Mr. Speaker, Cloverdale, Fleetwood, Guildford and Newton in Surrey Central are suffering from a transportation infrastructure problem. Even the public transit strike in B.C. is entering its 67th day.

Mayor Doug McCallum is complaining that the Liberal government has ignored the infrastructure projects for which the city has applied.

The Liberals cancelled the grant program for municipalities and cut transfer payments to the provinces and then they lowered federal revenues for transportation with their inadequate and shallow infrastructure program.

Just 4% of the revenue from gasoline taxes goes to infrastructure programs in Canada compared to 95% in the U.S.A. Canada is the only G-8 nation that does not have a national transportation policy.

All the people of Surrey want is their fair share. The government should either deliver the goods or get out of the way and allow the tax dollars to be spent on transportation in the municipalities where they are collected.

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[Translation]

RAOUL WALLENBERG

Mr. Clifford Lincoln (Lac-Saint-Louis, Lib.): Mr. Speaker, we should be particularly pleased today that a commemorative day, January 17, will be dedicated to Raoul Wallenberg, the first and still the only honorary citizen of Canada.

*S. O. 31**[English]*

Raoul Wallenberg's legacy to the world is a towering one. An example of moral and physical courage which defies description.

In saving tens of thousands of Hungarian Jews and other citizens from the Nazi death camps and tyranny, this remarkable Swedish diplomat risked his own life in the cause of humanity and human rights.

I thank the Minister of Canadian Heritage; Dr. Vera Parnes, president of the International Raoul Wallenberg Movement for Humanity; my colleague from Mount Royal, Senator Sheila Fine-stone; and all who have contributed to make the Raoul Wallenberg day a reality.

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HUMAN RIGHTS

Mr. Bill Graham (Toronto Centre—Rosedale, Lib.): Mr. Speaker, I would like to bring to the attention of the House a very serious violation of human rights that took place in Colombia this weekend.

On Saturday, June 2, a highly respected indigenous leader, Kimy Pernia, was kidnapped by unknown abductors.

In November 1999, Mr. Pernia appeared before the Standing Committee on Foreign Affairs to give important testimony concerning EDC funding of a dam that threatened his community's way of life. Members of the committee were most impressed with his passion for his people and for his community.

His disappearance is one of many examples of kidnappings, killings and increasing human rights infractions taking place in Colombia today.

I ask the House to join me in condemning his kidnapping, in calling on those responsible to release him and on the government of Colombia to take all steps possible to secure his release.

As integration in our hemisphere brings Canadians ever closer to such events, we must try to ensure that all civilian populations throughout the Americas are protected in accordance with the principles of international humanitarian law.

* * *

CONGRESSIONAL FELLOWS

Ms. Paddy Torsney (Burlington, Lib.): Mr. Speaker, I rise today to welcome the 20 American Political Science Association Congressional Fellows visiting Ottawa this week from Washington, D.C.

This impressive group of individuals comes from a wide variety of backgrounds and includes political scientists, judges, foreign service officers, doctors and journalists.

Initially designed to bring academics and political reporters to Capitol Hill, the congressional fellowship program now includes a full range of individuals taking a one year sabbatical so they may gain valuable experience and understanding of their political process.

Last month these fellows warmly welcomed our own parliamentary interns for a stimulating week of meetings with politicians, professors, party representatives and government officials.

I ask my colleagues to join me in welcoming these congressional fellows to Canada and in wishing them a week of invigorating discussion surrounding the common challenges and achievements that continue to strengthen the very important relationship between our two great nations.

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WORLD ENVIRONMENT DAY

Mr. Bob Mills (Red Deer, Canadian Alliance): Mr. Speaker, today is World Environment Day and as environment critic I want to acknowledge all the people who work closest to nature to protect and enhance Canada's natural heritage, whether they are farmers, foresters, fishermen, scientists, conservationists or so many others working on the ground.

We depend on their work for Canada's prosperity. Nature for these people is an everyday reality in which their hard work benefits us all.

We have long advocated that market based solutions and respect for property are the best ways to protect the environment.

● (1405)

Governments must stop legislating unenforceable laws based on command and control and instead make the market work for people and the environment.

Our responsibility as politicians is to ensure environmental programs focus on communication, co-operation and consultation. This is especially important for those who are often left out of consultations in Ottawa.

Wise sustainable use of the bounty that nature has given us is our goal. The health of Canadians and their environment depends on it and depends on those who are working with nature to make Canada the best place in the world to live.

* * *

WILLIAM KNOWLES

Mr. Bob Speller (Haldimand—Norfolk—Brant, Lib.): Mr. Speaker, on this day when we pay tribute to former parliamentarians who have passed on, I would like to take this opportunity to pay respects to the hon. Bill Knowles, or Tobacco Bill as he was known,

a former member of parliament in my riding of Haldimand—Norfolk—Brant.

Bill was a teacher, a farmer and a former captain in World War II. He was a lifelong resident of Lynedoch, Ontario and was elected to parliament in 1968, re-elected in 1972, in 1974 and sat until 1979 when he retired. He attended every recognized function throughout the riding of Haldimand—Norfolk—Brant and was very well known for speaking out on behalf of his constituents, particularly on behalf of farmers in our riding.

Bill was a caring husband and friend to his wife Vera and a father to two sons, William and James. He will be greatly missed by the constituents in Haldimand—Norfolk—Brant.

One thing we can say about Bill Knowles was that he served and loved his constituents and he will be greatly missed.

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[Translation]

THE ENVIRONMENT

Mr. Bernard Bigras (Rosemont—Petite-Patrie, BQ): Mr. Speaker, World Environment Day can be marked in many ways. We have chosen to remind people of the Canadian government's inaction regarding climatic change, of its refusal to ratify the Kyoto protocol and of the fact that it is considering selling fossil fuel to the Americans.

Since this government took office in 1993, sulphur emissions have constantly increased. Over half of the acid deposits in Quebec are caused by Ontario and American companies using fuel oil, a major contributor to acid rain. Let us not forget the devastating impact of acid rain on Quebec's maple trees.

World Environment Day also provides a unique opportunity to remind people that, according to the auditor general, there are over 5,000 federal contaminated sites in Canada.

The Bloc Quebecois is inviting Quebecers and Canadians to take advantage of this day to look at the state of our environment.

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[English]

KINGSTON

Mr. Larry McCormick (Hastings—Frontenac—Lennox and Addington, Lib.): Mr. Speaker, on June 15, 1841, the first Parliament of the United Provinces of Canada was opened by Governor General Lord Sydenham in Kingston, Ontario. One hundred and sixty years later, Kingston has been recognized by both the federal and provincial governments as Canada's first capital, and June 15 is officially recognized in Kingston as First Capital Day.

S. O. 31

Shortly after the union of Canada in February 1841, a large building on the shore of Lake Ontario and Kingston that was originally commissioned as a hospital, was rented out to the new Government of Canada to house the legislative council and the legislative assembly. Eventually, however, Kingston's insufficient number of office buildings forced parliament to move to Montreal where it opened on November 28, 1844.

Thanks to the hard work of Mr. Ian Milne and Dr. Margaret Angus, the founders of First Capital Day, the occasion of Kingston's choice as Canada's first capital has been marked with much celebration for the past three years.

On behalf of myself and the very popular member for Kingston and the Islands, I would like to congratulate those behind the organizing of First Capital Day in Kingston and wish them a very successful celebration this June 15.

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SASKATOON POLICE FORCE

Ms. Carol Skelton (Saskatoon—Rosetown—Biggar, Canadian Alliance): Mr. Speaker, the city of Saskatoon has recently embarked on a community policing initiative that is seeking input from all interested parties.

Policing involves everybody in the community. Individually we may be affected through the services that are provided, whether it is crime prevention, investigation, enforcement or through the payment of property taxes that are needed to deliver those services.

To ensure safe and secure communities, the Saskatoon Board of Police Commissioners is asking for help in determining priorities for policing in its neighbourhoods. The Board of Police Commissioners is encouraging input in a number of ways, including visiting its scheduled open houses, letter writing, online submissions and small group meetings.

On behalf of the constituents of Saskatoon—Rosetown—Biggar, I wish to commend the Saskatoon police force for embarking on this initiative. I know that the outcome of this process will produce a better police force and a safer community.

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● (1410)

DECEASED PARLIAMENTARIANS

Mr. Derek Lee (Scarborough—Rouge River, Lib.): Mr. Speaker, this morning our flag on the Peace Tower flew at half-mast and present and former parliamentarians gathered together for a memorial service to honour parliamentarians who have passed away in the last year.

We who are now in parliament wish to publicly acknowledge their passing in a public and appropriate fashion. In the year 2000

S. O. 31

we invited the Canadian Association of Former Parliamentarians to organize this annual memorial service to recognize all deceased parliamentarians, and they now do so.

This year we celebrated the memory and contributions of 19 Canadian parliamentarians, one of whom was a former prime minister. Their legacy is their immense commitment and contribution to this place and to their much loved country, Canada.

Also recognized today by our former parliamentarians with a distinguished service award is the outstanding contribution of Mr. Douglas Fisher for his promotion of the understanding of Canada's parliamentary system of government.

I am honoured to stand here today, and also with former parliamentarians, to pay tribute on behalf of all Canadians to the service of these respected and warmly remembered Canadians who have served us all.

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TRANSPORTATION SAFETY

Mrs. Bev Desjarlais (Churchill, NDP): Mr. Speaker, transportation safety in our country is in question with crumbling and congested highways because the Liberal government will not invest in much needed improvements. Longer bus and truck driver hours, heavier trucks, and a weak national safety code add to highway risk.

Two young people died in a boating accident and the inquest told us that the transport inspectors certified the boat only weeks before the incident. The boat had a number of safety violations that were ignored. The inspector was friends with the boat owner and the inspector's brother did renovations on the boat.

How does the Liberal government respond? Boats this size will no longer be inspected. It rammed the Marine Liability Act through parliament without ensuring mandatory liability insurance for boat owners.

Now the government wants to rush Bill S-3, the motor vehicle transportation act, without addressing the concerns of highway users, including the Canadian Trucking Alliance and the Canadian Bus Association.

The Liberal government might mouth the word safety but it sure does not make sure it is enforced.

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[Translation]

ACT CONCERNING THE EMANCIPATION OF THE JEWS

Ms. Madeleine Dalphond-Guiral (Laval Centre, BQ): Mr. Speaker, June 5 is an important date for democracy in Quebec: in

1832, with Louis-Joseph Papineau as speaker, the Parliament of Lower Canada passed a law stipulating that persons professing Judaism were entitled to the same rights and privileges as other subjects of Her Majesty in the province.

This law, passed 27 years before a similar law in Westminster, is proof that the fight of Lower Canada's patriotes for the political and democratic rights of their people included minorities. Now as then, openness to others, fairness and respect are the guiding values of the Quebec people.

In 1932, Louis Benjamin produced this eloquent testimony:

The centenary of the political emancipation of the Jews in Canada, and it was a French province—which thought it necessary to grant our race its freedom, is an historic event—in all of the British Empire, including the Canada of the day, it was Quebec which set a fine example of wisdom and tolerance. We will always remember Quebec's wonderful gesture.

* * *

ECONOMIC DEVELOPMENT

Mr. Denis Paradis (Brome—Missisquoi, Lib.): Mr. Speaker, a number of mayors, municipal representatives and individuals responsible for Quebec's economic development are in Ottawa today to take part in a day with an international flavour.

In this era of globalization, it is becoming urgent to inform people and give them the necessary tools and support to meet the new challenges of this millennium.

Our local communities will be increasingly called upon to take their place on the international stage. That is why we have prepared various workshops for them on free trade, Contracts Canada, the infrastructures program, cultural and academic programs and, finally, agricultural export strategies.

I thank them for their interest and I point out that their presence is an obvious sign of the dynamism of our rural communities and the clear desire of elected representatives to find new ideas and avenues to help our regions grow.

In closing, I want to applaud the municipal representatives from my riding of Brome—Missisquoi and thank them for their support and their excellent co-operation.

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[English]

EQUALIZATION PAYMENTS

Mr. Norman Doyle (St. John's East, PC): Mr. Speaker, I will not let the Minister of Finance forget a promise he made in St. John's during the federal byelection campaign. The minister, supported by the current Minister of Industry, promised that he would take a serious look at a different equalization arrangement for the Atlantic provinces.

As the minister knows full well, the Atlantic area will always be playing catch-up under the current equalization formula. Provinces like Newfoundland will never truly benefit from the development of our resources while the federal government insists on clawing back the lion's share of revenues from those resources.

• (1415)

Will the Minister of Finance keep his promise to the people of Newfoundland? Will he give Atlantic Canadians a chance to become equal to the rest of the country by adjusting the equalization formula that is currently designed to keep us have not forever?

* * *

LEON FURLONG

Mr. Dominic LeBlanc (Beauséjour—Petitcodiac, Lib.): Mr. Speaker, I rise today to pay tribute to a remarkable Atlantic Canadian businessman. Leon Furlong, a fellow of the Institute of Chartered Accountants, has been chief executive officer of Atlantic Blue Cross Care for the past 25 years. During this time he has grown this important company from one which had revenues of \$12 million to one that now has annual revenues of \$1.4 billion. This is thanks to Mr. Furlong's leadership.

Mr. Furlong will retire later this month as president of Atlantic Blue Cross Care. The over 1,800 employees will miss the friendly demeanour and informal style of their boss who has been a steady leader in a industry which has undergone massive change.

Leon Furlong has earned the right to be proud of what he has built in Atlantic Canada. The lives of thousands of Atlantic Canadians are better, thanks to the impressive work of Mr. Furlong.

ORAL QUESTION PERIOD

[English]

GOVERNMENT OF CANADA

Mr. Stockwell Day (Leader of the Opposition, Canadian Alliance): Mr. Speaker, the Minister of National Defence says that Canada does not need helicopters which can protect us from submarine warfare. Yet the Deputy Prime Minister told the House yesterday that indeed we do need anti-submarine warfare capability.

The cost will amount to about a billion dollars. There is confusion between ministers and our nation's sovereignty is at risk on this question. Could the Prime Minister perhaps explain to Canadians whether or not it is the view of the government that we need anti-submarine capability and who exactly speaks for the government over there?

Oral Questions

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the government is speaking with one voice on this issue. The requirements have been designed by those who know about what is needed.

We have received the advice of the Department of National Defence. Now, with the system we have selected, we will have more bidders than ever. In that way we will make sure that we have the helicopter we need at the lowest cost possible.

[Translation]

Mr. Stockwell Day (Leader of the Opposition, Canadian Alliance): Mr. Speaker, we have a problem.

The Department of National Defence informed the minister and the cabinet that Canada needs helicopters with anti-submarine capability. In spite of that recommendation, the government is about to decide not to order helicopters with such capability.

Why is the government ignoring the recommendation, even though the Deputy Prime Minister agrees with the department?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the call for tenders is based on the recommendation of the Department of National Defence. There are always discussions among those who draft these calls for tenders.

We clearly said that we wanted to buy new helicopters, but we wanted a true competition and this is why we opted for that process. The reality is that, now, there are many more people who can provide what the government needs. We know that the more bids we get, the better the price will be for Canada's taxpayers.

[English]

Mr. Stockwell Day (Leader of the Opposition, Canadian Alliance): Mr. Speaker, it is not a question of the more people we have tendering. We have too many people offering too many tenders within the government. We have some sovereignty questions that are at risk here. All we want to know is who is making the decisions.

Here we have an internal defence department memo on the issue of the split contract which says that in a two way competition the risk to the crown increases dramatically and that this risk could take the form of contract omissions or errors. This is very serious.

Why was the contract split when the DND officials were warning of the consequences, and who made the decision?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, very clearly, we want a helicopter that can do the job at the lowest price possible. I am surprised that the opposition is not interested in the cost of it. Of course it wants to have the most expensive one. That is not what I want. I want the one that can do the job at the lowest cost possible.

Oral Questions

• (1420)

Mr. Stockwell Day (Leader of the Opposition, Canadian Alliance): Mr. Speaker, we just want the one who can give a straight answer. Let us shift to legislation making ability.

Regardless of how individual MPs will vote on the pay raise legislation, the Prime Minister has shown his skill in developing legislation in a short period of time, and I commend him for that. If he does not use the skill to protect children from predators on the Internet, what other areas can we expect of him?

We have put forward the proposal to carve out standalone legislation to protect children from predators on the Internet. He has shown he can move legislation quickly. Why will he not do so on this standalone legislation?

Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, as I said yesterday in the House, the opposition knows full well that we are ready to move on Bill C-15.

In fact it is the opposition that is stonewalling. It is the opposition that is playing petty politics with Bill C-15. Everyone on this side of the House is ready to move.

Mr. Stockwell Day (Leader of the Opposition, Canadian Alliance): Mr. Speaker, the opposition is very clear: we want that standalone legislation and he will not bring it through.

As I have just said, regardless of how MPs may vote on the pay raise legislation, the Prime Minister has shown his skill in developing legislation very quickly.

Will he use that same skill and agree with the Canadian Alliance that we need to lower the GST on gasoline to protect consumers at the pumps this summer? Will he use that same skill? Let us protect the consumers. Let us do it.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the Leader of Opposition is all over the place today. He is going from helicopters to gas, to legislation and so on.

We have a system in Canada that is well known. Neither the provincial governments nor the federal government has decided at this time that it is appropriate for either level of government to reduce the tax on fuel at this moment.

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[Translation]

EMPLOYMENT INSURANCE

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, for years now the Bloc Québécois has been calling for improvements to the employment insurance program in order to help workers in seasonal industries.

For years, the government has been leaving the unemployed out in the cold, so much so that the Prime Minister was forced to apologize to them during the last election campaign.

After making them wait so long, after the apologies and the campaign promises, is the government going to immediately follow up on the unanimous recommendations of the standing committee on human resources and at last come to the rescue of those who find themselves without work because their jobs are seasonal?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, they are the ones who blocked the bill, while we were trying to have it passed in the House. It was only after they lost the election that they decided to vote with the government.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, the government had all the time in the world to get its bill through last fall. It preferred to call an election, to make promises to the workers, promises it does not want to keep today.

It preferred to continue to dip into the employment insurance fund in order to put money elsewhere, at the expense of those least well off in society.

I am asking him, and there is still time before the end of the session, whether he will stand up and keep his promises, ensuring that these new measures are passed before the end of the session. Is he going to keep his promises? Yes or no. Or is he going to forget them once again?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, that is exactly what we have done. After the election, we introduced the measure we had promised in the House of Commons and it was passed. This was the same measure that the Bloc Québécois had blocked before the election.

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, during the election campaign, Liberal ministers held numerous meetings with groups of unemployed workers in order to promise substantial improvements to the EI system.

Now, the standing committee on human resources development has identified the improvements needed. The government has the money needed, the opposition is prepared to work toward speedy passage and we have the time before the end of the session to make the bill law.

What is the Prime Minister waiting for to deliver on his own promises?

[English]

Hon. Jane Stewart (Minister of Human Resources Development, Lib.): Mr. Speaker, I think Bloc members need to go home and explain to their constituents why they were against repealing the intensity rule. I think they need to go home and explain to their

constituents why, on the very day that their amendments to Bill C-2 were being presented, they voted to suspend the House. I think they need to explain to their constituents back home why so many witnesses supported us with Bill C-2.

• (1425)

Today they are playing politics. Last fall they were playing politics. On this side of the House we have made changes, and very good ones.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, no one is satisfied with the minister's answer.

Does she not understand that failing to take action now, when all the conditions are in place, is disrespectful of unemployed workers, to whom even the Prime Minister apologized during the election campaign?

[*English*]

Hon. Jane Stewart (Minister of Human Resources Development, Lib.): Mr. Speaker, we have received the report. If the hon. member would reread the report, he would see that it asks the government to consider a number of recommendations. That is exactly what we will do.

Again, they talk about the importance of employment insurance to workers. On this side we know how important it is. That is why, quickly after being elected, we introduced the amendments we would have passed last fall if that party had supported us.

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THE ENVIRONMENT

Mr. Bill Blaikie (Winnipeg—Transcona, NDP): Mr. Speaker, today is World Environment Day and a lot of the things that we talk about in the Chamber will not matter in 50 years if we cannot drink the water, breathe the air or go out in the sun.

The Minister of the Environment will be aware of the studies that were released showing that the basis of the Canadian position with respect to carbon sinks is not as sound as the minister has often made out.

Is the minister considering changing the position of the Government of Canada with respect to carbon sinks so that our position on greenhouse gas emissions can be one that makes some material contribution to reducing those emissions rather than a theoretical one based on a false theory to begin with?

Hon. David Anderson (Minister of the Environment, Lib.): Mr. Speaker, I thank the hon. member for allowing us to recognize

environment day. He correctly points out that it is today. It was an initiative, I might add, of a Liberal backbench MP back in 1971.

I point out that we are making absolutely no changes to our Kyoto target. We fully expect to meet our Kyoto target. We have a number of programs that will achieve that end. I would point out to him specifically with respect to the two articles in *Nature* that neither refers to the Canadian position nor in any way supports the contention that our position is not the sound approach on sinks.

Mr. Bill Blaikie (Winnipeg—Transcona, NDP): Mr. Speaker, I obviously do not agree with the Minister of the Environment on that, but I will go to the Minister of Transport.

One of the other ways we are endangering our commitment to the Kyoto accord is by having the kind of trucking regulations we have: long hours for drivers, increased weight capacities, et cetera, all of which permit the trucking industry to compete with rail in a way it should not be allowed to, rail being the superior environmental alternative.

Is Minister of Transport considering changes to regulations to give the benefit of the doubt to rail so as to encourage more rail transportation and less trucks on the highways?

Hon. David Collette (Minister of Transport, Lib.): Mr. Speaker, I have announced a blueprint exercise to develop a new transportation policy for the next 10 years. One of the key components of that policy will be to address the question the hon. member has raised: Which is the appropriate mode and in which case should it be supported by government?

The point that he raised with respect to the polluting tendencies of one mode versus another is quite germane and is something that we have to look at and address in our policy.

* * *

JUSTICE

Right Hon. Joe Clark (Calgary Centre, PC): Mr. Speaker, the Minister of Justice knows that parliament is ready right now to protect children from stalking and pornography on the Internet. She also knows—

Some hon. members: Hear, hear.

The Speaker: Order, please. The hon. member for Calgary Centre is trying to ask a question.

Right Hon. Joe Clark: Mr. Speaker, may the applause continue.

The Speaker: I appreciate the enthusiasm the Prime Minister shows for getting to the answer, but I do not think the right hon. member had finished the question.

Oral Questions

Right Hon. Joe Clark: Mr. Speaker, the minister also knows that parliament is not ready to deal with the unrelated matters that she added to the omnibus criminal code bill.

Why does the Minister of Justice refuse to put children first? Why does she not split the bill and let parliament act this week to fight sexual stalking and to fight child pornography on the Internet?

• (1430)

Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, as I have said on numerous occasions, we on this side of the House are ready to move.

In the omnibus legislation we find a series of amendments to one statute: the Criminal Code of Canada. Many of those proposed amendments are not new. The opposition has had months of opportunity to study them. We on this side of the House are ready to move.

Right Hon. Joe Clark (Calgary Centre, PC): Mr. Speaker, if the minister is ready, let her act. What she is doing is stalling right now. She is putting obstacles in the path of this bill. That is why my question—

Some hon. members: Oh, oh.

The Speaker: Order, please. The right hon. member for Calgary Centre's case is not furthered by moving closer to the Chair.

Having said that, I do have to be able to hear the question. The right hon. member might say something that is out of order. The Chair has to be able to hear it. The right hon. member for Calgary Centre has the floor.

Right Hon. Joe Clark: Mr. Speaker, there is an irresistible temptation. The Prime Minister and the government are stalling on the bill to protect children. Instead they give priority to a bill to increase their own pay.

I have a specific question for the Prime Minister. Will he explain why he went beyond the Lumley recommendations and proposes to give MPs even more money by making this pay raise retroactive to January 1?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I do not want to create any problem with the conscience of any member of parliament, including the leader of the fifth party, who is being paid \$200,000 by his party to be in the House of Commons.

For those who will have a big problem with their conscience, it will be very easy for them. They will have the privilege to not accept the pay raise. It was to protect them that I have done this, so that they can sleep well after the vote.

NATIONAL DEFENCE

Mr. Peter Goldring (Edmonton Centre-East, Canadian Alliance): Mr. Speaker, Canadians need the best military helicopter possible for patrolling the north Atlantic. Whether hunting submarines or searching for survivors, range is critical.

DND documents state that a ship's search area is increased 25 times with a shipborne Sea King. The new reduced helicopter specifications will drop that capability to only 15 times. Why would the Liberals politically accept a critical patrol area only 60% of that covered by 40 year old Sea Kings?

Mr. John O'Reilly (Parliamentary Secretary to Minister of National Defence, Lib.): Mr. Speaker, there is no requirement for the maritime helicopter for a specific distance capability. There is no distance that is affected by climate. It is endurance that the armed forces have asked for.

They must be capable of remaining airborne for 2 hours and 50 minutes under normal conditions with a 30 minute fuel remain reserve, and 2 hours and 20 minutes and a 30 minute reserve under intense heat. That is what the specifications call for and that is exactly what they will be delivered on.

Mr. Peter Goldring (Edmonton Centre-East, Canadian Alliance): Mr. Speaker, the whirlybird procurement fiasco seemingly never ends. The minister says that we have new EH-101 helicopters to do the job of search and rescue. They were supposed to be delivered in January but they are not here yet. When will we take delivery of the EH-101 search and rescue helicopters, with full delivery?

Hon. Alfonso Gagliano (Minister of Public Works and Government Services, Lib.): Mr. Speaker, they are on their way to Canada.

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• (1435)

[Translation]

FEDERAL-PROVINCIAL RELATIONS

Mr. Richard Marceau (Charlesbourg—Jacques-Cartier, BQ): Mr. Speaker, in the matter of parental leave, the federal government is refusing to co-operate with the Government of Quebec to implement a program really suited to the needs of young families.

Is the federal government's inexplicable obstinacy not the most convincing proof of its belligerent, warring, strategy, which the Bloc Québécois revealed yesterday and which makes federal visibility a priority over the needs of the public?

Oral Questions

Hon. Stéphane Dion (President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.): Mr. Speaker, yesterday, the Bloc misled the House by presenting, as a government report, a report in fact produced by an academic and submitted to the government, committing only the author and on which the government has taken no position.

I read it for the first time this noon. I did not find the warring imagery especially useful. I did, however, find at least one sentence which I agreed with and which corresponds to the government's action. I will read it. It is not long. "Avenues must be found that will permit intervention while minimizing interference in provincial jurisdictions".

Mr. Richard Marceau (Charlesbourg—Jacques-Cartier, BQ): Mr. Speaker, the document given us had been censured in several places, and it took us six months to get it. There must be someone in the government who censured it. It is certainly not the academic who censured his own work.

Given the federal government's strategy, should we expect, in the next four years when the surpluses will vary between \$70 billion and \$90 billion, to have a multitude of federal programs put in place that have no relation to Quebec's priorities and that serve only to heighten federal government visibility?

Hon. Stéphane Dion (President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.): Mr. Speaker, as I said yesterday, the government's priority, once it re-established a balance in its public finances, was to consolidate transfers to the provinces.

As to the professor's report, if every report the government received required its commitment I imagine the same is true for political parties. In December 1999 Professor Alain Pellet wrote the Bloc saying that in the event of secession being negotiated the question of Quebec's borders would be on the table. This is now the position of the Bloc.

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[English]

FISHERIES

Mr. John Cummins (Delta—South Richmond, Canadian Alliance): Mr. Speaker, today's newspapers say that violent lobster wars are likely to begin next week in St. Mary's Bay. The minister of fisheries is to blame for this pending confrontation. He has created an expectation for a food fishery that has no basis in law and opened the door to this dispute by refusing to accept Department of Justice legal advice.

Why has the minister of fisheries rejected legal advice from the justice department and moved to proceed with a fishery that can only end in confrontation and conservation concerns?

Hon. Herb Dhaliwal (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, it is quite clear to members on this side what the Marshall decision meant. It is quite clear to the Progressive Conservative Party and quite clear to the NDP. The only person who is not clear on what the Marshall decision is is the hon. member. He continues to stand up and is counselling division and confrontation.

This, we believe, is peaceful. We believe in co-operation. We believe in sitting at the table. That is why we had 30 first nations sign agreements last year and we have 5 agreements already signed this year for three years. We will continue with co-operation and resolving this peacefully. That is our goal.

Mr. John Cummins (Delta—South Richmond, Canadian Alliance): Mr. Speaker, I will make it clear to the Liberals, the NDP and the Conservatives. Let me quote from the justice department's submission to the federal court. It states:

(The Department of Justice) specifically denies that the (Shubenacadie Band), their predecessors or the Mi'kmaq Indians in Nova Scotia fished lobster for food, social or ceremonial purposes before or at the time of European contact in St. Mary's Bay or at all.

In other words, the Mi'kmaq in Nova Scotia do not enjoy an aboriginal right to harvest lobster for food. Why does the minister allow this lobster food fishery when it has been so clearly rejected by the Department of Justice?

Hon. Herb Dhaliwal (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, what the hon. member says is simply not the case. I think that party should know by now that we should refrain from commenting on matters that are before the courts and let the courts determine them. I am sure the leader of the Alliance Party should be able to counsel his members that we should refrain from talking about things that are before the courts.

Let me ask this of the hon. member. He has taken the time to be in Atlantic Canada and meet with the commercial fishermen. Why has he not sat down with the aboriginal first nations? Why is he refusing to meet with them and hear their side? He has a responsibility to meet with them and hear their—

The Speaker: The hon. member for Quebec.

* * *

• (1440)

[Translation]

CANADA DAY

Ms. Christiane Gagnon (Québec, BQ): Mr. Speaker, once again the Bloc Québécois has had to go through the access to information process in order to find out the budget the federal government will be allocating to Canada Day, and how it will be divided.

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I would simply like to ask the Minister of Canadian Heritage what the Canada Day budget will be and what amount will be allocated to Quebec.

Hon. Sheila Copps (Minister of Canadian Heritage, Lib.): Mr. Speaker, I am absolutely thrilled that there are people all over Quebec who want to celebrate Canada Day. More and more requests are coming in from all over, from the lower St. Lawrence area, from the Saguenay and so on. We are as prepared to listen to their requests as we are to listen to all the people of Canada.

Ms. Christiane Gagnon (Québec, BQ): Mr. Speaker, I wonder how the minister can refuse to answer a question as simple as: What will the regional budget be for Quebec? I cannot imagine she is concerned about security.

Is not the concern behind the minister's refusal to respond rather one of concealing the federal government's propaganda operation, which has the bulk of the funding allocated to Quebec, and the fact that the funding is increasing every year to enhance the government's visibility?

Hon. Sheila Copps (Minister of Canadian Heritage, Lib.): Mr. Speaker, I have already been invited to the Saguenay for June 24.

Some hon. members: Oh, oh.

Hon. Sheila Copps: I have every intention of being there—

Some hon. members: Oh, oh.

Hon. Sheila Copps: —for the Saint-Jean-Baptiste celebrations—

Some hon. members: Oh, oh.

The Speaker: Order, please. We must be able to hear the minister.

Hon. Sheila Copps: Mr. Speaker, June 21 is National Aboriginal Day, then Saint-Jean-Baptiste is June 24, and Canada Day is July 1. These are the feast days for the whole of Canada.

* * *

[*English*]

IMMIGRATION

Mr. Inky Mark (Dauphin—Swan River, Canadian Alliance): Mr. Speaker, a British citizen who had come to Canada to visit a friend was not expecting the welcome she got. According to news reports, Ms. Akintade was questioned for 10 hours, handcuffed and detained by immigration officials overnight. She was also refused access to the British consulate, all because an immigration officer said she did not sound British. He did not believe her British passport was genuine.

How does the minister of immigration explain the pitiful performance of this departmental official?

Hon. Elinor Caplan (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, I want to make it absolutely clear that officials in my department have been informed of the conduct that is expected when anyone appears at our port of entry. They should be treated with respect, with dignity, regardless of their skin colour, the language they speak or the accent they have.

I have requested a preliminary investigation in this matter. I can tell the member opposite that this individual was rightfully referred to the immigration line, but we are further investigating to determine what would be appropriate in this situation.

Mr. Inky Mark (Dauphin—Swan River, Canadian Alliance): Mr. Speaker, how would the minister feel if she was treated in the same manner overseas? What

What action does the minister intend to take to ensure that this kind of unjustified treatment is never repeated? Does the minister intend to apologize to this British woman?

Hon. Elinor Caplan (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, what I intend to do is find out what all the facts are and ensure that if action should be taken it will be taken, but I can tell the member and everyone that I believe that anyone who shows up at our ports of entry should be treated with respect regardless of what language they speak, regardless of what accent they have or what colour of skin they have.

If anything inappropriate was done, appropriate action will be taken, but preliminary results do tell me that she was properly referred to the immigration line. It is the job of our immigration officers to ensure and satisfy themselves that people rightly should have—

The Speaker: The hon. member for Mount Royal.

* * *

[*Translation*]

RAOUL WALLENBERG

Mr. Irwin Cotler (Mount Royal, Lib.): Mr. Speaker, my question is for the Minister of Canadian Heritage.

In 1985, the Parliament of Canada made Raoul Wallenberg an honorary citizen of Canada. In doing so, we wanted to recognize the contribution of this great hero of mankind, who risked his own life to protect and save 100,000 Hungarian Jews from the Holocaust.

• (1445)

Could the Minister of Canadian Heritage tell us how she intends to make sure the legacy of Raoul Wallenberg, the inspiration behind the struggle for human rights in our time, will be celebrated in Canada in the future?

*Oral Questions**[English]*

Hon. Sheila Copps (Minister of Canadian Heritage, Lib.): Mr. Speaker, I thank the hon. member for the question because that hon. member and hon. members on all sides of the House of Commons and in the Senate have worked very hard to see the recognition of Raoul Wallenberg.

I am happy to let the House know that for the first time, on January 17 next year, we will have a national recognition of Raoul Wallenberg day.

[Translation]

We hope to have all Canadians understand that he was an international hero, who saved the lives of and thousands of people.

Next year, January 17 will be the first Raoul Wallenberg day in Canada.

* * *

*[English]***AGRICULTURE**

Mr. Dick Proctor (Palliser, NDP): Mr. Speaker, today the Standing Committee on Agriculture and Agri-Food heard in a non-partisan way that prairie agriculture ministers, their lead critics and indeed ordinary farmers say that failure to act quickly on the crisis faced by grain and oilseed producers will mean the loss of a key industry and one with important export implications.

The Minister of Agriculture and Agri-Food and his provincial and territorial counterparts will be in Whitehorse at the end of this month. My question is in the same vein. Will he and his officials commit to be as open minded and visionary as possible so that together a program can be developed that will save this industry before it is too late?

Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, that discussion has already started to take place with all players in the agriculture and agrifood industry and with my provincial colleagues at a meeting in March. We will continue that in the meeting at the end of this month in Whitehorse. It is a federal-provincial meeting and is an integrated risk management approach in order to move the industry beyond crisis management.

* * *

TRADE

Mr. Dick Proctor (Palliser, NDP): Mr. Speaker, my question is for the Minister for International Trade who has rationalized the supplemental permits to import U.S. cheese sticks in excess of the WTO quota because of an increased demand in Canada.

At the same time the minister says that he wants an access agreement with the United States so Canadian cheese sticks can be

exported there. If Canadian processors have product to export, obviously they have the supply to meet our domestic market.

Would the minister cease these silly mind games, stop issuing these supplemental permits immediately and protect Canadian supply management by enforcing the tariff rate quotas that were negotiated at the WTO?

Hon. Pierre Pettigrew (Minister for International Trade, Lib.): Mr. Speaker, let me be clear that this issue has been raised a number of times in the House of Commons. There has been no change in Canadian government policy. These products have been coming into Canada freely for over 20 years. They were not part of the supply management side, as they are trying to say. Indeed this product contains more bread and such than cheese.

We are negotiating with the United States to regain access. The reclassification by the United States has created problems. I have given the U.S. administration a few more months and by September I will stop issuing import quotas if it has not reopened the market.

* * *

RELIGIOUS ORGANIZATIONS

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, on the matter of the residential schools, the Deputy Prime Minister continues to place an unconscionable financial burden on churches be engaging in a costly, lengthy process of legal wrangling.

I remind the House that it is the government that put the churches in this position by joining them to these legal actions. The churches are currently spending their limited resources on healing and reconciliation.

My question is for the Prime Minister. Why is his government content to force churches into bankruptcy by prolonging this process?

Hon. Herb Gray (Deputy Prime Minister, Lib.): Mr. Speaker, the government does not want to force churches into bankruptcy. We are not prolonging the process. We are doing just the opposite.

We are working with the churches and eventually the victims to try to settle the matter outside the litigation process. If the churches are defendants in these cases, it is because the victims, the former students, sued the churches directly in some 70% of the cases.

That is why we have to continue to work together to settle these matters, and I invite my hon. friend to assist me in this regard.

* * *

SHIPBUILDING

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, my question is for the Minister of Industry. Many months ago the government appointed a commission to look at shipbuilding and bring in a

Oral Questions

national shipbuilding policy. The Saint John shipyard has been sitting idle for over a year and 3,000 men have been out of work.

When will the government and the minister bring in a shipbuilding policy that makes us competitive around the world and put our people back to work?

• (1450)

Hon. Brian Tobin (Minister of Industry, Lib.): Mr. Speaker, we received the report of the task force on shipbuilding last month. Cabinet is now seized with the issue and we hope to have a response very soon.

I expect we will have a new, competitive, efficient, effective policy on shipbuilding a lot sooner than the member will get to the Senate.

* * *

JUSTICE

Mr. Vic Toews (Provencher, Canadian Alliance): Mr. Speaker, yesterday the Minister of Justice advised the House and all Canadians that Bill C-15 dealt only with amendments to the criminal code. She knows that is not correct. The title of the bill itself makes that clear.

Why will the minister not stop playing American style politics and instead work with the opposition to protect children from sexual predators? Why will she not split the bill?

Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, as I have already indicated, we on this side of the House are ready to move on Bill C-15 right now.

I would ask all of you this afternoon to inform our government House leader that you are willing to move on Bill C-15.

The Speaker: All hon. members will kindly address their remarks to the Chair.

Mr. Vic Toews (Provencher, Canadian Alliance): Mr. Speaker, Canadians are disturbed by the Liberal partisan politics behind Bill C-15. Debates about the sexual exploitation of children and the treatment of animals should not be lumped together.

Why will the minister not rise above partisan politics and work with the opposition to protect our children?

Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I guess there is one thing we could say, and that is the official opposition is expert when it comes to splitting or dividing.

As I have said on any number of occasions in the House, we are ready to move on Bill C-15. Bill C-15 deals with major amendments to the criminal code. Many of these amendments have been

before the House for months. It is unconscionable that those people are playing petty politics with this legislation.

* * *

[Translation]

INTERNATIONAL TRADE

Mrs. Suzanne Tremblay (Rimouski-Neigette-et-la Mitis, BQ): Mr. Speaker, ever since we started asking him questions on cheese stick imports, the Minister for International Trade has been telling us that the reason we have to import such volumes is to meet domestic demand.

How can the minister make such a statement when we know that there is an overproduction of cheese sticks in Canada and that producers are perfectly capable of meeting domestic demand?

Hon. Pierre Pettigrew (Minister for International Trade, Lib.): Mr. Speaker, allow me to clarify this issue once again. There has been no restriction on imports and exports of breaded cheese sticks for 20 years.

We have always refrained from imposing such controls, because this dairy product has more bread crumbs than cheese. If we subject this product to our supply management system, it could create quite a problem for us, since such a measure could be challenged by the United States. This is an irresponsible option, in my opinion. Our approach is to reopen the U.S. market and to go back to the situation that has existed for 20 years.

Mrs. Suzanne Tremblay (Rimouski-Neigette-et-la Mitis, BQ): Mr. Speaker, this truly takes the cake. It sounds like the minister is not even aware that an agreement was signed by his government in 1995. It is as if he ignores that.

The Americans, for their part, have been prohibiting access to their market since 1999 to foreign cheese sticks and they respect the quotas that they have agreed on, something Canada is not doing.

How does the minister explain that he delivers discretionary import permits to let American cheese imports in Canada, while the Americans refuse to let Canadian cheese cross their border?

Hon. Pierre Pettigrew (Minister for International Trade, Lib.): Mr. Speaker, the arguments of the Bloc Quebecois and of the hon. member for Rimouski—Neigette-et-la Mitis are improving.

• (1455)

The hon. member is absolutely right when she says that the problem is due to the fact that the United States blocked Canadian cheese imports. It is the first time the Bloc Quebecois recognizes that the fact that the Americans stopped importing Canadian cheese poses a problem for us.

I see the comment made by the Bloc Quebecois member as a show of support to the Canadian policy, which seeks to reopen the

American market. I have cautioned the U.S. administration to reopen its market, otherwise there will no longer be import quotas for cheese as of September 1.

* * *

[English]

AGRICULTURE

Mr. Kevin Sorenson (Crowfoot, Canadian Alliance): Mr. Speaker, Alberta farmers are facing severe drought conditions which have not been experienced since the 1930s. Livestock cannot be pastured because of a lack of grass, and now they cannot be pastured because the water wells and the dugouts lack water.

The only thing drier than the water wells and the dugouts is the funding that is available through the PFRA. The PFRA ran out of money four days after the renewal of this year's budget.

Will the Minister of Agriculture and Agri-Food immediately request additional funding through the PFRA for western Canadian farmers to help them deal with these extreme drought conditions?

Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, we recognize the very severe drought situation in southern Alberta and other parts of western Canada. We are certainly pleased that some rain did fall on much of that area yesterday, and we hope that it continues.

The PFRA allocates a sum of money each year to assist in dugouts and wells, et cetera. Yes, the applications were high for that this year and that money has been allocated for this year.

I remind the hon. member that in the reallocation of safety nets last year the province of Alberta received an additional \$34 million and then \$126 million this week as its part of the \$500 million to assist in that.

Mr. Kevin Sorenson (Crowfoot, Canadian Alliance): Mr. Speaker, an overnight rain will not fill most of the dugouts that are parched and dry. In regard to water supply for livestock, PFRA supports community or group projects, but individual farmer and rancher projects will only be considered depending on the availability of funds.

This is cold comfort to people like Dale Fagin of Hardisty and Dale Bousquet of Consort who have repeatedly been denied assistance to drill water wells for their livestock. I ask the minister of livestock if he will immediately request additional assistance for the PFRA and ensure the funding goes to farmers—

The Speaker: The hon. the Minister of Agriculture and Agri-Food.

Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, I remind the hon. member that I am minister of more than livestock. I will inform him again that the PFRA does

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have its budget. It will allocate it to the best of its ability for the number of areas that have requested a desire for support.

I also remind the hon. member that since March 2000 the province of Alberta has received \$160 million more in two additional contributions above and beyond its regular contributions to safety net or companion programs that can be directed as it wishes.

* * *

[Translation]

TAX ADMINISTRATIONS

Mrs. Marlene Jennings (Notre-Dame-de-Grâce—Lachine, Lib.): Mr. Speaker, yesterday, the Minister of National Revenue opened the first world conference on tax administrations in an electronic world.

Would the minister elaborate on the goals of this very important conference?

Hon. Martin Cauchon (Minister of National Revenue and Secretary of State (Economic Development Agency of Canada for the Regions of Quebec), Lib.): Mr. Speaker, I thank the hon. member for her excellent question.

I am proud to report to the House that Canada has shown leadership in this area. It is now hosting the first conference of tax administrations from 103 countries, a conference which will deal with the impact of the electronic world on the tax sector.

Over 250 delegates have gathered in Montreal. The goal is to improve co-operation, to ensure protection of the tax base, and to better serve all taxpayers.

* * *

[English]

HEALTH

Mrs. Betty Hinton (Kamloops, Thompson and Highland Valleys, Canadian Alliance): Mr. Speaker, we have just received a document under access to information that shows the government knew about financial irregularities at Manitoba's Sagkeeng Solvent Abuse Treatment Centre six years ago.

A 1995 Health Canada audit found over \$47,000 in unsupported expenditures by the centre, which even included a \$25,000 claim to lease a vehicle.

● (1500)

In spite of these obvious irregularities in the audit, the health minister's department continued to support and even increased funding for the centre for six more years. Why?

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, steps were taken after that information came to light.

Government Orders

I would like the member to know that when it became clear last fall that money was being used to fund cruises, for example, we shut the funding down. We stopped transferring money. We sent in the auditors. When the centre did not co-operate, we went to court and insisted that every document was to be protected. We will make sure that every nickel of public funding is accounted for to the public.

Mrs. Betty Hinton (Kamloops, Thompson and Highland Valleys, Canadian Alliance): Mr. Speaker, it still took six years. When someone pushes on a door and there is no resistance, they keep pushing.

Health Canada's resistance was so insignificant that the treatment centre's directors pushed their way right into trips to Las Vegas, New Zealand, Hawaii and the now famous Caribbean cruise that so embarrassed this Liberal government.

Why was there no resistance to these obvious Health Canada policy violations for six years?

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, the member is absolutely wrong. The record shows that Health Canada responded to each one of those audits. In the final analysis, when we were not satisfied that public funds were being properly used, we shut the centre down. That is exactly the kind of response Canadians want to see from a responsible government.

* * *

[Translation]

SHIPBUILDING

Mr. Antoine Dubé (Lévis-et-Chutes-de-la-Chaudière, BQ): Mr. Speaker, recently, members of the Canadian association of shipyard owners and the union coalition met with either the Minister of Industry or Liberal members to discuss the report by the committee set up by the minister on October 20 of last year. The Minister of Industry has just told us that this report has been submitted to cabinet.

Will the minister agree today to release his policy to the public before the end of the session?

[English]

Hon. Brian Tobin (Minister of Industry, Lib.): Mr. Speaker, on behalf of all members on this side of the House, I want to thank the member for acknowledging the hard work that each and every one of the regional caucuses on this side of the House are doing in meeting shipyard workers, meeting private sector players and working hard to build a competitive shipbuilding policy for Canada.

One of the great frustrations being on this side of the House is that the hard work being done by members on these benches is not always acknowledged. I thank the member for that acknowledgement today.

PRESENCE IN GALLERY

The Speaker: I draw the attention of hon. members to the presence in the gallery of members of the Parliamentary Service Commission for the National Assembly of Kenya, led by the Hon. Peter Oloo Aringo.

Some hon. members: Hear, hear.

Mr. Rob Anders: Mr. Speaker, I rise on a point of order. I would like to seek the unanimous consent of the House to withdraw the order passed on Monday, June 4 pursuant to Standing Order 56(1) by the hon. government House leader forcing a fast track and all stage guillotine on Bill C-28.

The Speaker: Is there unanimous consent?

Some hon. members: Agreed.

Some hon. members: No.

GOVERNMENT ORDERS

• (1505)

[Translation]

PARLIAMENT OF CANADA ACT

Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.) moved that Bill C-28, an act to amend the Parliament of Canada Act, the Members of Parliament Retiring Allowances Act and the Salaries Act, be read the second time and referred to committee of the whole.

He said: Mr. Speaker, I am pleased to rise today to speak to Bill C-28, which I had the honour to introduce yesterday.

As members of parliament, we have a responsibility for fairness and accountability in all of our work in this House as representatives of Canadian taxpayers. This is particularly true for the matter of parliamentary compensation.

The Parliament of Canada Act requires that an independent commission be set up after each election to review the allowances of parliamentarians. A commission, chaired this time by the hon. Ed Lumley, was appointed on January 12 of this year. The Lumley commission's report was tabled last Tuesday, May 29, in the House.

The Lumley commission concluded that the current compensation for parliamentarians needed to be made more transparent and brought into line with compensation for other similar professions.

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The commission remarked:

Parliamentarians' salaries are important, not just to the members of parliament themselves, but to all citizens; certainly, how we compensate members of parliament can influence the ability to attract good candidates.

The bill before us today is straightforward. It implements the Lumley commission's recommendations.

[*English*]

Let me outline the key provisions of the bill. First, the current tax free allowance is eliminated. Many people had asked for that. It is to be converted into a taxable amount and added to the base salary of parliamentarians. This will increase the transparency in parliamentary compensation.

Second, the base salary of members is to be increased by 20%.

Third, a new allowance is provided for committee chairs and vice-chairs. This recognizes the valuable contribution and the responsibilities of such workloads. It also builds on the commitment the government made in the throne speech to increase Library of Parliament research and support parliamentary committees. Together these measures will strengthen our committee system as part of our ongoing work on parliamentary reform.

Fourth, parliamentary compensation would be based from here on in on the compensation of the supreme court chief justice. This is not a new idea. Officers of parliament, such as the information commissioner and the chief electoral officer, already receive the same compensation as a federal court judge, so the precedent is there for officers of the House. What we are proposing here is to do the same for parliamentarians.

Under Bill C-28, the prime minister would receive the same compensation as the Chief Justice of the Supreme Court, not one dollar more but the same compensation. Most Canadians probably believe that was already the case. Ministers would receive 74% of the salary of the chief justice; parliamentary secretaries, 55%; and members of the House, 50%. Senators would receive 50% of the salary of the chief justice, minus \$25,000, which is the difference between the current tax free allowance between the House and the senate.

This would restore parliamentary compensation closer to the levels we used to have. For example, members may be interested to note that in 1963, when the Deputy Prime Minister was first elected to parliament, or thereabouts, a member of the House of Commons earned at the time 12% more than a federal court judge. Today a member earns 54% less than the same judge.

• (1510)

Even if the bill were to pass, which I hope it will, a member would still earn 36% less than a judge when the same person would have earned more a few decades ago.

In 1980 the prime minister earned 28% more than the chief justice of the supreme court. Today, as we speak, the Prime Minister earns 42% less than the chief justice. Under the bill the Prime Minister would earn the same salary, not more but the same.

In the future, changes to the compensation of the chief justice would be applied to parliamentarians. This means that the current political process for parliamentary compensation will end. Under Bill C-28 parliamentary compensation would apply to results of the completely independent and non-partisan process established for judicial compensation. If it is any consolation, if we adopt the bill hopefully we will not have to go through this exercise again.

Members will not have to be placed in the sometimes difficult position, and I acknowledge that it is for some, of having to decide their own compensation level. It makes parliamentary compensation more accountable to Canadian taxpayers because from here on in it will be strictly based on this independent commission that also acts for the judiciary.

The Lumley commission recommended that parliamentary pensions be adjusted to limit the cost impact of higher compensation levels I have just outlined. To this end, Bill C-28 reduces the accrual rate from 4% to 3% for members of the House. It would remain the same for members of the Senate. They are already at 3%. This is a 25% reduction in the accrual rate which would reduce the pension costs that would have resulted from the higher parliamentary compensation. At the same time, it is to be noted that the premiums of members of parliament to the compensation, and this was not raised yesterday by the so-called taxpayers foundation, would be increased by \$2,900 a year. This makes the plan more sound. I think everyone who is an objective observer will recognize that.

The lower accrual would mean that the number of years to accumulate a pension equal to 75% compensation, in other words the maximum pension, would now be 25 years. Surely no one can claim that it is the wrong approach. That is the correct approach. Only 5 out of 301 members sitting in the House today have 25 years of service. The average tenure in the House, for the information of Canadians, is about eight years. When I was re-elected as a government member in 1993, it had dropped down at that point to some six years.

Most people are not here for a very long time and certainly would not collect that full pension that it was alleged yesterday we would. In addition, the number of years for a member's pension would be made the same as it is in the public service.

The bill would also extend the current disability allowance, which is available to members up to age 65 right now, to age 75 or the date of the next election. Again, this is keeping in conformity with what is done in the Judge's Act. Although this provision is not

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specifically mentioned in the Lumley commission report, it is based on representations made by parliamentarians.

Bill C-28 would also adjust the designation of Parliament Hill by moving the boundary from Bank Street to Kent Street to take account of recent changes and for the new justice building which will now form part of the parliamentary precinct.

[*Translation*]

In conclusion, I would like to thank all the members of the commission for their work: the commission chair, the hon. Ed Lumley, and the other members of the commission, the hon. Jake Epp and Dr. Huguette Labelle.

The commission's work reflects their consultations with all parties, with outside experts in the area of compensation, and with other interested Canadians.

I also wish to thank all members of the House for their approach to this very important issue.

• (1515)

The support of members on both sides of this House for the recommendations of the Lumley commission is evidence that the commission's recommendations are reasonable.

The praise of many commentators from the private sector and many members on both sides of the House also indicates the fairness of the bill before us today.

The broad support of Canadians for the Lumley report shows that the provisions of this bill are fair. I would therefore invite all members to support this bill.

I hope that all members will sign the form in order to be part of this bill and adhere to it.

[*English*]

Finally, should some members not wish to vote for the bill, I still hope they will adhere to the bill and sign up for the benefits. I sincerely believe that all members of parliament are equally worthy of the high task asked of us all, and I hope they will not only support the bill but adhere to the clause of being part of it.

Mr. John Reynolds (West Vancouver—Sunshine Coast, Canadian Alliance): Mr. Speaker, the Canadian Alliance has repeatedly called for an independent commission to make recommendations regarding MPs' salaries. It is entrenched Canadian Alliance Party policy that the issue and process of MP salaries be transparent. The commission's work has been transparent. I commend the commissioners for their contributions to the issue.

I also commend them for making sure that in the future the Prime Minister will not appoint any more commissions to look at pay, it will be done by the people who look at the judges' salaries,

which is independent. They are appointed by the judges plus judicial counsel, both sides agreeing on an independent chairperson. That is a good recommendation and I commend the commission for that.

The Canadian Alliance is pleased that the commission recommended a reduction in the accrual and contributions rate in the Members of Parliament Retiring Allowances Act.

The Canadian Alliance has also promoted the concept that MPs' pensions should be more in line with the private sector. The commission has concurred and we thank them for that acknowledgement.

I know the day we got the report from the commission as house leaders, it was recommending a 2.5% accrual rate. The government had seen to make it 3%. I wish it would have stayed with the 2.5% because that was more acceptable and much closer to the public sector.

An hon. member: And the private sector.

Mr. John Reynolds: And the private sector also. The issue of MPs' salaries has always been a contentious one. Accordingly, the Canadian Alliance will treat each vote on the bill as a free vote for our members.

The member over there can smile and laugh but that is what the House is all about; it is about integrity and making one's position and one's point with a free vote.

If members of that party over there want to talk about integrity, I would ask them to talk about the minister for multiculturalism and her integrity about flags burning in Prince George. If they want to talk about integrity, we will talk about that. If they want to talk about integrity, let us talk about Bill C-15 and how they will not split a bill that is very important for all Canadians. We are prepared to do that.

The government also did one thing that was not put in the report by the commission. The commission recommended that it be retroactive to April 1. The government wants it to be January 1. That is greedy and not acceptable. It should be April 1, which is our fiscal year. That would have been fine with members on this side.

It has also been the policy of the Canadian Alliance that our constituents have their say on the issue of MPs' salary increases. Accordingly, we will move at the report stage that the increase, if passed, come into force after the next general election. This fulfils our policy that voters be involved in the issue.

There is a strange twist in Bill C-28, and it is something that I think should be talked about. I have checked for precedent, including with the crucible of our parliamentary system Westminster. I can find no precedent. Bill C-28 calls for an opting in, in order to receive a salary increase. I have heard of opting out, which of course we saw in the issue of MP pensions. However Bill C-28

has an implied threat that if anyone does not sign on in 90 days, then one does not receive the salary increase.

The Prime Minister's threat of a week ago has come home to roost. It is intimidation, which I find unparliamentary. The government, obviously as instructed by the Prime Minister, is entertaining the notion of two classes of MPs. Rather than take the recorded vote as final determination on the bill, and consequently salary increases, the government is holding MPs hostage to another step in the process: sign a document within 90 days of passage of this bill indicating they are opting in or they will receive less than other colleagues.

Even the House leader said that is unacceptable. Nobody in the House should be earning any different from anybody else, yet it is in the bill.

• (1520)

Is this not a form of double jeopardy? It certainly is stealthy politics in an already sensitive and contentious issue. Why would the government want to add further dimension to the issue other than to embarrass certain MPs from certain parties? Passage of a bill on third reading in our parliamentary system is final determination. Does the government have the constitutional right to alter this entrenched process? That is a very good question.

The new way of determining the outcome of articles in legislation may even contravene pay equity. Does the government have the right to establish two classes of MPs? I may not be stretching the point by saying that this opting in initiative may be an affront to parliament itself.

Section 31 of the charter of rights and freedoms states that nothing in the charter extends the legislative powers of any body or authority. Is the government overextending its legislative powers by the addition of this fourth step, the new opting in requirements in Bill C-28?

The nuances of opting out of something as opposed to being forced to opt into something that the majority of parliament may pass is not subtle. It is a dynamic and dramatic departure from legislative precedent and nothing but intimidation and mendacity on the part of the government.

There is an implied threat in Bill C-28 that has no place in our parliament. Politics may ensue during debate on a bill, but I do not believe that a political manipulation should be encapsulated in a bill and then foisted on MPs after passage of a bill. It is a mockery of our process and diminishes the significance of the three stages of the passing of legislation. Why have debate? We could anonymously sign on to any initiative and that would determine the outcome. Has the government become that arrogant?

In view of that clause of the bill, I move:

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That the motion be amended by replacing all the words after the word "That" with the following:

"this House declines to give second reading to Bill C-28, an act to amend the Parliament of Canada Act, the Members of Parliament Retiring Allowances Act and the Salaries Act, since the principle of the bill contravenes the spirit of pay equity by establishing a two tier pay scheme for Members of Parliament."

The Speaker: The Chair finds the amendment to be in order.

[*Translation*]

Mr. Michel Guimond (Beauport—Montmorency—Côte-de-Beaupré—Île-d'Orléans, BQ): Mr. Speaker, it is always a bit awkward to speak to a bill like Bill C-28, since it is a matter of parliamentarians addressing the remuneration of members of the House.

Given that there are nevertheless certain unavoidable things that have to be dealt with, certain obligations connected to the position of member of parliament, I believe that we must, as democratically elected representatives of the people, get directly to the subject of concern to us, that is the remuneration of the 301 members of this House.

Given the sensitive nature of the situation, the government decided to seek advice on this matter from an independent committee headed by Mr. Lumley.

• (1525)

We in the Bloc Québécois are of the opinion that Mr. Lumley and the other two members of his committee have carried out a serious, detailed and well researched study of the situation.

I need to offer what I believe is an appropriate reminder that the members of parliament on both sides of this Chamber, including the government members, did not participate in the Lumley Commission. It is what is termed an independent commission. I have no intention of resorting to innuendo attacking the credibility of Mr. Lumley or the other two members of the commission. Speaking for the Bloc Québécois, I believe we have been involved in a clear and transparent process.

In the few minutes I have, I would like to look at the commission's recommendations. The first outstanding one builds up the salary structure, no more, no less. We have to ask ourselves whether it is proper, acceptable and realistic for the Prime Minister of Canada to be earning a salary equivalent to that of the highest official he appoints.

I worked in human resources for 16 years before becoming a member of parliament. I worked in pay policy for a paper company called Abitibi Price. I worked with these concepts. We wondered whether a company president should earn as much or less than persons reporting to him. I think the question is perfectly legitimate.

Mr. Lumley's first recommendation is that the Prime Minister of Canada should earn a salary equivalent to that of the highest

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official he himself appoints. That highest official is the Chief Justice of the Supreme Court of Canada.

On that premise, with the first level of the pyramid established, we move to the second level. Is it proper and realistic for a minister to earn at least as much or slightly more than his deputy minister? The existing structure allows a deputy minister to earn more than his minister. This is a monumental aberration. It is therefore proper and realistic for ministers to earn as much as their deputies.

Moving on to the third level of the salary structure, members' salary must be proportionate to what a minister and the Prime Minister earn. At this point, I must say that members' salaries provide a good opportunity to engage in demagoguery. They provide a good opportunity to behave like hypocrites.

Quebecers are paying \$32 billion in taxes to Ottawa. They are fully justified in electing members who will look after Quebec's interests. Therefore, as long as Quebecers will be paying taxes to Ottawa, we Bloc Quebecois members will not engage in demagoguery or behave like hypocrites on the issue of members' salaries.

We agree with the provision of the bill which provides that members who agree with the salary increase sign a form to that effect.

• (1530)

If, for some reason, an hon. member feels, based on his deep beliefs, that this salary increase is unjustified, he or she will be free not to sign the form authorizing his salary increase. Contrary to what we heard before, the Bloc Quebecois supports the principle of signing a form to get the salary increase.

Earlier, I said it was too easy to engage in demagoguery. Some could say, as we have heard on other occasions, that this does not make sense, it is much too much. However we could receive the salary increase in secret or through internal correspondence and publicly condemn it and say that MPs are paid too much and that it does not make sense, but still pocket that increase. This is to act like hypocrites.

Another attitude consists in watching the train go by, in doing nothing and say "No, this issue is too sensitive. We do not have to shoulder the political weight of this decision". We can then watch the train go by and pocket the salary increase. This is another example of demagoguery and hypocrisy.

As parliamentarians, we must have the courage of making decisions, defending them and facing public opinion. If some lobbies or groups are not pleased with our decision, they will let us know. Every day, parliamentarians receive an enormous amount of e-mails and letters. In a democracy, people have the right to tell us

whether they agree or not with our decisions. However, we must have the courage to defend our decisions and to face public opinion, even if it may sometimes be harsh in its judgments.

On behalf of the Bloc Quebecois, I say that this bill does not have to be reviewed behind closed doors, in a hurry, at three in the morning. As for the approach adopted by the government House leader, I do not normally make a practice of congratulating him, but I think that, in a democracy, when the members opposite do something that we feel is right and acceptable, we should say so. We should not criticize the government just for the pleasure of it. The approach developed by the government House leader for the introduction of this bill has been transparent.

Notice was given last Friday, June 1. The bill was introduced yesterday and, today, Tuesday, June 5, we are debating the bill at second reading. Tomorrow will be third reading debate, followed by a vote on Thursday.

In closing, given that this bill includes provisions to eliminate the tax free allowance, which is what the public wanted, and a reduction in pension benefits, and that overall remuneration will now be more equitable and consistent with market trends, we in the Bloc Quebecois support the bill at second reading.

[English]

Mr. James Moore (Port Moody—Coquitlam—Port Coquitlam, Canadian Alliance): Mr. Speaker, I rise on a point of order. As we are debating Bill C-28 at second reading, I have the *Standing Orders of the House of Commons* here. Chapter II, Standing Order 21 reads:

No Member is entitled to vote upon any question in which he or she has a direct pecuniary interest, and the vote of any Member so interested will be disallowed.

It seems to me, based on the standing orders and Bill C-28 which we are debating, that there is a clear conflict. Could the Speaker please rule on this?

• (1535)

Mr. Jason Kenney (Calgary Southeast, Canadian Alliance): Mr. Speaker, I rise on the same point of order to point out that in the *Annotated Standing Orders of the House of Commons*, Standing Order 21 reads:

When a Member has a direct pecuniary interest in a question being decided in the House, the Member may not vote. For a Member to be disqualified from voting, the monetary interest must be direct and personal.

Let me anticipate an objection which the Chair may raise to this point. It goes on to say:

As such, measures with a wide application, such as matters of public policy, are not generally considered in this light. Even voting a pay increase to Members themselves

does not amount to a case of direct monetary interest, because it applies to all Members, rather than to just one, or to certain Members but not to others.

I will anticipate an objection the Speaker may raise to my colleague's point of order by pointing out that in the bill before us the pay increase does not apply to all members and it does not apply to all rather than to just one.

For instance, I point to the section of the bill that would require members to "opt in to the pay increase proposed therein" which would, by its nature, not apply to all members equally. It would have an unequal application.

I further point to the section that proposes an increase in indemnity for the right hon. Prime Minister of 42%, which is substantially greater than the increase proposed for members of parliament. There is therefore at least one or perhaps several members who would, if the bill were passed, exercise the opt in clause and obtain a direct pecuniary benefit exclusive to themselves, not as a matter of public policy generally applicable to all members of the House but to themselves solely.

I therefore submit to the Chair that the bill before us is in violation of the standing orders.

The Speaker: I thank the hon. members for their comments. The hon. member for Calgary Southeast certainly did find the relevant paragraph in the annotated standing orders, to which I am sure he knew the Chair would refer in dealing with the point of order raised by his colleague. I congratulate him for finding it so quickly and pointing it out to me. I find it very helpful and quite instructive in dealing with the situation we are faced with in the House this afternoon.

Perhaps the hon. member for Port Moody—Coquitlam—Port Coquitlam, hearing the whole paragraph, will realize the position he got himself into by raising the point of order.

It states:

When a Member has a direct pecuniary interest in a question being decided in the House, the Member may not vote. For a Member to be disqualified from voting, the monetary interest must be direct and personal. As such, measures with a wide application, such as matters of public policy, are not generally considered in this light. Even voting a pay increase to Members themselves does not amount to a case of direct monetary interest, because it applies to all Members, rather than to just one, or to certain Members but not to others.

In this case, as I understand it, the bill provides for an increase of a specified amount that applies to all hon. members. There are differences between certain members who hold different offices in the House, such as the Speaker, ministers of the crown, parliamentary secretaries, whips, House leaders and so on. They all have different salary adjustments. However the increase is a general one applied across the board with some minor adjustments within those divisions.

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I know the hon. member for Calgary Southeast has suggested that only members who opt in get it but the fact is that the opting in provision is available to all hon. members. It is a matter of general application.

Certainly after the expiry of the time for opting in has passed there may be differences in the rates of pay of various members. However the fact is that the rates are established for all members, should they choose to opt in, and every MP has the right to opt in under the bill as I understand it. I have not been able to see anything in the bill before us that would restrict that right.

I must therefore conclude that while the argument may be academically interesting, it is without merit. I do not believe that Standing Order 21, based on the interpretation and the application of the rule since its inception almost 100 years ago, has any formal validity in dealing with this bill. I am unable to find that the hon. members between them have raised a valid point.

• (1540)

Mr. Bill Blaikie (Winnipeg—Transcona, NDP): Mr. Speaker, I begin by saying as one who has been in this place for 22 years and has gone through a number of processes by which we increased our compensation, that the process we have embarked on today is much superior to ones I have experienced in the past.

I say that with regard to the controversy that exists to some extent about what has been called fast tracking of the legislation. It is only fast tracking in the sense that there is a House order, but the fact of the matter is that this process or debate is taking about four or five days longer than any similar process.

The House and parliamentarians have been criticized in the past because it has been done in an hour. It has been done on the last day before a break. Everything has been done by unanimous consent and there has not necessarily been debate. Things are done on division. There has been a number of different ways in which this has been done in the past.

What we have here, with notice being given on a Friday, the bill introduced on a Monday, second reading debate on Tuesday, committee of the whole on Wednesday and third reading and final vote on Thursday, is certainly a much more prolonged process than has usually been the case. It does give Canadians time to get in touch with their MPs and give them their opinions before dealing with a *fait accompli*.

The circumstances of this package deserve to be reflected upon. Although it is ostensibly a response to the report of a commission created by statute after every election, there is no question that the impetus and momentum for this pay package come out of discus-

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sions within the Liberal caucus and a feeling within that party that it is time for a raise and time for so-called bold action on this file.

The commission made its report, but many commissions have made reports in the past which have not been acted upon. The government decided to act on this report. There is much in the report that the NDP finds commendable. There are things in it that we have asked for over the years. I am thinking first of all of the demand for transparency and that the tax free allowance be converted to taxable income so that there is no illusion as to what members are making. That is a good recommendation of the commission. It is something we support and which is part of the bill.

If the bill is passed we will never need to go through this again. The determination of members' salaries will happen pursuant to a process that will not happen in the House of Commons. That in itself is good. I think every member of parliament going through this experience will, just at the existential level, be glad to know it is not something any member will have to go through again.

We support these things, but we do have a problem with the extent of the raise proposed, the 20% raise. We feel, and we have said so publicly, that a 10% raise would have been more in order and that various indicators could have been used to justify a 10% raise. We find the 20% raise a bit too rich for our understanding of what was needed, so we will be moving an amendment to reduce the 20% raise to a 10% raise.

Some hon. members: Oh, oh.

Mr. Bill Blaikie: I see I have members' attention in any event. Members should feel free to vote for that amendment and we hope they will because we think it would make the package more acceptable to the Canadian public.

As has been mentioned already, we do not like what I would call the excessive retroactivity of the bill, the fact that it goes all the way back to January 1. Maybe I am a bit naive. I assumed we would start getting paid the new rate after we passed the bill. I could see how April 1 could be justified in terms of the fiscal year, but going back to January 1 we find somewhat unacceptable.

Another thing a lot of us do not like, and I hope it is not just within the New Democratic caucus, is that we find ourselves uncomfortable, as do a lot of Canadians, with some of the arguments offered in favour of the bill, for example, that we have to pay a certain amount of money to get good people into parliament.

• (1545)

There are a lot of good people out there who have run for parliament over the years, who are in this parliament now and who will be in future parliaments and who will be attracted to political life and attracted to parliament because of things that they believe,

because of changes that they want to see made. They will not be reckoning on the salary.

If we ever arrive at the day when people are reckoning on the salary as to whether or not they should go into politics, then I think we will have arrived at a particularly sad day. This is an argument that comes more out of the corporate world than anything else, where there may be a lot of people who do have to take a so-called cut in salary in order to become a member of parliament, but for a great many Canadians this is not so and there are a great many Canadians out there that we would do well to attract to political life.

We can attract them by making sure that what happens in this place is more meaningful than it is today. The greatest reason people would have for not going into politics today is to ask themselves the question, what kind of influence can I have as a member of parliament? That is the question that we should be asking and answering instead of the compensation one.

Finally, with respect to something that has been raised by the Alliance, and as I say we will support their motion, I find that the opting in clause in the bill is particularly offensive because it really is a form of intimidation. I think the Alliance House leader used that word. It is a form of intimidation on the part of the Prime Minister. It is basically trying to put us in a position where politically we will be vulnerable if we both express our opinion on what we think is proper and vote accordingly. We are to be put in the position where we will be called hypocrites, we will be called inconsistent et cetera.

We in the NDP say we will not be intimidated on the principle of free speech in the House of Commons. We will say what we think about this particular bill, we will vote as we please and we will vote against this package, and we will abide by a principle that we have always upheld in the past and uphold this day, and that is that all members of parliament should be paid the same, that there should not be any differential rate, that there should not be a two tier system for MPs any more than there should be in any other sector.

We say to the Prime Minister that if he was really interested, as I thought he was for a while, in uplifting and enriching or enhancing the image of parliamentarians in Canadian society, he should have had the courage of his own convictions instead of introducing an element into this legislation that can only create a situation in which people will come to think less of parliamentarians rather than more.

I say to the member from the Bloc who was concerned about demagoguery and so on that I think this so far has been handled with a minimum of demagoguery. We do not intend to be demagogic about it and I have not heard anyone else being that way yet. I hope we can all keep our tone down on this. I hope we can deal with this civilly.

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Finally I just want to say that we will vote against the bill, unless of course our amendment is accepted, but we also as a caucus have taken a decision, because we believe in equal pay for work of equal value, that we will be opting in. We will not suffer a situation in which some members of parliament are paid less than other members of parliament.

I encourage members to vote for the Alliance amendment because in effect it would teach the government a lesson for having put this particular element into the bill. I do not expect it to pass.

I would also encourage members to consider our amendment because we think it might make this package, which has some very good elements within it, more acceptable in the eyes of many Canadians.

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, I am deeply troubled by the idea that this parliament would be allowed to vote itself a raise.

Because of some health problems this past week, I was back home in my riding. Even so, I was in my constituency office each day for a number of hours. There was an editorial in the local paper in which the editor stated that all citizens should get in touch with their MP if they did not agree with this raise. We have been swamped, absolutely swamped, with calls. The phones are jammed with calls and there are letters coming in. The calls and letters are not just for Elsie. They are for every member in the House of Commons, for every person. They are saying the same thing.

● (1550)

When we ran to become members of parliament we knew exactly what we would be paid. We knew that we had to have two residences, one at home for the family and one here. There is an image being portrayed out there. Everyone thinks that when we get to the Hill we become very wealthy. I think the take home pay after taxes is probably around \$48,000 unless a member is on the government side and is a minister or a parliamentary secretary. It is not very much, but nevertheless we knew that. All of us knew that when we came to parliament.

We talk about a democratic parliament. When the government says "If you do not vote our way, you are out. You have to do it our way", how can we call it a democratic parliament?

I made some calls today to find out if this had ever taken place in the House of Commons, if any government had said this to anyone on its side as well as on the opposition side. I was told by members who had been here before that no, this has never, ever been done. Nothing like this has ever been put forth.

I believe in my heart and soul that the salaries have to be reviewed and that there should be an independent commission.

When I say an independent commission I mean that the House leaders should all sit down and choose who should form the commission, not the government but the House leaders. Whatever is brought forward should be binding. We just do not put our elected people in that position. We just do not do it.

I look at the issues, particularly back home in the maritime provinces, that we should be dealing with. I dealt with one today, asking for a national shipbuilding policy. I look up to the gallery and I see the faces of men, many men whose families are on welfare now. A lot of them have no alternative whatsoever and they are hurting.

I look at the child pornography situation. I do not believe there is a member in the House who wants child pornography in Canada but we are not dealing with it in the right manner. We cannot compare children with animals. We cannot do that. I do not know what has happened to us. I really and truly do not know.

There are so many issues we need to deal with. I see the poor. I see young people on the street begging. For some reason the family unit is becoming weaker, not stronger. We have to do something about it. We have to bring in some policies to help the family unit become stronger.

I really was shocked when I heard that if we vote against the bill then we will have a two tier system in the House of Commons. I do not think we would find that anywhere around the world. I do not think we would find that in any parliament around the world.

It tugs at my heart. I have respect for my colleagues on the government side. I have respect for the leader of the government. I do, but am telling the House this: it is pretty hard to stand here and say "Yes, Elsie is worth more than you are paying her". That is not how people see it, particularly those who are poor and hungry and do not have any money in the bank. I have to say that. There is no way that those people feel we are worth more.

The image out there is that the only thing we do is question period. Nobody knows that when we work on committees we are here night and day, from the morning until usually 10 or 11 at night. If we are in our ridings it is for seven days a week. We know that and we understood that when we came up here.

● (1555)

I will tell members about pay. When I got elected as a councillor in Saint John, New Brunswick I got a cheque at the end of the month. I went to the clerk and asked what it was. I said that nobody could buy me. I was told that I got paid for doing that work. I think it was \$9,000 a year. I never knew that before then.

We do not come here because we are looking for a cheque. What we come here for is to see what we can bring forth to help build this

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country and to provide a better quality of life for all of our citizens. That is what we are here for. That is what we want to do. Will we do more if we are able to put more in the bank each week? Will we bring forth better policies that way? Will the government bring forth better policies that way?

If there is to be a review, that review should be done and we should be voting on it for all those who will be running as parliamentarians for the next parliament. It should be their salary, because when we ran every one of us knew exactly what our salary would be. All members on the government side and all members over here knew what our salaries would be.

I am really worried. Our responsibility to Canadian people is to do what is best for them. That is what we are here for. I know that a lot of my colleagues ran for that reason and got elected because they wanted to do what was best for the people.

When Canadians elected us, as they did last November, they did so with the belief and understanding that we would not abuse their trust. I believe that right now this is abusing their trust.

On behalf of all 301 of us in the House, whether on the government side or on the opposition side, I have to say I do not believe that this should be brought before the House and that we should be forced to vote on a raise to increase our salaries.

Mr. John McKay (Scarborough East, Lib.): Mr. Speaker, for this opportunity to speak on the bill I would like to split my remarks into two parts, the first part with respect to actual compensation and the second part with respect to the role and responsibilities of a member of parliament.

I will not spend a lot of time trying to compare apples to oranges to grapefruit. Am I worth more or less than a nurse or a teacher or a doctor? It is something of a hopeless case trying to compare the role and responsibilities of an MP with those of other professions. One can spend endless amounts of time saying that others are worth more than an MP or worth less or are more or less deserving. We live in a bit of a bizarre society when the entire budget of the Toronto Maple Leafs hockey team would more than pay for all 301 MPs.

I was elected four years ago. It was a little like getting married. I really did not realize what I was getting into. I practised law for 22 years and enjoyed it. I was successful enough to keep my family certainly at a scale of compensation quite a bit in excess of what I earn as a member of parliament. I did realize that as a member of parliament I would earn less than I did as a lawyer, but what I did not realize was that I would actually end up working harder.

I am continuously amazed at how critical the public is of our role while knowing little or nothing about what we actually do. It is almost an industry. To be fair, when I was elected I too did not know what was expected of me so I have sympathy for some who criticize our role because they only see our public role.

If I may take this opportunity, I would like to try to explain to Canadians what I do as an MP. I am sure others can in a similar fashion explain what they do as members of parliament. As I see it this is really three jobs in one. We have our work in our constituency, we have our work in Ottawa and we have our international work.

Last Thursday evening, for instance, I flew home. I dodged in on the Blue Jays game as a guest of Mr. Rogers and Mr. Godfrey and then left a bit early. No doubt they wanted to tell me about the declining fortunes of the Toronto Blue Jays baseball club. I slipped out early, went home and reintroduced myself to my kids. I said "Hi kids, I'm your dad. Remember me?"

• (1600)

Friday morning I was out at the constituency office and saw six rather unhappy constituents. Pretty well all had been turned down by the government for something. Each had a legitimate point to make, and in each instance I could say what I could or could not do for them.

I am quite proud of my constituency office. I would stack it up against any constituency office in the country. We speak eight languages and within our budgetary limitations provide a first class service.

The issues I dealt with that morning were in the range of a denial of a visitor's visa, why their relatives did not get so many points on the immigration scale and a deportation much like the one that has been in the papers recently.

It is not a lot of fun as a politician to have to say no. However we do have an opportunity from time to time to deal with situations which clearly are unfair and offend one's sense of fairness.

The following day, Saturday morning, I then went to four events in the riding. The first was in Highland Creek, which is one of the most degraded watersheds in all of the Great Lakes area. This was the fourth annual cleanup sponsored by me. Once we got that started, I ran off to do a parade in the Guildwood area of my riding. I frankly do not like doing parades but it is expected of us. One of the benefits however of a parade is that at the end we get to talk to people and they share with us whatever concerns they have.

I then left the parade, came back and did the Highland Creek cleanup with my volunteers, did a television interview, thanked the volunteers and then ran off to another event. The other event was at the Beare Road landfill site. With my colleague from Scarborough—Rouge River and my colleague from Scarborough Centre, we presented a cheque to the Friends of the Rouge River and the Rouge Alliance. They are involved in cleaning up the Beare Road landfill site, which is a colossal eyesore in the eastern part of Toronto. These folks are doing absolutely fabulous work.

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From there I went home, said hello to my kids again, got dressed and went to downtown Toronto. The University of Toronto at Scarborough was having a reunion for the class of '71 and '76 and had asked me to be the guest speaker. The principal, Paul Thompson, was quite complimentary toward the federal government and its initiatives in the area of millennium scholarships and CFI, the Canada Foundation for Innovation. The university, particularly the university at Scarborough, has been a significant beneficiary of both of those initiatives.

I took the opportunity to lobby him with respect to the university's involvement in the community, particularly with respect to the degraded watershed of the Highland Creek which flows right through the university campus and the Morningside landfill site which sits right opposite the campus.

The second part of the job is what we do in Ottawa. Last week I spent a very productive evening with my colleagues on the justice committee arguing about Bill C-24, the anti-gang bill. This is a bill that enjoys large support among all colleagues in the House. We had a pretty animated discussion for four hours on Tuesday night with some rather bizarre happenings, at least bizarre according to this place, where government members were not supporting government amendments and opposition members were supporting government amendments.

Similarly, we had other initiatives where opposition amendments were being supported by government members and being voted against by other opposition members. I think at the end of the day after a vigorous debate, we had a better bill coming out of the committee than we had going in.

I like other members want to make sure that the police have the tools to do the job. The Canadian public also needs to know that we spend a great deal of time with lobbyists. These are people with a particular point of view, some are paid, some are not paid. I frankly like interacting with lobbyists because they fill up my informational void. I wonder sometimes however why if we are so marginal, such voting machines, so irrelevant, so useless or one can name the pejorative adjective applied to us by the press, these lobbyists spend so much time, effort and money on us trying to persuade us to their point of view.

The third part of the job is the international part. It is frankly not one that I appreciated when I was in the private sector. I thought parliamentary junkets were what the newspapers described them as, wonderful pool side parties with beautiful women and drinks. However, the reality is somewhat different.

• (1605)

I have been to China, Mongolia and Israel this year. I expect I will be leading a delegation to Taiwan in the summer. Strangely

enough, when other countries' taxpayers are paying the bill, they have the strange idea we should actually work when there. The usual experience I had was that around 6.30 a.m. in the morning they expected us to start our working day and end it around 9 o'clock or 10 o'clock that night. They expected us to do that each and every day we were there.

On the Canada-Taiwan Parliamentary Friendship Group, of which I am the president, those will be fairly extensive discussions. We have no government to government direct relationships between Canada and Taiwan. As a consequence, our parliamentary friendship group gets to be used as a vehicle for a number of exchanges between those two countries.

I was in China on the day the American spy plane was shot down. Needless to say, that led to some rather animated conversations between ourselves and our Chinese hosts. It was also a useful occasion on which to subtly remind our hosts that we took a somewhat different view than our American friends.

On the break week I was in Israel, and while there several instances of terrorism occurred, including the M16 attack. Now I certainly read newspapers with a clearer insight into what is going on there. We arrived a week after the Minister of Foreign Affairs was there, who had upgraded himself from being burned in effigy to being a respected third party interlocutor.

In the very brief time I have left this is a summary of my life as a member of parliament. I find the job stimulating and intriguing. Unlike some I think it is one that Canadians can hope that their children think to be worthy. To be sure, it has its level of foolishness and frustrations, but may I end with a quote from an 18th century political leader, who said:

Politics is the most hazardous of all professions. There is not another in which a man can hope to do so much good for his fellow creatures; neither is there any in which by mere loss of nerve he may do such widespread harm; nor is there another in which he may so easily lose his own soul—With all the temptation and degradation that besets it, politics is still the noblest career man can choose.

I would urge all hon. members to support this initiative.

Mr. Rob Anders (Calgary West, Canadian Alliance): Mr. Speaker, the Young Offenders Act has created and worsened problems with serious repeat offenders for years and a registry of pedophiles would help curtail the sexual predation of children.

I could go on with a lot of things that the House could be dealing with, but instead for three parliaments these and other issues have not been substantially or satisfactorily dealt with. However, the MP compensation package which we are debating today will spend less than a week here in the House of Commons.

By comparison, some legislation in this place is dealt with in a glacially slow manner, while some, like this legislation, passes in what is the equivalent of the blink of an eye. I have constituents

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who over the last little while have been rightly complaining about that process.

M. Spevack wrote me today over the Internet. One question posed was “What is the urgency that it has to be passed in three days, since it is retroactive to January anyway?” That is a perfectly good question. If this is retroactively applying legislation there is no need to have this done in three days, in less than a week.

The other question this constituent posed was “Why can’t other, more important legislation pass as quickly?” That is something that we should all spend some serious time contemplating about. I hope our constituents at home over the summer will remind members of parliament of that.

For the last six days I have been trying to do what I could, wrapping up yesterday, by doing my best to deprive unanimous consent from the government House leader to fast track this legislation. It involved some sacrifice on my part, but I thought it was important because the process we engaged in last time was an atrocious one. I thought we at least could learn from that example and better what we would do this time. I cannot say we have made much of an improvement over the last time because the process has been almost as fast.

• (1610)

The government House leader then rose in his place just across the way and used Standing Order 56.1, a fairly obscure procedure used an average of maybe twice a year. It basically fast tracked the legislation and imposed closure on the debate. Since 25 opposition members did not stand it was done. It was as simple as that because he is a minister of the crown.

The standing order is not something which has existed from the beginning of time with regard to parliamentary procedure. It was created on April 11, 1991. It has only been used five times since 1998: Monday, April 12, 1999; March 22, 1999; March 19, 1999; June 9, 1998; and the last time which I traced back for the purposes of this debate was February 9, 1998. It just goes to show how obscure some of these things are and that when the government is intent it will find a way to get its will.

I also rose on a point of order today right after question period. I was seeking the unanimous consent of the House to withdraw the order passed by the government House leader on Monday, June 4, pursuant to the standing order. It was forcing a fast track and all stage guillotine of Bill C-28, the bill that deals with MP and senator compensation. I was deprived of that unanimous consent.

I will speak to the commission because a lot of people have spoken with regard to the independent commission. The commission recommended that there be no increase in the MP pension plan as a result of these changes. I would like to read into the record what the commission said on page 20 of its report. It said:

The commission recommends that these changes not result in any material impact, either positive or negative, to the benefits that parliamentarians receive from the pension plan.

That was the committee’s recommendation. Instead we have in Bill C-28 an increase in total compensation from \$109,500 to \$131,400 for the House, and from \$88,200 to \$105,840 for the Senate, and that it will have a commensurate impact on the pension.

I want to read into the record the other recommendation of the commission found on page 26. It said the legislation should be “retroactive to April 1, 2001, once the legislation is proclaimed”. That is not what the legislation has done. It has not followed the recommendation of the commission. It went ahead and made it retroactive from January 1.

My party is going to move an amendment to the legislation to the effect that the pay raise should come into force after the next general election. The reason we are proposing this amendment is so that the decision of parliament would be implemented after a subsequent election. This would avoid the conflict of interest members of parliament would have in voting on their own salary increases, rather than that of those who follow them, which I think would be the wiser course of action.

Those encapsulate some of my real problems with this process and as well how the policy did not follow even what the commission recommended to the tee.

• (1615)

I would like to lay out what I think would be an improvement to the situation. It is not party policy. It is something that I happen to believe.

I believe we should have a super retirement savings plan, similar to an RRSP, but it would be mandatory. Five per cent of individuals’ salaries, whether they were janitors, presidents of a corporation, members of parliament or prime ministers for that matter, would be set aside in this account. People would know what they were contributing to their own fund. They would know the total amount of moneys they had contributed and what type of return on investment they would actually be getting.

I challenge any member in this place or anybody for that matter to know exactly how much they have put into the Canada pension plan and what benefits would be accruing to them. I would allow people to invest in bonds, treasury bills, guaranteed investment certificates and even mutual funds because in that way it would be owned by the individuals and not by the government. There would be a personal stake in making sure they knew what was happening with those funds.

I think people are fairly intelligent and they respond to incentives. The more people who work under a bureaucrat, just as an

example, the more the bureaucrat earns, and so bureaucrats tend to build empires. That is the nature of government. It is a problem.

Madsen Pirie, with the Adam Smith Institute, in his book *Blueprint for a Revolution*, laid out how we could combat that natural built in incentive in any bureaucracy or corporation, and that is to reward people for saving taxpayer dollars.

Some of my constituents have raised concerns about the whole MP pay package because it did not have merit based pay nor performance indicators. I think our salary could be tied to our attendance, to whether or not we cast votes as we are hired to do and to whether or not we have a presence on a committee of our choice. I would even go so far as to link our salary to producing a balanced budget, lowering taxes and, for my friends in the New Democratic Party and others, maybe even having a social component to it so that if there were increased literacy, decreased surgery waiting lists, lower homicide rates or longer life expectancies, it would affect the performance rating for a member of parliament.

I will vote against the bill affecting MP's and Senator's compensation. I voted against many bills before because of their flaws, whether it was with the policy or the process, and I will have to oppose the bill as well.

Mr. Roy Bailey (Souris—Moose Mountain, Canadian Alliance): Mr. Speaker, I am sure there are more people across the country watching the debate and listening to the speakers than we have had in a long time.

At the outset I want to make it abundantly clear to everyone in the House that I do not want, in my actions, to hurt any one individual within my party or within the government party. It is not in my nature to be spiteful or hateful. Whatever an hon. member chooses to do with his or her vote on the bill is all right with me. However I do not want anyone coming back and saying that what he or she selected to do hurt them. Let us make it clear that this is a free vote on the bill.

I was really disturbed after reading the press reports on the bill. The press has made fun of this institution and of members of parliament and, in doing so, have made fun of me to the point of being incompetent, not being able to accomplish anything and not doing anything. That does not serve the House at all and it does not serve the country one little bit.

• (1620)

Let me relate what amounts to a day's work for me. My office door in Ottawa opens at 7.30 every morning and the average time that office door closes is 9.30 at night. The press does not report on that. The press does not report that in the last two weeks I attended four different committee meetings. The press does not report that I leave here on a Friday night and finally get home in the wee hours

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of Saturday morning to wake up at 6 a.m. so I can get to a special event that has been organized. The press does not report on that.

The comments I have read about people in the House who were elected just like I was are irresponsible. Yes, there are people here not doing their jobs. There are always people in the House not doing their jobs but they are few. We should not all be branded by the press as being totally incompetent.

When I was elected to this institution in 1997 I was asked to serve my constituents. I was born only 40 miles from the town in which I now live. I know most of the people in my constituency by their first names. Four years later, last November, those same people, I like to think because of the service I provided to them, increased my vote by 23%. They did that because of the work we have to do to be professional members of parliament.

It bothers me to be intimidated by those saying if we do not vote for this we are not as good as those who would vote for it. I come from an area where I have spent all but 12 to 13 years of my professional career. I watched communities across my rural area go from booming institutions downhill to a point where I can take a given area in a 50 mile radius where there is not one new housing start. I have watched paved highways being turned into gravel roads. I have watched farming people trucking their grain 80 miles in one direction.

We have before us a bill. I am very proud to say that the most important people in my career, aside from my wife, are my constituents. I listen to them everyday through phone calls, letters, e-mails and so on.

There are three main reasons I will be voting the way I will on the bill. Three young couples live within the same block: Deb and Rob, Marlo and Audrey, Carl and Penny. They each have two children with both mom and dad working. They are finding it tough to make ends meet. Can one imagine my voting for a raise up to \$130,000, going back to talk to them and their kids, and their having the same respect for me as they did previously? I do not believe so.

• (1625)

Can one imagine my going to hundreds of poor people who have come to my office to show after they have completed their income tax and paid their rent how much money they have left to buy their food, fuel and medicine? I do not believe so.

I know some of colleagues will be able take this pay raise to their constituencies and very little will be said. I know people who have said that I would crazy not to take it because people will forget about it in six months. I am reminded of the statement from Shakespeare:

This above all: to thine own self be true,
And it must follow, as the night the day,
Thou canst not then be false to any man.

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When I go out to the agricultural community I know very well that the average net income of farmers in my constituency last year was \$7,500. That means a lot of them went into the hole. I know that some of them have had negative income for three years in a row and do not see any future. Currently there is a drought over half of my constituency. No, I could not go home to face the people who elected me. For that reason I cannot support the bill.

I probably have more reason to support the bill than most people because this September I will have a balanced portfolio. I will have four grandchildren in university. I did not come here to make a lot of money. I am not used to being rich. I am a very common, ordinary individual. I will not support a bill that would absolutely be a slap in the face to 65% of the people who put their X beside my name.

I will not quarrel and make animosity with any member on this side or that side of the House. We will still be friends, but I hope those people watching this debate understand my position. Maybe we should all think twice before we walk away with that amount of money.

The Deputy Speaker: It is my duty pursuant to Standing Order 38 to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Winnipeg Centre, Government Loans; the hon. member for Winnipeg North Centre, Health.

Mr. Rick Borotsik (Brandon—Souris, PC): Mr. Speaker, I sat in the House most of the day and listened to the debate on Bill C-28. I particularly enjoyed the speech made by the hon. member for Souris—Moose Mountain.

I have empathy with him because I can suggest to the hon. member for Souris—Moose Mountain that when I put my name forward and was elected on November 27 for the second time never was this an election issue. I remember debating quite frequently with candidates from the Liberal side of the House. Never did they ever put forward the suggestion that one of the first orders of business on coming to the House would be to look at members' pay packets and to put forward some compensation changes.

We talked about health care and agriculture. In my case we talked about defence and the possibility of the PPCLI coming to Shilo. We talked about all major issues that were necessary during an election campaign but not once did the topic of members' compensation packages come up.

I mention that because I appreciate what the hon. member for Souris—Moose Mountain is saying and what the government is doing, particularly the Prime Minister. He should take full responsibility because he is putting the hon. member and other hon. members not only on this side of the House but on that side of the House in a very difficult position.

• (1630)

Our party has said, and I will get into my own personal circumstance later, that it was unfair to put members of parliament in the position of voting on their own compensation packages for the same reasons the member just articulated. We said that if we were going to put together a reasonable pay package or compensation package for members of parliament, it should be done for the next parliament.

Let us have the studies, let us have the suggestions as to what a reasonable amount of money is for members of parliament and put that forward in the next parliament, so that when we sit on the podium and debate the issues we know that everyone is equal, we know that the next decision has already been made and that is what one is trying to attain.

When I ran for parliament I knew what the compensation was and I was happy with it. By the way, surprisingly enough, I am still happy with that compensation.

I said the party position was that we should do it for the next parliament. I had a previous life and was a politician in that life. I lived by that rule. Unfortunately or fortunately, whichever way one may look at it, it did not quite work out that way.

On principle I also said not to give me a raise in my capacity as mayor, but if people wanted to attract someone to replace me in the next election, then put that forward in the next campaign and in the next election. My council of the day decided that that was not going to happen and it was passed by my council on my behalf. Yes, I took it because I felt that it was something the council wished to put into legislation. It was accepted.

Honestly, in principle, I still believe it should be for the next parliament. Then the hon. member from Souris—Moose Mountain would not be put in this position, would not have to vote no against it, would not have to say he was not going to take it and become in my mind a lesser member of parliament than members on the backbench of the Liberals. There will be a two tier system and we will talk about it later. However, first we should do is make the decision now for the next parliament, not for this parliament.

We also have in this piece of legislation a suggestion that committee chairs should be compensated for their jobs. I have thought about this quite often actually, because there are different levels of compensation for different levels of responsibility. I might even accept that but for the fact that those chairs are appointed by the Prime Minister. There is no open and honest election. In fact we tried that. I know the Alliance Party suggested that there should be at the very least a secret ballot, and there should be.

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I have a lot of good faith with committee work. I think committees could work extremely well and probably better than they are now if there were a less partisan member sitting as the chair of a committee. Let us have secret ballots. Let us have, goodness gracious, the possibility of a member of the opposition sitting as the chair, as opposed to the chair having to be a member of the government. That is shocking.

Would it not be wonderful if we could have a member of the opposition as the chair of a committee? Then the committee could operate as a true committee, not as one that is being tailored either by the minister's hand or by the Prime Minister's hand. Again, I and my party do not accept the fact that there should be additional compensation for the chair unless it is an open, honest and true election for the chair of a particular committee.

I think it was mentioned earlier in debate, but we also believe there should not be any retroactivity. We were elected on November 27.

An hon. member: We knew what the pay was.

Mr. Rick Borotsik: We knew what the pay was. We have gone there already. The fact is we are in the month of June, soon to take a summer recess and all of a sudden in the legislation package it says to pay the people retroactive to January 1. That was not expected when we got elected on November 27. That was not even in the card nor was it suggested. Now all of a sudden there is retroactivity to January 1.

Here is the deal. Why do we not put a cap on it right now and let the legislation sit in limbo until we come back in the fall? Let people talk over the summer as to what we should or should not do and how we should handle it. Let us not have the retroactivity. Let us go through the summer and into the fall and talk about what it is the people of the country would like to see.

• (1635)

The opt in clause is possibly one of the most blatant, undemocratic positions the Prime Minister has ever taken. It shows the total gross arrogance of a government that has nothing but contempt for the opposition, as well as its own backbench MPs. What the Prime Minister is attempting to do is absolutely disreputable. Let me give members an example of what I mean.

The Prime Minister is telling members that if they do not support his position, this is not an even government position, he is prepared, as being the lord of the land, to take the increase away. Some members will be paid less than other members who sit on that side of the House. There will be a two tier level of MPs.

The member from Moose Mountain said he works hard. However, 90% of members of the House work equally as hard as he does. I

will not mention the names of the remaining 10%, but they are usually on the government side. I will not go any further than that.

Ninety per cent of the members in the House work diligently and hard on behalf of their constituents. Now the Prime Minister, in his arrogant way, is telling members that if they do not vote the way he tells them to vote, they will not get the same as what others on that side of the House will get. That is absolutely terrible. That is absolutely dishonest to the Canadian public. It should not happen. The next time that party goes to the polls I hope that it happens—

Mr. Paul Szabo: Mr. Speaker, I rise on a point of order. With respect, to characterize any actions of a member of parliament to be dishonest is not within the decorum of this place. I would ask the member to withdraw that allegation.

The Deputy Speaker: While I would encourage the member for Brandon—Souris to be more judicious in the selection of his words, I do not find cause for the Chair to ask for the withdrawal of his comments. They certainly were not directed toward an individual member. In the spirit of the debate of the day, I would ask the member for Brandon—Souris to be a bit more judicious.

Mr. Rick Borotsik: Mr. Speaker, thank you for your latitude. I do appreciate that.

As well as the Alliance Party, the Progressive Conservative Party will have a free, open, transparent and honest vote. How anyone votes on this issue remains to be seen because there is the wonderful little opt in clause, which in itself is terribly hypocritical.

The Bloc member who spoke said Bloc members would support this legislation. Good for them. However, I find it rather interesting that they always try to put a separatist spin on everything, and I never heard that spin this time. They will take good Canadian cold hard cash and put it into their pockets. There is no separatist spin at all on this issue.

I know we will have an opportunity to vote and to speak to this matter many times again.

Mr. Brian Pallister (Portage—Lisgar, Canadian Alliance): Mr. Speaker, I thank the member for Brandon—Souris for his comments. I share many of the views expressed he expressed.

The bill begins and ends with some errors in it. One of the key errors is it seems to misunderstand in its writing the fact that this is not the private sector we are talking about. Many of the members in the Chamber could be in the private sector earning more. Many of them came from the private sector where they were earning more. Many came from jobs in the private sector or the public service where they were earning less.

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• (1640)

The fact of the matter is many members in this Chamber, if they were in the private sector, would have been fired long ago. The fact is that many of the members in this Chamber, if they were in the private sector, would have taken demonstrable cuts in their pay because of their inability to serve their constituents well or because of their unwillingness to serve all their constituents rather than just the few who perhaps supported them.

The reality is that this is not the private sector. To be fair, the reality also is that there are many members in the House who would in the private sector have earned bonuses and additional pay because the job they have done is above and beyond the call and the responsibility.

However the fact of the matter is this is not the private sector. Therefore, the fundamental principle that is at work here is that all members are equal and that all members are paid equally. The fundamental flaw that lies in this bill is the opt out provision which the Prime Minister has clearly designed to try to muzzle opponents to the bill.

The reality is there is a fundamental principle in our society and embodied in some of the acts of parliament that requires equal pay for equal service. The reality is that in most cases it is impossible in the public sector to measure the value of that service. Nonetheless the fundamental principle exists.

The truth of the matter is that for most of the members of the House this is not at all about the money. This was not about the money when they ran. It is not about the money now that they are here, and it probably will not be about the money when they leave. It is about something entirely different. It is about making a difference. It is about coming here to try to better society. It is about coming here to try to create a better society than the one that existed before we came here. Those things are far more in the minds of most of the members of the House, I expect in all parties, than the money. It is about making a difference.

Because so many members in the House are absent from the processes and the actual power making, there is a great sense of frustration. I would say frustration would be the dominant emotion on all sides of the House. With the possible exception of the front bench of the government, most members feel absent from the opportunity to really make a contribution and a difference. That being said, just because they cannot make a real contribution does not entitle them to get what they can out of the job in terms of financial compensation.

The argument has been made that by increasing the compensation Canadians will benefit because we will be able to draw a better class of people to this place. That does not say much about the people who are here now. I do not buy that argument any more than I buy many of the arguments made by the government in defending this bill.

There is a fine quality of people here generally and the reality is that most of them, as I said before, were not drawn here because of the money.

Why then would this bill be fair? It is fair in some respects. It is fair in part because the process which led up to it being drafted, for example the arm's length nature of the way in which the recommendations were developed, was good and we supported it. As the Canadian Alliance has said for a long time, we believe that the arm's length process should be followed in terms of the compensation determination for members of the House. As well we have supported the greater transparency that will be embodied in part by some aspects of this bill. The changing of tax free compensation to taxable is a move in that direction.

I supported as a provincial legislator a number of measures to increase the greater transparency and understanding taxpayers would have concerning legislation, regulations and compensation of members and people in the public service. I believe very strongly that this greater transparency is something to be applauded and it is something that we should support.

As well, I believe there are some positive aspects the bill in terms of the future removal of direct involvement by members of this House in the determination of what their compensation would be. These things are good, fair and comprise part of the bill.

However on balance I cannot support the bill. We will support our amendments to hoist this particular piece of legislation. I see it as largely unfair. I see it as departing from the so-called arm's length panel's recommendations in some key ways, particularly the MP pension calculations. It departs significantly from the recommendations made by the panel. That is not right. In terms of the retroactivity of the benefits back to January, it departs from the panel's recommendations, yet again creates greater generosity toward the members of the House than was the intention of that independent panel. That is unfair. That should not be the case. I cannot support the bill on those bases.

• (1645)

As well, this was not an election issue, as was mentioned by the member for Brandon—Souris, certainly not in my riding or in his. Nor, do I expect, was it an issue in the ridings of most members of the House. It was not an election issue. It was not raised. Why the hurry now? What is the rush? What is the reason that we have to push this thing through as quickly as this? I do not understand that and I do not think most members on this side of the House understand or accept the arguments made by the government on that issue.

There were election issues and there are issues that are important to Canadians that have not been addressed, very urgent and important issues in terms of agriculture, in terms of a decaying infrastructure and in terms of a growing sense of regional alien-

ation across the country. Meaningful ways of addressing those serious and urgent problems should be sought and must be found. Instead the government moves to push this to the top of the order paper.

There are clearly three options that each of the members in the House must choose from in regard to this legislation, apart from abstaining which I will not include. I will include in these options whether or not they choose to opt out or in of these benefits.

First, they can say yes to the bill and obviously would therefore say yes to the benefits. If they believe on balance that this is a good bill, an urgent and necessary one, then that would be their position.

The second position would be to say no to the bill and no to opting in, thus creating by their decision, their moral decision, which is their rightful decision to make, a two tiered structure for members of parliament in terms of their compensation, based on a system that would punish those who stand on the basis of principle and reward those who choose to support the bill. Clearly this is what the Prime Minister had in mind when he put the opting out clause in the bill itself.

There is a third option. The third option is this: to say no to the bill because on balance it is seen to be wrong, because it is weak in many ways, because it needs to be debated more stringently and more fully by the Canadian people and for many other good reasons. The option is to say no to the bill, but then to be forced to make a decision subsequent to its passage, which the government may choose to force, to say yes to the benefits.

What would happen if someone were to do that? That person would be labelled a hypocrite, certainly by the Prime Minister I am afraid, certainly by certain members of the public. That person would be labelled a hypocrite but the reality is that this might not be the case at all.

In regard to including an opt out provision, I will reference Shakespeare. This is something from *Othello* which I was reading the other day:

Who steals my purse steals trash; 'tis something, nothing;
'Twas mine, 'tis his, and has been slave to thousands;
But he that filches from me my good name
Robs me of that which not enriches him,
And makes me poor indeed.

The attempt by this government through this Prime Minister's design of this piece of legislation is to rob honourable people of their good names. It is to rob proud people who stand on moral ground and say no. It is to rob them of their income and then to rob them by accusation, if they choose not to support a two tiered compensation system for members of parliament, to rob them of their good name by calling them hypocrites.

I would say it would be hypocritical of a government to create that circumstance. I know of no good reason why the government

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would include such an obligation as to opt in or opt out of compensation and create a two tiered system within the House when such has not been the case in the past. Nor should it be the case in the future. Equal pay for equal work should be the rule that governs this society and it should govern in the House as well.

In closing, I want to say that there should be a free vote. Our party would support a free vote in the House. We should be mindful and respectful of the views of all who express their opinions on this issue.

I will not give in to muzzling attempts. I will not give in to threats. Threats do not work with me and they should not work with any thinking and respectful member of this parliament.

I encourage the members on the opposite side to join with us and hoist this bill six months into the future so that Canadians can be part of this important discussion just as much as the members of the House have been.

• (1650)

Mr. Monte Solberg (Medicine Hat, Canadian Alliance): Mr. Speaker, it is a pleasure to rise to address Bill C-28 today. I want to compliment my friend from Portage—Lisgar for his excellent speech and the excellent points he made respecting the bill.

I have to say that I am just as frustrated as he is with Bill C-28. The reason I am frustrated is that while there are some good things in it, very obviously the government has attempted to politicize this issue. I am in politics and I understand the temptation to do that, but why do we have to do that on everything?

This was an opportunity for the government to use the independent panel to establish remuneration for members of parliament and in doing that really set a precedent whereby MPs could vote for the recommendations or vote against them based upon what the independent third party had done. Instead the government felt it had to meddle in this, to politicize the whole process and poison it in doing so. I will get back to that in a moment.

Let me talk about some of the things that are in the bill. First of all the Canadian Alliance has taken a number of positions on and has policy with respect to MP remuneration. We have said in article 70 of our principles that we believe MP remuneration should be set by an independent third party. Substantially that is what we have with this commission. We have no problem with that.

Second, we have said that the remuneration should come into effect after the next election, for obvious reasons. If the public is dissatisfied with this issue, with the package that has been proposed, it can be an election issue. MPs will not be in the position where they directly implement a pay increase that affects them, because of course their fate as members of parliament will not be known until after the next election. We believe in that very

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strongly. The government had the opportunity to put that in the legislation and did not do so.

Second, we have said that we believe in converting the tax free expense allowance into salary that is taxable. The commission recommended that and it is in the bill. We agree with that.

We believe, and we have said in the past, that the accrual rate for the MP pension should be reduced and brought in line with the private sector. To a substantial degree, but not completely, the commission did that when it recommended an accrual rate of 2.5%. For reasons that are not clear to me, the government moved it up to 3%.

The House leader from the government side is here and he says it did not do that. He is technically correct. What the government said was that it should produce the same result as the previous pension plan. We had a 4% accrual rate on a much lower salary. Now we have a much higher salary and at the same time the government is recommending goosing the accrual rate so that we end up with higher pensions. That is about an 18% increase for the typical MP over what it would normally be. The government should not have done that. That poisons the whole thing.

The next point is that we believe this should be fully vetted in the House of Commons according to the regular procedure for any other bill. We are pushing this through. I know that there will be arguments made that this was agreed to, but I still want to argue that this should have been put off until the fall. We could have had a regular debate and even have had witnesses. That would have removed the appearance that we are pushing this through simply because we want to avoid the political heat. I am grateful for the chance to speak on this, but now that we are pushing this through we do not have that excuse any more. We cannot say that we did allow people to come and comment on this and bring forward their testimony. The result is that people will rightly say that we pushed it through. I think that is one of the problems.

The last point I want to make with respect to a stand that our party has taken in the past is that we believe very strongly that the government has poisoned the process by putting the opt out clause in the legislation. What it is attempting to do is suggest to the public that if we have concerns about the legislation and want to vote against it, then we should be duty bound to opt out. That is wrong. That is reprehensible. My friend said it correctly a minute ago: equal pay for equal work. This is a blatant attempt to unduly politicize this thing.

• (1655)

The problem is that the public is already confused by this. It is complicated. This confuses the issue even more. It is a blatant attempt to politicize this whole process. We should reject it. A pox on the government's house for suggesting it. It is clearly political manipulation, both of the public and of MPs who have concerns about the legislation.

My concerns do not end there, but those are some of the things we have raised in the past. I wanted to address them today to explain how some of the recommendations meet concerns that we have had and how other recommendations are completely at odds with our position.

There are other things I want to mention. I want to mention the retroactivity. I disagree with that. That was not a recommendation. I do not understand why we have the retroactivity. I do not understand why we have the extra salaries for chairs of committees and for vice-chairs, of which I am one, when we do not have parliamentary reform to go along with it.

My friend, our former House leader, brought forward a whole suite of changes that the Canadian Alliance would have liked to have seen introduced last February. They were sensible changes. They were changes aimed at democratizing this place, changes that would introduce democracy really for the first time in this place in a way that would do justice to this place, which is supposed to be the home of democracy in Canada.

Instead of that, we got some pretty lukewarm changes which the government introduced just the other day. We appreciate those changes, but they really hardly go anywhere near where we need to go so that people have confidence that this place is concerned about really allowing MPs to represent their constituents. We have not gone anywhere near far enough.

Until we have members of parliament from the opposition allowed to be elected to serve as chairs of different committees, apart from the couple that are already allowed, I do not think we can support that. I cannot support vice-chairs getting extra wages. I think it is wrong. I do not think we should not be doing it. It is not part of the recommendations. It is not what Canadians want, I think, until this place is really reformed. I oppose that and I think my colleagues in the Alliance and other MPs oppose it. We speak against that.

I want to conclude by saying that this is always a difficult issue. I do not enjoy being in a position where I have to vote on my own wages. MPs are fundamentally in a conflict of interest position. It is impossible for us to disentangle our personal interests from public policy. I am grateful that because of the recommendations this will be, I hope, the last time we have to deal with this for a long, long time, perhaps ever. I hope that is the case.

I strongly condemn the government for meddling in this process. We had the chance to bring down a set of recommendations from an independent third party that really would have given the appearance that this was an arm's length set of recommendations. That has been sullied now by the actions of the government.

Just so I am clear, I want my constituents to know and I want Canadians to know that I will support Canadian Alliance amendments to substantially alter this legislation. If they do not pass, I will vote against this legislation. Like many of my colleagues, I

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believe that Alliance MPs should be paid as much as other MPs because we believe that we do the same amount of work and we should receive the same pay, so we will opt for that as well.

Mr. Steve Mahoney (Mississauga West, Lib.): Mr. Speaker, it might not come as a great shock to people but I have been actually advised by some people, as we all seek advice, that I should not talk about this issue.

• (1700)

I strongly disagree. I am prepared to stand here, talk about the issue and defend why I am prepared to vote for the bill. I will do it in this place, in my office in the Confederation Building, in my office in Streetsville and in my community. I am prepared to be held accountable.

I am not prepared to say what I have heard others say and what the previous speaker said. I will not say that unless I get what I want I will vote against the bill but that because I am worth the same as every MP I will also accept the pay increase.

It is not parliamentary to use words like hypocrisy, so I will not. However that is the most astounding position a parliamentarian could take. Members should have the courage to be accountable for the decisions they make and make the decisions they think are just and fair.

I was first elected municipally in 1978. I served for almost 10 years as a municipal councillor in the city of Mississauga. One of the issues we dealt with in the early years was the rate of pay. It was a job that changed dramatically from 1974 when the city was created to the early eighties when the rapid growth of wards and constituencies turned it into a full time job with tremendous pressure. It was a seven day a week job. It was not uncommon to work 18 hours a day. We needed more staff, more resources and better equipment.

Frankly the councillors in those days deserved a pay increase and we went through one. It was horrific. It was very difficult to sit there and have people scream at us that we did not deserve it. People said it should not fall to elected representatives to make the decision and that someone else should vote on it. They said there had to be a better way.

I went through the reverse when I was elected an MPP in the province of Ontario and we took a pay decrease. Let me say how many phone calls came in congratulating me for reducing my pay by 5%, the taxable portion, from \$45,000 down to roughly \$42,000. I am quite sure no one remembers that occurred and yet we had to vote on it.

If one must vote on a decrease I suppose one must vote on an increase. I have the greatest difficulty with the misinformation

being perpetrated and bought, by and large, by members of the public. They are calling it an opting out clause. We could take that literally as we did with the pension.

We all know what happened to the Canadian Alliance members who wore pigs on their lapels, made grunting noises in this place and said they would never come to the trough and take the pension. They turned around and opted back into the pension just in time. I never opted out. I have always thought a pension was fair for a legislator or member of parliament.

I know what happened over there. They can heckle if they wish, but we have in the bill an opting in provision which is substantially different. Once the bill is passed all members in this place on all sides would have a period of 90 days to inform the payroll department whether they wish to accept the increased pay. Members who fail to do so would not receive the increase.

Another interesting point about the opting in provision is that it is private. It is between members of parliament and the payroll department. It is not between members of parliament and their constituents. It is between members of parliament and their consciences. If members vote against the pay raise they in good conscience should not opt into the plan and accept the increase. That is accountability. Let us understand that.

I hear crying from across the way that it is unfair, that it is the Prime Minister being a bully. It is nothing of the sort.

• (1705)

It is nothing of the sort. Members in this place who believe the bill is wrong because of the timing, the amount or any of the issues involved have an obligation to their constituents and to their own consciences to vote against it. I have no difficulty with any member on any side of the House voting against the bill.

I have grave difficulty when members grandstand in this place or in their constituencies, condemn the government and say the bill is awful, vote against it and then opt in. Members will not be in a position to sit back and allow it to happen automatically. They must physically do something to obtain the raise.

It is time we looked at what has happened with public wages and turned it around to all areas. What has happened to teachers and nurses is unconscionable. It is time to end it. Why has it happened? It has happened because all of us, on all sides of this place and in all legislatures of this great country, have worshipped at the altar of tax cuts to the point where we have gutted the public service. We are all culpable and we are all responsible.

PSAC is currently negotiating with the treasury board for an increase. It is time we were fair. It is time we looked at increases for people who do the important work of the public. I have listened

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for years to the denigration of public servants, of those who work for the people of Canada. They deserve to be paid.

In the limited time I have I will touch on another issue. It is the height of twisted logic for the leader of the fifth party to stand in this place, shaking à la John Diefenbaker, and tell us his caucus will vote against this dastardly pay raise while he continues to receive a supplement from his own party of \$200,000 per year in addition to his pay as a member of parliament. For the member to stand in his place and pontificate while he accepts \$200,000 a year from his own party, when the party is in debt by over \$6 million, must turn people like Mr. Diefenbaker over in their graves.

[*Translation*]

Mrs. Suzanne Tremblay: Mr. Speaker, I rise on a point of order. I am trying to listen to my colleague and I do not even know what the topic of debate is. I cannot tell what topic he is addressing. I would like there to be less provocation and more indication of what the subject is.

The Deputy Speaker: With all due respect to the hon. member, this is not a matter of a point of order, it is debate.

[*English*]

Mr. Steve Mahoney: Mr. Speaker, I know it upsets people, but let us put the facts on the table. When a member in this place accepts a stipend of an additional \$200,000 because he wants to make close to what he was making in the private sector, and then instructs the rest of his caucus not to vote for the raise, it is unconscionable. It is nothing more than grandstanding by the leader of the fifth party. The Canadian people will see through that.

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, that is the sort of vitriolic, nonsensical, ethyl alcohol fuel type of rhetoric we have become accustomed to.

The member can speak about the right hon. member's personal appearance, but he has ample jowls himself that we have just seen shaking and swinging in the breeze over there as he tried to attack the integrity of a former prime minister. Canadians can judge for themselves who has credibility and who does not.

• (1710)

Turning back to the issue at hand, the timing of the legislation is such that Canadians are left to wonder why we would do this in the dying days of parliament. Why are we embarking on aid to MPs and not aid to farmers or individuals in the health care or justice systems? Why are we doing this now?

That is what is so distasteful and reprehensible to Canadians. This is hush money for the backbench and blood money for the

opposition. This is about telling members of the House of Commons that if they do not jump in line and play ball with the Prime Minister they will pay a price. They will take a personal penalty. It will affect their financial well-being.

Putting that clause in the bill clearly drives a wedge. It is there to single out individuals and put them into the books of Canadians who are looking for someone to champion a cause and yet make them pay a penalty for standing and saying that they did not ask for this and that they do not see it as a priority or as the direction in which the House should be going.

There are very good recommendations in the report. The Lumley report clearly outlines that this is not an issue we should need to deal with in future parliaments. It says that we should tie it into the Judges Act. It talks about compensation being reasonable and tied into another sector. It talks about the necessity of collapsing the tax free allowance that has in essence tried to hide the salaries of members of parliament.

There are certainly elements of the report that we can embrace but the bill goes beyond the pith and substance of the Lumley report. The attempt to somehow deal with it in this parliament is inappropriate. The Progressive Conservative Party is trying to be consistent by suggesting that it would be much more appropriate to vote on a bill that would take effect after the next election. It should also be a bill that we could say with pride would enhance parliament and help future parliamentarians rather than ourselves. Those are the horns of the dilemma on which members of parliament find themselves.

If we want to change the pay schedule let us do it for a future parliament and let us do it in a way that is more palatable not only to members of parliament but, more important, to our constituents.

The amendment put forward is one we should ponder and take time to support. We should recognize the provocative and laughingly arrogant insertion of a clause that says that if one has the audacity to stand and oppose the government and the Prime Minister's own bill one will pay a price. That is what is taking place. It is an attempt to bully not only backbench members of the government but, more important, opposition members who might take umbrage with the suggestion that we should take the money, shut our mouths, go away and be happy about it.

I have great difficulty with that. Members routinely come into the Chamber and, on behalf of their constituents and for all sorts of reasons, decide not to support government legislation and do not pay a personal price for it. This is taking it to a whole new level. This type of tactic is offensive to the democratic principles of parliament. It is intended to distract from the real issue. Canadians know that the real issue is that we are getting money by increasing our salaries. The Prime Minister is in a different category. After his pay raise his salary will be double that of other members of parliament.

We are in an incredibly difficult and tight situation. We are between the proverbial rock and the hard place. We either be quiet, bend down, kiss the Prime Minister's ring, take the money and sign off, or we just go away.

I will take this moment to move a subamendment to the amendment before the House. I move:

That the amendment be amended by inserting after the words "the spirit of pay equity by establishing a two tier" the words "and retroactive".

Receiving the money is one thing but to actually take money for work already done increases the audacity and the incredible affront to people's sensibility. I therefore move the subamendment subject to it being ruled in order by the Chair.

• (1715)

The Deputy Speaker: The Chair has reviewed the amendment to the amendment tabled by the member for Pictou—Antigonish—Guysborough and it is in order.

I wish at this moment to make a brief statement on the manner in which proceedings will be conducted tomorrow during consideration of Bill C-28 in committee of the whole pursuant to special order adopted on Monday, June 4.

To ensure that proceedings will be conducted in an orderly fashion, the Chair wishes to clarify some of the provisions dealing with debate and the putting of questions in committee.

[*Translation*]

The first point concerns the procedure by which hon. members may propose an amendment in keeping with the order in question.

The order has nothing to say about the way this is to be applied, but I encourage hon. members to submit their amendments to either Journals Branch staff or to the clerk at the table, here in the House, at the very latest, by the end of Statements by Members, at 2.15 p.m., on Wednesday afternoon.

This will allow enough time to check whether the motions in amendment are in order, to put them in the correct order and, something that will be of great use during the deliberations, to get copies made and distributed to members of the committee of the whole.

[*English*]

It would therefore be greatly appreciated if notice could be provided as soon as possible, given the work which must be completed to ensure an orderly debate.

At the end of the committee's consideration of the bill the Chair will put the question on all motions proposed, as well as those duly

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tabled and circulated to members. Amendments not yet proposed or tabled, according to the usual practice in committee, will not be put to the committee.

Proceedings on this portion of debate will come to a conclusion no later than 15 minutes prior to the ordinary time of adjournment.

When the Chair puts all questions necessary to dispose of committee stage at 6.15 p.m., a division may be requested on each of the questions, that is on the adoption of each clause and each amendment thereto. The committee will report the bill back to the House and a non-debatable motion to concur in report stage will be proposed.

[*Translation*]

I trust that all hon. members have a clear understanding of how the deliberations will proceed tomorrow, and I thank them for the opportunity to make this brief statement.

[*English*]

It being 5.19 p.m., pursuant to order made on Monday, June 4, it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of second reading stage of the bill now before the House.

• (1720)

The question is on the amendment to the amendment. Is it the pleasure of the House to adopt the amendment to the amendment?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour of the amendment to the amendment 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 nays have it.

And more than five members having risen:

The Deputy Speaker: Call in the members.

• (1745)

[*Translation*]

(The House divided on the amendment to the amendment, which was negatived on the following division:)

*Government Orders**(Division No. 123)*

YEAS

Members

Anders	Anderson (Cypress Hills—Grasslands)
Bachand (Richmond—Arthabaska)	Benoit
Blaikie	Borotsik
Breitkreuz	Burton
Chatters	Clark
Comartin	Cummins
Davies	Day
Desjarlais	Doyle
Epp	Fitzpatrick
Forsyth	Gallant
Godin	Goldring
Gouk	Grewal
Grey (Edmonton North)	Harris
Hearn	Herron
Hill (Macleod)	Hinton
Jaffer	Johnston
Kenney (Calgary Southeast)	Lill
Lunney (Nanaimo—Alberni)	MacKay (Pictou—Antigonish—Guysborough)
Mark	Martin (Winnipeg Centre)
Mayfield	McNally
Meredith	Merrifield
Mills (Red Deer)	Moore
Nystrom	Obhrai
Pallister	Penson
Peschisolido	Proctor
Rajotte	Reid (Lanark—Carleton)
Reynolds	Ritz
Robinson	Schmidt
Skelton	Solberg
Sorenson	Spencer
Stinson	Stoffer
Strahl	Thompson (New Brunswick Southwest)
Thompson (Wild Rose)	Toews
Vellacott	Wasylcia-Leis
Wayne	White (Langley—Abbotsford)
White (North Vancouver)	Yelich—72

NAYS

Members

Adams	Alcock
Allard	Anderson (Victoria)
Assad	Assadourian
Asselin	Augustine
Bachand (Saint-Jean)	Bagnell
Baker	Barnes
Beaumier	Bélaïr
Bélangier	Bellemare
Bennett	Bergeron
Bertrand	Bevilacqua
Bigras	Binet
Blondin-Andrew	Bonin
Bonwick	Boudria
Bourgeois	Bradshaw
Brown	Bryden
Bulte	Byrne
Caccia	Calder
Cannis	Caplan
Cardin	Carroll
Castonguay	Catterall
Cauchon	Chamberlain
Charbonneau	Chrétien
Coderre	Collenette
Comuzzi	Copps
Cotler	Crête
Cullen	Cuzner
Dalphond-Guiral	Desrochers
DeVillers	Dhaliwal

Dion	Dromisky
Drouin	Dubé
Duceppe	Duhamel
Duplain	Easter
Eyking	Farrah
Folco	Fontana
Fournier	Fry
Gagnon (Champlain)	Gagnon (Québec)
Galloway	Gauthier
Girard-Bujold	Godfrey
Goodale	Graham
Gray (Windsor West)	Grose
Guarnieri	Guay
Guimond	Harb
Harvard	Harvey
Hubbard	Ianno
Jackson	Jennings
Jordan	Karetak-Lindell
Keyes	Knutson
Kraft Sloan	Laframboise
Laliberte	Lalonde
Lancôt	Lastewka
Lavigne	Lebel
LeBlanc	Lee
Leung	Lincoln
Longfield	MacAulay
Macklin	Mahoney
Malhi	Maloney
Marceau	Marcil
Marleau	Martin (LaSalle—Émard)
Matthews	McCallum
McCormick	McGuire
McKay (Scarborough East)	McLellan
McTeague	Ménard
Mills (Toronto—Danforth)	Minna
Mitchell	Murphy
Myers	Nault
Neville	Normand
O'Reilly	Owen
Pagtakhan	Paradis
Parrish	Patry
Peric	Perron
Peterson	Pettigrew
Phinney	Picard (Drummond)
Pickard (Chatham—Kent Essex)	Pillitteri
Plamondon	Pratt
Price	Proulx
Provenzano	Redman
Reed (Halton)	Regan
Richardson	Robillard
Rocheleau	Rock
Saada	Scherrer
Scott	Sgro
Shepherd	Speller
St. Denis	St-Hilaire
St-Jacques	St-Julien
Steckle	Stewart
Szabo	Telegdi
Thibault (West Nova)	Tirabassi
Tobin	Tonks
Torsney	Tremblay (Rimouski-Neigette-et-la Mitis)
Ur	Valeri
Vanclief	Venne
Volpe	Wappel
Whelan	Wilfert
Wood—187	

PAIRED MEMBERS

Brien	Eggleton
Kilgour (Edmonton Southeast)	Paquette
Roy	Sauvageau
Savoy	Serré

The Speaker: I declare the amendment to the amendment lost.

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• (1750)

[English]

The next question is on the amendment. Is it the pleasure of the House to adopt the amendment?

Some hon. members: Agreed.

Some hon. members: No.

The Speaker: All those in favour of the amendment will please say yea.

Some hon. members: Yea.

The Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Speaker: In my opinion the nays have it.

And more than five members having risen:

• (1755)

[Translation]

(The House divided on the amendment, which was negated on the following division:)

(Division No. 124)

YEAS

Members

Anders	Anderson (Cypress Hills—Grasslands)
Bachand (Richmond—Arthabaska)	Bailey
Benoit	Blaikie
Borotsik	Breitkreuz
Burton	Chatters
Clark	Comartin
Cummins	Davies
Day	Desjarlais
Doyle	Epp
Fitzpatrick	Forseth
Gallant	Godin
Goldring	Gouk
Grewal	Grey (Edmonton North)
Harris	Hearn
Herron	Hill (Macleod)
Hinton	Jaffer
Johnston	Kenney (Calgary Southeast)
Lill	Lunney (Nanaimo—Alberni)
MacKay (Pictou—Antigonish—Guysborough)	Mark
Martin (Winnipeg Centre)	Mayfield
McNally	Meredith
Merrifield	Mills (Red Deer)
Moore	Nystrom
Obhrai	Pallister
Penson	Peschisolido
Proctor	Rajotte
Reid (Lanark—Carleton)	Reynolds
Ritz	Robinson
Schmidt	Skelton
Solberg	Sorenson
Spencer	Stinson
Stoffer	Strahl
Thompson (New Brunswick Southwest)	Thompson (Wild Rose)
Toews	Vellacott
Wasylcia-Leis	Wayne
White (Langley—Abbotsford)	White (North Vancouver)
Yelich—73	

NAYS

Members

Adams	Alcock
Allard	Anderson (Victoria)
Assad	Assadourian
Asselin	Augustine
Bachand (Saint-Jean)	Bagnell
Baker	Barnes
Beaumier	Bélair
Bélanger	Bellemare
Bennett	Bergeron
Bertrand	Bevilacqua
Bigras	Binet
Blondin-Andrew	Bonin
Bonwick	Boudria
Bourgeois	Bradshaw
Brown	Bryden
Bulte	Byrne
Caccia	Calder
Cannis	Caplan
Cardin	Carroll
Castonguay	Catterall
Cauchon	Chamberlain
Charbonneau	Chrétien
Coderre	Collenette
Comuzzi	Copps
Cotler	Crête
Cullen	Cuzner
Dalphon-D-Guiral	Desrochers
DeVillers	Dhaliwal
Dion	Dromisky
Drouin	Dubé
Duceppe	Duhamel
Duplain	Easter
Eyking	Farrah
Folco	Fontana
Fournier	Fry
Gagnon (Champlain)	Gagnon (Québec)
Galloway	Gauthier
Girard-Bujold	Godfrey
Goodale	Graham
Gray (Windsor West)	Grose
Guarnieri	Guay
Guimond	Harb
Harvard	Harvey
Hubbard	Ianno
Jackson	Jennings
Jordan	Karetak-Lindell
Keyes	Knutson
Kraft Sloan	Laframboise
Laliberte	Lalonde
Lancôt	Lastewka
Lavigne	Lebel
LeBlanc	Lee
Leung	Lincoln
Longfield	MacAulay
Macklin	Mahoney
Malhi	Maloney
Marceau	Marcil
Marleau	Martin (LaSalle—Émard)
Mathews	McCallum
McCormick	McGuire
McKay (Scarborough East)	McLellan
McTeague	Ménard
Mills (Toronto—Danforth)	Minna
Mitchell	Murphy
Myers	Nault
Neville	Normand
O'Reilly	Owen
Pagtakhan	Paradis
Parrish	Parry
Peric	Perron
Peterson	Pettigrew
Phinney	Picard (Drummond)
Pickard (Chatham—Kent Essex)	Pillitteri
Plamondon	Pratt
Price	Proulx
Provenzano	Redman
Reed (Halton)	Regan
Richardson	Robillard
Rocheleau	Rock
Saada	Scherrer
Scott	Sgro
Shepherd	Speller
St. Denis	

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St-Hilaire	St-Jacques
St-Julien	Steckle
Stewart	Szabo
Telegdi	Thibault (West Nova)
Tirabassi	Tobin
Tonks	Torsney
Tremblay (Rimouski-Neigette-et-la Mitis)	Ur
Valeri	Vanclief
Venne	Volpe
Wappel	Whelan
Wilfert	Wood—187

PAIRED MEMBERS

Brien	Eggleton
Kilgour (Edmonton Southeast)	Paquette
Roy	Sauvageau
Savoy	Serré

The Speaker: I declare the amendment lost.

The question is on the main motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Speaker: All those in favour of the motion will please say ye.

Some hon. members: Yea.

The Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Speaker: In my opinion the yeas have it.

And more than five members having risen:

• (1805)

(The House divided on the motion, which was agreed to on the following division:)

(Division No. 125)

YEAS

Members

Adams	Alcock
Allard	Anderson (Victoria)
Assad	Assadourian
Asselin	Augustine
Bachand (Richmond—Arthabaska)	Bachand (Saint-Jean)
Bagnell	Baker
Barnes	Beaumier
Bélaïr	Bélaïr
Bellemare	Bennett
Bergeron	Bertrand
Bevilacqua	Bigras
Binet	Blondin-Andrew
Bonin	Bonwick
Boudria	Bourgeois
Bradshaw	Brown
Bryden	Bulte
Burton	Byrne
Caccia	Calder
Cannis	Caplan
Cardin	Carroll
Castonguay	Catterall
Cauchon	Chamberlain
Charbonneau	Chatters
Chrétien	Coderre
Collenette	Comuzzi
Copps	Cotler
Crête	Cullen
Cummins	Cuzner

Dalphon-DuGiral	Desrochers
DeVillers	Dhaliwal
Dion	Dromisky
Drouin	Dubé
Duceppe	Duhamel
Duplain	Easter
Eyking	Farrah
Folco	Fontana
Forseth	Fournier
Fry	Gagnon (Champlain)
Gagnon (Québec)	Galloway
Gauthier	Girard-Bujold
Godfrey	Goodale
Gouk	Graham
Gray (Windsor West)	Grose
Guarnieri	Guay
Guimond	Harb
Harvard	Harvey
Hubbard	Ianno
Jackson	Jennings
Johnston	Jordan
Karetak-Lindell	Keyes
Knutson	Kraft Sloan
Laframboise	Laliberte
Lalonde	Lanctôt
Lastewka	Lavigne
Lebel	LeBlanc
Lee	Leung
Lincoln	Longfield
MacAulay	Macklin
Mahoney	Malhi
Maloney	Marceau
Marcil	Mark
Marleau	Martin (LaSalle—Émard)
Matthews	Mayfield
McCallum	McCormick
McGuire	McKay (Scarborough East)
McLellan	McNally
McTeague	Ménard
Meredith	Mills (Red Deer)
Mills (Toronto—Danforth)	Minna
Mitchell	Murphy
Myers	Nault
Neville	Normand
O'Reilly	Owen
Pagtakhan	Paradis
Parrish	Patry
Peric	Perron
Peterson	Pettigrew
Phinney	Picard (Drummond)
Pickard (Chatham—Kent Essex)	Pillitteri
Plamondon	Pratt
Price	Proulx
Provenzano	Redman
Reed (Halton)	Regan
Richardson	Robillard
Rocheleau	Rock
Saada	Scherrer
Schmidt	Scott
Sgro	Shepherd
Speller	St. Denis
St-Hilaire	St-Jacques
St-Julien	Steckle
Stewart	Strahl
Szabo	Telegdi
Thibault (West Nova)	Tirabassi
Tobin	Tonks
Torsney	Tremblay (Rimouski-Neigette-et-la Mitis)
Ur	Valeri
Vanclief	Venne
Volpe	Wappel
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Wilfert	Wood—202

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Members

Anderson (Cypress Hills—Grasslands)
Benoit
Borotsik
Clark
Davies
Desjarlais
Epp
Gallant
Goldring
Grey (Edmonton North)

Harris
Herron
Hinton
Kenney (Calgary Southeast)
Lunney (Nanaimo—Alberni)
Martin (Winnipeg Centre)
Moore
Obhrai
Penson
Proctor
Reid (Lanark—Carleton)
Ritz
Skelton
Sorenson
Stinson
Thompson (New Brunswick Southwest)
Toews
Wasylycia-Leis
White (Langley—Abbotsford)

Hearn
Hill (Macleod)
Jaffer
Lill
MacKay (Pictou—Antigonish—Guysborough)
Merrifield
Nystrom
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Reynolds
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Solberg
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Thompson (Wild Rose)
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Wayne
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Brien
Kilgour (Edmonton Southeast)
Roy
Savoy

Eggleton
Paquette
Sauvageau
Serré

The Speaker: I declare the motion carried. Accordingly, the bill is referred to committee of the whole.

(Bill read the second time and referred to committee of the whole)

[*English*]

The Speaker: It being 6.08 p.m. the House will now proceed to the consideration of private members' business as listed on today's order paper.

PRIVATE MEMBERS' BUSINESS

• (1810)

[*English*]

NATIONAL AGRICULTURE INDUSTRY RELIEF COORDINATION ACT

Mr. Rick Borotsik (Brandon—Souris, PC) moved that Bill C-263, an act to establish a national committee to develop policies and procedures to ensure coordination in the delivery of programs by governments in the case of agricultural losses or disasters created by weather, pests, shortages of goods or services or market conditions, and the coordination of the delivery of information, assistance, relief and compensation, and to study the compliance of

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such programs with World Trade Organization requirements, be read the second time and referred to a committee.

He said: Mr. Speaker, I rise to speak to my private member's business with respect to Bill C-263.

First, I would like to acknowledge the fact that the bill is not a votable bill. It will not receive second reading. It will not go any further than this one hour of debate this evening, which is very unfortunate.

I would also like it recognized that there is an opportunity to change the rules of this parliament and this House by deeming that all private members' business which comes forward will be deemed votable and that each member, whether they be on the government side or on the opposition side, be given the opportunity to put forward their own opinions as to what should be done with respect to legislation for this country.

I will begin the debate today with an excerpt from a letter that was sent to the minister of agriculture on February 15, 1999, from the national safety nets advisory committee during the negotiations surrounding the infamous AIDA program. The excerpt states:

The majority of the National Safety Nets Advisory Committee would like to express its disagreement with Agriculture Canada and provincial governments regarding the changes they intend to make to the Farm Income Disaster Program. The committee does not support the program as it is currently designed—We are seriously concerned about the precedents which these decisions set on for the next round of the Safety Net negotiations. The program as designed now no longer provides sufficient support to farmers facing a crisis.

If only the minister of agriculture actually had listened and acted on the words of the committee perhaps he would not have faced the severe criticism he had with respect to the AIDA program.

The minister dropped the ball on the design and delivery of the AIDA program so badly that the producers and the producer groups have completely lost trust and faith in the minister and this government's commitment to agriculture.

Having said that, an advisory committee can work in the future if it includes representation from all three levels, federal, provincial and stakeholders, and is given more power in the decision making process. Bill C-263 would do exactly that.

Whether it is the ice storm of January 1998, the floods in Manitoba in 1997 and in 1999 in my area the Saguenay, the droughts in Nova Scotia, or the potential droughts in Alberta, any of those should have assistance attached to them in some form of a disaster program.

When natural disasters occur through weather, pests, or agricultural losses through falling commodity prices, the federal government must take a more proactive rather than reactive approach and start developing policies in advance which would benefit our

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producers in good times and bad, not the ad hoc programs that we have seen come from this government.

The purpose of my private member's bill is to help the government in doing just that. The bill would create a committee that would assist the minister of agriculture in developing policies and procedures to ensure the co-ordination between different government authorities with respect to the delivery of information assistance, relief and compensation. The committee would monitor situations on an ongoing basis and discuss what income protection measures are available to farmers in the event of disaster or unusual conditions caused by weather or pests, taking into account such areas as crop insurance, flood and drought protection programs and NISA.

• (1815)

The committee's mandate is expected to monitor the effects of low commodity prices on the agricultural industry and the primary producers' farm income as well. The committee would also investigate and advise the minister on the compliance of any income assistance programs with the WTO requirements.

The committee, with some teeth, would consist of 21 members. Three members would be nominated by the Minister of Agriculture and Agri-Food. One member would be nominated by the agriculture minister in each province. Five members would represent farmers and would be nominated by organizations representing farmers. Three members would represent the industry related to agriculture products and would be nominated by organizations representing those industries.

As members are aware, a national safety net advisory review committee exists right now. My bill is an extension of that committee. It would expand the role, power and membership of the committee and give the committee more teeth and more power. It would create a more permanent committee rather than simply ad hoc committees that are created at the whim of the minister.

Bill C-263 also speaks to more transparency and disclosure of information on safety net agreements. The bill specifically calls for all reports to be laid before parliament, not simply hid in the minister's office.

It is also important that we emphasize the word consistency when we talk about co-ordinating assistance programs. The committee would work toward alleviating any problems with achieving consistency in the delivery and co-ordination of assistance programs.

The biggest issue we have right now with any type of disaster program is that there is no consistency. When we talk about the ice storm in Quebec, a whole different set of rules and criteria are put forward by the ministry when it deals with those kinds of problems and disasters. When it deals with the Red River flood, programs that nobody knew about came out of the woodwork because it was

an election year. Programs simply materialized. When I had the disaster in my area there were no programs but it was not an election year.

What disturbed my constituents the most was not the fact that the government forgot about them but that there was no consistency. If it had been an election year we would have had a different program as opposed to a program for a not very high profile disaster.

Southern Alberta has had absolutely no rain and is suffering from drought but that is not considered to be a high profile disaster. I suspect the programs that will come forward from the federal government in this instance will not have the same consistency as what was delivered to the Red River Valley or, for that matter, when the ice storms hit Quebec.

There must be consistency in determining the level of assistance. It should not simply be based on the amount of publicity a disaster gets. With the environmental and climatic changes that the country and the world are undergoing, it is vital now more than ever to monitor these issues on an ongoing basis and develop consistent policies that would help farmers deal with these changes both financially and socially.

We should be able to take a program off the shelf and develop it in committee. When it is developed and it describes and defines a disaster, we can make sure it also defines the programs that are associated with that disaster. We would make sure the definition matches and the program is in place. There would be no inconsistency, no ad hoc programs and no changes from disaster to disaster or from region to region.

It is important that there is a tripartite working group, as Bill C-263 suggests, to have input and share ideas on income protection for the farming community. What is needed now is federal leadership on this issue to ensure that this equity and fairness is achieved when we shape our future safety net framework.

We had a meeting today in committee that was attended by the agriculture ministers from Alberta, Saskatchewan and Manitoba. They reached consensus on 90% of what they had to say. They did not agree on some issues concerning the Canadian Wheat Board and on transportation but we will not go into that. However, what every one of them did agree on was that we need a long term, well thought out safety net program. I heard the same thing four years ago. The Manitoba agriculture minister said that we need a long term, well thought out program.

• (1820)

When I asked the question of those ministers and suggested that maybe it should be based on a GRIP model, they agreed. That is the model, by the way, that the government destroyed in 1995. The government took it away from farmers. Were it in place now, it would certainly be a different situation in the agriculture community.

They also said to a person that they would like to show the model of the ASRA program in Quebec, that they would like to start it as the model and build from that. When I suggested that there is quite a substantial amount of provincial expense associated with that program, they said to start with the model and then try to get the political will from the government to contribute to that model so that we could go forward with a safety net program that would actually work.

The bill would allow that to happen—

Hon. Don Boudria: Mr. Speaker, I rise on a point of order. I want to apologize to the hon. member. There is some ambiguity apparently with the Table as to defining whether the time of the vote on the motion tomorrow is 5.15 p.m. or 6.15 p.m. I just want to inform the House that the intention was 5.15 p.m. so as to preserve private members' hour.

I have had consultations with all other House leaders to ensure that this is in fact what the intention was and I thought I would take this opportunity to inform the Chair.

Mr. Rick Borotsik: Mr. Speaker, I thank the hon. House leader for putting that information forward. It is very important that we can vote on that particular motion an hour earlier.

Dealing with my bill now instead of the government's bill on pay raises, I would suggest that the agriculture ministers who were appearing before the committee all agreed that a safety net program should be put together. Dealing with that issue with respect to the committee I am proposing, with the committee being made up not only of farmers, producers, industry people and government people but also of people from the provinces, we would then be able to have a group get together to put in place the right process, the right model, and then take that forward, and not just to the minister because unfortunately the minister loses those recommendations on a fairly regular basis. I do not think anybody, including the minister of agriculture, could have possibly put forward a worse program than the AIDA program and could have possibly put forward a worse implementation than the AIDA implementation.

In my constituency office about 50% of my time and my staff's time is devoted to trying to find out the status of AIDA claims. That was supposed to be finished by now. We had a safety net program called AIDA that was supposed to put dollars in the pocket immediately. As a matter of fact I heard the minister say at one time that the AIDA program was bankable.

I would have great difficulty in suggesting that any producer could go to any bank in the country and generate a loan based on the criteria of AIDA. That producer would be laughed out of any financial institution, because there was no understanding at all of what kind of financial compensation producers would get when

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they applied to AIDA. Producers spent a lot of money at their accountants for the information, applied to AIDA and had a number that was generated from the criteria.

Applications to AIDA went through a bunch of processes. In some cases producers were told what the number would be and when they ended up with the cheque it was totally different and always for less than what the original application was for. In some cases it was up to 50% less. In some cases after they made their application based on information developed by their accountants, the government came back and said they would get nothing out of the AIDA program. Is that bankable?

• (1825)

The point I am trying to make is that if this committee were in existence it could put forward its model and the implementation of its model as well. Everybody would live happily ever after except of course for the government because it might finally have to do something right with respect to agriculture. That would be a terrible divergence from where it is now. If it actually did something right for producers and agriculture, producers would not know what hit them.

Unfortunately the legislation is non-votable. It is an issue that is very dear and close to my heart and to the hearts of the people I represent in my rural area. Unfortunately a good safety net program will not come forward. The new CFIP has been extended for two years and it is very underfunded. I do not believe the government has the political will to put forward the necessary programs to keep agriculture prosperous in the future.

I would appreciate hearing from the parliamentary secretary who probably does not understand the issue very well. However I am sure he has some notes that have been made for him, so I will sit back and listen.

Mr. Larry McCormick (Parliamentary Secretary to Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, I have not been insulted. If my colleague was not saying that in jest, I would be insulted.

We have just heard from one of our valuable members of the all party Standing Committee on Agriculture and Agri-Food. I heard one of my colleagues in the Canadian Alliance say in the last two weeks that we were the committee on the Hill that gets along better, for all the right reasons, than any other committee. I believe we have good people sitting around the table. We do not always agree. I am certain that we will hear the ideas of the hon. member for Brandon—Souris in the near future and when we visit his community in the fall.

This debate is very important. The importance of being prepared for an agricultural disaster cannot be overemphasized. I thank the

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hon. member for raising the profile of the issue. However the government cannot support the bill for very obvious reasons.

My colleague knows that first and foremost Agriculture and Agri-Food Canada is already responsible for developing policies and procedures in case of agricultural losses or disasters. There is no denying the importance of our agriculture and agri-food sector. It is an integrated and complex \$130 billion a year chain. It is the second largest manufacturing sector and the employer of one out of every seven jobs in Canada.

The current system allows the government to develop positions regarding agricultural policy that are consistent with the national interest. It includes accounting for what is the best for the country as a whole, for both rural and urban Canadians. The proposed bill would not allow us to do that.

Legislating the committee's mandate and membership structure would reduce the government's flexibility to consult more broadly on different and evolving issues. To develop programs and policies for the sector, Agriculture and Agri-Food Canada consults with a wide range of stakeholders. These consultations are a valuable means of listening to Canadians and sharing ideas.

AAFC has a long history of consulting with national farm organizations, producers, processors, provinces and territories. The department is also reaching out to consumers, citizens, non-government organizations and civil society organizations that look to AAFC to provide safe food, a clean environment and products that improve the quality of life. That is what we provide and Canadians do a great job of it.

The government values opportunities to engage in informed discussion with people representing a broad range of opinions. The insights gained from these consultations are crucial to the department as it continues to serve the priority needs of Canadians. By taking the views of a wide range of Canadians into account, the government is better positioned to ensure the agriculture and agri-food sector is competitive and innovative in the future.

I will take a few moments to review the safety net programs we already have in place. Last July, federal, provincial and territorial agriculture ministers signed a three year framework agreement on farm income safety nets worth \$5.5 billion. The federal government is investing up to \$3.3 billion over the next three years and the provinces are contributing up to \$2.2 billion.

• (1830)

In addition to bringing more money to the table, the new agreement marked the first time ever that all the provinces and the federal government, including Manitoba, signed on to a common approach to delivering federal-provincial farm safety net programs,

an approach which includes an ongoing income disaster program the Canadian farmers had requested.

The Canadian farm income program, or CFIP, is a three year national disaster program designed to provide funding for agricultural producers here in Canada to address serious income reductions that are beyond their control. The framework also provides the basis for federal and provincial core safety net programs, which include fall cash advances, NISA, crop insurance and province specific programs.

Another reason why the government cannot support the bill is that agriculture disasters and farm income are not issues in isolation from all the others facing farmers. That is why the government is going even further in domestic policy development, with the goal of greater security for this sector.

That is why we are working on a strategy that includes income stabilization, adjustment and transition, food safety and environmental protection. This strategy will provide producers with the appropriate tools to manage their individual situations with a market oriented, globally competitive industry. To achieve that goal, we are broadening our understanding of risk to include the entire food chain, from field to fork, and to include not only price and yield risks but also environmental and food safety concerns.

We are helping the agriculture and agrifood sectors manage all of the risks that they face and respond to the growing expectations of citizens and consumers. We are enhancing our already great reputation for being known throughout the world as a supplier of high quality and safe products. We want customers to choose Canada because it sets the standard for food safety and for environmental responsibility in the production of our food. This strategy, not the bill put forward by the member opposite, will make Canada the world leader in using environmentally sustainable practices and in producing safe, high quality food.

This approach builds on the advancements in science, particularly life science, the growing knowledge of living things and to facilitate sector growth. Canadians are world leaders in agricultural research and development, with recognized expertise in areas such as sustainable farming practices, biotechnology and life science.

Life sciences, for example, are creating a whole new range of products and services based on renewable resources such as plants. We are actively pursuing new and expanded uses for traditional agricultural commodities, including, for example, biodiesel additives that are made from canola, nutraceuticals from tomatoes and from flax, and the production of high value pharmaceutical proteins in plants.

We have many great possibilities staring at us in the immediate future. We are also developing completely new crops in which to

deliver viable chemicals to all kinds of applications. Our farmers will have the tools that they need to produce products that are the number one choice of Canadian citizens and consumers around the globe.

Consumers will choose Canada because it sets the standard for food safety, for environmental responsibility and for innovation and because a Canadian product from the Canadian market is one that people can trust and believe in. A Canadian product can always be believed in and we are very proud of it.

In turn, our producers in rural communities will reap the benefits of the new markets, economic growth and investment that are rightfully theirs. We will provide them with a legacy and a future that is a source of national pride, an unbeatable national advantage that will support generations to come.

We are producing products in a sustainable and environmentally responsible manner so that our natural resources are productive for generations to come.

• (1835)

We are continuing our efforts to maintain and enhance our reputation for safe and high quality food production. We are looking to science and research to develop new products and new ways to better serve humankind.

We are moving forward. The proposed bill is taking a step backward, but I am sure my colleague will be back at another time to do a better job, with more research, and we will look at this issue again.

I look forward to debate in committee tomorrow when in fact our guest speaker will be the Secretary of State for Rural Development. It is worth noting that this is the first time in the history of the House of Commons there has been a minister responsible for rural development in Canada. I am glad to say that the minister will be in front of our committee tomorrow.

Mr. Garry Breitkreuz (Yorkton—Melville, Canadian Alliance): Mr. Speaker, it is interesting to listen to the debate that is going on today. The last comment made by my colleague is also very interesting because the budget for that department is even less than that for the gun registry. That is an indication that the gun registry is spending much more money than was first planned.

It is my pleasure to speak to the bill today, which calls for the creation of a national committee to oversee programs in the case of agricultural losses, disasters or market conditions. It is quite evident, however, that the current government is either not listening to farmers or is indifferent to their plight. With net farm income in both Saskatchewan and Manitoba hitting record lows and input costs rising day by day, it is appalling to see how the government has brushed aside the Canadian farmer.

In committee today we listened to three agriculture ministers from the prairie provinces. Input costs have risen dramatically. The farm crisis in those provinces is deepening. Farm income has gone

up in other provinces, but the grain producing provinces are still in crisis. A 15% rise in interest costs alone last year indicates that farmers are borrowing more money just to try to stay afloat. There has been a 35% increase in fuel costs. Farmers find this devastating.

The bottom line in all of this is that in my home province of Saskatchewan the average farm income is less than \$7,000. We were talking about salaries in the House today, but let us take a look at what many thousands of people who produce food for the country have to exist on. That is something we need to address and need to address urgently.

It was clearly demonstrated on March 20 when we in the Canadian Alliance put forward a motion calling upon the government to give an additional \$400 million in emergency assistance to Canadian farmers. The motion was voted down by the government side, by the way. If the government had been listening to farmers and farm groups, it would have known that the \$500 million it put on the table was not enough.

Instead the government has said that programs like AIDA would help farmers get through their financial crunch, but with red tape entangling every farmer who applies it has become more of a hindrance than a help. There are horror stories of farmers who applied and were assured that they would get money, so they borrowed money from their banks because they were told it was bankable. Then months later they were asked to repay the amount. Farmers do not have money to do that.

The horror stories are terrible. I wish government members would go to my constituency, answer the phone sometime and listen to what farmers have to contend with as they apply for some of this government assistance.

It is extremely important for the government to receive information on how effective current safety net programs are and to take advice on how to improve the delivery of necessary financing for our farm families. We have a committee in place that is called the national safety net advisory committee. The problem is not a lack in the committee or lack of advice. The problem is the minister of agriculture and the governing Liberals in general who ignore the advice they have received.

In committee this morning we heard again that all kinds of studies have been done on the farm situation. We heard about the Estey report and the Kroeger report. The results are virtually ignored. There is no point in having all these studies and there is no point in setting up committees if the government does not follow up and do something about this issue.

• (1840)

Let me give more examples. Farm groups have shown consistently that the current AIDA program has failed to address the needs of grain and oilseeds producers. The government has ignored this fact. I have received letters and phone calls from

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disgruntled farmers who are trying to get through the red tape that is called AIDA. Some farmers are still waiting for their 1999 claim. That is two years after the fact. Those who have qualified are at times waiting for their cheques after receiving notification that they will be receiving the money.

Farm groups thought if they could give advice on how to improve AIDA, the government might listen, but the government has not. Agricultural producers said again and again that a minimum of \$900 million was needed just to cover the losses they incurred in 2000, but our Prime Minister allowed only \$500 million to be given out. Farm rallies and producer delegations have come to Ottawa and have all said time and time again that the \$500 million was not close to enough.

The problem is quite evident. The government refuses to listen even to a committee of its own creation. Our party has done what the government has refused to do.

I appreciate what my colleague on the government side said about the agriculture committee. Yes, we try to work together with government, we try to point out what is necessary for it to do, but it seems to fall on deaf ears.

Last year the Canadian Alliance went out to farmers and asked them what they would like to see the government implement. Farmers told us that assistance should be given out on time and should be targeted to those who need help the most and that any type of farm assistance program must be improved to provide long term stability to farmers instead of constantly created ad hoc programs.

Those farmers came before the committee. They gave reasonable solutions to the crisis we are facing in agriculture, but nothing happened. That is what Canadian producers have told us. That is what they have been telling the national safety net advisory committee, but the minister of agriculture and his colleagues on the government side refused to listen. Would the creation of a new committee cause the government to listen when already it does not listen to a committee of the same nature? That is highly doubtful.

I support the motion. I would do anything to try to help out our agriculture producers, but I do not know that another committee is going to really do it.

It seems that the government side must be hard of hearing. It seems to turn a blind eye to an industry that employs 1.7 million Canadians, has exports that total \$27.6 billion and contributes \$13.6 billion to our gross domestic product. It is just unfathomable that the government would ignore this kind of industry. It seems that the voice of the farmer no longer matters to the government. I would ask the government to start listening and to spend more time with farmers.

In the coming months we may have a drought like we have not seen for over 130 years. If the no rain situation continues in

Alberta and western Saskatchewan, we will have a crisis that will be even more severe and will have more dimensions to it.

What will the government do when the cattle are being shipped in order to find better pasture land? What will the government do when the water levels drop to dangerously low levels? Will the government begin to listen when it is too late? Will it perk up its ears and start to lend an ear to agriculture producers?

All I ask is that the government listen, not just to me but to producers. I ask the government to listen to their problems. I ask the government to listen to their advice and use it to help them in troubled times.

This morning we had three ministers of different political stripes before the committee, three ministers who agree that something has to be done. When we have a problem of this dimension on the prairies, we must take it seriously. When the cutbacks were made in 1993 the prairie provinces were expected to take a much greater hit. That is one thing that all the ministers before the committee this morning agreed on. They agreed that they were treated differently, that they had taken a much greater hit than the rest of the agricultural sector. Would we then conclude that the government, by cutting back in these areas and not allowing enough time for the change has actually, created the crisis in western Canada?

• (1845)

I will give an example. The Crow rate was a transportation subsidy that western Canadian farmers had for almost a century. It was suddenly removed. We said at that time that 90% of that money should be taken and rolled into a program that would compensate them for the adverse effects that they received from other parts. That did not happen. If that would have happened at that point, we would have had enough money accumulated now to deal with this crisis because, as was explained in committee today, this crisis has come about because of the farm support programs in other countries.

I could go on and on, however if we need another committee and if that committee is going to help, I will support it. However, the bottom line is we have to make sure that whatever happens, farmers are listened to and their needs are addressed.

Mr. Peter Stoffer (Sackville—Musquodoboit Valley—Eastern Shore, NDP): Mr. Speaker, I rise to discuss a concern that should affect and seriously grab the attention of all Canadians, and that is our agricultural crisis.

There probably was not a sadder day for our primary producers than the day the Prime Minister country said, and I believe I am quoting verbatim, "I don't understand the problem in agriculture, it is not showing up in the polls". Imagine a farmer struggling in the fields of Saskatchewan, or the Annapolis Valley, or Manitoba or wherever hearing the Prime Minister issue a statement of that

nature? It was because of that type of response by the Prime Minister that I entered politics.

In November 1996, on national television, a woman from Quebec asked this same Prime Minister a question. By the way, that was his last televised town hall meeting. Imagine how nervousness she was, bearing in mind that he had been a member of parliament for 33 years and was the Prime Minister of the country. She asked him what he or his government could do to assist her to search for gainful employment? He could have and should have said that she had brought up a specific case and if she cared to meet his officials after the show, they would be happy to talk to her. However, he did not.

What he said changed my life and got me into politics. He said “Well Madam, in life some people are lucky, some are not. You may have to move”. I was so upset by our Prime Minister when he said that that I decided to enter the political world, and here I am today. Years later, he said that agriculture was not showing up in the polls.

My colleague, the member for Palliser who through his efforts has not only kept the caucus abreast of the agricultural issues, but has raised these issues in the standing committee and in the House of Commons. He deserves a wonderful warm round of applause for his continued effort to bring the issues of agriculture to the forefront of political debate.

My colleague from Brandon—Souris is asking that a committee be struck to look into the issues that severely affect our farmers and their families of today, be it weather, pests, shortages of goods or services, market conditions, delivery concerns, et cetera. He is asking the government and opposition members to show a little forward thinking in terms of the needs of our agricultural producers.

Not long ago a group farmers and their families spoke to our caucus about their concerns and the agricultural crisis they were facing at home in the prairies. We should bear in mind that 22,000 families left the farm in 1998-99. If that is not a crisis, what is it?

• (1850)

I asked a young man from Saskatchewan who was about 12 or 13 years old if he would go into the agriculture industry when he became older. He said that his father and his grandfather did but he would not. Then I asked him if his classmates in school would go into the agriculture industry and become farmers, and he said no.

The question that begs to be asked is: Who will be the agricultural producers of tomorrow? Will it be the family farm or will it be the multinational corporate farm? Is the family farm dead and finished? If it is, the government should have the courage to say so, but that is not its initiative.

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I come from an area of the world where a lot of fishing takes place. The loss of independent fishermen in the nineties and what happened to their families is exactly what is happening to farmers of today. It is inexcusable that the government just sits back and twiddles its thumbs and allows this crisis to happen. It is almost like the government does it deliberately. It is almost like it wants multinational corporations to take over.

Mark my words, Mr. Speaker. We may eventually lose our agricultural sovereignty in Canada, which means that we will have to rely on other nations or other corporations governed by other nations to feed us. That will be a sad day. We should be world leaders and we are falling further behind. We are telling our farmers that we do not care and that parliament is too busy to deal with their issues. All my colleague from Brandon—Souris asked was that a committee be struck to look at the issues.

It is incredible that government members will not accept that argument but it is understandable. A good idea from the opposition is rarely accepted by the Liberal Party. It is unfortunate the Liberals cannot get their heads out of the clouds for one moment and accept good and reasonable debate. There was a time when the Liberal Party of Canada would have done so, but it does not do it now. If an idea does not come from that bench, it certainly does not go anywhere. That is a disgrace.

On behalf of farmers and on behalf of the New Democratic Party from coast to coast to coast, we thank the member for Brandon—Souris for his initiative. We would have liked to see it votable, but unfortunately it is quite obvious that the Liberal government would not see that happen.

Mr. Larry McCormick: Mr. Speaker, I rise on a point of order. I heard my hon. colleagues on the other side say that we have no committee and that we are stopping a committee. We have a committee—

Mr. Rick Borotsik: That is not a point of order.

The Deputy Speaker: I am not here to quote the member for Brandon—Souris. While the Chair is not here to agree or disagree, the member certainly has a point that this matter is not a point of order. I will allow the member for Sackville—Musquodoboit Valley—Eastern Shore time to conclude his remarks.

Mr. Peter Stoffer: My remarks will be very clear. I personally thank all farmers and their families across the country who toil in the fields and in the factories in order to provide us with the best food in the world. On behalf of the federal New Democratic Party from coast to coast to coast, I wish them Godspeed in their future deliberations.

Mr. Ken Epp (Elk Island, Canadian Alliance): Mr. Speaker, once again I rise unexpectedly in the House because the topic seizes my attention as I hope it seizes the attention of all Liberals

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over there who are closing their eyes to a problem in the country. I look over there and pretty well all of them are disinterested in what we are doing today. That is very unfortunate because it is a matter of great importance.

• (1855)

I want to make a few comments about the importance of agriculture. It goes far beyond the fact that I grew up on a farm. It goes far beyond the fact that I still have relatives in Saskatchewan and Alberta. I do not have any farming relatives in Alberta, but I have farming relatives in Saskatchewan. I have many farmers in my riding for whom I feel an obligation to speak up on an occasion like this one when a motion was presented by a member of the Progressive Conservative Party which talked about the crisis in the agricultural industry.

The Government of Canada, in conjunction with the provincial governments, has a large duty in the agricultural community which has gone unfulfilled. It is more than just a crisis of lack of rain, pests or the usual things farmers have contended with all their lives. It is a crisis in marketing their commodities.

I want all Liberal members to hear that there are problems which have been produced by the government. It is curious to me that members of the Liberal Party are basically saying there are so few voters on the prairies it does not matter whether or not they look after them because they will not lose many votes and will still keep power. It seems that the Liberal government is all words, all committee and no action.

Some hon. members: Oh, oh.

The Deputy Speaker: I hesitate to interrupt the hon. member for Elk Island, but it seems to me that a few voices of members opposite in particular seem to come to my attention. I know they would love to speak to this motion once more but they already have done so.

I ask and beg their indulgence to allow other members the same privilege. I would love to hear the hon. member for Elk Island.

Mr. Ken Epp: Mr. Speaker, I appreciate your comments. Certainly the House should be a place of dialogue and not just verbal jousting.

Farmers in my riding are having trouble these days. It includes drought, and with drought comes another problem. One farmer in my area this week lost his home. It was so dry around his place that unfortunately a fire started, the grass burned up to his house and took his house down. That is a calamity in that family. Everything was lost due climate over which farmers have no control.

What is maddening is when farmers have problems over which they have no control but which the government could change. That is the source of the agricultural crisis. For example, I know a

farmer who sells seed grain. Seed grain is not covered by the wheat board. The wheat board will not market it. All it markets is the usual grain.

The farmer is wanting to market his seed grain. The wheat board demands that it be sold through him. It will not take it. That does not make any sense. What a frustration to a farmer who wants to make enough money to look after himself and his family, to pay his bills, his increasing energy bills, and all other bills.

Mr. John Cannis: Blame the Alberta government.

Mr. Ken Epp: I would blame both governments. I blame members of the federal government because when there was a vote on rules for the wheat board they all stood even though none of them, or I should say very few of them, represented ridings in the prairies. They had the gall to set up a wheat board that applies only to the prairie provinces and does not apply—

Mr. John Cannis: Mr. Speaker, I rise on a point of order. I beg your indulgence. I stayed here because I had an interest to hear, but I am not really hearing what this debate is all about. If we could get back to the subject matter I would like to hear it.

The Deputy Speaker: If the hon. parliamentary secretary would give the hon. member for Elk Island a little more time, I am sure he would find the pertinence and relevance he is seeking right before his eyes.

• (1900)

Mr. Ken Epp: Mr. Speaker, the Progressive Conservative member's bill deals with times of crisis in agriculture and attempts to take a farmer through those years when family and farm income is very low or zero. For the member who is listening so carefully, which I appreciate, I simply am drawing the picture that some of the reasons for a reduced or zero income for farmers are due to climate, such as dryness. However some reasons are government induced for which we should have solutions but we do not because the government is unresponsive to the needs of prairie farmers.

I mentioned the seed farmer. I have talked to other farmers who are very frustrated. They have products in their bins which they are ready to sell. They even have buyers but they cannot sell to them. They have to take the product to the wheat board. Then if they want, they can buy it back at an inflated price. No one else does that. I do not know of a single other industry where, in order to sell one's own product, one first has to sell it to a government or an agency of the government and then buy it back at a higher price.

There is a farmer in southern Alberta who has been actually doing that. He markets his product in the United States because he has a customer there who buys it. This is so absurd that I must relay it.

He takes his grain from his bin to his truck, which he drives over to the grain elevator. He gets his truck weighed then dumps the

grain so it can weigh the truck again. The difference is the weight of the grain. Then they load the grain back up again. He sells it to the wheat board, then writes a cheque for something more than what he pays for it, including costs of dockage and a proportional cost of transportation for which the wheat board is responsible. He does it himself but he has to pay for it. Then he takes that product across the border and sells it to the person who wanted to buy it from him in the first place. He is still making money.

Where is the effectiveness of the wheat board? Part of the farm crisis is that there are rules and regulations which affect farmers and which are induced by inaction or wrong action on the parts of governments. If the wheat board is so good for Alberta, Manitoba and Saskatchewan, then why is it not good for Ontario and Quebec? Why is it not good for the Atlantic provinces? Why do they not have to sell their products through a marketing board controlled by the federal government? That is an area that has been overlooked.

To have an agency which looks at all of these different areas and helps to provide a way whereby farmers can, in those bleak years, weather the storm and carry on with their businesses instead of going bankrupt is so important. I do not think people who have never gone through a bankruptcy know how devastating it is, especially when a family loses a farmland which has been in the family for 50, 80 and 100 years. That is totally devastating and it is about time that something be done about it. Therefore, I commend the member for the bill and I am very pleased to support it.

Mr. Rick Borotsik (Brandon—Souris, PC): Mr. Speaker, I will close the debate and will be brief. I thank the hon. members for being in the House this late and speaking to an issue, which means a lot to me.

My constituency consists of agriculture. My economic base is agriculture. I believe very strongly that anything we can do in the House to assist the agricultural industry to get through these difficult times is important for us all, whether we are on the opposition side of the bench or on the government's side of the bench.

• (1905)

I would like to suggest that the parliamentary secretary spoke very eloquently. However when I listened to his speech, it seemed he was saying that everything in agriculture was just hunky-dory and that it had all of those wonderful programs associated with it, which could help agriculture get over this terrible speed bump. That in fact is not the case.

I come from a constituency that has had a double whammy. It had the double whammy of a natural disaster in 1999, when 1.3 million acres were not sown. The next whammy were the crops that were generated in the 2000 crop year and put in this year. They are generating commodity prices so low this year that producers cannot pay back all the losses they incurred for the 1999 crop year. So things are not hunky-dory.

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The reason for this bill was to suggest that a committee be struck and be charged with the responsibility of coming forward to the minister, then to the government and to this parliament with a safety net program that absolutely would work.

As I said earlier, we have models in this country, particularly the ASRA program in Quebec and perhaps the MRI program in Ontario. If we could get a committee that would bring together all stakeholders and put forward the right safety net program and model and have it come to fruition with the proper financial resources coming both from the federal and provincial governments, then maybe we would not have to stand in the House over and over again trying to make sure the government recognizes there is a very serious problem in agriculture.

I would like to thank the House for its indulgence. Unfortunately the AIDA program is an unmitigated disaster. The CFIP program will be an unmitigated disaster. If there is a disaster caused by weather in Alberta this year, the federal government will not be there to help and assist. If there is another weather disaster, whether it be in Nova Scotia or in the southeastern portion of the province of Manitoba, where we are suffering through a similar fate as I did in 1999, the federal government will not be there. If it is, it will be an ad hoc program.

It absolutely amazes me that the government does not have the ability to put forward what I believe are the right programs. That can be developed. However the political will is not there.

I thank the House for its indulgence, and hopefully next time we can get this voted on.

[*Translation*]

The Deputy Speaker: The time provided for the consideration of private members' business has now expired. As the motion has not been designated a votable item, the order is dropped from the order paper.

ADJOURNMENT PROCEEDINGS

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

HEALTH

Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP): Mr. Speaker, I am pleased to have the opportunity to elaborate on a question I raised in the House last week pertaining to mercury in fish. In fact I raised several questions last week as a result of an indepth investigative report done by the Ottawa *Citizen*, backed up by independent laboratory testing, which showed that mercury levels in several species of fish available in the marketplace today,

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including shark, swordfish and fresh and frozen tuna, were twice the limit set by Health Canada, if not more.

The news that was generated from that story was greeted with a less than positive response by the government. I was shocked that this finding was not treated more seriously by the government of the day. I had fully expected that the parliamentary secretary or the Minister of Health would have stood in the House and said that the findings concerned them and they would investigate and take appropriate action.

Instead the response of the government was as follows. The suggestion was that these fish in fact were gourmet fish and therefore were eaten in such limited quantities that the impact on human health was negligible. This statement was made despite the fact that there are no studies or findings to determine levels of consumption of those species of fish in Canada today.

● (1910)

The government then suggested, and the Minister of Health in particular, that Canada's limits were so prudent that we could afford to take a risk with high levels of mercury in certain fish. The Minister of Health suggested that our limits were twice the limits set by the United States.

I point out that the limit set by Canada, which is 0.5 parts per million of mercury in fish, is a limit that is genuinely accepted across the board in numerous countries. According to the government's own information and statistics, Canada is not dissimilar from many other countries and in some instances is less prudent than other countries.

Also it is important to point out that when it comes to the United States, which is often cited as an example of having a less than cautious regulatory approach, the real level used that helps consumers make decisions is on par with those of Canada.

Our concern in raising this question is not scaremongering or fishmongering, as the Minister of Health so foolishly suggested in the House. It is to require the government to take the necessary steps to ensure consumers are protected.

I ask again if the government is prepared to issue warnings to all consumers so that they are aware of the levels of mercury in fish and so that pregnant women in particular can take necessary precautions. I also ask the government to issue an advisory to all fish sellers across Canada asking them to provide some notification to consumers purchasing these products.

In the absence of government action and leadership, fish retailers and wholesalers across the country are making decisions on their own. They are in a quandary as to what to do. They expect and demand action from the government. I think it is a reasonable request and I would ask the government to respond accordingly.

[*Translation*]

Mr. Yvon Charbonneau (Parliamentary Secretary to Minister of Health, Lib.): Mr. Speaker, for some time now, a Health Canada directive has provided for a tolerance of no more than 0.5 ppm of mercury in fish.

Some species are not covered by the directive: swordfish, shark and both fresh and frozen tuna. These are large predatory species that tend to accumulate mercury and therefore have higher levels of it.

[*English*]

Rather than preventing perfectly wholesome and nutritious foods from being available in the marketplace, a strategy to protect health in the case of exempted species was warranted. Contrary to recent media reports, Health Canada did not instruct CFIA to exempt these fish from testing or other surveillance activities. In fact fish are subjected to regular inspection by CFIA. The agency enforces the guideline and monitors levels of mercury in these fish.

In 1998 Health Canada issued an advisory recommending consumption of no more than one meal per month in the case of women of child bearing age and children, and one meal per week for the general Canadian population. This advisory was reissued last week.

[*Translation*]

I am sure everyone understands that, when it comes to health protection, the same strategy cannot be employed in all circumstances. While laws and directives are useful in the production and sale of foods, there are other situations where it is just as legitimate to use strategies based on the use of information or, as in this case, consumer advisories. In this instance, the advisory to limit consumption seems the best strategy.

[*English*]

Other jurisdictions have also exempted species. The European Union, for instance, has a 0.5 ppm limit for the mean total mercury content of fish and exempts many more species than does Canada.

[*Translation*]

I maintain that Canada can proudly take its place in the world as a nation that acts responsibly to protect groups sensitive to mercury in fish.

Canada is not at all imprudent in the case of mercury, and, in some instances, it is even more prudent than others in its recommendations. The directive in effect and the advisories issued should be seen as strategies that both help disseminate important health information.

The Deputy Speaker: The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 2 p.m., pursuant to Standing Order 24.

(The House adjourned at 7:15 p.m.)

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