



CANADA

# House of Commons Debates

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VOLUME 138 • NUMBER 061 • 2nd SESSION • 37th PARLIAMENT

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OFFICIAL REPORT  
(HANSARD)

**Monday, February 17, 2003**

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**Speaker: The Honourable Peter Milliken**

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# HOUSE OF COMMONS

Monday, February 17, 2003

The House met at 11:00 a.m.

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*Prayers*

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## PRIVATE MEMBERS' BUSINESS

• (1105)

[*English*]

### REFERENDUM ACT

**Hon. Lorne Nystrom (Regina—Qu'Appelle, NDP)** moved that Bill C-216, an act to amend the Referendum Act, be read the second time and referred to a committee.

He said: Mr. Speaker, I have before the House of Commons today an amendment to the Referendum Act.

Hon. members may recall that a number of years ago, in the early 1990s, the House of Commons passed the Referendum Act to have a national referendum on the question of the Charlottetown accord and the Constitution. In our country we have had three national referenda. We have had a referendum on prohibition, a referendum on the whole question of conscription, and then in 1992 a referendum on the issue of constitutional reform. The question put to people at that time was defeated overwhelmingly across the country.

Today I am introducing an amendment to the Referendum Act, because the act we now have in the House of Commons covers only referenda on constitutional matters. My amendment is to amend the Referendum Act so that we can actually have a referendum on the whole question of electoral change or electoral reform. The reason for this is that I am a very strong advocate of changing our electoral system to bring in a system of proportional representation. I believe that before we would bring in a system of proportional representation, we should actually consult the people of the country to see if they want it.

Under the federal laws and statutes, the House of Commons by itself can change the electoral system any time it wants, because it only affects the federal law. If we look around the world we will see that most countries in the world do not have our electoral system; they do not have a first past the post system. In fact, of democracies with more than 10 million people, it is only Canada and the United States that have a pure first past the post system. In the last election in the United States in the year 2000, Al Gore actually received 550,000 more votes than George Bush, but George Bush is President of the United States.

India still has the first past the post system. This country has a first past the post system. Even Britain, the mother of our parliamentary system, now has a measure of PR in the Welsh parliament and the Scottish parliament and they elect all of their members of parliament to the European Community, to the parliament in Strasbourg, through a system of proportional representation.

I believe we have to change our electoral system. The last time the House of Commons had a vote on PR was in 1922. Changing our system to the PR system is not likely to happen on a top down basis from parliamentarians; it will happen on a bottom up basis, from the people up.

We now have for the first time ever a national organization promoting proportional representation or electoral reform. That organization is Fair Vote Canada. Fair Vote Canada now has supporters from all political parties in the House. There are members of the Alliance who are in favour of changing the electoral system to bring in a measure of PR. There are members of the Liberal Party sitting in Parliament, only a few at this stage, who are in favour of changing the electoral system and bringing in PR. There are members of the Conservative Party who believe in changing the political system and bringing in proportional representation.

[*Translation*]

There are many Bloc Québécois members who favour changing our electoral system to one based on proportional representation. I remember well that former Quebec premier and leader of the Parti Québécois René Lévesque was in favour of a new electoral system in Quebec.

[*English*]

Back in 1999 at a national convention our party passed a resolution to bring in a measure of PR.

We have the beginning of a national movement, a national movement that is very diverse and includes members of the trade union movement and members of the political left in Canada as well as members of the political right, including the Canadian Taxpayers Federation led by Walter Robinson, and others who favour changing the electoral system.

Why do I suggest that we have a system of PR in Canada? I believe that every vote should count, that no vote should be wasted. If we look at the parliaments we elect, we will see that the Parliament of Canada does not reflect how people actually vote. In the last campaign, the Liberal Party received around 50% of the votes in this country and yet it has almost 60% of the seats in the House of Commons.

*Private Members' Business*

In Ontario, out of 103 seats about 100 Liberals were elected in November 2000. One would think that about 95% of Ontarians voted Liberal, and yet the Liberal Party is almost a minority party in Ontario. It received 50% of the votes. Half of Ontarians get very few representatives here in the House of Commons.

The same thing is true of western Canada, where 75% to 80% of westerners in the House of Commons are members of the Alliance Party. Yet the Canadian Alliance in the last campaign received fewer than half of the votes in western Canada, representing a minority of western Canadians.

I can go through every Parliament like this.

[*Translation*]

I remember well the Parliament that began in 1997, after the June election. A comparison could be made between the Bloc Québécois and the NDP. In that election, the Bloc Québécois got 11% of the vote, as did the NDP, but in the Parliament of Canada there were 21 NDP members and 44 Bloc members. The same thing happened with the Conservative and Reform parties, which had about the same number of votes nationally, but in the House there were 20 Conservative MPs and between 50 and 60 Reform MPs under the leadership of Preston Manning.

• (1110)

[*English*]

There are all these distortions in the electoral system, so that when people get up the morning after an election the Parliament they have elected does not reflect how they voted. In fact, there are many examples in Canada where the governing party actually received fewer votes than the leading opposition party. Today we have two governments that received fewer votes than the leading opposition party. In my own province, Saskatchewan, the NDP government led by Roy Romanow, which I of course supported, received 38% of the vote last time while the opposition party, the Saskatchewan Party, received 39% of the vote.

[*Translation*]

In the Province of Quebec exactly the same situation exists. The Parti Québécois now forms a majority government in the Province of Quebec, yet in the last provincial election, the Liberals under Jean Charest received more votes than the Parti Québécois. The Parti Québécois now forms the Government of Quebec, however.

[*English*]

We have these distortions all the way across the system. That happens regardless of the party. I think we should change the electoral system. I have said before that there are hardly any other countries in the world that now have a pure first past the post system. That is why a change has to happen here.

Under proportional representation, every vote counts and no vote is wasted. Today the majority of Canadians vote for losing candidates. People vote for people who do not win. If there were a PR system, a person could vote for the Canadian Alliance in Newfoundland and the vote would count. If a person were to vote for the NDP in Alberta, the vote would count. If a person were to vote for the Liberal Party on the prairies in western Canada, the vote would count. Right across the piece, people's voices and people's

points of view would be heard here in the Parliament of Canada in a truly democratic system.

Why has this never happened? Because the first past the post system is a very self-serving system for the government, regardless of the political party, regardless of what level of government we have in Canada. The change can be made only by the grassroots, by the people of this country.

I would hope that there would be a number of MPs who would rise in the House and talk about the need for electoral reform. I challenge any member of Parliament to go out on the street in any part of this country. He or she will find that the Canadian people are losing faith in our political system. In fact, in many ways we are sleepwalking toward a crisis in democracy.

I can remember when voter turnout was 75% or 80%. In 1997 the voter turnout went down to 67% and then down to 60% in the last election campaign. People are losing faith in Parliament and their politicians. People believe that politicians do not listen and do not hear. They believe that they elect politicians to do one thing and then something else happens. Part of the responsibility for that is the failure of our electoral system to provide the Canadian people with the kind of government they want and deserve.

The other thing is that under PR people can vote for their first choice and have their first choice count. There are a lot of Canadians in our present system who cast what I call a strategic vote. They are upset with the government and they vote for the leading opposition party. Or they live in a part of the country where the party they prefer does not have a chance of winning, so they vote for their second choice. Under proportional representation, people vote for their first choice and their first choice wins.

Another thing about PR is that it would also force all political parties to have a national vision. We have in Canada now five different regional parties, really, that are strong in different parts of the country. That includes the government, which is very strong in the Province of Ontario and to a lesser degree in the Province of Quebec, but not very strong when it comes to western Canada.

Under PR every vote is equal. For the NDP under PR a vote in Chicoutimi is worth as much as a vote in Regina. For the Liberal Party under PR a vote in Kamsack, Saskatchewan, is worth as much as a vote in downtown Toronto. It would force all parties to have a national vision and appeal to Canadians right across the board, regardless of their previous voting patterns and their previous voting history. This is another argument for proportional representation.

The main thing is that we would elect a Parliament where everybody is equal, where everybody's vote counts, and where nobody's vote is wasted.

*Private Members' Business*

Why do I today bring in a bill to amend the Referendum Act? I believe that for a major change of this sort the people should speak. In fact, we have a precedent for this. In New Zealand a number of years ago when that country moved from the first past the post system to the system of proportional representation, not just one but two referenda were held. The first referendum was on the principle of PR. The question put to New Zealanders was whether they wanted to bring in a system based on proportional representation or to stick with the status quo, which was first past the post. New Zealanders then voted to bring in a system based on proportional representation.

The second referendum in New Zealand allowed the people of the country, through a direct vote in a referendum, to choose the kind of proportional representation they wanted in their electoral system. They chose what was called the mixed member proportional, a system that is based on the German model, which is the reality in some 13 countries in the world.

I think what we should do is allow the Canadian people, through a referendum, to decide whether or not they want to keep the status quo or bring in a system of proportional representation.

•(1115)

For the last four or five years I have had a private member's bill before the House of Commons which would strike an all party committee to hold public hearings across the country and to come up with some recommendations as to the most appropriate system of PR for the country. Parliament would decide on the most appropriate model for Canada and then a national referendum would be held so the Canadian people could decide whether they wanted this new model of PR or the status quo of the first past the post system. Therefore we need to change the Referendum Act to allow the people to have a national vote on the subject.

The time has come when we should be striking a national committee to look at electoral reform. My vision of PR is one that is based on the German model. Residents of Germany get two votes in a campaign. Half the members are elected riding by riding. People still have their local member of parliament to look after their unemployment insurance needs, wheat board needs, immigration needs and so on. The other half of the members of parliament are elected on a list that each party presents.

It is from that list in Germany and in the other 12 countries that use the mixed member proportional where they draw names to make sure the parliament is representative.

If one party, for example in Ontario, with almost all the seats, gets only half the votes then the other parties would get almost all the members in the west so that the representation from Ontario would be proportional in accordance with the votes that are cast. Therefore they would have the best of both worlds. They would have a local member of Parliament and they would have proportionality. I think that is a truly democratic system.

I am looking forward to hearing the debate this morning. I hope members on all sides of the House will give this a great deal of support. It would give Canadians a chance, in a true democratic way, to pass judgment on the kind of electoral system we want to represent us in the future.

**Mr. Geoff Regan (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, I am pleased to rise today in debate on Bill C-216 which would amend the Referendum Act, but the bill really does not deal with the main topic of my hon. friend's speech, which was proportional representation.

I want to talk about the bill itself, which is about the Referendum Act, but I first want to respond to some of the member's comments about PR, as he calls it.

I want to suggest to my hon. friend that it is actually self-serving for the NDP to be supporting and calling for this kind of system which obviously would benefit it, but would it benefit Canada? I want to suggest that the system we have had for so many years has provided great stability in Canada.

When NDP members talk about proportional representation or about changing the electoral system at all, I wonder why they refuse to consider, for example, the ordinal system where there would be a series of runoff elections, as they do in France and in many other countries around the world.

My hon. colleague talked about the fact that many countries have PR. He did not mention the fact that many countries have the ordinal system where there are runoff elections. If anything is going to give people control over the result of their elections, surely it is the runoff system where they have to make the difficult choice of deciding which candidate to vote for when the candidate of their choice is out. That is remarkably similar to the process of being in government, the process of making decisions when we have people from across this country with different concerns and points of view and we have to find consensus and compromise.

Through being exposed to that kind of a process, of making those difficult choices, people would understand more and more, although I think many of them already do, but they would understand even better how government must work and how we must reconcile differences across our country and throughout different parts of our culture and our society. I suggest that my hon. friends maybe could look at the ordinal system and consider that when they talk about electoral reform.

However the bill is not so much about PR. It is really about referenda. What the bill proposes is the inclusion in the Referendum Act of a reference to electoral reform. This means that if the governor in council considers that it is in the public interest to consult the Canadian electorate on a question relating to the Constitution of Canada, or the reform of the electoral system of Canada, the governor in council could submit that question in a referendum. That is what the bill does; nothing more, nothing less.

*Private Members' Business*

This addition would not make it mandatory to hold a referendum in order to effect an electoral reform. It simply would impose certain obligations on the government in cases where it decides to submit to the electorate a question concerning electoral reform. The Referendum Act sets forth the rules that apply to constitutional referenda. For example, it provides for the organization and registration of registered referendum committees responsible for receiving contributions and incurring expenses. It authorizes the allocation of free broadcasting time and the possibility of holding the referendum only in certain provinces. These same rules would apply for electoral reform.

Referenda in Canada, including those conducted under the Referendum Act, are consultative and do not have the force of law. Hence, the House would have to examine and pass a bill even if a referendum were held on a given question.

To summarize, adding electoral reform to the Referendum Act would not mean that a referendum would have to be held in order to effect electoral reform. Such a referendum would not be binding. This change simply would impose certain rules to be followed if the Canadian people were asked a question concerning electoral reform. It is not about PR.

[*Translation*]

Bill C-216 adds nothing more to the current situation.

The government or Parliament can always propose holding a referendum on a specific question, and there is absolutely no need to amend the Referendum Act to do this.

In the past, Parliament has proposed holding referenda when necessary. For example, there was one on the prohibition of alcohol in 1898 and one on conscription in 1942.

The government can establish specific procedures depending on the question it intends to put to a referendum.

It is not necessary to subject each possible referendum relating to the electoral system to the same requirements as referenda on changes to the Constitution.

● (1120)

If we had to decide on whether to subject electoral reform to the rules set out in the Referendum Act, we would have to ask ourselves the following question: why add only electoral reform?

In fact, several subjects are just as worthy. For example, what about questions on abortion, capital punishment or immigration?

If all these questions are put to a referendum, should they not be subject to the same rules?

[*English*]

It seems to me that the addition of electoral reform or anything else to this act should be considered in the light of what the amendment contributes in terms of benefits and real impact. Surely we do not want a purely cosmetic change. As I indicated, this amendment would not have the effect of making referendums on electoral matters mandatory and Parliament remains free to propose the holding of referenda. Consequently, the amendment would have little practical effects.

In addition, while adding questions relating to electoral reform to the Referendum Act would impose a framework for holding a referendum on that question, there would be little advantage to this since Parliament can easily provide for rules to govern the holding of a referendum.

What is more, it is not clear that we want all the mechanisms of the Referendum Act to apply to a given popular consultation. For example, in a given situation it may be desirable not to resort to referendum committees to oversee referendum expenses. In certain cases, Parliament may want the outcome of a consultation to automatically change the law, and this would not allow that to happen. The benefits of an amendment like that would therefore appear to be marginal like this one or non-existent.

Electoral reform projects are generally approached in the spirit of co-operation among the parties. Generally speaking, the Standing Committee on Procedure and House Affairs has been able to take account of the interests of political parties, lobby groups and various regions of Canada when reviewing this type of bill. That is why Parliament remains a preferred instrument for dealing with electoral reform.

Electoral modifications have given consideration to a whole range of issues. Complex questions with numerous ramifications are often raised. It is my belief that parliamentarians in committee can more easily balance the various elements associated with the proposal than can the public faced with the question that must be answered yes or no, which may not be the answer they really want to give. They may want to give a more complicated or complete answer.

That being said, no one can deny that the Canadian electorate is the ultimate judge of the policies adopted by the government and Parliament. People sanction the work done by MPs and the government as a whole on the occasion of general elections.

For those reasons I do not support the bill, and I would like to add that electoral reform is at the heart of representative democracy. I want to reaffirm that the government is a firm believer in co-operation and a non-partisan approach to electoral issues.

● (1125)

**Mr. Scott Reid (Lanark—Carleton, Canadian Alliance):** Mr. Speaker, it is always good to start the day with a laugh. I enjoyed that last element of humour when the parliamentary secretary suggested that the Liberal Party cared about cross-partisan approaches after having launched a very partisan attack upon the excellent proposals of my friend from the New Democratic Party.

Contrary to what the parliamentary secretary said, the primary focus of the bill is very clearly electoral reform. Questions like whether to use the funding formula, as the finance committee has suggested under the Referendum Act, in a situation of a referendum on a non-constitutional item is perhaps the most irrelevant consideration I can imagine. I have no idea why the speech writer who wrote for the parliamentary secretary put it into his speech. It truly is an absolutely irrelevant point.

The bill is a revised version of a bill that the hon. member for Regina—Qu'Appelle introduced about a year and a half ago in this place. We debated it once before. Due to the intransigent attitude of the government on the subject of private members' business, it was not votable then and it is not votable now. That is a most regrettable fact because it is a very good piece of legislation which deals with a very important issue.

The fact is our current electoral system benefits nobody except the Liberal Party of Canada, a party which has received three majority governments in a row based upon mandates of 40%, 38% and 40% respectively. That is to say, that at no point in the past decade has the federal Liberal majority government, with its absolute dictatorial powers, ever had the support or indeed a mandate from the majority of Canadians. Nevertheless it proceeds to hold more than 50% of the seats due to the vagaries of our electoral system and because of our system and the ironclad party discipline in the Liberal Party, it holds 100% of the power. That is not the way things should be.

Therefore when we hear the parliamentary secretary attack my hon. colleague from the New Democratic Party on the basis that his proposals serve the partisan advantage of the New Democratic Party, I can only say that my hon. friend from the Liberal Party should avoid perhaps casting aspersions.

There are changes that can be made to the electoral system that would improve it. There are changes that can be made to the electoral system that could make it worse than the status quo. The first past the post system is not the worst imaginable system.

I chatted with another member earlier. We discussed the system that exists in Israel for example. There are no constituencies and everybody is elected from a single party list submitted by each party. The result is that Israel has no form of local representation. For example, it has parties with very small percentages of the total vote holding the balance of power in the Knesset with a result that they are able to have a disproportionate influence on policy. I submit that is worse than the status quo.

One can imagine other systems. We can see other systems, including the French run-off system, which I think is atrocious and would be a step backwards from the status quo.

I have my own preferred system that I would like to see in place instead of the system we have now. However rather than going on about what that system might be, I will simply observe that there are many systems in the world, for example, the multi-member proportional system, the MMP system that is used in Germany and New Zealand. Some members elected at large, as in Israel, and some elected in single member districts as in Canada.

The system in Australia in its lower house has members elected by preferential ballot, a single transferable ballot in which voters cast a ballot and list off their candidates and preference. If their preferred candidate does not win, some other candidate can be elected as their ballot is passed on indicating their second preference. Also, Australia uses the system in the senate where each Australian state has 12 separate representatives and voters are able to choose their top 12 candidates.

One can go on and on. The Irish have their own system. There are various systems in place in Canada at the municipal level.

### *Private Members' Business*

Rather than advocate any of those policies in particular, I want to suggest something that I think would overcome the kind of allegation the parliamentary secretary made. He suggested that there was partisan preference going on and that my hon. colleague from the NDP was somehow choosing a system that best suited the NDP and would best achieve the NDP's overall goals or that I might do the same thing with regard to the kind of electoral system that would produce the largest number of Canadian Alliance members.

● (1130)

The problem is that it is very easy to take current election results and start fiddling with them to produce numbers that would produce, for example, more Canadian Alliance members in Ontario, or more Liberal members in Saskatchewan, or more New Democrats or whatever. That is not really the point. The point is to design a system that would allow us to begin discussion and would allow Canadians to choose a system that favours the kind of outcome which would produce the best representation, without regard to which party will benefit.

My hon. colleague's bill starts the process. Whatever system we are talking about, it suggests it should be submitted to a referendum so at least Canadians can vote for or against it based upon whether in their minds it is better or worse than the status quo. That is a very good starting point.

I would like to take it one step further and suggest that my hon. colleague's bill would be improved if he were to have some form of a two step process. This was a proposal that was executed in New Zealand when it moved from a first past the post system to the system it currently has. If I am not mistaken, the system currently in place in New Zealand is one that my hon. colleague from Regina—Qu'Appelle looks upon very favourably, an MMP system.

New Zealand held a first referendum in which this question was asked. Should there be a change to the electoral system? When that was agreed upon, there was then the promise of a second referendum in which the actual choice would be made.

The particular form of this policy which the Canadian Alliance has adopted is that we would have a first referendum which would set up a commission. The commission would review and come up with several proposals on different electoral systems. Then, in a second referendum Canadians would vote by means of a preferential ballot and indicate which of those systems seemed to be the best. One item on that ballot would be a status quo, the first past the post system. If all options put forward by the commission were inferior in the minds of Canadians to the status quo, we would simply revert to the status quo.

However we have the possibility of moving forward and in a way that could not have been predetermined by the existing parties, because one thing we all can define is that all of us here have a certain stake in one system or another coming out.

We must all be behind what the philosopher John Rawls called a veil of ignorance. As we move forward and look toward the electoral system that replaces the status quo, none of us can go in knowing what the outcome would be or else we would wind up debating the outcome and the partisan benefits for one party or another of that outcome as opposed to the status quo.

*Private Members' Business*

However if we have that veil of ignorance through a two referendum process in which the second referendum is a choice between a number of options that have not yet been made at the time of the first referendum, then we have made the system largely free from the interference of those who are currently members of the House of Commons and who have an interest in one side or another coming out.

This is not a votable item. If it were, I would suggest the amendments I have described. Nonetheless, the measure as proposed by my hon. colleague for the New Democratic Party is a good one. I hope at some point in the future it will be possible to make this item votable. I believe that it could be made votable if the unanimous consent of the House were found. Therefore I will now ask that unanimous consent be given to making this a votable bill to demonstrate the goodwill that my hon. colleague from the Liberal Party spoke of earlier in his speech.

• (1135)

**The Acting Speaker (Mr. Bélair):** Is there unanimous consent to make the bill votable?

**Some hon. members:** Agreed.

**Some hon. members:** No.

[*Translation*]

**Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ):** Mr. Speaker, I would like to congratulate the hon. member who made this proposal that if any significant changes to electoral reform are ever made, a referendum should be allowed.

What it boils down to is letting the people decide. Political parties and the government itself would find themselves in somewhat of a conflict of interest they made changes to the electoral system.

We all know the political party system; clearly, each party is capable at times of rising above party politics. You know full well that if a referendum grants the mandate to significantly reform the electoral system, there is a guarantee that the proposal came from the electorate.

With that in mind, I would like to stress the importance of making far-reaching changes. We are talking about an initiative that was taken in Quebec quite some time ago. This initiative was launched by Jean-Pierre Charbonneau, Minister responsible for the Reform of Democratic Institutions, Minister for Canadian Intergovernmental Affairs, and Minister responsible for Relations with French-Speaking and Acadian Communities.

Mr. Charbonneau launched a major operation, a significant challenge for the entire electoral system, which will reach a very significant stage this week during the estates general. There will be three days of reflection where more than 1,000 Quebecers will submit their views on changes they feel should be made to the electoral system.

With regard to the motion before us today, we see that the Government of Quebec already has a well-established democratic initiative under way. We are being told—this is important—that any attempt to reform the electoral system has to be broad right from the start. The campaign will culminate next week during the estates

general in Quebec City. The question is what makes a good political system. Do we want a British parliamentary system, an American or French style presidential system, or something else yet again, provided it is consistent with our democratic reality and what citizens want?

We witnessed this, in fact, on the weekend. Large crowds gathered to demonstrate and send a clear message to the government that they are opposed to a war in Iraq. Can these views be heard under our present parliamentary system? This is something we need to think about.

Nevertheless, we cannot address these electoral issues without questioning the relevance of our current political system and the relevance of the electoral system in and of itself, as well as all the other major issues that Quebec has put on the table.

I have already spoken about the British Parliamentary system and the presidential systems, but there is also the whole issue of electoral systems. For example, if the population considers the relevance of a majority system, as is happening in Quebec right now, or a system with some element of proportional representation, there are different forms of PR.

My colleague from the NDP made a comparison, saying that the Bloc Québécois had elected 44 members to the House with approximately the same number of votes as the NDP, which elected 21 members. This distortion may well represent a reality in Canada, which is that there was one region of the country, Quebec, that was clearly dissatisfied with the system in place and that it expressed this dissatisfaction by voting for the Bloc Québécois. In that case, this seeming distortion between the results may simply have been a reflection of the will of the population.

I say this, not to aggravate debate on the Quebec issue, but to serve as an example, to say that when considering changes to our system, we need to assess the relevance of regional proportion, if indeed we feel it is appropriate.

If we give the issue this type of consideration, the member's motion is a good one, because we cannot make these types of changes without, I believe, asking voters themselves, the constituents, because they are the ones who give the mandate.

• (1140)

So, I would invite the federal government to look closely at the democratic process that the Quebec government has followed and which will culminate this week with the estates general.

Since Quebec is on the eve of an election, we could see if all the political parties support the position that is chosen after the estates general. During the next mandate, no matter which government is elected—I am certain it will be a PQ government—this government could use the results of this democratic process and see what relevant changes to make to our system.

In Quebec, during the 1970s, political party financing was reformed. Ottawa has just decided to follow suit. During a speech, the Prime Minister acknowledged René Lévesque's contribution in this area as a major contribution to democracy.



The entire democratic system in Quebec is presently under discussion. The Canadian government would perhaps do well to take a closer look at what is being done in this area.

Quebec has broken new ground in putting other important subjects on the table, such as the role of regions in renewing the democratic system and, specifically, what can be done to satisfactorily include the regions when this kind of action is undertaken.

Quebec is also thinking about first nations and the Quebec nation. How can we ensure that they are sufficiently and adequately represented in the appropriate Parliament?

There is also talk of representative or direct democracy. For example, right now, only the government has the power to trigger a referendum. It would be possible to make holding a referendum on specific subjects mandatory when the approval of the National Assembly is not enough.

The motion presented here today in Canada's federal Parliament aims to further this debate. If, in fact, there is a will to ensure that the system of democratic representation in Canada better reflects reality, I think that this would be the model to follow.

I also want to invite everyone listening, especially Quebeckers, to pay attention to the estates general, because they will probably affect democracy in Quebec for many decades to come.

A number of ideas will be debated at the estates general, including the relevance of holding elections on fixed dates, limiting electoral mandates, and the integrity of the voting process.

During consultation, we asked people if they preferred the current situation or if they would like the voters' list to be improved, if they were in favour of implementing a voter's card, and various other questions. The right to vote at age 16 is another question that was asked.

I have here a list of at least twenty places in Quebec where hearings were held during the lead up to the estates general that will be held this week.

Quebec is an example of how to conduct this type of consultation. The issue of women in politics is also very important. We looked at how to have more women elected because, at the end of the day, parliaments have to represent the public, and women make up a little more than half the population. We have to be able to adopt the same solution in parliaments.

That is the type of weakness found in the current systems, which future changes should address. If we want the public to accept these things, they have to have a say.

I will conclude on this point. Yes, I think that if we ever made significant changes to the Canadian electoral system, these changes should be approved by the public through a referendum.

But before doing this sort of study, we must look at the overall impact on the situations that we want to change, to see whether it is limited to electoral issues or whether there are also other aspects of democracy that must be taken into account.

### *Private Members' Business*

I invite everyone to take advantage of the opportunity offered by the estates general to be held in Quebec City this week on February 21, 22, and 23 and whose theme is "Citizen Empowerment", so that Canada, and other countries in the world can enjoy what Quebec may decide to adopt. The better our democratic systems for ensuring that people are represented, the better the decisions, provided that they are more in line with what the public wants.

● (1145)

[*English*]

**Mr. Loyola Hearn (St. John's West, PC):** Mr. Speaker, I am pleased to stand and say a few words on Bill C-216. I wish to congratulate my friend from the NDP for bringing this issue before the House, not because I necessarily agree with him although I could be persuaded, but because this is an issue that should be debated thoroughly in the House, to see if a better way can be found of reforming Parliament and the electoral system.

I have a concern about proportional representation. We would look at the percentage of votes that various parties get and those parties would have a number of members according to the number of votes those parties received. That sounds tremendous and it would be hard to argue against because that would truly be proportional representation. However to do that fairly is another story.

I will give members an example. The great province of Newfoundland and Labrador is the best example to use because we have only seven seats. In my province, the NDP and the Canadian Alliance seldom receive over 10% of the vote. Consequently, they receive no seats whatsoever. There are seven seats and a party needs about 15% of the vote to get one seat. If a party were to receive 15% of the vote, from which riding would the member be selected from? In all seven ridings the Liberals, the Conservatives or whomever, usually win with a large percentage of the vote. But because some other party received 15% in the total vote, that would mean it had to have a member.

I am not sure of the semantics involved because it is extremely complicated. Before we go off saying this is the way to do it we had better work out a system that does not deprive the majority of people in any one riding who voted from having the person they selected as their true representative of that riding otherwise it would be unfair to the riding involved. It might be unfair to the province and it might be unfair to the country, but it would certainly be unfair to the people who actually selected that person. We must work out a system that will get around that.

There are several good things that could come out of the suggestion made by my hon. colleague. There are some possibilities for electoral reform and they include: making the Senate an elected body; appointing an independent ethics counsellor responsible to Parliament and not the Prime Minister; making members of Parliament the central decision makers in Ottawa once again, which we certainly cannot say we are today; requiring ministers to be directly accountable to Parliament for their budgets and the conduct of their departments; and enhancing citizen participation by the way of referenda on major public issues.

*Private Members' Business*

All of these issues have been debated over the last couple of years with most people saying this is the way to go, but we are doing little to implement such good ideas. The bill, which has been put forth by my hon. colleague, would perhaps spur things on to improving things considerably.

The Progressive Conservative Party of Canada, at its conference in August of last year in Edmonton, adopted a major parliamentary reform document covering many of the issues mentioned by various parties. It certainly concerns the Canadian Alliance because it was developed in conjunction with a number of people who sit in that party. If people were to openly admit the truth, they would say that we are very close on such policies.

• (1150)

We might ask ourselves why we are not as close on other issues. That is a good question which has to be answered one of these days.

There are a couple of sections in that policy document, one on parliamentary reform and one on citizen involvement. On parliamentary reform some of the things talked about are free votes, confidence votes, party discipline, commons committees and proper representation and control, code of ethics in Parliament to discipline parliamentarians, legislative federalism, power of the purse, relationship between Parliament and the courts, Senate reform, government by regulation, and the list goes on.

Regardless of how much we talk about it, regardless of the document we brought forth, regardless of the cooperation of the Canadian Alliance with us in relation to these policies, regardless of bills brought forward by my colleague and members of the NDP, and regardless of the position of the Bloc, unless we change government we would not get it done. The Bloc and the Canadian Alliance are perhaps the two parties that are already benefiting perhaps from proportional representation because most of their votes are in selected areas in the country and they tend to elect members according to the percentage of the vote, more so than other parties that are spread out or have a wider base of support across the country.

Regardless of how much we talk about electoral reform, unless we change government we would not get it done because instead of trying to reform Parliament to be more open, the present government is just trenching. We never had a better example than what is happening today.

In a few minutes time the government House leader will stand to invoke closure on a bill that we will be talking about for a few hours today. That goes against everything anybody in the House should stand for. We already agreed a little earlier to take from the budget large sums to go toward the gun registry. It is such an embarrassment. Now from the back door the government opens up the doors again. We cannot go on with that charade.

It is about time that we drew to the attention of the people of the country the financial cruelty that has been perpetrated upon them by the government opposite. In light of that, to create part of that awareness, I move:

That this House do now adjourn.

**The Acting Speaker (Mr. Bélair):** The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.

**Some hon. members:** No.

**The Acting Speaker (Mr. Bélair):** All those in favour of the motion will please say yea.

**Some hon. members:** Yea.

**The Acting Speaker (Mr. Bélair):** All those opposed will please say nay.

**Some hon. members:** Nay.

**The Acting Speaker (Mr. Bélair):** In my opinion the nays have it.

*And more than five members having risen:*

**The Acting Speaker (Mr. Bélair):** Call in the members.

• (1235)

[*Translation*]

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

(*Division No. 41*)

**YEAS**

Members

Anders	Anderson (Cypress Hills—Grasslands)
Bachand (Saint-Jean)	Bailey
Benoit	Bourgeois
Breitkreuz	Brisson
Cadman	Cardin
Casey	Casson
Clark	Comartin
Crête	Day
Desjarlais	Desrochers
Doyle	Dubé
Epp	Fitzpatrick
Forseth	Gallant
Gaudet	Gauthier
Goldring	Gouk
Grewal	Grey
Hanger	Harper
Harris	Hearn
Hill (Macleod)	Hill (Prince George—Peace River)
Hilstrom	Hinton
Jaffer	Johnston
Keddy (South Shore)	Kenney (Calgary Southeast)
Laframboise	Lalonde
Lanctôt	Lebel
Lill	Lunney (Nanaimo—Alberni)
Marceau	Martin (Esquimalt—Juan de Fuca)
Masse	Mayfield
McDonough	Ménard
Merrifield	Moore
Nystrom	Obhrai
Penson	Picard (Drummond)
Proctor	Rajotte
Reid (Lanark—Carleton)	Reynolds
Ritz	Robinson
Roy	Schmidt
Skelton	Solberg
Sorenson	Spencer
Stinson	Strahl
Thompson (Wild Rose)	Thompson (New Brunswick Southwest)
Toews	Venne
Wasylycia-Leis	White (North Vancouver)— 80

## Government Orders

## GOVERNMENT ORDERS

## NAYS

## Members

Adams	Alcock
Allard	Anderson (Victoria)
Assad	Assadourian
Augustine	Bagnell
Barnes (London West)	Bélanger
Bellemare	Bennett
Bevilacqua	Blondin-Andrew
Boudria	Bradshaw
Brown	Bryden
Byrne	Caccia
Caplan	Carignan
Castonguay	Catterall
Cauchon	Coderre
Collenette	Cullen
Cuzner	DeVillers
Dhaliwal	Dion
Dromisky	Drouin
Duplain	Easter
Farrah	Folco
Godfrey	Goodale
Graham	Grose
Harb	Harvard
Jennings	Jordan
Keyes	Kilgour (Edmonton Southeast)
Knutson	Kraft Sloan
Lastewka	Lee
Lincoln	MacAulay
Macklin	Mahoney
Maloney	Manley
Marcil	McCallum
McCormick	McGuire
McLellan	Mills (Toronto—Danforth)
Minna	Mitchell
Murphy	Myers
Neville	O'Brien (Labrador)
O'Brien (London—Fanshawe)	O'Reilly
Owen	Pacetti
Pagtakhan	Paradis
Peschisolido	Pettigrew
Phinney	Pratt
Proulx	Provenzano
Redman	Reed (Halton)
Regan	Robillard
Rock	Saada
Scott	Sgro
Shepherd	Simard
St-Jacques	St-Julien
St. Denis	Stewart
Szabo	Thibault (West Nova)
Thibeault (Saint-Lambert)	Tirabassi
Tonks	Vanclief
Whelan	Wilfert
Wood— 105	

## PAIRED

## Members

Asselin	Bakopanos
Beaumier	Bergeron
Bigras	Cotler
Dalphond-Guiral	Finlay
Gagnon (Québec)	Gagnon (Champlain)
Girard-Bujold	Guay
Harvey	Hubbard
Jackson	Loubier
Martin (LaSalle—Émard)	Paquette
Parrish	Perron
Pickard (Chatham—Kent Essex)	Plamondon
Sauvageau	Scherrer
St-Hilaire	Telegdi
Torsney	Tremblay
Valeri	Wappel— 30

**The Speaker:** I declare the motion negatived.

[English]

## CANADA ELECTIONS ACT

The House resumed from February 12 consideration of the motion that Bill C-24, an act to amend the Canada Elections Act and the Income Tax Act (political financing), be read the second time and referred to a committee, and of the amendment.

**Hon. Don Boudria (Minister of State and Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, I am pleased to rise to speak in favour of Bill C-24. The proposed legislation would improve the transparency and fairness of Canada's electoral system and address the perception that corporations, unions and the wealthy exercise a disproportionate influence in our political system.

Canada's electoral system already is the envy of many countries. As Canadians we have participated in election observation missions right around the world. As a former Minister of International Cooperation, which I was a number of years ago, it was always such a pleasure to see a number of our fellow citizens under Elections Canada, sometimes under UN mandate, participate in election observation in many countries of the world. We have done so through the Commonwealth and through la Francophonie and each time have earned the respect of other countries.

The amendments we have before us today continue the modernization of our electoral system that began with the enactment of the new Canada Elections Act in 1970 and the 1974 Election Expenses Act.

● (1240)

[Translation]

I had the pleasure of sponsoring Bill C-2 during the last Parliament. This is a bill intended to consolidate all Canadian electoral legislation and it has done so for a good number of measures. This being a democracy, however, there is no limit to how far we can go in improving certain legislation.

Today we have before us a new bill which builds on what we have done in the past, improving our electoral legislation still further.

[English]

The bill follows the Prime Minister's commitment of last June, in his excellent eight point action plan, to bring forward new legislation for political financing. This commitment was reiterated in the Speech from the Throne.

I hear our colleagues across the way expressing enthusiasm at the initiative. Perhaps later they can express that enthusiasm in their debate.

It also reflects the consultations that I have had with political participants and it builds upon existing political financial measures that exist both in Canada and elsewhere in the world.

*Government Orders*

Hon. members already are familiar with the key elements of the proposed legislation. The Prime Minister presented it to us in the excellent speech that he gave to the House last week. As such, I would like to take the opportunity to focus on the public financing provisions of the bill, which have received considerable praise from the general public but which have also drawn criticism, undeserved criticism of course but criticism nonetheless, from the hon. leader of the opposition.

On the key public financing measures, the virtual elimination of political contributions from corporations and unions and the new limits on individual contributions would have a significant financial impact on political parties and, arguably, to some extent, on candidates as well. For that reason the bill would build on existing financial measures already provided for to political parties to maintain the viability of our electoral system.

[*Translation*]

The measures contained in Bill C-24 are the following: the rate of reimbursement of electoral expenses for parties is increased from 22.5% to 50%; the definition of expenses eligible for reimbursement is broadened to include a portion of polls during election campaigns, and the ceiling for reimbursement to political parties is raised correspondingly; the percentage of votes candidates must obtain in their ridings in order to qualify for reimbursement of electoral expenses is lowered to 10% from the current 15%.

[*English*]

On this point it is to be noted that almost all candidates in the last election who would have received this funding, virtually all of them, 115 out of the 120 or so, are for parties represented on the opposition side of the House. Therefore, that particular measure favours almost exclusively opposition political parties. Almost no defeated Liberal candidate would have qualified for the particular measure I just described.

There would also be an allowance for registered parties of \$1.50 for each vote they received in the previous election, to be paid on a quarterly basis.

Also, we are proposing amendments to the Income Tax Act to double the amount of an individual political contribution that is eligible for the 75% tax credit from \$200 to \$400, with of course the adjustments for each other bracket of credit accordingly. This would make it easier for candidates to receive smaller donations at the same time as the larger ones would no longer be possible.

As the Prime Minister noted in his opening remarks, public funding of the federal electoral process has been a longstanding tradition in Canada. Just in case members across the way are pretending that we as Canadians invented something here, we have not. Everyone knows of the U.S. primary system for the president and how a particular presidential candidate is awaiting, having won a certain number of votes, in order to qualify for the famous matching funds coming from the public treasury in the United States. So in fact—

**Mr. Jason Kenney:** It's voluntary.

**Hon. Don Boudria:** The hon. member says it is voluntary. No one forces him or anyone else to accept taxpayers' dollars in the electoral

process, but I note that in the last election I reviewed carefully the public accounts in terms of the candidate reimbursement, and of all the Alliance MPs sitting across the way in the House of Commons, how many sent their money back because they did not want it? Some people here insist that I reveal the amount, so let us do so. Zero. Not one of them gave the money back. Remember, these are people of principle. They cannot accept taxpayer funded election campaigns, except of course when they get the money themselves.

As we can see, those are the principles we have in front of us. No, this has nothing to do with principle at all on the part of members across the way. It has to do with something else. They in fact think that they have found one clause in the bill on which to launch an objection. Not only that, we know what they did. They put a reasoned amendment to the bill. This is an amendment, the same that exists for Bill C-10A by the way, which we will debate another day, which basically says that this bill will never be read a second time in the case of this particular initiative.

**Mr. Jim Gouk:** What a great idea.

**Hon. Don Boudria:** That is what they say: what a great idea. They are against debate. They are putting time allocation in reverse. What they are doing is saying that this bill will never pass at all. That would mean that every one of their speakers would speak on the amendment and every one on a subamendment and then start back with the amendment until they introduce a new subamendment. It is time allocation with the time allocation being forever, at least as they see it. That is what they have moved to the bill to amend electoral laws. They do not want it to go to committee. They do not want the debate. They want to stall.

Incidentally, the official opposition has put that measure on every single bill that has come to the House of Commons since last December. We saw the sad spectacle, and I will depart from my text a little here, on the floor of the House of Commons last Friday. I invite everyone to check *Hansard* and read what the official opposition critic said. I see him standing in front of me, *Hansard* in hand. The words were something like this, I am in favour of the bill, and he went on to say so, but my House leader told me to move the following reasoned amendment.

• (1245)

Then he moved an amendment that the bill not be read a second time. That is what we have. We have the official opposition blocking every single piece of legislation, even when it speaks in favour of a piece of legislation. That is what we have before us today.

Why? Because opposition members are determined not to work. They do not want to work. They do not want to do the mandate, the mandate given to them by the people of Canada, and the office that they swore to do to the best of their ability to govern this country. Now it is becoming obvious. There was not much sincerity in that.

Let me go back to Bill C-24. In terms of the direct funding, provinces such as Quebec, New Brunswick and Prince Edward Island have measures that are virtually identical to what is in Bill C-24.

*Government Orders*

•(1250)

[*Translation*]

The amounts differ, however. It is agreed that the amount of financing that comes from taxpayers in Quebec is less than what is proposed in this bill. That said, however, if we take the 1976 amount and adjust it for today's rate of inflation, it is nearly identical. The amount in P.E.I. is far higher, however, and New Brunswick falls between the two.

Thus there is taxpayer financing of political parties in three Canadian provinces. Quebec, of course, was the one to invent the system. That is a fact, and naturally we must acknowledge that the system of democratization that was inaugurated in Quebec was very much ahead of its time. The Prime Minister himself acknowledged this.

I have met with officials of Élection Québec, as well as with officials in Ontario, British Columbia and Alberta. There is no doubt at all in my mind that, on most points, but not all, the Quebec legislation is more advanced.

I also borrowed some of the things that existed in Ontario, such as publication of annual audit results for individual electoral ridings. Ontario has, without a doubt, the best system, and it has been in place since 1975 or 1976.

I see the hon. member for Peterborough is in the House. We both served as MPPs for several years at Queen's Park. When I arrived in Ottawa, I found the system to be flawed, when, for an electoral riding that was exactly the same as the one I represented at Queen's Park, my riding association was not required to have an audit, nor to report anything publicly. Nor was the riding association required to provide Elections Canada with a financial accounting. Yet, at the provincial level, the same riding, identical in size and in every other manner, was required to provide this. Why so? What is keeping us from having greater transparency? I think it is in all of our best interests to do so.

We borrowed from the different provinces, or at least from the bigger provinces and elsewhere that I had the opportunity to visit. We learned and we tried to take from the best that we could find everywhere, to come up with a system that, I think, will greatly improve what we have.

However, we will not be able to do so unless we pass the bill at second reading and refer it to committee so that all of our colleagues from around the country can provide their opinions on it in order to improve it.

My parliamentary secretary, who is from the Atlantic region, has important issues to raise about that region and the impact there. We are all looking forward to studying it in committee to see how to improve the bill and to deal with the issues that come under provincial jurisdiction. I have had similar conversations with a member from New Brunswick who also wants the bill before committee so it can be improved.

The other day, some people wondered what had happened to the famous trust funds; I sometimes referred to them as the infamous trust funds, depending on the context. These people wanted to know up to what point a trust fund would be prohibited and, if the act was

not sufficiently clear, they wanted it clarified so that if money were withdrawn for political expenses, they would have to be subject to transparency rules. Receipts would have to be issued each time.

That is the objective, and the bill is being sent to committee. However, the first speaker opposite, who was from the official opposition, decided to present a dilatory motion—immediately condemned by the next speaker, who was from the Bloc Québécois—to prevent the bill from being read a second time.

The bill has the support of four of the five parties in the House of Commons, although in some cases this support is a bit more reserved. But, in principle, four of the five parties like the bill. They say that it should go forward, that certain parts need to be improved, admittedly, but that it must go forward, as quickly as possible in the view of some people, even on the other side of the House.

So what happens the first day? The official opposition blocks it—pardon the pun. The Canadian Alliance blocked the bill, as it has blocked all other bills since December. Everything is at a standstill. According to the Canadian Alliance, Parliament is not working any more, but that is because the Alliance no longer wants to.

•(1255)

That is not how things work. We are here to work, to do our part, to do our job, to send bills to various parliamentary committees to be improved, and then passed.

Today, all that has stopped. Things cannot go on like this. Our parliamentary committees have the solemn duty to meet with Canadians throughout the country. Not a single committee is travelling. Why? Because the Canadian Alliance opposite has decided that there will be no more travelling, that no one will go anywhere any more.

On the other side of the House, they are preaching so-called democracy, a democracy that consists of refusing Canadians the right to speak to parliamentarians. That is the democracy invoked by members of the Alliance.

We see these so-called democrats across from us. Canadians are fed up. There is a reason their popularity is only at 8% in the opinion polls. In my riding, there are more people than that who believe Elvis Presley is still alive.

No, that is not democracy, it is blackmail. Canadians do not want this. We have excellent initiatives before Parliament. Even in cases where some parliamentarians do not entirely agree with the legislation, they still have the right to consider the legislation, they still have the right to express their views on it, to send it to parliamentary committee, to do an in-depth study and lastly, vote against it, if that is their choice.

They have the right to do their work without being held hostage by a small group across the room from the Alliance party, which is not really popular with anyone.

*Government Orders*

That is the message I want to give this House this morning. Let us move forward with Bill C-24. Send it to committee for improvement. We are open to improvements, but we are not open to that little group in front of us that says, "We no longer create legislation; we continue to receive our paycheques, but we have stopped working". That has been that party's attitude since before the holidays.

We must continue to do our work. We will do our work on this side of the House. Canadians will see that the government intends to represent their interests. Even if I disagree from time to time with the other parties, I must admit that they too want to continue working; they do not want to be a part of this quasi vacation declared by the other side of the House, for reasons which, in my view, are completely invalid.

[English]

I ask all colleagues to support Bill C-24 at second reading and to send it to committee to see how we can improve the bill. I ask that the Canadian Alliance, which enjoys the support of almost nobody across Canada, to stop the stalling tactics on every piece of legislation. If it were not for the votes inside its own caucus, perhaps nobody else would support the party.

• (1300)

**Mr. Jason Kenney (Calgary Southeast, Canadian Alliance):** Mr. Speaker, I am glad the hon. member is trying to relive his rat pack days with some passion. I find it unfortunate because it is passion not founded on reason or facts.

When I raised the voluntary nature of the U.S. presidential matching fund system, what he apparently did not know was that taxpayers could designate on their IRS tax form whether they wished a portion of their taxes to be directed toward public funding for presidential campaigns. It is not mandatory for taxpayers. They are not compelled against their conscience to finance political campaigns which they may find abhorrent.

First, if he is willing to raise the example of the U.S. presidential matching fund system, is he then willing to amend the bill to allow taxpayers voluntarily to designate a portion of their tax dollars to go toward the enormous increase in public funding that he proposes?

Second, the Prime Minister suggested that the purpose of the bill was to avoid the perceived excesses of the American financing of political campaigns. I agree there are excesses there. However is the House leader not aware that his proposed solution in large part adopts the American system? Is he not aware that in the United States corporate and union contributions to political parties have been banned since 1976 and since 1976 there has been a \$1,000 per individual limit for contributions to political campaigns?

If he and the Prime Minister are trying to avoid the American system, why then are they adopting it?

**Hon. Don Boudria:** Mr. Speaker, first, not every system of matching funds works in an identical way. I will be the first to recognize that. However I do not accept the premise of what the hon. member said. We said that in a way people would be forced to make contributions to parties they did not like.

When people vote for the Alliance Party, say there are a few of them left around who want to do that in the next election, they would know when voting that the result of the vote would have a particular

formula of financing after the election for the party they were supporting. That is part of the process. That would be known. It would not be a state secret. Therefore that is nonsense. If they do not want money to go to the Alliance Party, which presumably they will not, they will vote for somebody else. They probably will want to do anyway, if that party keeps behaving the way it is right now.

With respect to campaign limits, the hon. member talked about the campaign limits as they exist in the United States. What he has failed to recognize is that in the United States the political action committees largely have taken over. Why? Because effectively there are no third party restrictions in the United States. Those third party entities have developed into these political action committees.

This is a skill-testing question for all colleagues. Who in the House contested, in a previous incarnation, the restrictions on third party spending? There is a case that will go before the Supreme Court shortly. What is it called? It bears the identical name of the leader of the official opposition. They are applauding themselves. Why? This is what the decision of the Alberta Court of Appeal said, and it was applauded by the people across the way.

**An hon. member:** Freedom of speech.

**Hon. Don Boudria:** Freedom of speech, they invoke. Charlton Heston could contribute toward third parties or people could contribute toward third parties in unrestricted amounts at any time for any campaign.

I saw the campaign in 1997, called the "no more prime ministers from Quebec campaign", the parallel campaign that was in my riding and elsewhere across the country. That campaign was financed by third parties, the kind that is being applauded right now by people across the way. They are applauding those kind of initiatives, these third parties. I know they are embarrassed. Their reaction is obvious to the embarrassment that this has caused.

What is no doubt more embarrassing than anything else is that the Leader of the Opposition's name is now formally stuck to this thing. He appealed this thing when he was working for the National Citizens' Coalition, which of course is not national and it certainly is not a citizens' coalition. It is the worst misnomer on the face of the earth. That group, which he used to direct, launched the action. What we have before us now is that this terrible decision.

• (1305)

**Mr. Richard Harris:** Mr. Speaker, I rise on a point of order. I point out that what the member just said about seeing so many things in the campaign last time, Canadians saw the red book litany of lies in the last campaign as well.

**The Deputy Speaker:** Order, please. Respectfully, first and foremost, we are engaging in debate and really not in a point of order. I would caution everyone to be very judicious.

*Government Orders*

[*Translation*]

**Mr. Antoine Dubé (Lévis-et-Chutes-de-la-Chaudière, BQ):** Mr. Speaker, I have listened to the government House leader carefully, and his speech was a very good one. I must acknowledge that he is sometimes capable of recognizing the merit of other parties. In particular, he has acknowledged the worth of Quebec's legislation on political party financing, enacted in 1977 by the Parti Québécois.

It is not a regular thing for the government leader to do in the House, but during his time as Minister of Public Works he even acknowledged the work done by an opposition member. I would now like to ask him a few questions.

This time he needs to realize that it is not the Bloc Québécois that is being obstructive, but the Canadian Alliance. That is quite obvious. We in the Bloc are in agreement with the spirit of the bill, although of course there are changes we would like to make. That we will do in committee.

We have the impression that the current Prime Minister is in a bad position as far as implementation of this bill is concerned. We find that January 1, 2004 is too far away. Why not do as is done with other laws, let the legislative process take its course? In this connection, the role of the government House leader is a very important one. Things must be allowed to take their course. Perhaps as early as the end of this session, the bill might be passed and given royal assent. Then the legislation could apply before the Liberal Party leadership race. I realize the Prime Minister may be in an awkward position on this, but since this proposal is coming from the opposition and not from his party, how does he feel about it?

**Hon. Don Boudria:** Mr. Speaker, I think that is an excellent question.

First, the hon. member will recognize that in Bill C-2, and in all other amendments to the Elections Act—I am talking about all major changes—there has always been a convention of giving a six month delay. This allows Elections Canada to put structures in place.

Take the example of registering riding associations, of which there are four or five per electoral riding, depending on what part of the country you are in, and the number of registered political parties that exist. We are talking about 301 ridings. There must be audit systems and such for all of these riding associations, some 1,500 or 2,000. That is a big number. That is the first element. That represents a major measure that needs setting up.

Second, I explained the convention of a six month delay for amendments to the Elections Act. I would like to be able to say that the bill will be passed in six weeks, but the official opposition is using stalling tactics, which means that the only way we can move forward on this is to impose time allocation. Unless the Canadian Alliance withdraws the proposed initiative.

Also, it is important to note that there is not just one political party that is having a leadership race. The member opposite is part of the only political party represented in the House that is not currently having, or has not recently had, a leadership race.

The Canadian Alliance had one, but they may still be raising money to pay off their debts. As for the New Democratic Party, theirs just ended a few days ago. The leadership campaign for the

Progressive Conservative Party has already started. The Liberal Party's race will begin soon, I believe the official launch of the campaign will be in the coming days, if I am not mistaken.

Indeed, this situation is not unique to our party. It has been the case for at least three, even four of the five political parties represented in the House of Commons. In any case, all of these elements can be discussed in committee, and I thank the member for his question.

● (1310)

[*English*]

**Mr. Chuck Strahl (Fraser Valley, Canadian Alliance):** Mr. Speaker, I thank the hon. House leader for his comments. This reminds me of the story of the old preacher who dropped his notes and forgot to pick them up at the end of his sermon. When somebody picked up the old notes later, the old preacher said that he was unsure of his point so he had to raise his voice. The old rat packer himself has gone past the must raise his voice stage. He practically became apoplectic, without any real detail, when he tried to tell us why he thought this was a good bill. He certainly became vexed over it. If Canadians saw that on TV, they would realize that it was not a serious attempt to discuss the issue. It was to perhaps make an impression on those watching TV. Those who will read it in *Hansard* will not appreciate the antics I am sure.

Perhaps it is best to start my speech by popping some of the balloons brought forward by the House leader for the Liberals. The stuff he suggested was really kind of scandalous.

He first suggested that the amount of money given to parties under the bill would amount to \$1.50 for every vote cast in an election, that this would be a fair system and that was like the American system. That is not true. People cannot opt out of this plan. If someone votes, it will cost money. It is not a matter of wanting to vote for somebody but not wanting to give money to political parties. People will give money whether they like it or not if the bill goes through, and it amounts to a lot of money. The primary objection we have with the bill is that it increases the obligation of taxpayers to fund political parties whether they like it or not. Many Canadians will not like the idea of having to pay and pay through the nose foreseeable future.

The member opposite also mentioned at some length how vexed he was about third party spending and that our current leader's name was on a court case, which apparently might go to the Supreme Court. That is an interesting development.

A case was brought forward by the National Citizens' Coalition about the need for free speech and the right of every Canadian to have free speech. It respected the Constitution and it asked the government to respect it as well. For this outrageous suggestion, outrageous by Liberal standards, the trial court supported the National Citizens' Coalition. It said that the coalition was right, that it was allowed to speak out on this and that people should be able to talk about government policies without going to jail. We should be able to do that anyway.

The Liberals hated that decision so they appealed it. The appeal court said that the National Citizens' Coalition was right again and that the Liberals were wrong again. Second trial, second court in a row said that they were wrong.

*Government Orders*

We have the right to free speech in this country. Third parties should be allowed to comment on government actions, whether they favour them or oppose them. We saw that during the Charlottetown accord. All kinds of people got involved in the debate and it did not hurt it. However the government was sad because it could not buy the result. The truth was freedom of speech was not a bad thing and informed Canadians became involved.

Unhappy with the constitutional right of people and organizations to speak out, the government appealed this decision twice, and will appeal it again for a third time. Interestingly, it will be appealed with tax dollars. People will defend themselves with money they raised on their own. That does not matter to the Liberals. This is in keeping with the tradition of the bill just brought forward. Taxpayers will foot the bill and other citizens who would like to speak out will get no such benefit.

The House leader brought forward another bogeyman. He has stated that this simply builds on existing provisions already available to citizens because the party system is supported through tax rebates. That is playing very loosely with the truth.

• (1315)

An existing provision which I support is that if somebody gives a donation to a political party, a tax benefit goes with it. That is the existing provision. Somebody who wants to voluntarily give money is supported in turn with a partial tax rebate. That is a far cry from a direct subsidy program for every single vote cast in the country. It is hard to equate the two.

The House leader is completely wrong. In a sense this is like a new Liberal head tax. People get taxed whether they like it or not for purposes which the government decides, not what the people decide. People will be taxed and it will go to political parties. It is not loose change either. I will read the numbers we are talking about. I will go through the current situation.

The political parties are already heavily subsidized by taxpayers. That is true. In the first place donations to political parties are subsidized, first as a tax credit system which credits up to 75% of the donation back to the donor. Then when the candidates in the political parties actually spend the money, they are reimbursed again, at the local and federal levels. There is still at least a connection to a donation given and the tax rebate collected.

Just to give people an idea of what the current numbers are, in the 2000 election these so-called rebates cost taxpayers \$31 million to refund candidates and \$7.5 million to refund political parties for their eligible election expenses. We are already into subsidizing political parties to a pretty big degree. All parties on all sides of the House already benefit from that. On that element alone, just so we are clear, it amounts to slightly less than 40% of the funding of political parties as subsidized through the tax system. That is a lot of money but it is less than 40%.

Proposals in the legislation would push that direct subsidization, leaving aside the tax credits, to beyond 70% government sponsored, taxpayer funded political parties. This would increase the reimbursement to political parties. The tax credit program is enhanced and so are election expense rebates. The percentage of eligible expenditures that is refundable has been doubled to 50%. The authorized limit for

such expenditures has been raised to 70¢ from 62¢ for each registered voter. It is a big increase. As well, the threshold for receiving the rebates has been lowered for candidates. They do not have to get as many votes before they start getting the cash from the government.

An additional problem is that the cost of polling which was always outside the rebatable expenses has also been thrown in. It is a very substantial expense in many campaigns. An extra rebate on that will be received.

Each party will receive \$1.50 times the total number of votes cast in the last election. The biggest beneficiary in this program would be the governing party. Existing parties would all benefit, but the governing party certainly would benefit the most. The Liberals would benefit regardless of what people thought of them or how they did in the next election. It would not matter, because it would be based on the previous election results.

Admittedly our party would stand to benefit hugely as well. However all we can do is work within a system that is put in place for all of us. There is nothing more we can do really.

We could say that corporate donations should be banned. We could do that. We could live with that, because 50,000 individuals donated to our party last year. How many individuals donated to the Liberal Party? There were 5,000, 10% by number donated to the Liberal Party. The big, huge juggernaut supposedly of the Liberals has only 10% of the supporters as has the official opposition. The Liberals received only 19% of their funding from individuals, the average, common, ordinary voters and the other came from tax rebates or from big corporations.

The Liberal Party is the party of the big corporations. No wonder Liberals enjoy the system that exists right now. They are the huge beneficiaries of people who give them piles of money in return for big favours.

**An hon. member:** They want to ban it.

**Mr. Chuck Strahl:** They want to ban it and replace it with what? If they had to rely on the average voter, they would starve to death. They are already in debt. The Liberal Party is heavily in debt.

• (1320)

Last year our party received ten times as many donations as did the big huge Liberal Party. Our party is debt free. Our party can live with this. Our party gets 60% of its funding from individuals. Our party will not suffer regardless of what happens. People support us in large numbers. They do not support the party over there, not with their pocketbooks.



*Government Orders*

Obviously the federal Liberals stand to receive almost \$8 million worth of taxpayer money in 2004 which will replace the \$6.5 million they receive from corporations, unions and associations. They will get some of that still. They are not just replacing the \$6.5 million they could lose in the corporate donations, they are topping it up with the bonus plan. They are going to get \$8 million from the taxpayers. They keep saying this is going to remove voter cynicism. Well, good luck. I just do not see it.

Voters are not going to say, "This looks good to me; I am hosed into supporting a political party I want nothing to do with every single year for the foreseeable future because it cannot raise enough money from individuals". The Liberals have to either coerce it out of corporations or they have to get it from sucking on the government tit and that is what they are prepared to do. It is shameful.

Is it any wonder that participation in general elections continues to drop. It was 63% in the last federal election. People are fed up with the whole system. Do Liberals think this is going to enhance it? Do they think more people will say, "Listen buddy, come and vote with me in the federal elections tomorrow because the more people who vote, the more money will go to the Liberals". People will just run to the polls for that.

What people will say is, "Save a buck, refuse to vote". That is what it amounts to. The fewer people who vote, the less taxes will be taken out of the system. It is not loose change we are talking about. We are talking about \$40 million coming out of tax dollars to go to political parties. It is not going to be a moot point.

One of the things I learned long ago is that when legislation comes into the House, it is always useful to take a moment to ask what is driving the legislation into this place. Sometimes it is pretty straightforward. We have seen legislation that benefits a corporation or a certain type of industry. They push the department because they need some changes to the rules. It is not necessarily unfair. It is just that is what started the legislation. It started with a bunch of lobbyists saying they need changes for example, to the Copyright Act or the Broadcasting Act, so they push to get a change. When it arrives here on our desks in the form of legislation, we can see what started it. We may think it is fair or not but the genesis of it is obvious.

What was the genesis of this bill? What is it that forced this bill, after almost 10 years of Liberal rule, to suddenly become the cause célèbre? Was it a sudden epiphany by the Liberal leadership that is saying, all these years it has been as crooked as a dog's hind leg to take this money but suddenly it is—

**Mr. Paul Szabo:** Mr. Speaker, I rise on a point of order. The reference to crooked is with regard to the laws under the Canada Elections Act. I think it is inappropriate to characterize them as being crooked.

• (1325)

**The Deputy Speaker:** I think we are just getting into a debate again. It is certainly not a point of order.

**Mr. Chuck Strahl:** Mr. Speaker, I was speaking rhetorically. If the member would like to listen to that, he could understand the difference here.

I repeat, perhaps somebody suddenly said, "What we have been doing for the last 10 years is wrong. I am slain, cut to the quick. I feel

bad. It has been 10 years but suddenly I realize what I have been doing is wrong and it is time to change my wayward ways, fess up and turn over a new leaf".

For those who believe that, we should put them in touch with those people who want to clone human beings and those who have had weird sightings of Elvis which the House leader talked about earlier. That is just not the case.

It was not a sudden road to Damascus experience by the Liberal Party. That is not what caused it. Was it the fact that there is a Liberal leadership race? That could be a little more like it. It seems to be one of those gifts that the Prime Minister would like to bequeath to the next leader. It is a friendship thing I think. They are looking longingly into one another's eyes, reading one another's minds and saying, "I bet the former finance minister would love to have full disclosure on who has been giving to his leadership campaign". This bill would force that.

Of course there is nothing to stop the current finance minister from revealing that, but he has chosen not to. Perhaps in a friendly gesture the Prime Minister is saying that just to help him he will bring forward a bill that would force that disclosure. I think that would be a little closer to the truth. That is probably one of the reasons.

Possibly it is, as the Prime Minister admits at least to the appearance, he says misguided, but he admits that there has been the appearance of corporations buying influence with the government. He denies it. It is interesting. I have been here long enough now to know of a couple of examples.

I could talk about Pierre Corbeil who was convicted of influence peddling on behalf of the Liberal Party. I am not making this up. This is not an accusation. I am talking about a conviction. I am talking about someone who was convicted in a court of law. Why? He used the grant process under the federal Liberal system which said, "If money is given to our political party, in exchange we will make sure your name goes on the eligibility list for government grants".

That is exactly what happened. He was convicted of it. This is not a matter of maybe. He was convicted of doing exactly that. Of course he was kicked out of his role as a fundraiser for the Liberal Party when he was caught. It is the truth.

**Mr. Paul Szabo:** Mr. Speaker, I rise on a point of order. My understanding is that to impute motive is inappropriate, particularly when that motive is an illegal act. I would ask you to caution the member from using such language.

**The Deputy Speaker:** Again the outcome is the same. It is not a point of order.

**Mr. Chuck Strahl:** Mr. Speaker, the hon. member is finding occasion to jump to his feet, but there are no points of order here, just the facts. If I was not telling facts, I guess he could get up on his hind legs and say something about it, but the truth is as the courts said: convicted, criminal activity, Liberal Party fundraiser. Maybe that is partly what drives this. People just say that enough is enough, they have had it up to here and this is another example.

*Government Orders*

I raised another example in the House where a corporation sent a memo to their employees. It said that it was hereby asking all of them to give \$1,000 each to the Liberal Party of Canada. By doing so, they would get money in return. They would get the big refund cheque from the government. In exchange the corporation would top their salary up by \$1,000, so they would get not only the salary back, they would also get the government rebate. They would be money ahead and the Liberal Party would prosper. The corporation said this was better than it giving a single large donation on behalf of the corporation because it could not get as many rebates from the government.

This bill would legitimize that. It would make it easy. Rather than circumventing the Canada Elections Act, the Liberals would just change the Canada Elections Act. Maybe that is what started it all off.

The first example that I know of for sure was in Quebec and central Canada where local federal party organizations were asked to approve federal grants into a riding. I am not talking about MPs or elected people, which would be bad enough one way or another. I am talking about a federal Liberal political organization approving grants to spend taxpayers' dollars.

I could talk about what goes on in my own riding where there is an organization called FLAG, federal Liberal action group. Its job is to ride herd on us opposition members, which I do not mind, except it is interesting that when projects come up, when infrastructure ideas come forward or whatever, it is told it better get the local Liberal constituency association involved or else it may not get approved.

We can only hope that the transparency in this bill would help to eliminate some of that. There are parts of this bill of course that are supportable. However, in summary, the problem with it is that the bill would force Canadians to support political parties whether they like it or not. Right now, if people do not like a political process, do not like politics, hate politicians or whatever, they can stay home, they do not have to vote, and they do not have to support it.

I do not approve of that because there is value in supporting the party of one's choice and always voting always. However, this bill would force all Canadians, whether they like it or not, whether they vote or not, and whether there is even one person in the system they support, to support political parties financially.

We say that the bill is fundamentally flawed for that reason. It should not come forward. The government will force this through. It will go to committee and the Senate. It will never see the light of day before the next federal election because this is a political game being played on that side of the House among themselves. This thing will not come through in its current form and I make that prediction fairly fearlessly.

• (1330)

**Mr. Sarkis Assadourian (Parliamentary Secretary to the Minister of Citizenship and Immigration, Lib.):** Mr. Speaker, in the name of transparency and openness I would like to ask the hon. member if, first, he is prepared to table in the House the donor list of the National Citizens' Coalition; second, is he prepared to tell us if this organization ever received money from non-Canadian sources; and third, could he comment about the provincial governments of

Quebec and Manitoba, where they have similar laws regarding elections financing?

**Mr. Chuck Strahl:** Mr. Speaker, I could as easily ask the hon. member if he would table the list of donors for the rod and gun club in his local riding. I cannot get anyone to table anything.

We are not talking about donations for political parties. This is a red herring. He is talking about third party involvement in the process.

Let us think of all the third party influence that goes on right now. Whether we agree with him or not, we hear from the C.D. Howe Institute, child welfare advocate groups, anti-war groups, the National Citizens' Coalition, the Red Cross, and all sorts of groups and people advocating a position in a free and open democratic society.

No one says that they should not be heard, except that the government has an axe to grind with the National Citizens' Coalition because it promotes the idea of free speech. I am not even a member nor have I ever been a member of the National Citizens' Coalition. I have never given it 10¢. I do support its objective though, which is freedom of speech.

Two court decisions in Canada support its position. The government will now appeal it to a higher court. Why? Because government dollars are being spent to appeal it. It does not cost the Liberal Party anything. I will have to financially support the appeal after it was won twice in the lower courts. The National Citizens' Coalition will have to raise another \$1 million to defend itself in court even though what it is doing is constitutional and the government has been proven wrong twice.

As far as the provinces having their own laws, let them defend themselves as they see fit. Some of them seem to work well and others not so well. Each province has its own jurisdiction and each should do what works in its own region.

Interestingly enough, not only do Canadians not support this, but the one thing they would have supported was a private member's bill that I brought forward about four years ago that said we should at least give as much tax benefit to someone who gives to a charitable donation as we give to someone who gives to a political party.

Right now people receive 75% of their money back on the first \$100 if they give to a political party. They receive roughly half if they give to a charitable organization. The government said it needed a more generous tax system for political parties than for charities. I say, in a province or in the federal government, that is nonsense. Charities do a lot more good than political parties and we should have at least as generous a system to help out charitable organizations as we do political parties.

*Government Orders*

●(1335)

**Mr. Dick Proctor (Palliser, NDP):** Mr. Speaker, I listened to the member for Fraser Valley with some interest. The substance of his position is that the Canadian Alliance obviously opposes the bill, but I did hear him say that it supports some measures of it. Specifically, what is the position of the Canadian Alliance regarding the \$10,000 limit by individuals to political parties?

When I first read this I assumed it was capped at \$10,000. As the member will know, it is now \$10,000 for each recognized and registered party. Would he and his party be prepared to support amendments to cap that at \$10,000? There are some of us who think that is very generous, but certainly \$10,000 multiplied by six, seven or eight is just outside the limit.

**Mr. Chuck Strahl:** Mr. Speaker, the hon. member is right. The way the legislation currently reads, a person can donate \$10,000 per year per party, plus an additional \$10,000 in any one year to a leadership contestant of any political party and a further contribution of \$10,000 to the election campaigns of independent candidates.

In addition, there is no age restriction on the \$10,000. Right now the father of a wealthy family could belly up to the bar and donate \$50,000. If that father were to have three or four dependents who could be four, five or six years old—it does not matter because it is per person as long as that person has a social insurance number—they could donate. A family could lever its influence to the \$40,000 or \$50,000 mark.

I would support amendments except to say that it would be interesting to see what the final package looks like. I have suggested that we could do without. We could lower the amount of money given by corporations, ensure it is only individuals, and allow it to be given to one party or to one candidate, for example, in one riding. On the other hand, we will be interested to see where the final number ends up for taxpayer support.

I do not support the bill because of that huge taxpayer obligation. I would rather that individuals be allowed to support political parties. I would like to have it transparent and open, and have political parties justify the money they would spend rather than have taxpayers on the hook. It is likely I could support it, but it is also in light of the fact that I also want to see the part taken out that would obligate taxpayers to be on the hook for \$30 million or \$40 million a year.

**Mr. Paul Szabo (Mississauga South, Lib.):** Mr. Speaker, one of the objectives of the bill is to make the process of nominations a little more equitable for a broader range of candidates and maybe make it easier for women by limiting the nomination expenses. I believe there is a formula in the bill.

Has the member had an opportunity to consider that particular provision and can he advise the House whether he feels that provision might in fact address a problem which apparently exists?

**Mr. Chuck Strahl:** Mr. Speaker, the member for Kamloops, Thompson and Highland Valleys happens to be a female member of our party who leaned forward to tell me that she sees this as kind of humiliating to say she needs some kind of help that I do not need. She said that she was elected fair and square, and would go toe to toe with any person who wanted take her on in the next election. I would fully agree with that.

I would like to see the amount of money that is spent on nominations to be open and transparent. I am not sure that the \$200 limit is really necessary. If people want to give \$200, it is not a huge amount. I think somewhere between \$200 and \$1,000 would be fair for reporting purposes and for the paperwork involved. It could be some number in between that. I think \$200 is too low.

The real way to bring democracy into the nomination process would be to ensure the political party does not leave the power to the Prime Minister or to the party leader to nominate people without due process.

If I were a member of the Liberal Party, I would squawk about the fact that people are chosen to run in chosen ridings not based on their ability to raise funds or anything else. They are nominated based on the whim of the leader of the party. That is not democratic.

How can the leader say, "I'll pick a winnable riding and plunk somebody in there as my candidate". There is no nomination process. Candidates do not have to sell a single membership, do not have to go to a single meeting, and do not have to explain a single issue. Those types of candidates do not have to come in out of the rain and if they are in a strong Liberal riding they have a good chance of winning.

That to me is more offensive to the democratic process than any of the nomination processes that involve money. Money is not the problem here. The problem is an autocratic party system in the Liberal Party that allows the leader to appoint who he wants without any due process.

●(1340)

**Hon. Charles Caccia (Davenport, Lib.):** Mr. Speaker, the intervention by the member for Fraser Valley a moment ago demonstrates the difficulty he has, and I hope he is the only one in his party, in living in the 22nd century. Actually, he seems to be reluctantly dragged into the 21st century. Judging from the comments he made and his fishing expeditions as to what is driving the legislation, I think he is still in the 19th century. He spent a considerable amount of time on his search for the rationale behind the bill. Having fished in muddy water for several minutes, the best he could come up with was an hilarious explanation or rationale, namely that the legislation is a gift to the next leader.

I admire the sense of humour of the member for Fraser Valley for coming up with such a nice joke during lunch hour. I hope he is in isolation, because on Friday I heard a very convincing and fine intervention by his colleague from New Westminster—Coquitlam—Burnaby who made an impassioned intervention on the treatment of public servants and made some constructive suggestions as to how the legislation ought to be amended in order to meet the requirements of public servants who want to serve their nation in Parliament. I thought he made recommendations that ought to be taken seriously by the committee at the committee stage.

Coming back to the official opposition, unfortunately, I was disturbed by the statement made by the opposition leader in his speech last week, namely when he said that the legislation would serve "to weaken an already fragile democratic framework".

*Government Orders*

We part ways with him. On this side of the House we believe that the legislation will strengthen our democratic framework and that we are moving in the right direction. There may be differences of opinions as to ceilings and treatments, et cetera, but, by golly, if we are not going to do this I think we will lose the commitment of the population at large to our democratic and political system.

Another statement the Leader of the Opposition made in his speech which troubled me was when he compared political parties to markets. He said "Political parties, like markets, should be responsible to the people who need them and want them".

This is a market economy type of approach to democracy which is rather unusual and maybe it needs to be dealt with for a second. I would reject that notion as would, I am sure, most members of the House. Political parties are not a marketable commodity. Political parties are needed by everybody in the country, the ones to which we subscribe and the ones to which we do not, because in a healthy, democratic system we want to have choices and to hear different opinions even from the party to which one subscribes. This happens in every family, in every community and at the national level.

To compare political parties to markets denigrates and cheapens the role of political parties. Political parties are more than markets. Political parties are public institutions of the highest importance, driven by ideas and commitments, and have nothing to do with the marketplace. This kind of approach and evaluation explains the official opposition's low standing in the polls. The House leader already made some very passionate reference to that.

• (1345)

Instead, I found the speech by the right hon. member for Calgary Centre extremely reassuring, particularly what he said toward the end of his speech. In referring to these reforms he said that they would allow us to take a step in the direction of reasserting the public interest and that they were central to the health of our democracy. This was a very good statement and I concur. He also said that it was clear that the status quo does not work.

Evidently, for the official opposition the status quo does work which is why it is stuck. It is stagnant and it seems to be desperately grasping for a rationale that would allow it to justify to its electors why stagnation is better than moving in the right direction. Basically that is what and where the official opposition rests in its approach to politics, which is regrettable because usually the role of the official opposition is to prod the government to do more, to do better and to improve. Instead we have a regressive movement trying to slow down and turn the events and thrust of history into the past rather than into what is the inevitable future waiting for us.

The hon. member for Calgary Centre also said that the Minister of Canadian Heritage had testified to the effect that the present system invited very real cynicism in the country when she said that financial considerations and the interests of contributors held up the timetable of Kyoto. That remains to be proven, but that is what he said.

He went on to say that there was no doubt that the present system invited abuse. This is the leader of the Progressive Conservative Party who I am quoting. He concluded by saying that the bill was only the beginning, that he would support the bill at this reading and

encourage the widest possible opportunities from members of all parties to improve it.

We find very fine support from the Progressive Conservative Party, expressed by a member who has considerable experience, who comes from the west, who represents a party right of centre and whose voice, I am sure, is much more representative of the people in western Canada than the unfortunate position taken by the official opposition. I am sure in committee the official opposition will rethink its role and find the positive and significant measures contained in the bill. It is a tremendous step in the right direction as far as I can judge.

Why? There are several reasons. One is that riding association leadership candidates and nomination contestants would have to disclose and report to the Chief Electoral Officer. The other one is that nomination contestants would be subject to a spending limit equivalent to 50% of the candidate spending limit in the same riding as the previous election.

Another element is that the bill is a prohibition on contributions from corporations, unions and other associations. Some have already described it as too high. I am among them. I think it could be much lower than that.

Another feature is that corporations, unions and associations would be allowed to contribute a maximum of \$1,000 annually to the aggregate of candidates, local associations and nomination contestants. I am sure this will be studied in detail in committee.

The bill also would limit the amount that individuals could contribute: the aggregate of \$10,000 annual donation to a registered party. An individual also would be allowed to contribute \$10,000 to the leadership contestant in a leadership campaign. The amount of \$10,000 does not represent the amount that the average Canadian can afford. I hope this can be examined very closely at committee stage and possibly reduced accordingly. It is very hard to know exactly where the limit ought to be but I would imagine that even if it were reduced by half, to \$5,000, that it would still be fairly high.

• (1350)

Additional features are the percentage of election expenses that can be reimbursed to parties would be increased from 22.5% to 50%. The qualification threshold for reimbursement of candidate expenses would be lowered from 15% to 10% of a number of variable costs in the riding, which would allow more candidates to receive reimbursement after elections. This is a very important feature.

Finally, as has been done already in three provinces, registered parties would receive an allowance which would be paid on a quarterly basis, et cetera.

We can see that there is a wide range of significant initiatives that ought to be given full airing and full attention in committee in an effort of providing legislation for which Canadians can be proud, particularly Canadians who feel that the party system needs to be improved in its capacity to bring forward new ideas and new candidates.

It seems to me, in essence, that one can conclude this debate by simply saying that in a healthy democracy it is actually ideas that count more than money, and that we should provide a vehicle for parties that have ideas to come forward and to secure them for some kind of financial support in times when the costs are skyrocketing.

There are wastes in campaigns. The campaign waste alone in sign production and sign battles is enormous. The sign campaign is costly and energy consuming which makes one wonder whether we should not find ways and means of limiting the extent of the sign campaign for the benefit of everybody.

I, like many others have already done, commend the government for this fine initiative. We need it. The sooner it is brought back to the House, reported and passed, the better for democracy, for Canadian democracy and for all those who believe in having a healthy and mature democratic system.

**Mr. Ken Epp (Elk Island, Canadian Alliance):** Mr. Speaker, in view of the fact that the member supports the legislation and says that companies and businesses should not be able to contribute these large amounts, in fact according to his words he would like to see it reduced further, I wonder whether he is simply announcing that he concurs with the perception that members of the Canadian Alliance and a lot of voters have had for years, and that is that organizations, like Bombardier and others, have bought a lot of favour by making contributions to the Liberal Party.

● (1355)

**Hon. Charles Caccia:** Mr. Speaker, this is the whole point, that the dependence on two particular interest sectors, namely the corporate sector and the union sector, is one that needs to be bridled in, controlled and reduced. I think that a party that is in power ought to be actually congratulated for taking that measure, which I would doubt very much the Alliance Party would take under consideration if it were in power.

Second, the Alliance Party has a tremendous amount of confidence in and quotes the National Citizens' Coalition as being the ultimate in democratic procedures and democratic values. We did some research, at least in the limited time available, and this is what we found out about the National Citizens' Coalition, which is the organization to which the hon. member and other members of that party have frequently made reference in very supportive terms. This is what I read:

...Many of the [National Citizens' Coalition's] fiercest critics have pointed out the incongruity of an organization which attacks others for supposedly undemocratic practise while organizing itself along similar lines. Claiming a membership of some 40,000-45,000...it has consistently refused to release any list of names. Even more striking is the fact that it is neither a citizen-based grassroots organization nor a coalition of any traditional kind. Its constitution actually distinguishes between "voting" and "public members"; as so-called public members, ordinary citizens are not entitled to vote, attend meetings or even be informed of meetings...voting members, by contrast, are entitled not only to attend meetings but also to select the four members of the board of directors. Only two voting members are required for a quorum, and only three directors are necessary to conduct NCC business...Nor has the secretive lobby group ever explained its sources of funding, despite its obvious affluence...while the NCC is not a charitable organization whose contributions are tax-receiptable, its contributors—mostly businesses and large corporations—can deduct their payments as a business expense...the organization's budget in 1997 was nearly \$3 million dollars...[a] detailed analysis of advisory-board members revealed ties to "thirty-nine major corporations...eight major insurance companies, seven advertising agencies and more than fifty lesser corporations—

*S. O. 31*

This was written by Dr. Brooke Jeffrey in *Canadian Forum* in June 1999.

## STATEMENTS BY MEMBERS

[English]

### DENNIS MCDERMOTT

**Mr. Mac Harb (Ottawa Centre, Lib.):** Mr. Speaker, I rise today to pay tribute to Dennis McDermott, who passed away last week at the age of 81.

Dennis McDermott was president of the Canadian Labour Congress from 1978 to 1986. Before that, he was the Canadian director of the United Auto Workers for ten years. He was widely respected as a model leader of the trade union movement.

Mr. McDermott will be remembered for his advocacy of human rights issues and his outreach to workers and unions around the world. He raised the profile of the labour movement in Canada, and in 1981 he led one of the largest rallies ever held on Parliament Hill.

I ask the House to join me in sending our condolences to the friends and family of Dennis McDermott. We will all remember him for his conviction and hard fought efforts.

\* \* \*

### CURLING

**Mrs. Carol Skelton (Saskatoon—Rosetown—Biggar, Canadian Alliance):** Mr. Speaker, Canada's best curlers come from Saskatchewan, no matter what my friends from Alberta might say. Last week, our men's and women's teams captured the Karcher Canadian junior curling titles in Ottawa.

Next week, Saskatchewan's girls curling representatives at the 2003 Canada Winter Games in beautiful Bathurst, New Brunswick, will be Biggar's Lindsey Barber, Claire Webster, Robyn Silvernagle and Hailey Surik. These four dedicated young ladies have worked hard to train for this competition and we are extremely proud of them. They are already Saskatchewan's provincial winter games champions and are very proud to be part of an outstanding Team Saskatchewan. Their determination and commitment to their sport will ensure their success.

These ladies are just the latest in an amazing string of top female curlers to come from the Biggar Curling Club, and we wish to say good curling, ladies.

\* \* \*

● (1400)

### HEART MONTH

**Mrs. Sue Barnes (London West, Lib.):** Mr. Speaker, February is Heart Month in Canada, a time to make Canadians aware of the things they can do to manage their risk for heart disease and stroke. They include avoiding tobacco use, following a healthy diet and being physically active.

*S. O. 31*

Heart disease and stroke, the leading causes of death in Canada, cost the Canadian economy over \$18 billion annually, and this represents 11.6% of all costs related to illness.

Today, representatives of the Heart and Stroke Foundation of Canada, the Canadian Cardiovascular Society and the Canadian Council of Cardiovascular Nurses are on the Hill to meet with us. They are here to speak to us about the things that we can do better to prevent and treat heart disease and stroke.

We also need to take a responsibility as parliamentarians to inform our constituents about the importance of leading a healthy lifestyle.

\* \* \*

**EAST COAST MUSIC AWARDS**

**Mr. Geoff Regan (Halifax West, Lib.):** Mr. Speaker, last night in Halifax the East Coast Music Awards celebrated the rich and diverse musical talent and heritage found on our eastern shores. Studded with great performances throughout the evening, the gala showcased the very best Canadian music has to offer.

In particular, I would like to congratulate Newfoundland's Great Big Sea for winning five awards. Last night's victories added to the band's long list of honours.

Let me also offer congratulations to Lennie Gallant, whose first full length French album, *Le vent bohème*, garnered Mr. Gallant both the male artist and francophone recording awards, while Cape Breton fiddler Natalie MacMaster took female artist of the year.

Canadian music embodies the creativity and spirit of Canadians. It helps define who we are and reflects the richness of Canada's cultural diversity. It is with pride that I invite all Canadians and all my colleagues to celebrate the successes of our east coast music artists. I wish to offer all the winners and nominees my warmest congratulations.

\* \* \*

[*Translation*]

**LYNDA LEMAY AND NATASHA ST-PIER**

**Mr. Mark Assad (Gatineau, Lib.):** Mr. Speaker, two Canadian women have brought honour to Canada by being awarded Victoires for musical excellence in France.

Lynda Lemay was selected top female artist of the year, while Natasha St-Pier was awarded the only prize voted on by the public, for best new artist. These two talented singers richly deserve this recognition of their hard work.

My colleagues join with me in congratulating not only Quebec's Lynda Lemay but also, and equally warmly, New Brunswick's Natasha St-Pier. Well done.

\* \* \*

[*English*]

**HEART ON THE HILL DAY**

**Mr. Rob Merrifield (Yellowhead, Canadian Alliance):** Mr. Speaker, today is Heart on the Hill Day.

Heart disease and stroke are responsible for approximately 80,000 deaths and almost half a million hospitalizations each year in Canada. We need to focus on disease prevention and health promotion.

We know that the ticking time bomb that could make the current numbers pale in comparison is the rate of obesity in children and youth. A study has shown that two million Canadian children aged nine to 12 are so inactive and have such poor diets that when they hit their thirties they will be at high risk of heart disease.

However, the federal government often prefers further studies rather than real action. Last year the health minister announced \$15 million for further study of and research on the causes of obesity. In most cases, the cause of obesity is well known: poor diet and lack of physical activity. The \$15 million could have been better spent in promoting genuine efforts to combat obesity among children and youth today.

Let us have a heart and invest wisely in our health and in our children.

\* \* \*

**STEVE MICHELIN**

**Mr. Lawrence O'Brien (Labrador, Lib.):** Mr. Speaker, it is my sad duty to pay tribute to a leader and community builder in Labrador, Steve Michelin, who has died at the age of 56.

Steve played a key role in political and social life in Labrador for many years. He was a founding member of the Labrador Heritage Society and an inaugural member of the first elected town council of Labrador City in 1981. He was a leader in the Combined Councils of Labrador, one of our most important regional bodies, and he was a driving force behind the campaign to create a separate federal riding for Labrador.

Steve helped create Labrador unity and he built bridges between the diverse communities that make up our region. Labrador is a better place for his dedication and we are poorer for his loss.

To Hilda, Denise and Stephanie, and to his family, friends and colleagues, I wish to convey my deepest sympathies.

\* \* \*

● (1405)

**GOVERNMENT SPENDING**

**Mr. Grant Hill (MacLeod, Canadian Alliance):** Mr. Speaker, federal Liberals are famous for waste: the HRDC billion dollar boondoggle, the wasteful firearms registry, advertising contracts that are now being investigated by the RCMP and advertising for Kyoto that totalled \$9.7 million.

Now we have another advertising contract that is wasteful: \$2.9 million spent on a feel good, full page ad on Canada's new health accord, a full page ad in newspapers all across the country.

What would \$2.9 million do if used for patients instead of advertising firms? Frankly, it could buy two new MRI machines that would allow a patient with headaches to reduce her wait for a scan by weeks. When faced with \$2.9 million for a big, feel good newspaper ad or the same money for two new MRI machines, that patient's choice is obvious. If you had a brain tumour, which would you choose?

\* \* \*

[Translation]

#### PEACE RALLY

**Mr. Clifford Lincoln (Lac-Saint-Louis, Lib.):** Mr. Speaker, last Saturday I and several others from this House belonging to the Bloc Québécois attended the mammoth peace rally in Montreal, along with well over 100,000 others.

I find it most regrettable that the Premier of Quebec, mandated as he is to represent all of the people of Quebec, took advantage of the opportunity afforded by this eloquent public expression in favour of peace to read into it a pro-sovereignty message.

Not only does this diminish the premier himself, but it also casts a shadow on the intent and the meaning of this huge public appeal on behalf of peace. The event far surpassed any political or ideological partisanship, in fact on the contrary it sought to bring together all those who believe in peace, regardless of any political or ideological differences.

In such critical circumstances, it is the duty of the premier of all Quebec to take the high road and make every effort to unite people.

[English]

Indeed, it behooves the premier of all Quebecers to rise above and beyond, and to take the high road, seeking in crucial circumstances—

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

\* \* \*

[Translation]

#### LYNDA LEMAY AND NATASHA ST-PIER

**Mr. Robert Lanctôt (Châteauguay, BQ):** Mr. Speaker, today I would like to congratulate two artists who have again won international honours, Lynda Lemay and Natasha St-Pier. This weekend, they were celebrated during the Victoires de la musique awards in France.

Lynda Lemay was nominated for the fourth year in a row as female artist of the year. This year, this singer from Quebec, who has been a hit in France for years, finally won this award that she deserved.

Natasha St-Pier won the best new artist award. This award is all the more important because it was voted on by the French public, which only adds to the legitimacy of this young singer's triumph.

The Bloc Québécois joins me and all Quebecers in congratulating Lynda Lemay and Natasha St-Pier for these honours. Continue to amaze us. We are so proud of you both.

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[English]

#### FLOODING IN NEWFOUNDLAND AND LABRADOR

**Mr. Mark Eyking (Sydney—Victoria, Lib.):** Mr. Speaker, over the weekend the residents of Badger, in Newfoundland and Labrador, were faced with a community emergency.

The frigid waters of the Exploits, Red Indian and Badger Rivers rose quickly and spilled over their banks, covering half the community with as much as 1.5 metres of water. Flooding has caused the sewer system to fail and back up into some homes.

Thankfully no one was injured, but blocks of ice smashed through doors and windows of homes after an ice jam caused the three rivers to overflow.

The flood has forced the evacuation of the town's 1,200 residents. The flood came quickly and many were unprepared, having to flee their homes without their belongings. It could be days or weeks before they are allowed to return to their homes.

On behalf of all members of the House, I would like to extend our care and concern to the residents of this troubled town. May the resourcefulness and strong spirit of these people serve them well as they pull together in this time of crisis.

\* \* \*

#### FOREIGN AFFAIRS

**Ms. Wendy Lill (Dartmouth, NDP):** Mr. Speaker, while millions of people around the world marched against the war in Iraq, we should not forget that war is the leading cause of disability. War casts its mantle of death and destruction over life and limb.

Modern weapons of war devastate people in their body and soul. They sear human memory with permanent scars. They shatter the dreams and hopes of children. They sentence people to long lives without limbs, without loved ones, without sight and sound and without the ability to care for themselves. Those are the wages of war.

Canada first created disability support programs for disabled veterans from the first world war. Today thousands of members of the armed forces and their families struggle with post-traumatic stress disorder and the other effects of armed conflicts.

We must therefore be ready, both in our foreign aid and development aid, to support those in conflict zones, and also be ready to support those Canadians who are serving overseas in whatever capacity. We must remember that the real result of war is not to challenge a dictator. The real result is death and disability for innocent human beings.

\* \* \*

● (1410)

[Translation]

#### PEACE RALLY

**Ms. Pauline Picard (Drummond, BQ):** Mr. Speaker, ten million citizens around the world took to the streets in order to say no to war.

*S. O. 31*

In Montreal alone, 150,000 people, more than ever before, turned up, as was the case in other cities of Quebec, like Sherbrooke, Quebec City, Trois-Rivières, Chicoutimi, Gatineau, Rimouski and New Carlisle. All had one common goal: to call for peace.

The size of the anti-war rally in Quebec is a good reflection of the desire for peace in Quebec and around the world.

Young people from my riding who are worried about the threat of an attack against Iraq are calling on the government to hear their appeal. "Please say no to war. Think of us, Mr. Prime Minister", they wrote in a message to be delivered shortly.

If rallies do not wake up Washington, what kind of effect will our children's anti-war messages have? It is up to the Prime Minister to answer them.

\* \* \*

**HERITAGE DAY**

**Ms. Carole-Marie Allard (Laval East, Lib.):** Mr. Speaker, today, February 17, we are celebrating Heritage Day. Organized by the Heritage Canada Foundation, this is an opportunity to celebrate the rich architectural heritage and historic places of Canada.

This year's theme is "The Heritage of Our Town". City halls, libraries, court houses and other meeting places are being honoured. The history of each building and each street lets us discover our origins.

I invite all hon. members of the House and Canadians everywhere to spend Heritage Day reflecting on their surroundings.

\* \* \*

*[English]***HEALTH CARE**

**Mr. Greg Thompson (New Brunswick Southwest, PC):** Mr. Speaker, despite repeated promises by the Prime Minister, he has made no effort to work out a plan to deal with the crisis in health care to northern communities. Sadly his legacy of neglect continues.

When the Liberal government took a wrecking ball to Canada's health care system in the 1990s, our three territories, because of the complex funding agreements, were hit four times harder than the rest of the country.

Recognizing the need for the territorial adjustment, all the provincial premiers have unanimously called for a separated designated health care fund for the three territories.

When will the Prime Minister act on the promise that he made to the territorial leaders to restore health care funding?

\* \* \*

*[Translation]***RIDING OF SAINT-BRUNO—SAINT-HUBERT**

**Ms. Pierrette Venne (Saint-Bruno—Saint-Hubert, Ind. BQ):** Mr. Speaker, it is a pleasure for me to speak for the first time as an independent member of the Bloc Québécois because, during the past year, I had very little opportunity to speak in the House. I must

confess that getting assigned a new seat is a bit like getting a promotion because it has put me closer to the Chair.

I would also like to take this opportunity to reassure the constituents of Saint-Bruno—Saint-Hubert about my new status. I want to tell them that there is no cause for concern, that I am no less conscientious and determined than I have ever been in representing them over the past 14 years.

I intend to take every available opportunity the Chair grants me to keep after the government on issues that are important to me, such as extending highway 30 and transferring the Saint-Hubert airport to Longueuil.

I hope, Mr. Speaker, that you will enjoy listening to me as much as I will enjoy making my views known.

\* \* \*

*[English]***HEALTH CARE**

**Mr. Tony Tirabassi (Niagara Centre, Lib.):** Mr. Speaker, I wish to pay tribute to my constituent, Kim Stasiak. Kim graduated from the Mack School of Nursing in St. Catharines in 1977 and trained in hospitals throughout the Niagara region.

During her career Kim has worked for the Nurses Registry in Niagara, local nursing homes, the Lakeside Camp for Crippled Children in Port Colborne, the Hospital for Sick Children in Toronto and presently in the ER of the Hotel Dieu Hospital in St. Catharines.

Today I would like to recognize Kim's unwavering commitment to the Niagara Health Coalition, where she works under the coordination of the Ontario Health Coalition that is fighting to defend our medicare system.

Kim strongly supports the recommendations of the Romanow Commission. Over the 26 years that Kim has been a registered nurse, she has worked tirelessly to defend what many of us take for granted.

I thank Kim for her continuing hard work and dedication.

\* \* \*

● (1415)

**NATIONAL DEFENCE**

**Mrs. Cheryl Gallant (Renfrew—Nipissing—Pembroke, Canadian Alliance):** Mr. Speaker, the decision to expand the JTF2 anti-terrorism training base in suburban Ottawa without a proper environmental assessment, proper consultation and an offer of fair compensation to local residents smears the reputation of the Canadian military.



*Oral Questions*

Given that the local residents do not want the military base in their residential neighbourhood, nor do they want their land expropriated, why has the government not given serious thought to moving the JTF2 to possibly Base Petawawa? As the helicopters that fly the JTF2 come from Base Petawawa, response times and operational efficiency in some cases may be improved.

The town of Petawawa and the entire upper Ottawa Valley extend a warm welcome to soldiers and their dependants. We have the community support in place to comfort the families during the long absences that mark the career of a JTF2 soldier. JTF2 soldiers will feel right at home immediately, as they currently train in Base Petawawa.

Why has the government not given proper consideration to bringing JTF2 and Base Petawawa together for all the right reasons?

\* \* \*

**IRAQ**

**Ms. Anita Neville (Winnipeg South Centre, Lib.):** Mr. Speaker, this weekend we witnessed a remarkable outpouring of public concern over the prospect of war in Iraq. We all recognize that questions of war and peace rarely are to be settled by opinion polls, marches and rallies. However the millions of people who marched this weekend in all parts of the world sent a very powerful message to their governments. That message, I believe, is that all reasonable means to resolve the Iraqi question without resorting to war have not been exhausted.

On the question of Iraq possessing weapons of mass destruction or the capacity to produce them, the case today remains substantially unproved. Dr. Blix made this point on Friday. As noted, the absence of evidence does not prove there are none, but the absence of evidence does not prove their presence.

Compliance is the issue. There are many signs that the pressure on Saddam is forcing him to react. The pressure, not ruling out the possibility of war if the evidence is there, should be maintained, but war now continues to be extremely hard to justify.

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## ORAL QUESTION PERIOD

[English]

**TAXATION**

**Mr. Stephen Harper (Leader of the Opposition, Canadian Alliance):** Mr. Speaker, tomorrow once again the government will reveal that it is hiding away surpluses by overtaxing Canadians. One way it does this is through the GST which is bringing in now a record \$30 billion. It is still a regressive tax. It is still costly for the government and business to administer.

When will this government finally bring Canadians some real tax relief by lowering the rate of the GST?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, we have a program that is in its third year of reducing the taxes of Canadians by \$100 billion over five years.

While we have reduced taxes, we have managed to have surpluses over the last five years. This is the sixth year in a row that we will

have a surplus. We have the best situation in employment that we have had in years. We have low interest rates. Canadians have confidence, and there will be even more confidence tomorrow night.

**Mr. Stephen Harper (Leader of the Opposition, Canadian Alliance):** Mr. Speaker, with CPP increases, air taxes, gas taxes and record GST revenue, Canadians could be forgiven for not noticing those tax cuts.

At a time when we have revelation of undisclosed GST fraud that has gone on for years, why will the government not commit to offer real tax relief, reduction of the GST to Canadian families and workers?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, if we have \$30 billion of revenue from the GST, it is because the economy is performing very well.

I remember when we started, the type of taxes to the government were about \$18 billion. However because we have a good tax system, because we have created jobs and confidence in the Canadian economy, the revenues from GST have gone from \$18 billion to \$30 billion in a few years. That is not bad.

**Mr. Stephen Harper (Leader of the Opposition, Canadian Alliance):** Mr. Speaker, the Prime Minister, the former finance minister and the heritage minister used to say that they would kill, scrap and abolish the GST. Now they brag about it.

[Translation]

Mr. Speaker, this government took power on its promise to abolish the GST. The GST is bad for low and middle income families. It is a bad tax for Canadians in general.

When is this government going to give Canadian families and workers a reduction in the GST?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, we have done what we promised, namely to harmonize the goods and services tax with the provincial governments' sales tax. This tax was a replacement for the tax on manufactured goods.

It was a matter of replacing one tax by another, and now here we are with an economy that is working well. We receive these taxes and are enabled as a result to reduce others. For instance, last week we were able to invest \$35 billion, in connection with an agreement with the provincial governments on—

● (1420)

**The Speaker:** The hon. member for Peace River.

[English]

**Mr. Charlie Penson (Peace River, Canadian Alliance):** Mr. Speaker, it sounds like this government is becoming just like the Conservative government before it, in being hooked on the GST. That is what is happening.

The capital tax discourages innovation and investment and the finance minister knows that it is a bad tax for Canada. His predecessor also knew it was a bad tax, but he chose to keep it going even though it was supposed to be a temporary tax to reduce the deficit.

*Oral Questions*

Will the Minister of Finance do the right thing and axe the capital tax?

**Mr. Bryon Wilfert (Parliamentary Secretary to the Minister of Finance, Lib.):** Mr. Speaker, in case the member has been asleep, I remind him that tomorrow at four o'clock in here a budget will be delivered by the Minister of Finance.

**Mr. Charlie Penson (Peace River, Canadian Alliance):** Mr. Speaker, I thank him for that information. I guess if I am sleepy, he is dopey.

The former minister of finance increased spending on the federal bureaucracy, excluding defence, by \$7.4 billion. On the other hand, health care and other transfers were only increased by \$4.5 billion.

Why is this government spending more money on bureaucracy than it is on health care?

**Mr. Bryon Wilfert (Parliamentary Secretary to the Minister of Finance, Lib.):** Mr. Speaker, I realize the members on the other side are more used to being in *Alice in Wonderland* than they are in reality.

That is the party which on any given day asks us to raise taxes and says to spend more money, \$3 billion, and on another day says to cut by \$4 billion.

The reality is that, as the Prime Minister indicated today, we are reducing taxes. We are investing in Canadians. The record speaks for itself.

\* \* \*

[Translation]

**IRAQ**

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, 10 million people throughout the world, including 170,000 in Quebec, demonstrated to say no to war, yes to peace, yes to diplomacy and yes to the peaceful disarmament of Iraq.

Unfortunately, while citizens took to the streets to indicate their opposition to conflict, the Bush administration continued down its warpath. Colin Powell declared that the United States is ready to act with a coalition of the willing.

Will the Prime Minister finally listen to the public and clearly say that Canada will not take part in this coalition of the willing?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, Canada's position has been firmly established. I explained it clearly on Thursday in Chicago. The United Nations must continue to do the work that is required under these circumstances.

I do believe a new resolution will be submitted to the Security Council this week or next. We will see what decision the Security Council makes. We will make up our mind once the Security Council's opinion is known and not before we have all the facts.

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, there are a few things we know. For instance, we know that the United States, through Ms. Rice, has said, "enough is enough", and that it will move forward with or without the UN, with other countries that are willing.

Again, will the Prime Minister tell the U.S. clearly that we will never take part in such a coalition of the willing for the purpose of waging an illegitimate, illegal, and immoral war?

That is what I want an answer to.

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, resolution 1441 is the legal document that is currently before the Security Council. The inspectors are doing their work. Mr. Blix submitted a report last week and said the situation had improved.

We hope that diplomacy and the inspectors will continue to work. We, as Canadians, encourage everyone to respect the United Nations parameters, which have served the world so well until now.

● (1425)

**Ms. Francine Lalonde (Mercier, BQ):** Mr. Speaker, on Friday the Minister of Foreign Affairs said that Canada would be making its own decision.

If the Canadian government wants to affirm its independence, is it prepared to tell our neighbour not to count on us as willing allies in an illegitimate war outside the framework of the United Nations?

**Hon. Bill Graham (Minister of Foreign Affairs, Lib.):** Mr. Speaker, I believe that the Prime Minister carried a message from Canada to Chicago last Thursday. He made it clear that not just Canada, but the United States and the world as a whole, are well served by remaining within the framework of resolution 1441, or in another words on the path chosen by the Security Council, which this government continues to support.

**Ms. Francine Lalonde (Mercier, BQ):** Mr. Speaker, in reaction to the outpouring of public opinion in Italy, a spokesperson for the Italian government, which is very close to President Bush, has said that there is no longer any question of intervening in Iraq without the unequivocal support of the United Nations.

Is Canada going to take a clear stand on Iraq instead of trying to keep all doors open? The responses given so far leave all the doors still open. Is the government not making itself an object of international ridicule and weakening its influence?

**Hon. Bill Graham (Minister of Foreign Affairs, Lib.):** Mr. Speaker, in examining the facts, it is very much my impression that the Prime Minister of Italy is the one coming around to our Prime Minister's position, and not the opposite.

This is the outcome of this government's untiring efforts, which have consistently promoted one approach since the beginning of this crisis.

[English]

**Mr. Bill Blaikie (Winnipeg—Transcona, NDP):** Mr. Speaker, my question is for the Prime Minister.

The Prime Minister now has the benefit of the Blix report. He has the benefit of hearing from millions of Canadians and people all around the world standing for peace on Saturday.

I wonder if the Prime Minister could finally tell the House what exactly is the Canadian position. Will the Prime Minister tell the House today that Canada will not support a UN sponsored resolution authorizing a war on Iraq?

*Oral Questions*

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, we are not like the members of the NDP who say they will never ever follow their responsibilities as citizens of the world. There might be circumstances, if there was a request of the UN, that Canada will have to intervene somewhere. If we were asked we would, but at this moment we have been asked neither by the UN nor by the United States to participate in an offensive in Iraq. We do not want to reply to hypothetical questions. Our course still is and remains the rules of the UN.

**Mr. Bill Blaikie (Winnipeg—Transcona, NDP):** Mr. Speaker, this is not a hypothetical question in the usual procedural sense. Canadians have a right to know whether the Prime Minister is willing to support a U.S. sponsored resolution at the Security Council calling for a war on Iraq before Mr. Blix or anyone else is satisfied that the weapons inspection process has been completed. Is that the position of the government or is it not?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, the leader of the NDP does not even know if there will be a resolution proposed by the United States. I cannot reply about a resolution that does not exist yet. Perhaps we should see the resolution before we make a decision. That in my judgment would be what we are supposed to do.

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## ETHICS

**Right Hon. Joe Clark (Calgary Centre, PC):** Mr. Speaker, my question which is for the Prime Minister is about the so-called blind trusts for ministers.

The ethics counsellor has revealed that the former Minister of Finance, the member for LaSalle—Émard, was allowed to receive regular updates about major new ventures by Canada Steamship Lines. That is a company in which the then minister has an ownership position and which is regularly affected by the laws, regulations and policies of the government.

How is that a blind trust? Why did the Prime Minister give the member for LaSalle—Émard these giant loopholes?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, there was no giant loophole. I was not aware of any of these so-called accusations that are being made at this time. I always defended the Minister of Finance at that time. He was an honourable citizen serving us well. He is not a cabinet minister at the moment. He left the cabinet some time ago. Not being in cabinet, there is nothing I can say at the moment because he is not my responsibility as a cabinet minister any more.

● (1430)

**Right Hon. Joe Clark (Calgary Centre, PC):** Mr. Speaker, my question is for the Minister of Natural Resources.

The Minister of Natural Resources has substantial holdings currently in a blind trust. Does he have an agreement that allows him to meet regularly with his trustee and/or company officials to discuss new business ventures?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, that question is completely out of order. This has nothing to do with the responsibilities of the Minister of Natural Resources. I know that

the Minister of Natural Resources has always conducted himself in a very honourable way, always following the guidelines.

In fact, perhaps I could pay him a special tribute because he wanted to make sure that he followed all the guidelines. I offered that he come to cabinet in 1993 and he asked to stay out until all his papers and interests were in order. He should be complimented for that.

\* \* \*

## NATIONAL DEFENCE

**Mr. Leon Benoit (Lakeland, Canadian Alliance):** Mr. Speaker, on Friday, General Ross, the head of international security policy for the Canadian military, reportedly offered his resignation because of the government's decision to send troops back to Afghanistan. The government should always ask military leaders whether a mission is manageable, but the head of the army learned of the decision to send troops into Afghanistan only minutes before the minister announced his decision.

Why did the government leave our top military leaders out of the loop when it came to a decision to send our troops into harm's way?

**Hon. John McCallum (Minister of National Defence, Lib.):** Mr. Speaker, I know from firsthand experience and also by his reputation that General Ross is a fine soldier. However, the hon. member's allegation is entirely false because it was the military itself that developed the proposal that we adopted. It developed that some weeks before the announcement and presented it to me. That was what the government indeed announced. It could hardly be the case that the military was out of the loop when it created the proposal.

**Mr. Leon Benoit (Lakeland, Canadian Alliance):** Mr. Speaker, the question was why the military leaders were only informed just minutes before the decision was announced in the House. Decisions that risk the lives of Canadian troops should never be made for partisan political reasons and should be made only with the advice of military experts. When it comes to the decision to send our troops to Afghanistan, the government is treating them like a political football instead of properly consulting military leaders.

Why has the government made such an important decision to send our troops into harm's way with only minutes of notice to our top military leadership?

**Hon. John McCallum (Minister of National Defence, Lib.):** Mr. Speaker, I think the member prepared the second question before hearing my answer.

The fact of the matter is that the plan had been developed weeks ago.

However, I would draw the attention of the House to the member's own statement to the effect that the mission in Afghanistan is a second tier mission. I would question that. When we are coming to the aid of the beleaguered country of Afghanistan, when we are indicating our support for the continuing struggle against terrorism, when all our allies are backing this decision, when it is something of which Canadians will be proud, it is not a second tier mission.

*Oral Questions*

[Translation]

**IRAQ**

**Mr. Claude Bachand (Saint-Jean, BQ):** Mr. Speaker, the minister is flip flopping so much on Iraq that in the end, anything is possible. Canada's position is a hodge-podge that the minister is using to appease both the United States and those working for peace.

Does the minister not realize that with Canada behaving like a chameleon depending on whom it is talking to, it is not contributing at all to solving the situation in Iraq?

**Hon. Bill Graham (Minister of Foreign Affairs, Lib.):** Mr. Speaker, on the contrary, we have contributed to a solution that is fully in line with Canada's initial position in this matter, to the effect that this is a matter that requires the active participation of the Security Council as an instrument chosen by the world to manage this type of dangerous crisis.

That is the current situation. It is resolution 1441 that establishes the parameters under which we must act. Our position will remain unchanged.

Mr. Blix has given his testimony. We know where we stand. The Security Council will assume its responsibility and Canada has always supported this.

**Mr. Claude Bachand (Saint-Jean, BQ):** Mr. Speaker, the people in the streets on Saturday sent an unequivocal message for peace, and they demand that the Government of Canada send a similar message.

Will the government announce that it refuses, under any circumstances, to participate in a unilateral intervention against Iraq by the United States? That is what we want from the government.

• (1435)

**Hon. Bill Graham (Minister of Foreign Affairs, Lib.):** Mr. Speaker, our government is taking action. The Prime Minister spent the entire weekend on the phone with his counterparts across the world to come up with the compromise needed so that the Security Council can help us come out of this crisis with the UN strengthened, with our ability to make peace strengthened, and to prevent this situation from escalating to war.

This is what we have been doing. This is serious work, not like what others have been doing.

\* \* \*

[English]

**NATIONAL DEFENCE**

**Miss Deborah Grey (Edmonton North, Canadian Alliance):** Mr. Speaker, last year the government had to pull back our soldiers from a mission to Afghanistan because we could not even sustain a commitment of 800-plus troops for six months. Now in order for the Prime Minister to avoid a pretty sticky international pickle, it has promised a new Canadian commitment to Afghanistan requiring a rumoured 1,000-plus troops for a full year.

My math may not be the greatest but I would like the government to figure this out. If we could not sustain 800-plus troops for half a year, how in the world can we sustain 1,000-plus troops for a full year?

**Hon. John McCallum (Minister of National Defence, Lib.):** Mr. Speaker, when we withdrew our soldiers from Afghanistan we still had, and we still have, air and naval forces there. We also said at the time that we may return to Afghanistan at some future date, which is precisely what we announced this week.

As I said earlier in answer to a question from the hon. member's colleague, this was a military plan. I had discussed it with the military for a matter of weeks. It came from the military. It is clear we are able to sustain this mission. The military said it was feasible, the government announced it and it will be done.

**Miss Deborah Grey (Edmonton North, Canadian Alliance):** Mr. Speaker, it is one thing to assume that key military planners were in on planning and obviously let us hope that the minister would do that, but who has any idea whether they were actually in on any decision? The chief of the land staff apparently was advised of the decision only five minutes before it was released to the press. This is ludicrous. We know that members of our military are nervous. They do a tremendous job, but they are certainly wondering who is minding the store.

Regardless of whether the military was actually in on the planning, why does the government think that it can have surprise announcements like this when the Auditor General has said so many times that Parliament is kept in the dark. Obviously not—

**The Speaker:** The hon. Minister of National Defence.

**Hon. John McCallum (Minister of National Defence, Lib.):** Mr. Speaker, I do not know why I have to answer the same question so many different times. The fact is that the military plan was devised weeks ago.

The other point that everybody in the army understands but perhaps the hon. member does not, is that ultimately in a democracy it is not the army that decides where the army will go. It is the democratically elected government acting on the military advice of the military that makes that decision, and that is precisely what we did.

\* \* \*

[Translation]

**GASOLINE PRICES**

**Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ):** Mr. Speaker, the Minister of Industry refuses to order an investigation into the increase in gasoline prices.

Because of his inaction, the Bloc Québécois has decided to use the parliamentary means at its disposal. Therefore, I have presented a motion to compel the oil and gas companies to appear before the Standing Committee on Industry.

Will the government tell its committee members to support the Bloc in voting in favour of a resolution to compel the oil and gas companies to testify about their actions with regard to the huge spike in gasoline prices?

*Oral Questions*

**Hon. Allan Rock (Minister of Industry, Lib.):** Mr. Speaker, I am very happy that the committee has decided to investigate this important matter. But the reality is that the hon. member's complaint relates to retail gasoline prices in the provinces.

As I indicated last week, the provinces have jurisdiction over regulating these prices. So, investigate in the committees, but stay out of the provinces' jurisdiction.

**Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ):** Mr. Speaker, as far as I can tell, the Minister of Industry is still refusing to order an investigation into the collusion among oil and gas companies, I repeat, the collusion among oil and gas companies. People have the right to know if the government intends to support the Bloc Québécois' initiative.

Will government members on the committee be told to compel the oil and gas companies to appear before the committee and explain their actions, yes or no?

• (1440)

**Hon. Allan Rock (Minister of Industry, Lib.):** Mr. Speaker, the Competition Bureau has investigated the actions of the oil and gas companies on several occasions in the past. If the hon. member has testimony that should be considered, he should let me know.

In reality, the problem of retail prices raised by the member is a provincial responsibility. The provinces are responsible for regulating prices. That is why I suggest that the hon. member speak with representatives of the Province of Quebec.

\* \* \*

[English]

**NATIONAL SECURITY**

**Mr. James Moore (Port Moody—Coquitlam—Port Coquitlam, Canadian Alliance):** Mr. Speaker, an audit of Transport Canada found that up to 5,000 confidential documents related to air security and national security were posted on an open database. Now the Liberal government is asking for more information for its insecure database, such as passport numbers, credit card information and other sensitive data.

Why should the public trust the Liberal government with their personal data when it already has shown its total incompetence in securing it?

**Hon. David Collenette (Minister of Transport, Lib.):** Mr. Speaker, the hon. member is correct in terms of the information that was inappropriately put on the website. An internal audit of Transport Canada caught the error and we have been assured that no security damage was done. I think the hon. member should be congratulating the department for actually catching an error and making a remedial action.

**Mr. James Moore (Port Moody—Coquitlam—Port Coquitlam, Canadian Alliance):** Mr. Speaker, it was on the Internet. It used to be that passengers only had to worry about losing their bags. Now they have to worry about losing their identities.

The computer database was leaking like a sieve for a long time before the minister and his transport department finally fixed it. Now they are still asking for more information to put into the database.

If the transport minister really wants to take action, what he could do is offer amendments to his Bill C-17, which asks for all kinds of information to be put into an insecure database, and make sure that the database is secure before asking Canadians to trust the government with their most personal information when it has shown complete incompetence in terms of securing it.

**Hon. David Collenette (Minister of Transport, Lib.):** Mr. Speaker, the hon. member is, inadvertently I am sure, misleading the House in mixing up the issue of the inappropriate information on the website from Transport Canada and Bill C-17.

Appropriate safeguards for personal information have been incorporated into Bill C-17. If the hon. member is still dissatisfied, he has the opportunity at committee to try to convince us to put forward amendments.

\* \* \*

[Translation]

**OFFICIAL LANGUAGES**

**Mr. Mauril Bélanger (Ottawa—Vanier, Lib.):** Mr. Speaker, at the Prime Minister's request, the Minister of Intergovernmental Affairs has been preparing an action plan to renew official languages in Canada for some time now. This has included consultations with official language communities, members of the House of Commons, senators, ministers, and the provinces, and I commend him on his work. However, we want to see this plan. He has said he would reveal the content of it after the budget is brought down.

Since this is the day before the budget, can the minister tell us if he has set a date for releasing his action plan?

[English]

**Hon. Stéphane Dion (President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.):** Mr. Speaker, in her last annual report the Commissioner of Official Languages said that she was pleased with the government's increased investment in the two official languages of our country during the last year. However she correctly pointed out that the government must now take the forum of a strong action plan.

[Translation]

I am able to announce that the action plan for the renewal of Canada's official languages will be released in the national capital on March 12, by the Right Hon. Prime Minister of Canada.

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[English]

**FINANCE**

**Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP):** Mr. Speaker, in the last three years the Liberals have been off in their projection of the surplus by \$32.2 billion. Since taking office they have missed the mark by \$80 billion.

It is a giant shell game that hides the real choices facing Canadians. Now the TD Bank is projecting a surplus of some \$34.9 billion over the next three years.

*Oral Questions*

My question is for the acting Prime Minister. Will the government come clean with Canadians tomorrow and stop hiding billions of dollars in surplus?

**Mr. Bryon Wilfert (Parliamentary Secretary to the Minister of Finance, Lib.):** Mr. Speaker, I totally reject the comment about coming clean. The government in fact is the envy of the industrialized world in terms of how people are back to work now. We have had five consecutive budget surpluses or better. We are the only G-7 paying down the national debt. We are in very good financial shape.

To suggest that somehow we are playing shell games, I do not know where she is coming from but I know we are dealing with reality over here.

\* \* \*

**HEALTH**

**Mr. Svend Robinson (Burnaby—Douglas, NDP):** Mr. Speaker, my supplementary is for the Minister of Health.

On Thursday morning the Prime Minister will meet with territorial premiers on the issue of the northern health care crisis. I want to ask the Minister of Health whether the Prime Minister will finally listen to northerners, to Roy Romanow and to every provincial premier and agree to a territorial health care fund of one-half percent per territory of total new health care funding in the accord in addition to per capita funding.

If the government can come up with over \$60 million to give a tax write-off to the Ottawa Senators, surely it can do nothing less for the desperate health care needs of northern Canadians. Will it come up with—

• (1445)

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

**Hon. Anne McLellan (Minister of Health, Lib.):** Mr. Speaker, I have no doubt that the Prime Minister will listen intently to the views of the three territorial leaders who are, in fact, with us this afternoon.

In fact, as has often been referenced in the House, we on the government side are all aware of the unique health challenges that are faced by those who live in the north. I look forward to the meeting that the Prime Minister will have with the three territorial leaders because I know working together—

**The Speaker:** The hon. member for South Shore.

\* \* \*

**NATIONAL SECURITY**

**Mr. Gerald Keddy (South Shore, PC):** Mr. Speaker, Transport Canada posted some 5,000 confidential documents on a non-encrypted database open to hackers. These files included secret documents on airport security, national security as well as cabinet discussions.

How can the minister stand in the House and ensure the safety and security of Canadian travellers and travel?

**Hon. David Collette (Minister of Transport, Lib.):** Mr. Speaker, I think I just answered the question. Once the breach was found through an internal audit on the internal system we dealt with

it. Officials have assured me that there has been no breach of security.

**Mr. Bill Casey (Cumberland—Colchester, PC):** Mr. Speaker, last week Transport Canada ran an ad for intelligence officers. The ad read, "to coordinate intelligence among various agencies at different levels of government".

This week the same Transport Canada accidentally released 5,000 secret documents.

Canadians do not have a clue who is in charge of Canada's security. They have not been given instructions on what to do in an emergency or even been given one update on Canada's security system.

Who is in charge of coordinating Canadian security: Transport Canada, CSIS or Parks Canada?

**Hon. Wayne Easter (Solicitor General of Canada, Lib.):** Mr. Speaker, the member can be absolutely assured that the Government of Canada is in charge of security in this country. I am responsible for national security within this country. We have been making great progress in terms of our relations with the United States.

Canadians should be able to feel absolutely confident that Canada, through CSIS, the RCMP and through its co-operation with other agencies, is among the best in the world in dealing with security threats to this country and around the world.

\* \* \*

**GOVERNMENT LOANS**

**Mr. James Rajotte (Edmonton Southwest, Canadian Alliance):** Mr. Speaker, Export Development Canada has a massive outstanding loan portfolio to two companies, Nortel and Bombardier. The total amount outstanding to these two companies is \$10 billion.

Over the weekend it was revealed that the Liberal government added to that total with a \$1 billion loan guarantee to Nortel.

With taxpayers already on the hook for \$10 billion in guarantees, why did the government commit to another \$1 billion of corporate welfare?

**Hon. Pierre Pettigrew (Minister for International Trade, Lib.):** Mr. Speaker, I understand that EDC has agreed to provide Nortel cover for bonds secured against assets in support of future transactions. It is well within EDC's commercial mandate to provide trade finance services for Canadian exporters and investors. EDC is a financially self-sustaining crown corporation that has made money every year since 1944 with the exception of one year.

**Mr. James Rajotte (Edmonton Southwest, Canadian Alliance):** Mr. Speaker, that is absolute nonsense. Over 50% of EDC's loans were for the purchase of two companies. No private sector institution would ever do that.

Corporate welfare takes away from our health care, our military and our basic services of government. When the lion's share of taxpayer dollars go to two large corporations, it harms our competitive market. EDC puts billions of taxpayer dollars at risk. This must be changed.

Will the minister today make EDC more accountable to Canadians and publish a list of loans and loan guarantees, including the amount repaid to taxpayers?

• (1450)

**Hon. Pierre Pettigrew (Minister for International Trade, Lib.):** Mr. Speaker, EDC has been doing a fantastic job supporting Canadian exporters. Ninety per cent of its clients are small and medium sized enterprises.

The government will not take advice from an Alliance Party that prefers to support Embraer against Bombardier before the WTO by giving it information and supporting it. This is a government that stands by all Canadian exporters, small, medium and large sized enterprises.

\* \* \*

[Translation]

#### AGRICULTURE

**Mr. Odina Desrochers (Lotbinière—L'Érable, BQ):** Mr. Speaker, the federal government is using the strategic plan on agriculture to establish national standards for the agricultural support program from coast to coast.

The Prime Minister recently wrote to the President of the Canadian Federation of Agriculture, and I quote:

The current approach is irreconcilable with the principle by which all Canadians are equal, regardless of where they live in the country.

How can the government justify to Quebec's farmers the fact that it is destroying all of the agricultural programs that have worked for 30 years because the Prime Minister wants to standardize support programs from coast to coast? Everyone is treated the same, is that the price they have to pay to be Canadian?

[English]

**Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.):** Mr. Speaker, I could not agree more, Canadians are Canadians no matter where they live, which is precisely why, during the federal-provincial ministers' meeting in June 2002, the province of Quebec agreed that we should have national standards for business risk management for Canadian farmers from coast to coast to coast. We also should have national standards but with flexibility in how they are delivered within the provinces for such areas as food safety, environment and that type of thing so we can ensure, for trade reasons and equitability, that Canadians are Canadians no matter where they live.

[Translation]

**Mr. Odina Desrochers (Lotbinière—L'Érable, BQ):** Mr. Speaker, how can the Prime Minister be so dogmatic and destroy programs that have proven effective for 30 years, instead of accepting that agriculture, which is different from one province to the next, requires different and appropriate support programs?

[English]

**Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.):** Mr. Speaker, we are working with the province of Quebec, and, I think, very successfully, in showing, with the designs, that every farmer is treated the same in the business risk management area and that Quebec producers will be better served. Quite frankly,

#### Oral Questions

the Quebec government, because it does decide from its provincial perspective to spend more on its agricultural support than other provinces, will be at liberty to do so and it will have even more money left over to do that than it had in the past. We will have a win-win situation for Quebec farmers.

\* \* \*

#### NATIONAL DEFENCE

**Mr. Art Hanger (Calgary Northeast, Canadian Alliance):** Mr. Speaker, changes to the Canadian Forces insurance plan will provide unreduced lump sum payments to soldiers who suffer accidental dismemberment while in the line of duty.

Retired Major Bruce Henwood lost both of his legs in 1995 while serving in Croatia and did not receive one nickel in compensation. The minister is very much aware of this case and stated that he is working on the retroactivity section of the proposal.

My question to the minister is, when will soldiers like Major Henwood receive lump sum payments for their injuries?

**Hon. John McCallum (Minister of National Defence, Lib.):** Mr. Speaker, as I said before, when I first came into this job and I heard through the media about Major Henwood's experience it made an important impression upon me. I have worked since that time to resolve this obvious anomaly whereby, if one loses legs or arms, one gets the money, but only if one is a colonel or a general. That seemed clearly wrong.

It takes some time in defence to change things. We have already made that change. Looking forward, I am still working on the retroactivity section of the problem.

**Mr. Art Hanger (Calgary Northeast, Canadian Alliance):** The cheque is in the mail, Mr. Speaker. That is the response from the government thus far.

Colonels and generals who suffer dismemberment definitely receive a lump sum payment while soldiers on the front line receive little or nothing.

Why would the minister want to allow this double standard to exist in the first place and when will he fix it?

**Hon. John McCallum (Minister of National Defence, Lib.):** Mr. Speaker, the essence of my answer is that I do not want this double standard to continue. That is precisely why I addressed the issue and why we have changed this so that there is no double standard.

There is a single standard for all members of the Canadian Forces, irrespective of rank. It takes time to move things in government, I am discovering. We have not yet solved the retroactivity section of the issue, but we are working on it.

*Oral Questions*

●(1455)

**VETERANS AFFAIRS**

**Mr. Carmen Provenzano (Sault Ste. Marie, Lib.):** Mr. Speaker, last June the Government of Canada announced its goodwill offer response to the grievances of first nations veterans who returned to reserves after the war. I understand the deadline for applications was February 15, just this past Saturday.

Will the Minister of Veterans Affairs inform the House what response was received to this offer and what are the government's next steps?

**Hon. Rey Pagtakhan (Minister of Veterans Affairs and Secretary of State (Science, Research and Development), Lib.):** Mr. Speaker, the response was overwhelming. Close to 2,000 applications were received out of the estimated 1,800. They are being processed with diligence and speed. As soon as they are completed offers of payment with a request for a waiver will be sent to eligible veterans. Upon receipt of the completed acceptance, the cheques will be mailed to them as promptly as possible.

\* \* \*

**ETHICS**

**Mr. Stephen Harper (Leader of the Opposition, Canadian Alliance):** Mr. Speaker, earlier in question period the Prime Minister received an important question about the operation of blind trusts which he did not answer.

I want to ask the government this question again. Is it true that the blind trust rules of the government allow ministers, while in cabinet, to receive regular private briefings about the business of companies they own?

**Hon. David Collenette (Minister of Transport, Lib.):** Mr. Speaker, unfortunately the Prime Minister had to leave question period. I will certainly take notice of the hon. member's question and we will get an answer for him.

**Mr. Stephen Harper (Leader of the Opposition, Canadian Alliance):** Mr. Speaker, this man is a minister of the cabinet. He should know the answer to the question. A blind trust should also be a deaf trust.

Is it conceivably true that the former finance minister knew about the dealings of Canada Steamship Lines in Indonesia?

**Hon. David Collenette (Minister of Transport, Lib.):** Mr. Speaker, these are prime ministerial guidelines and the Prime Minister will answer for those guidelines in the House when he is next in the House.

\* \* \*

[Translation]

**SEAL HUNT**

**Mr. Jean-Yves Roy (Matapédia—Matane, BQ):** Mr. Speaker, since the fall of 1999, the federal government has worked with the American authorities in order to authorize seal product imports. These negotiations have been dragging on, and this situation is harming the seal industry in Quebec and the Maritimes.

What does the Minister for International Trade intend to do to exert the necessary pressure to speed up and finalize the negotiations?

**Hon. Pierre Pettigrew (Minister for International Trade, Lib.):** Mr. Speaker, my colleague, the Minister for the Environment, and I have been following this issue very closely with regard to American legislation. We continue to monitor the situation and pressure Washington regularly to defend our interests.

\* \* \*

[English]

**FOREIGN AFFAIRS**

**Mrs. Betty Hinton (Kamloops, Thompson and Highland Valleys, Canadian Alliance):** Mr. Speaker, I currently have 49 constituents waiting for their passports, some for as long as four months. The average wait time is more than 40 working days regardless of what the minister's office, the 1-800 number, or any letters from the minister may claim. Since the beginning of January my office has had over 200 calls from people needing help.

If the minister cannot resolve a passport issue, how can I trust him to resolve the Iraq situation?

**Hon. Bill Graham (Minister of Foreign Affairs, Lib.):** Mr. Speaker, as I have responded to questions in the House before, I quite concede the fact that the delays in receiving passports have been long.

They are the result of an extraordinary increase in the numbers of passports requested. The delays are increased as well because of security measures which we have had to take to ensure the integrity of a passport document which is one of the most important documents that Canadians have when they travel abroad.

I assure the hon. member that we are taking steps to reduce the timelines and I hope that within the next couple of weeks we will be able to get this down to a much more reasonable delay.

\* \* \*

[Translation]

**EMPLOYMENT INSURANCE**

**Mr. Sébastien Gagnon (Lac-Saint-Jean—Saguenay, BQ):** Mr. Speaker, since the Employment Insurance Act does not adequately respond to what is happening in the workplace, several employers have resorted to accumulating hours worked in order to extend the number of insurable weeks worked.

The Minister for Human Resources Development Canada is aware that the Employment Insurance Act gives her the opportunity to create pilot projects. As she did in the short weeks case, could the minister not launch a pilot project that would allow employees and employers to accumulate hours worked legally?

[English]

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, let me take this opportunity to remind the new member of the things that we have done to change the Employment Insurance Act that have been beneficial to seasonal workers.



We went to an hours based system and repealed the intensity regulation. We made the small weeks pilot projects a permanent piece of the employment insurance system.

The hon. member is right. We are working at the community level in many places in Quebec and New Brunswick with employers and individuals to do what Canadians really want, which is to create more work for them.

\* \* \*

• (1500)

### AGRICULTURE

**Mr. Dick Proctor (Palliser, NDP):** Mr. Speaker, whether they sell their produce through the Wheat Board or supply management, the draft proposals released last week by the chair of the WTO agricultural panel spell even more problems ahead for Canadian agriculture producers.

Moreover the chair's proposal on export subsidies will force Canadian farmers to wait another nine years for the United States and Europe to eliminate their trade distorting largesse.

In light of these bad news proposals, will the Minister of Agriculture and Agri-Food advise the House and Canadian farmers how the government intends to protect Canadian agriculture in the future?

**Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.):** Mr. Speaker, I want to thank the hon. member for accompanying my colleague, the Minister for International Trade, and I to the WTO ministerial in Tokyo in the past few days. We were not happy with Harbinson's initial draft report.

I can assure the hon. member and all farmers that the government will continue to vigorously support the initial negotiating position that we have put forward in the agricultural trade negotiation talks on behalf of all sectors of our Canadian agriculture.

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### ETHICS

**Right Hon. Joe Clark (Calgary Centre, PC):** Mr. Speaker, my question is for the acting Prime Minister. I noted the acting Prime Minister indicated that the Prime Minister was called out of the House for urgent and unexpected reasons.

Would the acting Prime Minister indicate to the House whether the Prime Minister would be prepared to come back today and make a statement on motions outlining the policy regarding blind trusts and whether or not ministers of the Crown are allowed to meet regularly to be brought up to date on new ventures being considered by companies held in blind trusts?

**Hon. David Collenette (Minister of Transport, Lib.):** Mr. Speaker, the right hon. member knows full well that the Prime Minister attends question period regularly. He will be back later in the week and I am sure he will entertain that question.

### Speaker's Ruling

#### PRESENCE IN GALLERY

**The Speaker:** I draw the attention of hon. members to the presence in the gallery of the Hon. Stephen Kakfwi, Premier of the Northwest Territories and the Hon. Paul Okalik, Premier of Nunavut.

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

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#### PRIVILEGE

##### FIREARMS PROGRAM—SPEAKER'S RULING

**The Speaker:** I am now prepared to rule on the question of privilege raised on February 12, 2003, by the hon. member for Sarnia—Lambton concerning management of the Canadian firearms program.

I would like to thank the hon. member for Sarnia—Lambton for having raised this question as well as the hon. members for Yorkton—Melville, Vancouver East, and Pictou—Antigonish—Guysborough, as well as the hon. government House leader and the hon. House leader of the official opposition for their comments.

In raising this question of privilege, the hon. member for Sarnia—Lambton referred to a question posed by the hon. member for Huron—Bruce during the oral question period on February 11, 2003, concerning the funding of the firearms registration program. The hon. member for Sarnia—Lambton took exception to the reply of the hon. Minister of Justice that, he said, "...reveals [the minister's] failure to accept that the House reduced to zero his estimates on December 5..."

The minister's response, as recorded at page 3424 of *Debates* of February 11, 2003, is as follows:

Mr. Speaker, up until the approval of the supplementary estimates, we were moving with what we call cash management. We said that before Christmas. The program is running at minimum cost but we are able to fulfill our duty.

Of course it is a short term solution and we are sure that the House will support gun control and will support public safety when we vote on the supplementary estimates.

The hon. member for Sarnia—Lambton alleges that the minister's response indicates that the minister is ignoring an order made by the House on December 5, 2002, and, in so doing, is breaching the privileges of the House in regard to its control of the public purse.

The member further contends that the House both refused funding for the firearms registry and indicated that no more money was to be devoted to that program.

• (1505)

[*Translation*]

Several other members expressed considerable interest in how the program is currently being funded, given the decision of the House on December 5. The hon. government House leader, in his intervention, pointed out that the firearms registry continues to exist as a program established by statute and that no decision has been made by the House to alter that fact. He insisted that:

—the estimates were reduced at the request of the minister. It is at the request of the minister that the amounts were reduced—

and that this reduction:

*Speaker's Ruling*

—is the amount of an increase in a supplementary estimate and nothing else.

[English]

In short, the gist of the argument presented by the hon. government House leader, a point to which I will return shortly, is that the sum removed from supplementary estimates (A) represented only funds that would have been added to the initial funding provided in the main estimates for the Canadian firearms program for this fiscal year.

The hon. House leader of the official opposition noted that the decision to remove \$72 million from the supplementary estimates had been taken by the House as a whole, by unanimous consent, rather than as a government initiative. He acknowledged that the hon. government House leader had undertaken negotiations to secure the unanimous consent of the House to the withdrawal of the \$72 million estimate for the Canadian firearms program. The hon. government House leader of the official opposition added, and I quote:

—We agreed and the House agreed to drop the \$72 million, so everybody assumed that we would see no new action [on the Program]...

Let us begin by examining the event where this dispute over the Canadian firearms program originates. The Journals of December 5, 2002 indicate the following. I quote:

By unanimous consent, it was ordered,—That the Supplementary Estimates (A) be amended by reducing Vote 1a under Justice by the amount of \$62,872,916 and Vote 5a under Justice by \$9,109,670, and that the supply motions and the bill to be based thereon be altered accordingly.

A quick look at the context of this matter may be useful so let me review briefly how a government program, such as the Canadian firearms program, is created and funded. First, such a program required authorizing legislation. Once the required statutory authority is in place, the government can submit its request for program funding to Parliament through the estimates. I refer hon. members to pages 697 to 698 of Marleau and Montpetit where the importance of this process is succinctly outlined. I quote again:

The direct control of national finance has been referred as the “great task of modern parliamentary government”. That control is exercised at two levels. First, Parliament must assent to all legislative measures which implement public policy and the House of Commons authorizes both the amounts and objects or destination of all public expenditures. Second, through its review of the annual departmental performance reports, the Public Accounts and the reports of the Auditor General, the House ascertains that no expenditure was made other than those it had authorized.

As members well know, the main estimates provide a breakdown, by department and agency, of planned government spending for the coming fiscal year. Each budgetary item or vote has two essential components: an amount of money and a destination; in other words, a description for what the money will be used. Should the amounts voted under the main estimates prove insufficient or should new funding or a reallocation of funding between votes or programs be required during a fiscal year, the government must ask Parliament to approve additional amounts by submitting supplementary estimates.

[Translation]

In the case of the Canadian Firearms Program, legislative authority was provided by Parliament in 1995. The full financial history of the program need not concern us here, since this particular dispute concerns the current funding of the program, that is, funding for the fiscal year 2002-2003.

● (1510)

[English]

In March 2002, the government laid upon the table the main estimates for the fiscal year 2002-03, including a planned spending estimate of \$113.5 million for the Canadian firearms program. The main estimates were referred to appropriate standing committees for study and, in due course, were reported back to the House or deemed reported back and ultimately approved by the House on June 6, 2002. The government was thereby authorized to spend the \$113.5 million on the Canadian firearms program as laid out in the main estimates for 2002-03.

Following the start of the new session last September, the government presented supplementary estimates (A) for review and approval by this House. These estimates were referred to standing committees for study and eventually came before the House for final approval.

The supplementary estimates (A) called for additional funding for the Canadian firearms program in the amounts of \$62,872,916 under Vote 1a and \$9,109,670 under Vote 5a of the Department of Justice. On December 5, the final day for consideration of the supplementary estimates by this House, these amounts were withdrawn from the estimates package.

[Translation]

Clearly there is a difference of opinion among hon. members on the motivation of different parties in granting their consent to this withdrawal and, perhaps more importantly, on the consequences of the motion that was adopted to effect that withdrawal.

[English]

Some hon. members seem to equate the withdrawal of those estimates by unanimous consent of the House to their being voted down. I cannot agree and I see more than a semantic difference in those scenarios.

Other hon. members invite the Chair to conclude that the firearms registry program must be halted because the negotiations among the parties and the circumstances leading to the House granting unanimous consent to withdraw the supplementary funding request for the program were predicated on that very assumption. Your Speaker cannot reach that conclusion even though I do not doubt for a moment the bona fides of hon. members making that claim. Hon. members may argue that they only granted their consent to withdraw these estimates because they believed they were thus cancelling the program but if that was their belief, they were mistaken and, if that was their objective, it has not yet been achieved.

As I have often stressed when delivering rulings on questions of privilege, and this is especially relevant when the House is seized with highly charged issues, the Chair can only ensure that a motion is properly before the House and that the rules, practices and procedures of the House are followed. Your Speaker can no more consider why members are supporting a motion than he can weigh the substantive merits of a motion before the House. This is especially true when the House proceeds by way of unanimous consent. In those circumstances, the House consciously chooses to set aside the usual procedural safeguards that the Chair can and must enforce. In other words, the House chooses to forgo its usual rules and practices so that it can proceed unhindered on a certain course of action; the Speaker has no role whatsoever in these circumstances except to ascertain whether or not unanimous consent exists.

Such was the case last December 5 when, by unanimous consent, the House adopted a motion to withdraw the supplementary estimates for the firearms program. Practically speaking, what occurred on December 5, 2002 was that the additional funding being requested for the Canadian firearms program was withdrawn from the package of supplementary estimates that was finally approved. This still left the Canadian firearms program with the original \$113.5 million authorized by the House last June in the main estimates. That may not have been what some hon. members understood to be the case, but that is exactly what happened.

[*Translation*]

The hon. Minister of Justice indicated on February 11 that he will be requesting additional spending authority in Supplementary Estimates (B), which will be presented to the House in the coming weeks. Hon. members will have a further opportunity to pursue with the Minister of Justice all the issues related to the management and funding of the Canadian Firearms Program at that time.

[*English*]

Meanwhile, however, the Chair can find no procedural irregularities in anything that has been said by the hon. Minister of Justice in response to questions on the Canadian firearms program and I must conclude that no prima facie breach of privilege has occurred in this case.

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## ROUTINE PROCEEDINGS

•(1515)

[*English*]

### GOVERNMENT RESPONSE TO PETITIONS

**Mr. Geoff Regan (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, pursuant to Standing Order 36(8) I have the honour to table, in both official languages, the government's response to 17 petitions.

\* \* \*

### NATIONAL DAY AGAINST IMPAIRED DRIVING ACT

**Mr. Randy White (Langley—Abbotsford, Canadian Alliance)** moved for leave to introduce Bill C-396, an act to establish National Day Against Impaired Driving.

### *Routine Proceedings*

He said: Mr. Speaker, I wish to introduce this bill into the House as the national day against impaired driving. That day would be on December 1 of each year. Many backers of the bill see this as an opportunity to profile at the appropriate time of year, on December 1, the dangers and the irresponsibility of those who have been driving while drinking.

I hope it gets to the floor of the House and is voted for because there are many people in Canada who deserve not only the remembrance of those who have died or those who have been injured from drunk drivers, but also to make people aware on an ongoing basis of the need for protection against drunk drivers.

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

\* \* \*

### PETITIONS

#### CHILD PORNOGRAPHY

**Mr. Rick Casson (Lethbridge, Canadian Alliance):** Mr. Speaker, it is my pleasure today to table, pursuant to Standing Order 36, a petition that has 48 names on it. These names are added to tens of thousands that have been tabled in the House by members of all parties.

These concerned citizens in my riding call upon Parliament to protect our children by taking all necessary steps to ensure that all materials which promote or glorify pedophilia or sado-masochistic activities involving children are outlawed.

[*Translation*]

**Mr. Antoine Dubé:** Mr. Speaker, I have here a petition signed by 4,000 persons wishing to see the Canadian government, and the Prime Minister in particular, take the courageous stand of opposing any attack on Iraq.

The wording of this petition does not comply with all the required criteria, but given the urgency and importance of this matter—it being a petition for peace signed by the people of the Outaouais region of Quebec—I would ask for unanimous consent so that I can table it today.

**The Speaker:** Does the hon. member for Lévis-et-Chutes-de-la-Chaudière have unanimous consent to table this petition?

**Some hon. members:** Agreed.

**Some hon. members:** No.

*Routine Proceedings*

[English]

## CANADIAN EMERGENCY PREPAREDNESS COLLEGE

**Mrs. Cheryl Gallant (Renfrew—Nipissing—Pembroke, Canadian Alliance):** Mr. Speaker, today I am presenting a petition on behalf of the people of Ottawa, Greely and Merrickville. The petitioners request Parliament to recognize that the Canadian Emergency Preparedness College is essential to training Canadians for emergency situations, that the facility should stay in Arnprior and that the government should upgrade the facilities to provide the necessary training to Canadians.

## STEM CELL RESEARCH

**Mr. Darrel Stinson (Okanagan—Shuswap, Canadian Alliance):** Mr. Speaker, I am pleased to present a petition on behalf of my constituents of Okanagan—Shuswap calling upon Parliament to focus its legislative support on adult stem cell research rather than embryonic stem cell research to find the cures and therapies necessary to treat the illness and diseases of suffering Canadians.

● (1520)

## CHILD PORNOGRAPHY

**Mr. Randy White (Langley—Abbotsford, Canadian Alliance):** Mr. Speaker, I have several petitions, one of which contains thousands of names. The petitioners call upon Parliament to protect our children by taking all necessary steps to ensure that all materials which promote or glorify pedophilia or sado-masochistic activities involving children are outlawed.

## STEM CELL RESEARCH

**Mr. Randy White (Langley—Abbotsford, Canadian Alliance):** Mr. Speaker, I also have a petition from many members of my riding who call upon Parliament to focus its legislative support on adult stem cell research to find the cures and therapies necessary to treat the illness and diseases of suffering Canadians.

**Mr. Roy Bailey (Souris—Moose Mountain, Canadian Alliance):** Mr. Speaker, I am pleased to present a petition mainly from people in Estevan and the surrounding area of my constituency. These people are calling upon Parliament to focus its legislative support on adult stem cell research to find the cures and therapies necessary to treat the illnesses and diseases of Canadians.

## CANADA POST

**Mr. Joe Comartin (Windsor—St. Clair, NDP):** Mr. Speaker, I have a number of petitions to present today.

The first is a petition calling on the House to recognize the discrimination that is going on in that rural route mail couriers are not able to organize and develop collective bargaining rights. That is prohibited specifically under subsection 13(5) of the Canada Post Corporation Act.

## CHILD LABOUR

**Mr. Joe Comartin (Windsor—St. Clair, NDP):** Mr. Speaker, the second petition is with regard to child labour. It is seeking support from the House to recognize the problem of child labour around the globe and to demand assistance in that regard, in particular to provide education to children to allow them to avoid the exploitation that occurs as a result of not having those types of resources.

## CHILD PORNOGRAPHY

**Mr. Joe Comartin (Windsor—St. Clair, NDP):** Mr. Speaker, the third petition has several hundred signatures. It calls on Parliament to protect our children from child pornography.

## CHILD MENINGITIS

**Mr. Joe Comartin (Windsor—St. Clair, NDP):** Mr. Speaker, the last petition has approximately 1,000 signatures and calls on the House, in particular the Department of Health, to deal with the issue of child meningitis and to provide for immunization against that condition.

## STEM CELL RESEARCH

**Mr. Paul Szabo (Mississauga South, Lib.):** Mr. Speaker, I am pleased to present a petition signed by a number of Canadians, including from my own riding of Mississauga South, on the subject of stem cell research.

The petitioners would like to draw to the attention of the House that Canadians do support ethical stem cell research, which has already shown encouraging potential to provide the therapies and cures for the illnesses and debilitating diseases of Canadians. They also want to point out that non-embryonic stem cells, which are also known as adult stem cells, have shown significant research progress without the immune rejection or the ethical problems associated with embryonic stem cells.

The petitioners therefore call upon Parliament to focus its legislative support on adult stem cell research to find those cures and therapies necessary for Canadians.

## CHILD PORNOGRAPHY

**Mr. Chuck Strahl (Fraser Valley, Canadian Alliance):** Mr. Speaker, it is my honour to present a petition to the House of Commons on behalf of people, most of whom are from my constituency and others who are from British Columbia in general.

They are concerned about the issue of child pornography. They are concerned that the courts and the government have not done enough to address the very serious problem of the exploitation of children. They ask that Parliament protect their children by taking all necessary steps to ensure that materials which promote or glorify pedophilia or sado-masochistic activities involving children are outlawed. The petition contains 16 pages of names.

## SPACE PRESERVATION TREATY

**Mr. Svend Robinson (Burnaby—Douglas, NDP):** Mr. Speaker, I have the honour of presenting three petitions today.

The first petition is on the subject of the weaponization of outer space. It is signed by over 1,200 petitioners from the lower mainland of British Columbia, including Bea Bernhausen of Vancouver, Alfred Webre of the Institute for Cooperation in Space Canada and many of my own constituents of Burnaby—Douglas. The petitioners raise serious concerns about the possibility of an arms race in space, particularly as a result of the American termination of the ABM treaty.

*Government Orders*

They therefore urge the House of Commons to call upon the government to immediately approve, sign and ratify the space preservation treaty and deposit the treaty with the secretary general of the United Nations, as well as to convene a treaty signing conference for the space preservation treaty as Canada has done on other occasions, for example, with the land mines treaty.

## TRADE

**Mr. Svend Robinson (Burnaby—Douglas, NDP):** Mr. Speaker, the second petition is signed by residents from British Columbia and indeed from across Canada, in particular the Citizens Concerned About Free Trade of Saskatoon.

They raise concerns about the history of job loss and other adverse impacts of the free trade agreement and the NAFTA. They point to the Liberal Party's 1993 election promise which was broken on this subject.

In the name of democracy and the future of Canada, they call upon the House to instruct the government to fulfill its election promise, give the required six months notice to the U.S. and Mexico and cancel the FTA and NAFTA without delay.

## CANADA POST

**Mr. Svend Robinson (Burnaby—Douglas, NDP):** Mr. Speaker, the final petition is again signed by residents from my own constituency of Burnaby—Douglas and others in British Columbia on the subject of rural route mail couriers who have been subjected to longstanding unfairness. The petition recognizes this denial of basic rights and calls upon Parliament to repeal subsection 13(5) of the Canada Post Corporation Act.

\* \* \*

• (1525)

## QUESTIONS ON THE ORDER PAPER

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

**The Speaker:** Is it agreed?

**Some hon. members:** Agreed.

## GOVERNMENT ORDERS

[English]

## CANADA ELECTIONS ACT

The House resumed consideration of the motion that Bill C-24, an act to amend the Canada Elections Act and the Income Tax Act (political financing), be read the second time and referred to a committee, and of the amendment.

**Hon. Lorne Nystrom (Regina—Qu'Appelle, NDP):** Mr. Speaker, the bill before the House is certainly one which I support, the more public financing of political parties. The main thing we have to do is get the big money out of politics. Most of that big money is corporate money. If we are going to get big money out of politics, there has to be more public financing of campaigns.

A very fundamental part of democracy is that we create a level playing field so that anyone can run regardless of his or her financial background and who may be supporting him or her in the campaign. The only way of doing that is by having a greater public side to the financing of election campaigns.

I certainly support the principle of the bill. The bill will limit a contribution by a corporation, trade union or an association to \$1,000 per year. It will limit what an individual can give to \$10,000 per year.

A couple of provinces already have legislation of this sort on their books. In the province of Quebec it has been on the books for a number of years. A more recent example is the province of Manitoba. This is legislation that is long overdue. It will create a more level playing field for all people of Canada.

I have some concerns about the legislation and I hope the government will be open to amendments. The major one is that the \$10,000 an individual can provide per year can be provided not just to one party but to many parties. An individual would be limited not at \$10,000 but at \$20,000, \$30,000, \$40,000, \$50,000 or \$60,000 if that person wanted to contribute to more than one political party. I think that is a violation of the spirit and the principle of the bill presented by the Prime Minister.

I hope there will be an agreement at the committee stage among members of all parties that we make the limitation \$10,000 a year, regardless of whether an individual contributes that money to a candidate seeking a nomination, a leadership campaign, a riding association, a member of any political party, or a combination of all the scenarios I have already mentioned. If we do not do that, it will allow a wealthier individual to throw in \$20,000, \$30,000, \$40,000 or more per year and have a great deal more influence than the ordinary citizen of Canada.

Another thing is the bill does not give an age limit; a person only needs to have a SIN number. A wealthier family could divvy up the \$10,000 per family member in many different ways. That would be another way of contributing more than \$10,000 per year.

In Quebec, the limitation is not \$10,000 a year, but \$3,000 per year for an individual.

[Translation]

It is exactly the same thing in Manitoba, a limit of \$3,000 per person per year.

[English]

I think the \$10,000 limit is high. We should be looking at an amendment to roll back the \$10,000 to something more reasonable, maybe \$5,000 per person. Let us have a \$5,000 limit and let us make sure that a person can only contribute to one association, one candidate, one party, or one leadership campaign or a combination of all the above, but the total at the very end of the day does not go to any more than \$5,000 or indeed \$10,000 if the government does not want to roll back the limit. That is very important.

There is a provision in the bill that there will be no indexing for the contributions that are made in the legislation as before. We have to look at the principle of indexation so that it keeps up with the cost of living.

*Government Orders*

There is also the whole controversial topic of third party advertising. We have to find a way to design a law where there can be a limit on the advertising done by third parties in Canada. A political party or a candidate that is limited to a certain amount of money in a campaign can have a third party advertise without a limit, be it the National Citizens' Coalition or anybody else. That is very similar to what candidates can spend and in the spirit of it, it is a violation of the level playing field and equality for all candidates. We have to make sure there is some limitation.

The members of the Alliance will say it is a denial of free speech. There have been court cases fought to this effect. There is also clause 1 of the charter which says that something has to be demonstrably reasonable.

It does not seem to me that it is free speech if the size of the pocketbook dictates the kind of advertising one can buy. When there is some wealthy Canadian who can spend \$50,000, \$60,000, \$70,000 on an advertising campaign vis-à-vis somebody else who cannot afford to do it, to me that is not free speech. There should not be a financial factor in defining what is free speech. There should be a level playing field for third party advertising and what a political party or a political campaign can spend.

Those are a couple of concerns I have about the bill. I do want to say that the time has come to take the big money out of politics. When we look at all the returns over the years we will find that many large corporations have funded political parties in this country to a massive degree. Members of the crown have said recently that when corporations provide an awful lot of money to a political party, they indeed do buy influence. The old saying that he who pays the piper calls the tune has a certain amount of credibility. If someone puts a lot of cash into a campaign, there is a far greater likelihood that his or her point of view will be heard by the government or by a minister across the way regardless of political party.

The only way to avoid that is to have campaigns funded by individuals and by the public purse. Campaigns funded by the public purse would create a level playing field. I am very much in favour of the increase in public funding of campaigns. I am very much in favour of a more strict limit on what candidates and political parties can spend and what they can also spend on leadership campaigns.

I support the bill in principle. It is the right way to go. It creates a more democratic society. It creates a more accessible society in terms running for public office with a measure of greater success regardless of the size of one's pocketbook. At the same time let us look at some reasonable amendments to make sure this law is a good one for all Canadians.

•(1530)

**Mr. Ken Epp (Elk Island, Canadian Alliance):** Mr. Speaker, I grew up in the member's home province. I know all about socialism. I know all about the fact that people all put in their money in order to get a common good. Mr. Speaker, it may come as a surprise to you, and it may come as a surprise to some other members, but I have a certain sympathy for some programs that are paid for collectively for the common good. For example, I believe that all citizens should pay into a fund that provides a justice system that works on behalf of law-abiding citizens. I believe that Canadians should all pay into a

fund that provides decent health care for citizens, for the common good.

By the way, my mother has been, and I am going to use the word, a victim of the medicare system in good old Saskatchewan recently. That is a whole other issue.

However, there are some things that I do not think should be paid for by the public. Justice, health care, roads and schools are all fine, but how about individual organizations that one chooses to support? Let us say for example that we have a member who thinks it is really important for Canadians to walk barefoot to the north pole, so a new organization called "Walking Barefoot to the North Pole Organization" is started and it wants to get some memberships. Certainly if people say that it is a good plan, that they are going to buy into it and they make a donation, I have no objection to that. Anybody can spend his money any way he wants to, and if he wants to support that organization, let him.

However, that is not an organization I would support. If that member came knocking at my door, I would say no thanks.

Now, how about political parties? If we were to look at people in my riding, two-thirds of them would say, at least they did at the last election, that they support the Canadian Alliance and that if they are asked for money they will support the Canadian Alliance. In fact, a number of them did, with cheques for \$100, \$200 or \$300. That was my goal. It was to get donations like that and it worked.

The member says no, that it is something we should do collectively so we should force people in Elk Island to give money to the NDP and to the Liberals.

Let me tell members that squeezing money out of people in my constituency to support the Liberal Party right now would be a very tough sell.

How does the member reconcile the good aspect of collecting money publicly to fund a good project that is for the common public good and then bending that principle in order to support political parties, which is a matter of individual choice? How does he reconcile that?

•(1535)

**Hon. Lorne Nystrom:** Mr. Speaker, this is a member who really lives in the past. He is the member who suggested ending the Canada pension plan in the last campaign, we can recall as well, which I do not think hardly anybody in the country would support him in doing. That is what the member wanted to do.

Way back in 1973, if I am not mistaken, we adopted in this country the principle of some public financing of campaigns. If we do not have public financing of campaigns, we are going to create a playing field that is not level. The member wants to leave it all to those who can raise the most money, those who are the most wealthy. I disagree with him.

*Government Orders*

The important thing is to have more public financing of campaigns and have limitations on what political parties can spend. Politics is not about who has access to the biggest money roll or the biggest purse. Politics is about creating a level playing field where every Canadian citizen has a right to run for office and a reasonable chance to mount a campaign and communicate to constituents. That is what a campaign is all about.

The Alliance Party members are dinosaurs on these kinds of issues. They are living in the past. They talk about two tier medicine. They talk about getting rid of the Canada pension plan. They would not want any public financing of campaigns. They want to leave things to people who have a lot of money to run for office.

Thank goodness people do not listen to them. It is no wonder they are now sitting at 7% in the public opinion polls, running fifth in this country.

**Mr. Keith Martin (Esquimalt—Juan de Fuca, Canadian Alliance):** Mr. Speaker, I think the public should be aware of what is going on here. There is a fundamental decision. What we are fundamentally opposed to is basically influence-peddling, the ability of deep pockets to be able to provide moneys and have influence on government and government actions. All of us are opposed to this, but the bill has nothing to do with that.

The bill is abhorrent because it would use public funds to pay political parties. These days, when there is not enough money for health care, for education and for the social programs upon which we rely, what is the government doing by diverting limited public funds to give to political parties? That is what this is about.

What we want to ensure is that there are good, tough rules to make sure that people like ourselves in public office, and indeed the bureaucracy, are not profiteering from our positions. Furthermore, the public should know that most of the big moneys given to the government happen under the table. Thank heavens we have limits on what we can spend on our elections, which is a good thing, but if we want to eliminate influence-peddling, let us make sure we have good oversight and transparency in what we are doing.

My question for the member is this. How can he possibly justify to the beleaguered Canadian taxpayers giving moneys to political parties in the amount of \$1.50 for every single vote that they received in the last election, every single year?

• (1540)

**Hon. Lorne Nystrom:** Mr. Speaker, I would answer the question in the following way. The member from British Columbia is very sincere. He sounds like he is a very straightforward, honest person, and he believes it is the wrong principle, if I am not mistaken. Right now we do have partial funding of campaigns, so my question to the member is, did he accept his rebate from the federal government for the last campaign? Did he accept his rebate from the federal government for his campaign in the year 2000? Did he accept his rebate for his campaign in 1997?

He has been accepting money from the federal government for part of his campaign. If he believes that is the wrong principle, why is he not a principled man standing up in the House and saying he will return the rebate to the taxpayers of the country? This is a principle we all accept in the House. The Reform Party members

want to have it both ways. They are against this principle, yet they accept the money and they run.

I remember the Reform Party members standing and saying that their leader would not be moving into 24 Sussex, that they would turn it into a bingo hall. They became the official opposition and Preston Manning moved into 24 Sussex. I remember that at one time they would not accept the car for the leader of the third party. They got elected and accepted the car. They said they would not accept subsidized haircuts on Parliament Hill, and some did not even do that.

My question is this. If that man over there is really serious about this being the wrong principle, has he accepted money from the federal government for his campaigns in 1997, 2000 and way back in 1993? Has he or has he not? If he has not, then I will concede that he is a principled person in terms of his argument. If he has, then he is not very principled at all.

**Mr. Ken Epp:** Mr. Speaker, I rise on a point of order. This is questions and comments, but it is true that the member who just spoke asked a whole bunch of questions of the member here and I think it would be appropriate to give him an opportunity to answer.

**The Deputy Speaker:** I can understand the position taken by the hon. member for Elk Island, but it is questions and comments and it so happens that the person in the Chair directs where the questions go to, to the person who last had the floor, the member for Regina—Qu'Appelle. Right now the next question is going to the member for Ancaster—Dundas—Flamborough—Aldershot.

**Mr. John Bryden (Ancaster—Dundas—Flamborough—Aldershot, Lib.):** Mr. Speaker, I am happy to say that I have at my desk here the printouts from Elections Canada and I can offer to both members, and they can see for themselves what the member for Esquimalt—Juan de Fuca did with respect to his election campaign rebates. I have those documents. I would table them, but I do not think that is necessary.

I would like to just take the debate into another direction, if I may. I would like to ask the member who just spoke what his feeling is about third party advertising. Twice this Parliament has tried to pass legislation putting limits on third party advertising, because we are limited as candidates and we are going to be even further limited in our riding associations in terms of the amount of money that we can raise and show. Yet the National Citizens' Coalition, which supports the party opposite, has taken the current legislation to court in regard to trying to strike down third party advertising. I wonder if the member has a thought about that.

**The Deputy Speaker:** Speaking of limitations, there is a limit of one minute for the reply.

**Hon. Lorne Nystrom:** Mr. Speaker, I already said in my speech earlier that there have to be limits on third party advertising. If there are not, then certainly the spirit of the law is broken. There has to be a level playing field regardless of whether one is running as a candidate for a political party, as an independent or whatever. If there is no limit on third party advertising, it does not create a level playing field. Therefore, we as a Parliament have to figure out a way to limit third party advertising.

*Government Orders*

I also would like to say that I am glad that the member made the comment about the expenses of the member from British Columbia as well, because I can bet dollars to doughnuts he accepted that public money even though he is against the principle.

**Mr. Keith Martin:** Mr. Speaker, only one political party wants to eliminate publicly funded taxpayer contributions to political parties after an election. The only party to do that is the Canadian Alliance, and was the Reform Party.

What we are not in favour of is an uneven playing field. I would ask the member this. Will he support us when we get into power to remove publicly funded support of political parties?

**Hon. Lorne Nystrom:** Mr. Speaker, first, it is a joke, that party will never assume power, and even if it did, the answer is no.

**Mr. Roy Cullen (Etobicoke North, Lib.):** Mr. Speaker, I am pleased to participate in the debate on Bill C-24, an act to amend the Canada Elections Act and the Income Tax Act (political financing).

I should say at the outset that I support full disclosure of political donations, full transparency and accountability. Canadians should know what individuals, companies, unions and other organizations are donating to which MPs, senators, candidates and political parties.

I support much that is in Bill C-24, in particular measures that would lead to greater transparency and accountability in the political process. I am not sure, though, why political financing has emerged as a political priority at this time. In my view, we have many other pressing priorities: the potential for war in Iraq, for example; health care funding and accountability; implementing the Kyoto accord; renewing our public service; and fixing the gun control registry problems.

Legislation should be used sparingly, in my view, as a tool to correct a wrong, fix a problem and/or enhance public policy and administration. Legislation should also always be preceded with meaningful consultation with Canadians.

I am not convinced that the political financing aspects of Bill C-24 meet the two tests I have just described. Allow me to explain why.

First, I am not sure what problem we are trying to fix or how the bill would improve public policy and administration in Canada. The bill would allow political donations to be made by individuals only, the exception being contributions of up to \$1,000 for a corporation or trade union.

Corporations and unions have been involved in the political process in Canada for a long time, perhaps since as early as Confederation. We need to encourage, not discourage, their participation. Do we have any evidence that corporations or unions buy influence when they donate to political parties in Canada? I am not aware of any such evidence.

More recently, the government did have some problems with a sponsorship program in the Province of Quebec, but the Minister of Public Works and Government Services is making significant changes to this program. In fact, the sponsorship program will be delivered largely in house, not contracted out. Allegations of wrongdoing and favouritism are under investigation by the Auditor General and, where appropriate, the RCMP to deal with these

problems of sponsorship. In my view, this aspect of alleged political interference is being dealt with very aggressively by the government.

The reality is that most large corporations and many of the smaller ones make donations to all political parties. The company I worked for before being elected, a large natural resource company in Canada, supported all political parties in Canada. I went to fundraisers for the Liberals, the Progressive Conservatives and the NDP.

In 1998, four of Canada's chartered banks proposed two mergers. I should note that Canada's major banks are the largest financial contributors to political parties in Canada. By and large, they donate to all parties. Did their large donations facilitate that merger of the banks which the banks very seriously wanted to transact? No, it did not make any difference at all. If banks in Canada merge, it will hinge on prudential and competitiveness factors and on whether or not the proposed mergers are in the public interest. It will be no more or no less than that.

Do we in this House believe that when ministers are making decisions they refer to lists of corporate, individual and union donations? This is naive in the extreme.

We are told that buying influence is not a real problem, but that there is a perception among Canadians that this is the case. I believe that as legislators we have enough real challenges to deal with. We should not be legislating to deal with perceptions.

I should note that I will be splitting my time with the member for Fredericton.

Comparisons with the U.S. system are sometimes made. We all know that the amounts spent in Canada to finance political parties and candidates do not even come close when compared with the system in the United States. By way of example, election campaign expenses in my riding of Etobicoke North, as is the case with all political federal ridings, are limited by law and are thoroughly monitored and audited by Elections Canada.

● (1545)

During the last election campaign, my campaign expenses were limited to some \$55,000 and of that my campaign team spent approximately \$35,000 on the election campaign. When we compare that to the multimillion election campaign expenses incurred to elect U.S. senators, congressmen and women and the U.S. president, our figures pale in comparison.

The \$1,000 limit for corporations would have limited or no impact in my riding of Etobicoke North. Only rarely would my riding association or official agent during an election campaign receive a cheque in excess of \$500 from any company, individual or union.

At the national level, however, with the legislation before us, political parties would be starved of funds. Taxpayers would have to make up the difference, some \$110 million over the typical life of a government.



*Government Orders*

It is true that the taxpayer subsidizes the political process to date with tax credits and the like, but we would be adding a further demand on the Canadian taxpayer to support this process which would be close to \$110 million over the typical life of a government.

I personally would support some limits on corporate or union donations to political parties, a limit of say \$10,000 for both corporations and unions, but why would we ask Canadians to further subsidize the political process? I hope the government will be open to amendments to the bill. The government says that it is.

This now leads me to the process that the government has adopted in introducing the legislation. The period for consultation has been very limited, almost non-existent. The party president of our own Liberal Party of Canada has called the political financing policy proposal "dumb as a bag of hammers". I am sure that if he had it to do over again he might not have said that but that is what he said. I am sure many political parties share that view.

The grassroots members and volunteers of federal political parties across Canada need more time to digest the bill and opportunities for input leading to changes. Many technical matters are in need of review. For example, if in any one year there is a nomination, an election or perhaps two elections in one year, which has happened in Canada, how do we allocate the limits? There are a number of other technical questions like that.

The people at the grassroots level are the people closest to the action. They know what works and what does not and they are very familiar with the old adage "if it is working, why fix it?"

We need a transparent and accountable political process and system. We should not, under any circumstances, accept the concept of influence buying. Pragmatic limits to corporate and union contributions to political parties may be required but the limits proposed in Bill C-24 are unreasonably low. Canadian taxpayers deserve better.

We should proceed with the bill based on the principles enunciated but improve the bill in committee.

• (1550)

**Mr. Ken Epp (Elk Island, Canadian Alliance):** Mr. Speaker, I enjoyed the presentation given by the hon. member opposite who is asking for some amendments and, I suppose, for putting the brakes on the amount of expenditure we are asking the taxpayer to spend here.

When I work out the rough numbers it looks to me like the Liberal Party would gain around \$8 million. Without having a Prime Minister's dinner at \$500 a plate or going around and campaigning and soliciting from individuals or businesses, suddenly, just by the stroke of a pen, by the passing of a law, the taxpayers of the country would be coerced into paying around \$8 million a year into the Liberal Party. I guess that would quickly wipe out its present indebtedness.

I think perhaps it is a little bit of a scheme by the Prime Minister to eliminate the debt of the Liberal Party. I do not like it. I would like the member's response on that.

**Mr. Roy Cullen:** Mr. Speaker, of course the legislation proposes a formula by which the public monies would be allocated to parties

based on their results in the last election. I have not studied that in detail because my problems are more fundamental than that. However there would have to be some mechanism.

The member for Elk Island makes an important point. The Liberal Party, the Alliance Party, the NDP, the Progressive Conservative Party and the Bloc have fundraising dinners where the leader and others are featured and profiled. People and companies attend and pay so much a plate for dinner. This involves a political process. They are able to meet members of Parliament, party officials, volunteers and staff in ministers' offices. They are able to interconnect and talk about issues. Do we really believe that those people who attend those dinners influence the public policy process? I think it is naive to think that is the case.

We must look at the fact that most corporations donate to all political parties. It is true that they might donate more to the party in power but they donate to all major parties.

I am not sure what the problem is that we are trying to fix. Maybe we could introduce limits. Some of these amounts do become quite large. It is hard to predicate exactly what they do in terms of the thinking processes.

However, to put an outright limit, which is what is proposed in the bill, at \$1,000 is wrongfooted. In fact, my riding is very industrial. I have a fundraiser and it is supported for \$500 by industry. Do people really think that will suddenly change my mind on important matters of public policy in Canada and debate in the House of Commons? I am sorry but if companies really believe that, then they are picking the wrong candidate. I think that probably goes for everybody in the House.

I do not know what else to say, other than that I agree with the member opposite.

• (1555)

**Mr. Joe Comartin (Windsor—St. Clair, NDP):** Mr. Speaker, I was reading some figures today showing that the Alliance Party would receive \$4.92 million under this structure, which would be a net gain for it in terms of the corporate donations it gets of just over \$4 million. It would be a substantial amount for that party.

We have heard some of the Alliance's very clear opposition, ideologically, philosophically and in principle, to the legislation. Would the member perhaps support an amendment that would provide that a political party, based on principle, ideology and philosophy, could reject receiving funds so that the Alliance would not be burdened with having to accept the \$4.92 million that it would receive under this formula?

**Mr. Roy Cullen:** Mr. Speaker, if that amendment were put forward it probably would be defeated at committee.

The reality is that all parties need political financing. We could take the proposition to the next step and say that if we were to reduce political expenses generally, then perhaps we would not need to look to the taxpayer to subsidize some of these expenses. Some of that might make sense.

*Government Orders*

We have these huge campaigns where a lot of money is spent. I think there is a fine balance between communicating with Canadians so they understand fully the different platforms and the different positions being proposed by different political parties, and a lot of the hoopla where parties all have to do the same type of expenditure just to keep up with the Jones. If they do not do it they will be at a disadvantage.

I think that is a question that could be discussed if the government proceeds with this type of legislation. Even if it were to increase the limits, which I am not sure it will do, there would still be some shortfall that would need to be either financed or some cutting back on—

**The Deputy Speaker:** I regret that time has lapsed and we must resume debate.

**Hon. Andy Scott (Fredericton, Lib.):** Mr. Speaker, I would like to build on what my colleague from Windsor said, which was the fact that the Alliance Party would accrue quite a bit of money in this new regime. I want to make one point very clear.

Given the fact that we have always had public contribution by virtue of the tax credit on \$100, \$200 and \$300 donations that essentially means that the Alliance Party is prepared to take public funds on the basis of its ability to raise money but not on its ability to get votes. That is very revealing.

I do support Bill C-24. One of the elements that has not been discussed too much is the accounting, the reporting around nominations, leaderships and so on. These things are long overdue and I am pleased we will be raising the bar in terms of keeping Canadians abreast of what is happening and where party finances come from and where they go.

I have always supported some kind of limit on corporations, including bans, because I do believe, although I do not think there is any truth in it, that Canadians link donations with work for the government and so on. In my case, if someone in my constituency were to give me a \$3,000 donation and that person received a contract at CFB Gagetown it would all be honest and legitimate. Donations are encouraged by the system and contracts are heavily scrutinized by the crown construction agency, nevertheless a story would appear in the paper indicating that somebody gave me \$3,000 and received a contract for it. It would be unfair to the vendor, unfair to national defence and, frankly, it would be unfair to me. We need to take this problem seriously. However, we do not want to replace corporate donations with stacked individual donations. That is a concern and it should be looked at.

I do support the bill but I believe the individual donation level is perhaps a little high. The corporation limits might be broadened to two or three ridings instead of just one but I do not feel all that strongly about that. I support the limits. I also support the ban on corporation donations to the centre and I support public funding of political parties as being democratic.

When the Prime Minister spoke on this issue earlier he said that there could be some unintended consequences. I would like to speak to a couple of them.

First, in Atlantic Canada most associations are federal and provincial at the same time. Unfortunately, in my province there is

limiting legislation, and it is \$6,000 individual and corporate. That means that the Liberal Party of New Brunswick could get a \$6,000 donation and the Liberal Party of Canada could not take that. That means that eventually there would be a great deal of pressure to divide parties. From an operational point of view, that would be bad for the process, bad for my region and bad for those areas where there is no critical mass if we had to divide simply by virtue of the fact that the province could receive money that the feds could not receive. That would taint the money to some extent. That is an important feature. New Brunswick has this legislation. I was executive director of the Liberal Party at the time we negotiated it the other way. It is something we have to look at. We can fix it but it will take some work and it needs to be brought to the attention of the House.

I also think we need more time than the six months identified in the legislation in order to do this right. We are trying to make a transition from political parties that are supported by companies or unions to one that is fundamentally supported by individuals. That is the intent of the legislation. That will take some time and I am not sure six months is long enough. In our experience in New Brunswick, the transition was made over a couple of years.

I also believe that the provisions in the bill for nominations perhaps are too high. It is 50% of the allowable amount in an election and it should be 25% at a maximum.

I also would like to see the legislation speak to the question of third party advertising as has been mentioned.

● (1600)

To respond to the issue of public funds, which has been brought up by many members, I would like the House to know that in the province of New Brunswick we have received public funds since 1977-78. In fact, at its height we received \$2.18 a vote, much more than the \$1.50 proposed in the legislation. It is not unprecedented. We have had the rebates that were mentioned earlier and tax credits on donations in the past.

When Mr. Hatfield left office in New Brunswick in 1987, all of the pundits across the political spectrum, all of the editorialists, and all of the people observing the political process, when asked what was the most important thing Mr. Hatfield did for the province of New Brunswick, they all turned to political process financing with public funds.

At the end of the day this is a very important exercise in democracy and over time the taxpayers of Canada will come to see it that way, just as they have in my province of New Brunswick.

I would like to thank the government for introducing this important and overdue legislation. I would also like to thank those people in other parties who would find a way to support this. It is important for the country and the political process.

● (1605)

**Mr. Joe Comartin (Windsor—St. Clair, NDP):** Mr. Speaker, one of the concerns I have had regarding this legislation is that there is a real potential for unfairness in the way the corporate world would be treated versus the union movement. I would ask my colleague from Fredericton, has he addressed his mind to this issue?

*Government Orders*

As I see it, there is nothing in the bill that would prevent a corporation with subsidiaries, or a franchise type of operation, from having each one of the subsidiaries or franchises giving the maximum amount, whether it stays at \$10,000 or hopefully something lower, or it is all merged into a total of \$10,000.

As I read the legislation, it is my understanding that each one of those franchises or subsidiaries would be able to give the \$10,000 and multiples if they want to donate to more than one party, but that unions would not. Has the member looked at that and what would his comments be?

**Hon. Andy Scott:** Mr. Speaker, I thank the hon. member for the question. It is my understanding that in fact the corporate limit of \$1,000 for one riding would include the entire corporation and its subsidiaries. If there is some corporate arrangement where company X owns something in my constituency which is unrelated to the national office, that might be different.

I am not certain and do not want to suggest that I know, but as far as my understanding of the legislation goes, it is very clear. A corporation, regardless of how big such as the Royal Bank of Canada, would make one donation of \$1,000 somewhere. That is it. Frankly, it is the same treatment for unions.

**Mr. John Bryden (Ancaster—Dundas—Flamborough—Aldershot, Lib.):** Mr. Speaker, it seems to me that the danger in political financing tends to exist more at the individual or the riding level rather than the party level. I wonder what the member would think if we reversed the equation that is in the bill and put a limit on contributions to the riding of, say, \$1,000 and allowed corporations to have a cap of, say, \$20,000 or \$30,000 if the money went to the party itself.

**Hon. Andy Scott:** Mr. Speaker, I would be opposed to that. Generally, the legislation speaks to the need to reassure Canadians that the political process is not affected by donations, and donations of that magnitude going to the centre would reflect badly on the process.

I am not suggesting for a moment that it is a legitimate concern. In my experience the reality is that the public tendering with the Government of Canada and provincial governments across the country is reasonably mature, but there is a perception, and from time to time we find new programs that are not yet attached to those systems which can find their way to activities that I do not think any of us would want. We need to do this to reassure Canadians.

**Mr. Gerald Keddy (South Shore, PC):** Mr. Speaker, it is my pleasure to rise to speak to Bill C-24. The member for Brandon—Souris was to speak on this bill, but it is my understanding that his plane is late so I will speak on his behalf.

This is a bill that has been much discussed among members of our caucus, our colleagues in this place, our peers, and certainly one that will continue to be discussed. In particular, the bill would address a number of issues to do with campaign and party financing relating to the electoral system we have in Canada. Probably most importantly, it would address the issues of how we actually report the funding of political campaigns.

The bill would require electoral district associations along with leadership and nomination contestants to disclose to the Chief Electoral Officer the amounts and names of everyone donating more

than \$200. They would also be required to disclose all expenses incurred. Currently only candidates and political parties are required to disclose donations received. The bill sets out the rules governing such reporting. It looks from the road as though we would have a more reliable system, hopefully a more accountable system and, one would assume, a more transparent system.

I am not the critic for this particular piece of legislation, however there is one question that I have been asking for which I have not received an answer from anyone. If there is someone on the government side with the answer to this question when I am finished my remarks and comments I would appreciate hearing it. My question is, how much of the system is financed by government already? That would include, of course, the amount that is given back by the government, the cost of auditing all the disparate accounts of the 301 members of Parliament in this place, the cost of running individual campaigns, the cost of auditing the books, and the actual amount of money that is given back.

We may be surprised if we had that information. I would have thought, in a fair, accurate and accountable system, that would have been the point that the Prime Minister would have made when he introduced this piece of legislation. There seems to be no willingness on the government to tell us how much is actually being paid now, although we would expect that if we had that information we would be better able to make a decision that we will have to make about this particular piece of legislation. It may be higher than we suspect; it may be lower than we suspect.

There are a couple of other issues. Aaron Freeman, in the *Hill Times*, writes about the campaign fundraising bill by the numbers. He says, "The sleeper issue is how it will increase the power of parties and not the power of members of Parliament". I would think most of us in this place would want to have a finished product at the end of the day that actually gives more power to individual members of Parliament. Along with more power we would also expect more accountability and transparency.

Aaron Freeman makes a number of points, but two in particular are worth repeating. He writes:

Based on the 2000 election, the government calculates this will result in payments of \$18.9 million a year. However, this figure ignores that our population increases each year. More importantly, it does not take into account that the last election's voter turnout of approximately 57% was a record low. If voter participation returns to the levels of the pre-Liberal era, and our population continues to expand at the current rate, we can expect to pay an additional \$5 million to \$10 million in public funds for parties in the coming years.

● (1610)

Some would say, and maybe correctly, that this is the price of democracy. I do not have an argument with that, but I do have a word of caution. If it is the price of democracy then we should know that up front during the debate. We should know the final cost at the end of the day and the full projections of where public funding for political campaigns is headed.

Freeman goes on to say that Bill C-24 would allow the donor to claim 75% of the first \$400 instead of the current \$200, determining the cost to taxpayers of the credit would be very complicated. The finance department would have difficulty figuring out the current credit costs and it would be hard to know how many donors would adjust their donation pattern in response to the new reforms.

*Government Orders*

The government estimates the added price tag at \$3 million in non-election years and \$6 million in election years. Quite a gap between \$3 million and \$6 million, of course, but again my question and point to my colleagues is that we really have some estimates that are based on record low voter turnouts. We do not know in any way, shape or form the actual cost of this piece of legislation to Canadian taxpayers at the end of the day.

I find that problematic. The idea that the taxpayers of Canada should finance political campaigns may be the right way to go. I am not saying it is not. I am saying I would like to see more information and accurate information laid on the table. All parliamentarians deserve that.

This bill would deal mainly with expenses and reporting of those expenses, nomination spending limits, surpluses and donation limits. The surplus and donation limits are worth going over again.

Currently, candidates for election must return any surplus to either their riding association or their party. Bill C-24 would require that surpluses incurred by leadership candidates also be transferred to the party or to a riding association. I think the horse is already out of the barn on that one because we have a number of leadership candidates out there, and maybe this is good judgment on behalf of the government, who are reported to have raised in excess of millions of dollars and no one knows where those leadership funds are. There are a number of them who are now ministers of the Crown and former ministers of the Crown who have left politics.

It would seem to me that either the government is speaking from knowledge that this was wrong to begin with and refused to change it, or it thinks that now it has had a number of plums and payouts to party faithful and that now all of a sudden it can change it for anyone else in the future, as it should never have been there to begin with, I might add.

Regarding donation limits, individuals would be banned from contributing more than \$10,000 per year in total to a registered party and its electoral district associations, candidates and nomination contestants. I have listened to some of the questions being asked on this piece of legislation and this one seems to raise most of the issues. Perhaps this will get settled in committee; perhaps not. Perhaps we will say that although someone can only contribute up to \$10,000 per year, if there are six members in a family, each of them could contribute \$10,000 and therefore, although the family might be classified as one entity, it would actually be contributing six times the total allowable amount for a single person or a single entity as in the legal definition of the word.

• (1615)

Individuals would also be banned from contributing more than \$10,000 to leadership contestants. Corporations, unions and associations would be banned from donating to any registered party or leadership contestant. However they would be able to contribute up to \$1,000 in total per year to a party's candidates, nomination contestants and electoral district associations.

When I look at that, it begs a greater question that somehow corporations, unions and associations would be banned from donating to any registered party or leadership contestant, yet individuals would be able to donate up to \$10,000. This question

was raised by the member for Windsor—St.Clair. Why is a union or union office limited to a set amount? Whereas a corporation, which could pay bonuses to its employees and funnel the funds to leadership candidates or to a political party, are not? Maybe these issues are being addressed the same as the cost of this.

Exactly what is the cost to Canadian taxpayers now and what is the cost after the voter turnout is factored in, which was an alltime record low in the last election at 57%? If population increases at a scheduled rate and if voters start to turn out in numbers closer to what we could expect, at around the 70% mark, then that skews the figures on which this legislation is based.

The legislation also deals with reimbursement of election expenses. The annual allowance to political parties would be equal to roughly \$1.50 per vote received by the party in the previous general election. To qualify, the party must have received either 2% of the votes cast nationally or 5% of the votes cast in the riding where the party ran a candidate. In the past that amount was 15% of the total votes received for the party to receive its share of its election expenses.

The point remains, we have changed the numbers and I do not see an accurate accounting of everything being factored onto one page. This should be a fairly simple operation. We should get a two page handout showing the cost of the last campaign, the cost of the next campaign and how it affects the riding associations and individual members of Parliament.

There seems to be a number of areas in the legislation where it spends as much time explaining a few simplistic things and as it does avoiding some difficult issues like trust funds and what happens to cabinet ministers in the Liberal government who run for the leadership and amass \$2.5 million or \$2.6 million in some of the trust accounts. Quite frankly we do not know where they are. One would expect that some of those accounts would be promissory notes, so if they run for leader they will receive \$10,000 now and \$50,000 later or \$5,000 now and \$10,000 coming later.

We do know a number of leadership hopefuls from the Liberal benches are no longer leadership hopefuls and they have not passed in their trust accounts. I assume many of them must have them in their pockets. The only way we can know differently is to have them tell us. No one is certainly offering that information. We can only assume that the individual leadership hopefuls still have the bulk of those funds in their own accounts.

• (1620)

Certainly, if this type of legislation does anything to prevent that type of abuse by public officials, then I absolutely support this part of the bill. This is the type of legislation at which we should be looking.

*Government Orders*

I really wish I had better faith in the government's managerial skills. I do not think we could discuss a single issue in the House, whether it is the upcoming budget tomorrow, if there is anything left in the budget that has not been leaked. We will find that out in 24 hours or less. Let us take a look at the track record. We are not certain this eliminates the trust funds and the ability to fundraise the way the leadership contestants have in the past.

We have not seen any issue that the government has handled with fiduciary responsibility to the Canadian citizens and taxpayers. We have not seen those issues come back to us with proper accounting. We have five million SIN cards, social insurance numbers, that are unaccounted. We have an \$800 million cost overrun in a long gun registry and there is no guarantee it will work.

**Mr. Peter Adams:** It's already working.

**Mr. Gerald Keddy:** That is an amazing statement even for a Liberal to say that the long gun registry is already working when it has cost Canadians a billion dollars. That is exactly my point. The government has zero managerial skills and is not great on manners either.

I would tend to think that most of us in the House would think this type of legislation is a positive move, that it is a step in the right direction. I do not have that guarantee. Although I am not the critic for the legislation, I am not convinced yet that there is enough accountability, transparency or that we know all the numbers and facts.

It looks like a step in the right direction. Is that step big enough and bold enough? I am not certain. What do Canadians think about it? Quite honestly I think they have become so turned off by the political process and some of the charades that occur here that they will just say that this few million dollars will be wasted anyway. They have no faith in the government to do the right thing with the dollars it has.

I will close on a comment that the right hon. member, the leader of the Conservative Party, made in this place. He closed his debate on this with this paragraph. He said that the Prime Minister had told reporters that this would be a question of confidence in the government. The bill on party financing of elections has become a question of confidence. It seems that everything is a question of confidence these days.

Obviously, there is some discussion, maybe some very hostile discussion, among all the players on this legislation. Why would he do that? This is a matter of fundamental political morality. Members should not be bound by the power of the party any more than they should be bound by the power of the purse. If the Prime Minister has the courage of his convictions, let him make and win his case on its merits. Let this important matter be subject to a free vote in Parliament. I totally agree with that.

Although I believe it will be our tendency to support the legislation, there are still a lot of questions to be answered yet.

• (1625)

**Mr. Geoff Regan (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, I want to thank my hon. colleague from the beautiful riding of South

Shore, which I would have to say is one of the 11 most beautiful ridings in Canada. We are aware that there are 11 ridings in Nova Scotia, which is an interesting coincidence.

My colleague asked about the question of how we could determine what the cost would be in the future, if we did not know what the voter turnout would be. Clearly the answer is that we cannot predict the exact voter turnout for future elections. However when we look at the systems across the country, in provinces that have used systems similar to this like in Quebec, New Brunswick and Manitoba, this seems to be the best way to calculate the manner of making payments to political parties and providing this kind of funding rather than having them relying upon corporations and having concerns expressed about the perception of influence by corporations.

He talked about the horse being out of the barn. I do not think he would propose that this law or any law would be retroactive. He is not proposing that it should apply to the Conservative Party leadership race that is going on, or the leadership race going on in other parties, or past leadership races because really it would be the same effect. If we are going to apply it to one that has already started, we might as well apply it to the leadership race in the Conservative Party in 1993. I do not think he proposes that we do that.

The other thing he talked about was why it was being done at this late date. If it is that good, if it should have been done much earlier, he might agree that perhaps his party could have done it also. If we are to get into the question of timing, there is no reason why it could not have been done by the PC Party when it was in government.

In any event, I appreciate the fact that he is supportive generally of the principle and recognizes the need for transparency and disclosure, which is what this is.

In terms of corporations paying bonuses to their employees and officers, and then transferring it, there are strict provisions against that in the bill. I do not know if he is aware of that but it is important he know this.

Does he have any other proposals on how we could calculate funding or funding parties in a different way so we could be certain of that funding?

• (1630)

**Mr. Gerald Keddy:** Mr. Speaker, I appreciate the member for Halifax West's intervention. The riding of South Shore is absolutely one of the most beautiful ridings in Canada. It is not just the coastal scenery in the South Shore, it is also inland as well. We certainly have a number of lakes, rivers and woodlands that are comparable to any anywhere in the country.

Directly to the question of whether the law could be applied to the leadership race that is underway now in the Conservative Party. I have no difficulty with that. If we are to have a set of rules, let us have a set of rules. The question of why we are doing this at this late date is legitimate. Why, at the twilight of the Prime Minister's leaving this place and after having been elected since 1993, do we suddenly have this interest in having some type of a more fair and equitable system for everyone? In politics that is a legitimate question.

*Government Orders*

I was not aware of how the system worked in New Brunswick prior to the member for Fredericton's comment, but certainly in Quebec and Manitoba it seems to be work fairly well. At least that is my understanding of it.

There is disconnect in how we finance political parties and how we finance individual members. Most of us as individual members of Parliament would look at our fundraising less. Those donations of \$100, \$150 and \$200 are extremely important. Whereas political parties have depended in the past upon corporate donations and individual membership sales. It has caused a fair amount of disconnect between the voter and probably, and I am trying to think of a word that is parliamentary, a lack of trust in the party system because of the interlinking of the big unions and corporations and what is perceived as big government.

**Mr. Peter Adams (Peterborough, Lib.):** Mr. Speaker, my colleague mentioned the gun control and seemed to be under the misapprehension that it was not working. Before I ask my question I would like to point out that in the latter part of the 1990s, the last three years, gun thefts dropped by 30% and guns reported missing dropped by a similar amount in the same period, but the most remarkable thing is that for the first time in history handgun murders exceeded long gun murders. This had never happened.

I think what is happening is that people are behaving as though the gun control system, including the registry, is already working. I look forward to the day when the system is complete because then it will be more effective.

I have two questions for the member. The member was talking about the valuable impact of this proposed legislation on leadership. I also am very pleased, and I would like his comments on it, that the proposed legislation will at last deal with nominations. It will really mean that a person does not have to be rich and be supported by powerful local interests to seek a nomination at the local level. That is really and truly the grassroots of our system. I think that this is one of the strengths of the bill. I would be grateful for my colleague's comments on that.

• (1635)

**Mr. Gerald Keddy:** Mr. Speaker, quite honestly I would say on my behalf and on behalf of the majority of my colleagues in this place that I think any ordinary person in Canadian life can aspire, under the present system, to be a member of Parliament and actually attain that goal.

As for whether a person is rich or not, I am not certain that it helps the nomination process. There is a huge difference between the ability to run for politics in Canada and the ability to run for politics in the United States, for example, where it is extremely expensive. In the United States a person does have to be rich or perhaps very well connected. Perhaps if our system were to become more expensive in the future, this would help to prevent that, but for anyone now aspiring to a life of public service, I really do not think there is a huge obstacle to attaining that goal.

On gun control, this is another issue, but since the question was raised I would like to say it is not about gun control, absolutely not. There is nothing in the registry that has changed anything about gun control. What has worked with gun control is the gun control parts of

the provision. The registry has been a dismal failure. Eight hundred million dollars later, it has been a dismal failure.

The gun control legislation as proposed by the Tories prior to this has worked well. It has reduced the number of violent crimes in the country. It is about safe storage and safe handling, the careful and responsible use of firearms. No one that I have ever talked to has been against that process. The problem is an overly expensive, overly complicated, unworkable registry that has been a dismal failure. The gun control legislation, which the Liberals did not bring in, absolutely has worked, while the registry is a dismal, utter failure.

**Mr. Joe Comartin (Windsor—St. Clair, NDP):** Mr. Speaker, my question is for my colleague from the South Shore. There has been a great deal of consternation over the evidence that came out with regard to these trust funds, with I think most of them, if not all, being held by members of the governing party. I have been hearing figures of \$230,000 for one and very substantial amounts for others.

I want to pursue the issue of retroactivity, because as I read the bill I am not convinced that the bill is going to prevent these trust funds from being set up. Would my friend make some comments as to whether there should be retroactivity with those we are aware of now, whether they would have to be terminated under this legislation?

**Mr. Gerald Keddy:** Mr. Speaker, if we really believe that the trust funds are out of hand, if individual members have \$230,000 in their own names that they have fundraised, this is not a party account for any party in the House. It may be in the name of an individual party, but also for an individual in that party. I am not the legal expert on individual trust accounts. My gut reaction as a citizen would be that this legislation should be retroactive to trust accounts. I question why we would need them. It is one thing to raise money to put in the party's coffers. It is another thing to raise money that goes into a person's own pockets.

**Mr. John Bryden (Ancaster—Dundas—Flamborough—Aldershot, Lib.):** Mr. Speaker, I am very pleased to rise on this bill. I like it very much in terms of the transparency it brings to riding associations, to leadership contests and to nomination competitions, but my one major misgiving with respect to the bill is this suggestion of \$1.50 per vote to the parties after an election.

I have the evidence before me as to why the government may decide that this is a very bad idea. I would call your attention, Mr. Speaker, to the Elections Canada return for the riding of Burnaby—Douglas. That riding, that candidate, was entitled to spend \$64,000 during the election campaign. That particular candidate, who sits in the House, actually raised \$102,000 for the election campaign. That was \$38,000 more than he needed. If we look at the return that is available on the Elections Canada website, we discover that out of that \$102,000 the particular candidate received \$15,000 from 12 unions, \$175 from 2 individuals, and the rest, \$82,000, from his own party.

What we have is a situation here where if this particular candidate were able to avoid having to raise money during an election campaign entirely, he would have saved more than enough money from his own party, not to mention the unions, but his own party that gave him the money.

*Government Orders*

This is the kind of danger that we are faced with if we have this \$1.50 rule on votes. We may have a situation where individuals entering an election campaign will be able to get enough money from party head office such that they will not actually have to raise any money or do any grassroots work during the campaign at all.

What makes it worse, and leads us to I think a very positive aspect of the bill, is that for the \$82,000 that the New Democratic Party gave to the member for Burnaby—Douglas, because of the current rules that lack transparency at the riding level, no one can see any of the individuals or corporations, or unions, for that matter, that contributed to the NDP, which in turn gave the money to the individual from Burnaby—Douglas. That is a major problem and a major abuse of process. There is no point having Elections Canada being transparent if the actual information we receive through a request to Elections Canada tells us nothing about the actual financing of the individual who ran for election.

So I feel very strongly that the centrepiece of this legislation is the requirement that riding associations are audited properly, make financial statements annually to Elections Canada, and provide a regime of transparency that enables Canadians to resume their faith, so that they can see where the money is coming from.

It also has the added advantage that by being able to see what happens in riding associations people will be able to see who are the individual candidates who really are in contact with their people and who raise money by small amounts, by having spaghetti suppers and small fundraisers, and who among us on all sides of the House receives money directly in large sums from individual entities. Because I would suggest very strongly that no riding association in this entire country needs to have any more money in its bank account than is half the allowable spending money during an election for its riding. In other words, because Elections Canada refunds half of one's spending, the most a candidate needs to spend in any election is about \$35,000. So I have to ask why any riding association should need \$60,000 or \$70,000 or \$100,000 or \$500,000.

What we want to see by this proposed legislation is this kind of transparency so that riding associations that have these large sums will put these large sums where they belong, which is with the central office of party. Then the central office of the party will be less dependent upon corporate donations.

• (1640)

The other flaw in the bill is the suggestion that individuals should have a ceiling of \$10,000 and corporations a ceiling of \$1,000. The problem, Mr. Speaker, is that when big money comes into small ridings, that I think is where there is a danger. If anyone here does not think that an individual MP has the ability to influence the government's agenda, even if that MP is in the opposition ranks, they are very wrong. I think it is very important that MPs be seen to be receiving small amounts of money from as many people or small businesses as possible, and larger donations should go to the party head office. I would suggest just for starters that there should be a cap on donations to riding associations of, let us say, \$500 to \$1,000. There should be a cap on donations, be they corporate or otherwise, to the main party of around \$10,000. The way it is set up right now, I do find it flawed.

The other very progressive thing in the legislation is it spells out that contributions are not to come from people who are not citizens or landed immigrants of this country. One of the disturbing problems that we think we have, although we cannot prove it because there is a lack of transparency, is the suggestion that there are organizations, generally very social-conservative, that are in the United States, which may be trying to influence the development of the Canadian government's agenda and democracy in general for that matter, Mr. Speaker, by funnelling money to Canadian riding associations. In other words, and I will be very blunt, it could be American money coming into riding associations in Canada or even French money coming into riding associations in Quebec, where the French might think that there are separatist individuals there who might be arguing in favour. I know, it is improbable, but we do not know these things. The important thing is to make sure it does not happen.

And what this legislation does is explicitly forbid offshore money going as political contributions to ridings or individuals. I think that is a very positive thing. I must admit that I am not worried about France, but I am a bit worried about the National Citizens' Coalition, which is an organization that is not transparent and that has been very actively campaigning against the kind of Liberal democracy that we see in this country. I would not like to think that the National Citizens' Coalition might be funding some of my colleagues and might be receiving those funds from offshore.

This legislation addresses that problem, except it is flawed again. The penalty is too small. The penalty for contravention against any of these ineligible contributions to a political party or individual is only a maximum of \$2,000 or a maximum of six months in jail. I would suggest to you, Mr. Speaker, that anyone who tries to circumvent the need for transparency, the need for contributions coming from legitimate sources as determined in the legislation, should be liable to a much more severe penalty.

With that, Mr. Speaker, I think the government is on the right track.

I do not know about the trust accounts. The issue has come up and one of my colleagues opposite has mentioned it. I want to go on record here as saying that I absolutely deplore any thought that politicians in office should be receiving money that they may have control over, even indirect control over. I think that is absolutely inappropriate. The legislation unfortunately does not deal with how any money in these existing trust accounts will be disposed of. I regret that. I was surprised to even learn that some of my colleagues engage in that type of activity. I would suggest that philanthropy is the business of those with money. It is not the business of those who do not have money and politicians technically do not have their own money. They have the taxpayers' money and they should only use the money in the taxpayers' interests.

• (1645)

**Mrs. Carol Skelton (Saskatoon—Rosetown—Biggar, Canadian Alliance):** Mr. Speaker, I am pleased to contribute to this important debate on Bill C-24. The bill is supposed to bring much needed reform to Canada's campaign financing legislation but I think the legislation has failed to achieve almost all of its intended goals. I will explain this in more detail, but I think most Canadians do not understand how most campaign financing is currently done in Canada.

*Government Orders*

The Liberals would like Canadians to think that this piece of legislation is the magic wand that will restore openness, accountability and honesty to the Canadian political process. It will not. Money for political parties generally comes from two sources: private individuals and organizations such as businesses, unions and advocacy groups.

Some parties rely mostly on union donations and others rely mostly on donations from large corporations. I am proud to say that the Canadian Alliance relies on small donations from individual Canadians.

I think it is something when the opposition is funded mostly by average Canadians and the governing party is not. The Canadian Alliance receives 61% of its funding from individuals and the Liberals receive just 19% of their funding from individuals.

It takes a great deal of effort for politicians and their parties to solicit moneys in small amounts from any person. It takes humility and genuine sincerity to go door to door. It takes pride in one's work to ask for a piece of someone's paycheque based on one's performance. It requires that we remain connected with those who vote for us.

It takes a lot for an individual to sit, write a cheque, buy a stamp and mail it to a political party. It is no wonder large corporate donations appeal to well connected politicians. There is no need to go to the voters. There is no need to listen to their concerns. There is no need to put them at the top of the political agenda as shortcuts to a ballot box.

While corporate donations have a place in the political process, all parties would do well to focus on individuals too. Nonetheless, I would prefer that corporations voluntarily donated to political parties rather than force taxpayers to fund political parties.

As one of the few women in the House, I would like to address one of the largest myths surrounding the proposed legislation. Those in favour of the legislation have said that the bill would make it easier for women to enter politics and the House of Commons. I do not believe this is the case, nor do I think it would attract the kind of candidate Canadians deserve. I can tell anyone, male or female, that political life is very challenging, even more so than I first imagined. It is not a place for those who are insecure, weak or timid. Candidates usually get elected on their merits alone. That is what makes our democracy strong.

We have shown in the past that those who have wanted to get here and have been qualified have succeeded many times. This House has women who carry both themselves and their parties. The member for Edmonton North and the member for Saint John are just two examples of the women I speak of. These strong women detest the insulting strategies of the Liberals. They got here because they earned it themselves, not because someone held their hands and fought their battles for them. They deserve to be proud of their efforts and their constituents are proud.

The women in the Canadian Alliance all got here on their merits. There were no special deals. There were no parachute candidates and no quotas. I am proud to be one of those women who earned her seat. My constituents were given a fair choice. If I may say so myself, I think they made the right choice. I got here because I

earned my constituents' respect. I did not get here because my leader rigged the nomination process in my favour.

Some women in the Liberal Party got here with a helping hand, which subverted the democratic process. I think this can only serve to taint their accomplishments. Would it not be nicer if they all knew they got here because they deserved to do so, not because someone more powerful did? Unfortunately the gender equality they sought to achieve and represent was only possible because of the gender equality they engaged to get here.

● (1650)

The Liberals want to slide a campaign financing bill through the House of Commons under the shady excuse that it will help women get elected. How shameful. Women make up the majority of the population and increasingly detest their treatment as a special interest group. If this bill is not good enough for Canadians as a whole, it definitely is not good enough for women.

If for a moment I could accept the arguments of the proponents of this bill, I still cannot understand why the taxpayer has to pay for political parties they do not support. If voter apathy is growing and political involvement is dropping, the Liberals must address these problems up front. If Canadians cannot be persuaded to willingly support political parties, they should not be forced to do so through their taxes.

It is interesting that the bill does not address falling voter participation in any way. Canadians are becoming increasingly disenfranchised by the current political system. One voter in my riding said in a fit of frustration that it does not matter who one votes for, the government still gets in. If anything, the bill would encourage voter turnout to continue to drop.

If parties are not forced to involve Canadians for their financing, they are likely to avoid involving them at all. When their income is taken straight off the paycheques of all Canadians, where is the incentive to go door to door? If Canadians think that they do not see enough of their elected representatives currently, just wait and see what happens if this bill gets passed.

I truly feel there is no better way to increase voter turnout and participation in our democracy than to allow Canadians to contribute as they see fit. What could be more frustrating than being forced to donate to a party a person does not support?

The Prime Minister and the Liberals just do not understand what Canadians hate, yes, hate: being forced to pay for things they do not support. Look how upset Canadians got when they were forced to pay for cable channels they did not support. A channel that may have been accepted by the majority was rejected because of the resentment of being forced to pay for it. Let us not do the same thing to our democratic process.



*Government Orders*

I must question the timing of this initiative. The Prime Minister and the former finance minister have had almost a decade to bring forward this campaign finance reform. They never did. What have they done instead? Instead they have sucked every dollar from the taxpayers' pockets at every turn. Now it seems that personal vendettas, oversized egos and fear of political revenge by average Canadians are the motivation for campaign finance reform.

The bill takes one step forward and two steps backward. For many years union members complained that they had no choice in how much money they donated to what party. They detested their lack of input into political party donations. They often had to support a political party of their executive's choice, not of their choice. It appears the government set out to address this legitimate concern. It is proposing to limit the union contributions so significantly that they play no significant role in a particular party's financing.

On one hand, the government wants Canadians to have control of how their money is used politically and on the other hand the government moves in the opposite direction. Now it is proposing that taxpayers be forced to contribute to political parties involuntarily through their taxes. Why is there a double standard?

Honestly, I think the bill is a pre-emptive strike by the Liberals to replace forced taxpayer funding for what must be diminishing corporate donations. I cannot imagine the Canadian business community is donating to the Liberals like it used to. Broken promises, fraud investigations, billion dollar boondoggles, a lack of legislative agenda, failed trade talks, limitless spending and other reasons come to mind.

Many think the corporate and union donation ban will hurt the former finance minister's leadership bid. I do not think so. What could be more of a favour to the Prime Minister's replacement than to put in place a guaranteed income. This is a small guy from Shawinigan plan to steal millions from taxpayers to fund another campaign for a party that has lost touch with Canadians and their priorities. This was the guy who was supposed to bring democracy back to the House of Commons but instead earned the title of the friendly dictator. What a double standard.

• (1655)

In summary, I must say that I do not agree that the bill will bring more women to the House of Commons.

**Mr. Paul Szabo (Mississauga South, Lib.):** Mr. Speaker, bashing politicians has become a national pastime in Canada. It is often done with tongue in cheek because I think that most Canadians who know their member of Parliament are quite pleased with their member of Parliament. They elected their member of Parliament not for what he or she promised to do but rather for what he or she had done and the credentials that he or she brought to the job. It is much the same situation with banks. Canadians hate banks but they sure do love their own bank because the tellers are so good. It is one of those situations when talking about politicians.

The national pastime being what it is, to bash politicians, this will be a very difficult bill to deal with, but there must be a reason. As a preamble what I would like to do is inform Canadians. Members know them but I am not sure that Canadians are well aware of what the rules of the game are with regard to people in politics.

People who are nominated to be candidates in an election during the election campaign have an opportunity to raise money. For those contributions, there are rules that provide for tax credits, obviously generous tax credits, which would help those candidates raise the money they need to run their election campaigns. Following an election campaign, any moneys that are left over have to go to a riding association.

Every party has riding associations in all 301 constituencies across Canada. In non-election years, those riding associations continue to do things such as policy development, constitutional work and fundraisers to cover their mailing costs and their meeting costs, as well as to build up a bit of a war chest to help support their respective candidates in the next election. Those contributions to riding associations whether they be through cocktail parties or dinners, also have eligible tax credits under the Canada Elections Act.

At the same time, the national parties are the umbrellas over all of that. There are a number of national parties. There are five official parties in the House today. All those parties continue to exist as umbrellas in the continuity with a broad base of membership from all ridings across the country. Their responsibilities also include things such as developing policy, supporting their caucus members, those members who are elected to Parliament, as well as fundraising to pay the bills for operating a large national organization. Members know the importance of their research facilities and the support people that are necessary to communicate to Canadians what their party stands for.

The political infrastructure exists so that Canadians have choices. The parties put forward candidates and the party that elects the most members of Parliament forms the government. Its platform is well known, its leader is known, et cetera.

It takes a great deal of work to earn the respect of the people of Canada, the voters, and to be in this place. Members will know that to be in this place is a great honour. We are 301 people out of 31 million. It is a great honour. I know that all members here very much value the opportunity we have been given by our constituents.

This is called the political process. This is called providing democracy with the instruments and the vehicles that are necessary to have a dynamic policy debate.

There are differences among all the parties on some items but on other items they are very close. The philosophies are not totally different. There are not people who are so far out of the ballpark that they are not appealing to some corner of the country. That is evidenced by the fact that they have representation in this country.

We need this public process. We need political parties. We need riding associations. We need candidates. It is all part of the political infrastructure that supports the democratic parliamentary system that we have in Canada.

• (1700)

I do not want to talk about the comparison with the United States. It is not comparable. The United States system is based simply on money. In Canada we have a system of publicly supported financing.

*Government Orders*

Under our system every Canadian has the opportunity to be a member of Parliament because they do not have to worry about being outspent by someone. We have laws that limit how much someone can spend on elections and limits on amounts that can be contributed. Contrary to the laws in the U.S., our laws ensure that every Canadian has the opportunity to run for public office and to become a member of Parliament for the party of their choice or even as an independent. That is why the publicly financed system is there.

The Prime Minister said very clearly that the principle of public financing of our political system has been well established and well accepted in Canada. However it is still part of politics, which goes back to the original premise, that it is a national pastime to bash politicians and politics.

Another aspect to the bill has to do with bringing into the process the whole idea of nominations and trying to put some regulatory framework around the limits that can be spent for nominations. I will not talk about individual details, which I could probably argue in many ways, but when I sought the nomination for the Liberal Party of Canada in 1979, when the Conservative government fell, I was not a member of the Liberal Party of Canada at the time. I was active in my community and I was very interested. Someone came to me and asked if I would like to be considered for the nomination for the Liberal Party in the riding. I did not give it very much thought but then I thought I might and that started to snowball. I spent about \$300 of my money. I spray painted some signs in my basement with some friends.

**An hon. member:** How old were you?

**Mr. Paul Szabo:** I was 32 years of age at the time. We photocopied a curriculum vitae. I went through it with five other candidates to win the nomination. I was fortunate to win that nomination but I went out to all of the people, the network that I had developed in all of my community work over a large number of years since I graduated from university. I was always involved in charities and other works, the Jaycees, the Terry Fox run, cancer charities and so on. I won that nomination because I had established my reputation within my community and I had a network of people who knew what I did. I was able to go to them and say "This is what I would like to do, you know me, will you help me?"

That is how a nomination is won. It is not bought. I do not accept the basis that one can buy a nomination. It has to be earned. If someone is going to suggest to me that by establishing some kind of limits and lowering it down and reducing the amount of money that can be spent on a nomination that will somehow help people, I would disagree. Anyone in Canada who wants to be a candidate for anyone of the parties the best thing they could do is what 80% of the people in this place I know do, build up a CV that shows a very solid community service record of unpaid, volunteer work and giving back to the community. That is how someone becomes a member of Parliament.

With regard to the overall legislation, the overriding premise has to do with either the fact or the appearance that large corporations have undue influence over politicians, parties, cabinet ministers, members of Parliament and government. That is the essence of the bill and that is what the bill tries to address. Even in question period

today there was a question about big money and contracts. This is the appearance. This is what people are representing as the facts.

The Prime Minister of our country said that we need to address the appearance of undue influence and that we need to address the issue of large corporations controlling what happens in the lives of Canadians.

I think the basic premise of the bill is very good. We must address that. It may not be palatable to Canadians to talk generally about politics but we do have to deal with the appearance as well as the fact, if it exists, that large contributors can and will try to influence.

● (1705)

However we also have to recognize that if they are not going to be exerting influence by their donations, they will just turn to lobbyists and have lobbyists come after us as well. We have to be aware of the realities. I think we have much to discuss but let us deal with the appearance of government.

**Mr. Ken Epp (Elk Island, Canadian Alliance):** Mr. Speaker, I too am happy for the opportunity to address Bill C-24. I think the bill is an opportunistic opportunity for the Prime Minister to take some of the heat off the ethical breakdown in government.

We have been literally hammered over the last couple of years with boondoggles, cost overruns, misuse of taxpayer money and all sorts of accusations regarding whether or not there was proper accountability and whether or not ministers properly fulfilled their duties.

The Prime Minister made a big speech saying that he would be making some changes, one of them being, of course, the proposed code of conduct for MPs. Even though none of these scandals involved backbench MPs on the Liberal side or opposition MPs, they have become part of the focus, moving away from the accountability of ministers, who the Prime Minister was quite happy to promote during the election of 1993 where he said that when he became Prime Minister those ministers would be held accountable. We frankly have not seen that.

In any event, now we have, as part of the package, electoral reform. We find that it is an interesting approach that the government is taking. It is interesting because of the fact that it has decided to change the way political parties and candidates are financed.

A couple of times in the debate today it has been mentioned that the Canadian Alliance would probably accept this money. I want to make it very clear that we are opposed to the bill because we believe that some of the measures in it are just plain wrong. However I want to make it very clear that we will obey and abide by the law that is passed.

The Prime Minister has announced that he will force the bill through by making it a confidence vote. In other words, if members of Parliament choose to vote against the bill it would show a lack of confidence in the government. The government's own members are being browbeaten into voting for this whether they agree with it or not. I think that is unconscionable. It is a breach in the democratic process.

*Government Orders*

At any rate, the Prime Minister has brought this forward and will jam it through and, with that, we will have some notable changes in the way that political parties and candidates are financed.

I would like to be on record as saying that some of the measures in the bill are laudable. I certainly agree with at least the word “accountability”. The Liberals tend to use the word a lot but they do not often produce the results that we are looking for. However I do believe in accountability and openness. There is nothing wrong with having true accountability.

However there is one thing that I have come to understand, one can refuse to be open and accountable in two ways: first, by giving no information; and second, by giving so much that it gets lost in the shuffle. I had that experience not too long ago when I asked for information. Several crates of documents were delivered to my office. All of that information can be called accountability. I looked at it and noticed that a lot of it was simply photocopies of photocopies of the same thing over and over again. It was just a way of trying to snow me. I received the stuff I asked for and I could no longer say I did not get it. However the usefulness of it was minimized because of the fact that the volume was so great. I think this is one of the features of the current rules.

• (1710)

We have rules about publicly disclosing the donations of people who give \$200 or more to a party or to a candidate. Frankly, I think that is part of the overkill. I guess there is nothing wrong with knowing who donated to whom. Sometimes people join a party, not because they believe in that party, but because they want to become operatives in the party for spying reasons. I have heard of that happening. I suppose it does happen from time to time. Would it not be interesting if some of the labour unions knew to which parties their bosses belonged in order to get on the mailing list or other things like that?

I think it is redundant to ask for public disclosure of small donations. It is the larger ones that could be open to questioning because they could be used to influence the party at different times.

The philosophical question is how political parties should be financed. We all accept that there are political parties in this country and that they should have enough money to operate. It is unfortunate that from time to time political parties go into debt. That ought not to be.

I remember with pride being part of the Reform Party in 1993 where one of our campaign slogans was that the party would run its election campaign the way Canada should be run, debt free. We did that for a number of years during several elections. I as an individual candidate did not spend money I did not have in order to avoid going into debt. I think that is a laudable goal. We need to make sure there is a solid base for the financing of political parties.

I strongly believe that it should be voluntary and not coerced. Frankly, if a member of the Liberal Party came to my door and asked if I would help the party raise money for the next election by buying some tickets to its fundraising dinner I would decline the offer. I do not believe the Liberal government is doing a good job of governing the country. I think it needs to be replaced. To ask me to finance its next election campaign would be an affront.

I know people will say that the bill would not take money away, except in proportion. If people vote for them that is how they get their money. It is based on the votes.

I understand that part but in my riding of Elk Island where, I would venture to say, two-thirds of the people would support the Canadian Alliance and about 20%, one in five, would support a Liberal—those are numbers based on the last election—it would be an affront to take all those taxpayer dollars out of my riding and say “That part of your tax dollars which goes to support political parties will be divvied up 50% to the Liberals and 20% to the Canadian Alliance”. Right away there is an anomaly when we bring in that kind of a scheme.

• (1715)

I think it is anti-democratic. I believe democracy is served when individuals are free, when they are given the freedom to support the organization or the political party of their choice, not because it is brought in.

I remember how upset I was, as a forced union member, to watch the union give \$100,000 to the NDP. I am diametrically opposed to the principles of the New Democratic Party, as it probably is opposed to many of the things in which we believe. However to force me to pay my dues and then watch the money go to the New Democratic Party was a personal affront to me. It was a violation of my personal freedoms.

That same principle applies when we are taking taxation dollars and giving them to political parties. That will increase cynicism toward political parties and not decrease it.

In order to strengthen the amendment that we proposed, I would like to propose a subamendment. I move:

That the amendment be amended by inserting after the word “state” the words “, an increase from approximately 40% to over 70%,”

For explanation, there are also some commas included in there but I did not read the commas because they are symbols and not words.

• (1720)

**The Acting Speaker (Mr. Bélair):** I will take the amendment under advisement and get back to the member for Elk Island very shortly. Resuming debate, the hon. member for Winnipeg South.

**Mr. Reg Alcock (Winnipeg South, Lib.):** Mr. Speaker, I would just like to add a few remarks to the debate on the legislation. I will not go over some of the ground that other members have spoken to already.

I listened carefully to the remarks of the House leader in introducing the bill and to the member for Fredericton. I largely endorse what the member for Fredericton has said. His personal experience is a valuable guide for the House as we think about how the bill might be improved. By and large I support it. It is a move in the right direction.

*Government Orders*

I was just getting active in politics when the current bill was brought in and when we first adopted the principle of the public, through a tax credit, supporting the activity of political parties. At that time there was a lot of excitement about the tool that this provided to us in helping to encourage individual citizens to get involved in politics. We had a great deal of enthusiasm and hope at that time that this would give us a way to really focus our energies on citizens and electors and perhaps even then of some of the corporate concerns that were arising.

Over time, as that tool became weaker, because it was not upgraded and because inflationary pressures and such were not addressed, there was a diminution of the use of it and some concerns about it. This is a welcome improvement, in particular that this would take us back to that base. There is a saying that the best protection of democracy is an act of citizenry. If the bill becomes a way to encourage and support the activities of citizens in support of the political parties of their choice, that is a very positive step.

There are some things in the bill that are worth underlining. The problem, if I could start that way, with the current legislation is that it does not go far enough on the transparency and disclosure side. It was not until we got into this debate that I even realized it was possible for a member to raise funds that were not receipted. I thought all political donations had to be receipted, and I acted in accordance with that.

A lot of the concerns and worries we have about undue influence and all of that are always made worse by a lack of transparency. Those provisions that call for annual reporting by everyone who raises funds, an annual disclosure of the funds raised and what they are used for, would go a long way to restoring public trust. Frankly if people saw the reality of some of this, they would not be as concerned as some of them rightly are.

The second thing that is touched upon, or hinted at, or that is a possibility in the way the bill is structured, and it has been an active debate among myself and some of my colleagues, is the way the bill begins to pick apart some of the structural items in the organization of a political party. I certainly cannot speak to the organizational structures of other political parties in the House, but it makes a nice separation between the member and his or her association and the party. I would argue that we need to go even further and look within that in the provincial and territorial associations. One way to conceptualize this, and the way I conceptualize our party, is a group of individual associations which come together collectively to create the territorial associations which come together collectively in a federation to create the national party. The national party, like the country, is indeed a federation.

We got that model wrong when we started to centralize a lot of the authority and control for fundraising in the national party rather than for those who were fundraising. For example, I could raise all sorts of money, and am a very active fundraiser. I raised funds in a number of guises for theatres and social causes prior to being elected. The techniques and work of fundraising are something I understand well.

I could raise money right now and it would get sent in and receipted in Ottawa. That donation can be found on the website but it can also be found somewhere within pages and pages of information. It is hard to pick out whether it is a donation to me in my riding.

There is nothing that breaks that out for us and there is absolutely nothing that happens in terms of my reporting what I do with the money. Those are important flaws.

• (1725)

The more that I am held accountable for the fundraising I do, the reporting of the use of it and the accounting for it, I think the more confidence people will have in the kind of work I do. I currently report on the money I spend in my riding because it is good practice. That would be a healthy change.

I note the Ontario members on the provincial side have, as all members have during an election campaign, the ability to continue throughout the year to offer tax receipts, collect the money and report on it. There are some useful changes.

On the picking apart of the corporate versus individual, I am a bit of an agnostic on a piece of that. I heard one member on the other side talk about how the Americans had a \$1,000 cap on individual contributions and no corporate contributions since 1976, I think. That is right but they opened a big back door and drove all the corporate contributions into big packs. The packs are as powerful or more powerful a force in American politics than any corporation in Canada. I do not think that is a healthy thing, and I am not certain I would want to see us go in that direction.

We are trying to deal with a concern about corporate influence by limiting or trying to find ways to squeeze down that activity. Transparency will be a greater tool than any other control but I am not concerned about the \$1,000 limit.

I want to raise something on the question of public financing though. I listened to the member for Elk Island. He raised a concern about having someone come to his door selling Liberal tickets and him having to buy one. I do not think there is anything in the bill that would do that. I think he is saying that he has no objection to the current system where if he gets a donation for his campaign from someone, the public gives him \$75 of the first \$100. He gets public money back for that. The only test of any activity is the fact that he is the member of a party and somebody is prepared to give him money.

However he is concerned about money being transferred to him on the basis of his having the electoral support of those same citizens. In a funny way he is saying that he does not think people should be forced to pay, even through the public purse, for political choices they do not want. Yet the proposal is that if there were  $x$  number of thousands of people who voted for him, then his party would receive money on that basis. I am not sure how solid his argument is.

It is a new area for us but the reality is that every party has to run an infrastructure, every party has to communicate with 301 ridings and every party has to raise money just to keep the organizational structures alive. The one thing this will do is clarify that. It will put it out for all to see. It will make it logical and predictable. I think it also will reduce some pressure on parties and allow them to get on with the work they need to get on with, which is to represent the citizens that put them there in the first place.

*Government Orders*

However in that same vein, I have a concern. It is one of those concerns that may be out there a bit. It always worries me when I see central control of some of these fundamental processes that could serve to exclude other groups from getting involved, and I would want to look very carefully at those provisions.

I recently read Preston Manning's book. I think the founding meetings of the Alliance Party took place because certain individuals were prepared to write some very large cheques to underwrite some conventions. I am not saying that to be critical.

There needs to be legitimate opportunities for people who descent, who do not like the existing parties and who have concerns about government to express that, to come together and organize around that. I would be cautious about it, if between elections we were to put funding rules in place that made it impossible for other groups to get active or made it difficult for them to get started. This would be a detriment to the nature of democracy in the country.

● (1730)

Beyond that, I am supportive of the bill. I look forward to it going to committee. I suspect there will be some interesting and important amendments made there.

**The Acting Speaker (Mr. Bélair):** I declare the amendment to the amendment receivable.

[*Translation*]

**Mr. Jean-Yves Roy (Matapédia—Matane, BQ):** Mr. Speaker, I am pleased to speak to Bill C-24, recently introduced in this House and dealing with political party financing in particular.

From the outset, I must recognize that we, in the Bloc Québécois, agree with the bill in principle. I will elaborate on this in my remarks, even if I have only 10 minutes. Ten minutes may seem like a long time to some, but it is a very short time for others.

I want to point out that the purpose of the bill is to clean up our political system. The idea is to do things the way they are done elsewhere. Naturally, Quebec was mentioned. In Quebec, legislation was passed 26 years ago. If memory serves, it was passed in 1977. But we must look at what was going on before then to understand that the purpose of the bill is truly to clean up politics. This bill has a number of flaws, and I will come back to that. Still, it is unfortunate that such a bill was so long in coming at the federal level.

**An hon. member:** Better late than never.

**Mr. Jean-Yves Roy:** Better late than never, indeed. But 26 years after Quebec, that is too long, in my opinion. Naturally, this has caused problems for governments in the past—there are members of this Parliament who can attest to that—for previous governments and, more recently, for this one.

When large corporations are allowed to finance political parties Canada-wide, these large corporations—it goes without saying, it is obvious—will try, as much as possible, to influence the policies put forward by the government.

That is the main problem with the politics of a country like ours. It is a problem because, as we know, people with money can influence politicians and political parties because they contribute substantial amounts to these political parties.

I mentioned corporations. But I could also talk about lobbies. We could look at what is happening in the United States. It is well known, for instance, that the gun lobby is very influential. This lobby makes contributions to both the Republican Party and the Democratic Party, thus ensuring that it always has leverage, whichever party happens to be in office.

If we look at what went on before 1977 in Quebec, it is almost the same as the current situation at the federal level. In Quebec, people had the power to influence political parties. Large companies had the power to influence political parties by contributing money to them. We saw what went on under Maurice Duplessis. We saw a little later what went on under Jean Lesage.

That only changed with the arrival of the Parti Québécois who, since 1970, had said there was a need for legislation to protect the fundamental institutions, our political parties. Political parties are a means of expression for the public. Political parties are vehicles to carry messages from the citizens to the National Assembly, in Quebec, and to the House of Commons at the federal level.

These political parties, the politicians, the elected members need to have some freedom and independence from big interests and groups that are able to pressure them with the money they invest.

Unfortunately, as I said earlier, this bill has a few flaws. The main one is the \$10,000 limit for individuals. In Quebec, the current limit is \$3,000. This has served us well since 1977. In the statutes and bylaws of the Bloc Québécois, since our creation, we have proposed a limit of \$5,000. That means an individual cannot contribute more than \$5,000 a year to the Bloc Québécois. If we rely on the current law, which will be replaced by the bill we are reviewing at present, this sum is more than acceptable. It must be remembered that there was no ceiling for companies or individuals, yet the Bloc Québécois imposed its own ceiling of \$5,000.

● (1735)

I feel this is a very large amount of money. Very few ordinary citizens can afford to hand over \$10,000 to a political party. Let us be honest here, very few can.

Looking at Quebec's experience, 1.2% of the population makes over \$2,000 in contributions each year to political parties. This goes to show that \$10,000 is a very large amount.

The other problem, of course, is that corporations are allowed to contribute to political parties. For democracy to thrive, citizens must be allowed to get involved.

*Government Orders*

Naturally, fundraising takes more effort. As one of my colleagues said earlier, it is much more difficult to go to people, ordinary citizens, and ask them to contribute to a political party, to buy a membership card, to conduct yearly campaigns to raise money from other members to maintain a strong membership.

It is basic human nature to try to do as little as possible. But for a political party to thrive, to be what the people want it to be, I think that membership is very important and that individuals, the citizens who have the right to vote, should be the ones financing political parties. This gives them the opportunity to express their views within their party, their institution, and to collectively influence the decisions made by that party.

Now, a political party using public financing opens its doors to any citizen, regardless of income. It is then up to each citizen to stand up for their ideas within their institution, at general meetings, conventions and so forth.

After 26 years, the experience in Quebec has shown that it does work. So far, the two political parties—I say two parties, even though there is third one emerging—namely the Parti Québécois and the Liberal Party, have been able to thrive, conduct election campaigns and continue to raise money, and perhaps even be freer. Not only have they perhaps been freer in their policies and decisions, but I think that these policies and decisions also reflected more accurately the views of the community as a whole.

In fact, the danger of a government financed only by big business and individuals with the means is that it may be managed in a vacuum. Only lobby groups with the means to put pressure on the government, either through financial contributions or otherwise, get a response. That is a danger.

During the last election campaign, for example, we saw what happened to voter turnout. There is a problem with democracy when people no longer believe in the system. This is very dangerous for democracy.

Democracy must therefore be strengthened, not made totally pure because that would be impossible. I think that the bill before us is a chance to improve federal democracy. As I was saying, we support this principle.

I have great difficulty with another component of the bill which, in section 404.1, allows contributions of “—\$1,000 in total in any calendar year to the registered associations, nomination contestants and candidates of a particular registered party may be made—”. This provision seems impossible to control.

During an election campaign, how are we to know if such and such a bank gave \$1,000 in one riding—Matapédia—Matane, for example—and \$1,000 in Ontario at the same time? We will only find out when the statements of all the candidates have been compiled. I think that this provision is very difficult to enforce and that it should be amended.

In conclusion, we support the principle of the bill because it will allow us to make our democracy stronger.

• (1740)

**Mrs. Marlene Jennings (Parliamentary Secretary to the Solicitor General of Canada, Lib.):** Mr. Speaker, I would like to

start by saying what an honour it is for me to take part in this debate on Bill C-24. This is a bill that has been long awaited, at least within my association and my riding.

Moreover, my association had drafted a resolution calling for a ban to be placed on financial contributions to political parties by companies and corporations rather than individuals.

That resolution was debated during last November's biennial convention of the Liberal Party of Canada by the Quebec wing. Unfortunately, an amendment was proposed, and won out, to instead propose a limit on contributions from corporations, labour unions and associations, rather than the out and out prohibition sought by my association.

I must tell you, Mr. Speaker, that once the bill was introduced and I had an opportunity to examine it, I was pleased with what I saw. I shall explain.

I have already been involved with a code of ethics for law enforcement. My close to 10 years of experience has led me to the conclusion that the best protection for any institution within a democracy is a system based on a number of principles, among them accountability, transparency, good governance or effective control, and independence.

[*English*]

Transparency is included in the legislation, as was mentioned earlier by one of my colleagues from Winnipeg. This legislation calls for clear accounting on the part of riding associations, provincial wings of federal parties, and federal parties themselves at the national level, in terms not only of the donations that are received, but also in terms of the actual disbursements that are made by these various entities.

This legislation calls for transparency and accountability in the area of nomination and leadership contests. That is quite a good thing. It would go a long ways to restoring some of the confidence that ordinary Canadians have in their politicians and in our democratic parliamentary system here. Why do I say that? I will give the House a few facts.

[*Translation*]

Voter turnout dropped to below 55% of eligible voters during the last election. Many people attribute this voter apathy, in part at least, to the widespread idea that politicians are subject to undue influence from those who give them money.

Some parliamentarians would say that the contributions they receive are philanthropic in nature, and that the money comes without conditions. Others would say that it is impossible to prove that politicians are influenced by the money they receive.

However, there is cause to wonder, like many citizens do, why corporations, non-profit organizations or unions would contribute to a political party or candidate if they do not expect anything in return.

• (1745)

Is what they expect necessarily in the interest of Canadians? It is cynicism, pure and simple. I do not believe that elected officials are corrupt. I believe that the vast majority of elected officials, at every level, whether it be municipal, provincial or federal, are honest and act with integrity.

However, this is not what Canadians seem to think. According to polls, the vast majority believe that they are unduly influenced by corporations, companies, unions and non-profit associations. Whether this is true or not, that is the perception.

When I was the assistant commissioner for police ethics for the province of Quebec, I learned one thing. Public perceptions, particularly when they are false, need to be disproved by the state.

Take the example of police. We know that the vast majority of police officers are honest and go their jobs properly. They are polite, they do not abuse authority, power or use excessive force. However, in some communities, in some provinces and cities, there is a perception that the police are corrupt, abusive and so on.

In every Canadian province, the federal government has implemented monitoring, governance and accountability systems for police forces. It goes without saying that the same should be done for elected political representatives.

There are other facts to consider. In a 2001 poll conducted by the Canadian Democracy and Corporate Accountability Commission, 56% of respondents were in favour of barring business or union contributions to political parties; 33% were against prohibiting business contributions; 35% were against barring union contributions.

I think that this speaks loud and clear. In fact, certain business leaders had already expressed some reservations about the current laissez-faire attitude, which leaves too many doubts about political contributions by corporations, business and unions.

The current system also has the inconvenience, it must be said, of putting businesses in a difficult position, in that some people expect that companies will be good citizens and make donations to charities and to political parties, while others consider these same acts a shameful attempt to manipulate the political process.

Some companies have decided to give up making political contributions. I think that BP, Alcan and Rio Tinto are among them.

Moreover, some people fear that companies will get around the rules and illegally write off political contributions by claiming them as expenses. I will not comment on this.

However, I do want to comment on two things in this bill. There is accountability and transparency, effective government and independence. I think that the Chief Electoral Officer is independent and he has a good track record.

• (1750)

As for the penalties for people or companies that want to get around the provisions of this legislation with regard to contribution methods and ceilings, I believe the penalties are too low.

### *Government Orders*

A maximum penalty of \$2,000 or six months in prison is truly too low for any attempt to subvert our Parliament and our democracy. I feel these penalties should be reviewed by the government and should be much stricter.

I would simply like to thank the Prime Minister and the governing Liberal Party for this bill. It is a big step in the right direction.

[*English*]

**Mr. Gerry Ritz (Battlefords—Lloydminster, Canadian Alliance):** Mr. Speaker, this is another interesting debate today. It is a bit of a change of pace. Everybody came rushing back to this place this morning all intent on a closure motion that was to have been brought down on Bill C-10, the bill coming back from the Senate on firearms and cruelty to animals.

The government threw us a curve and pulled that one off because it was having trouble lining up the backbenchers on that side, not just the opposition but its own backbenchers, who were saying that they would not support that. It is a bit of an unprecedented thing when we see a closure motion rescinded. It was a bittersweet victory that brought us to Bill C-24 today, the election financing bill.

I watched with some interest as the government House leader threw the curveball, the knuckleball, the Nerfball, the spitball, or whatever it was today, that got us over to this bill. Then he stood up and did a tirade, reminiscent of the old rat pack, of how it was everybody's fault but his. The last time I checked he is the leader of the government that has a majority. He controls the agenda totally and completely. It is at his beck and call, and the cabinet that he serves.

How in any way could it possibly be the opposition shanghaiing this place or withholding this or doing that? How could that possibly be? Yet he stood there sanctimonious as anyone could believe, as hypocritical as anyone could believe—and I see you chuckling, Mr. Speaker. You saw the same act I did.

It would have been a great act to have at a circus. He would have had people coming in and paying money to see that. Without a tear in his eye he was able to do that; without a smile on his face. I guess that is a great attribute that he has after all these years in this place. But it is certainly nothing to do with the opposition.

This particular bill, whether it gets shanghaiied or not, has more to do with what backbench members do or not do over on that side and the leadership contests, and problems that they have at this time.

*Government Orders*

Having said that, I look at the bill and think, here we go again. Regarding the last number of bills that I have spoken to in this place, the direction might be right but the focus is off, this might be right but this is missing, and there are all these loopholes. I see that again in Bill C-24. I see the public disengaged. There is a huge disconnect now between what government says and does in this place, and what the taxpayers who are paying the bills and for whom we are doing this are actually asking for.

We are asking taxpayers to totally fund the political system in this country. They do to a great extent now, somewhere in the neighbourhood of 40% to 50% with tax rebates and different things that go on. However, we are looking to take that to an unprecedented level with this bill. If taxpayers had a disconnected appetite for politics before, they certainly will have a larger disconnect once they start to analyze what the bill is all about.

This is all about public money, taxpayers' money, paying for the political habits of parties. We are seeing things in the bill that are not covered under allowable expenses at this point. I wish to mention one thing that is inappropriate.

Candidates who ran in an election, and I will use my riding as an example from the 2000 election, who received 15% of the popular vote received their deposit back. It was basically called that. A candidate received half of the allowable expenses as a rebate from the taxpayers. We have all been through that, Mr. Speaker, and you have too. However I see the threshold being lowered to 10%. I think it should go the other way; it should go to 20%. We are talking about public money here. Someone who cannot get 20% of the popular vote in a riding is missing out.

I know the House leader made a comment that none of the Liberals missed by more than 10% so it would not affect them at all. However, in reality, the Liberal candidate got 17% in my riding because 3% belonged to the aboriginal vote. There were aboriginal folks with whom I had become very friendly with who phoned me and said that there was a problem. The polling booths had my picture up with a big X through it along with signs saying "Don't vote Canadian Alliance" and all these wonderful things, which are not allowed but it was done. That is what gave the Liberal candidate the 3% to get above the 15%. It is a dirty way to get it. He will need that money a lot more than I will next time around if he decides to run again because he is fighting an uphill battle with gun control and all sorts of different things that have helped us out in that part of the country.

However, the bill does not in any way address the fundamental problem with political contributions.

• (1755)

There is an unappetizing flavour in the electorate that we are corrupt. We saw that through the HRD scandals, and the advertising and sponsorship fiasco that is still under investigation. There is hardly a file that public works has touched in the last two or three years that is not before the RCMP or that the Auditor General will not have a look at. Everything is suspect. The bill does not address any of that.

We saw polls at the height of the fiasco last spring that two-thirds of Canadians thought that government was corrupt. They labelled us

all together and that was unfortunate. We are all here doing a job at, of course, different levels of our capability, but we are still doing a job on behalf of our constituents. We answer to them, not to the public purse, but to our constituents. I do not see the bill addressing that type of fine tuning.

It is all about corruption and kickbacks that we saw throughout the whole sponsorship fiasco. The bill in no way would stop that. It may stop the numbers at times, but it would not limit it and it would not halt it in any way.

We have a majority government that is having a real problem with a corruption label, and an unethical conduct label for some of the frontbench folks. They have the discretionary money and hundreds of millions of dollars that they can put into their pet projects and say that is what government will do because that is what people want, and so on, because it has done some polling. Even the polling would be covered under the bill. We saw the polling cut out of sponsorships and rightly so, and here it is put back into the bill.

We have a backdoor deal going on to put that polling cost into the bill because it is a significant factor. There is no doubt about it. Good polling costs good money. It is being slipped back in at public expense because the government can no longer do it under the sponsorship file because people are looking over its shoulder. There is a bit of sleight of hand which is part of that circus act that the government House leader was doing before.

I cannot see anything but more apathy and low voter turnouts continuing because people are feeling disconnected and asking, how relevant is this place?

There are many days when I have that same concern. I sat in on a committee meeting this morning and I wondered what the heck we were doing. It is just busy work. We get a few people in behind closed doors and let them listen to this, that or whatever. We are not here to be entertained. We are here to do a decent job and I do not need that busy work. I have constituents that I need to call and work on their files because they are having a tough time with Revenue Canada, the GST, or things like that. I do not need that busy work.

There is a member screaming over there to let legislation go through the House. I say to that member to bring forward something worth voting on and we will do it. The Liberals have a majority. They ram legislation through using closure. This is not legislation; this is ripping off the public. It is all about money. It is all about cashflow for political parties. That is what it is all about: \$1.50 per vote. I would do very well because I get lots of votes.

It is all about paying off party debt, bringing it forward, and letting the public pay for it. I do not think Canadians want to do that. They are very critical of bills like that.



*Government Orders*

There are things that are roadblocks to good legislation coming through the House, but not very often are they caused by the opposition parties. A lot of it is the result of the government not being able to get its own house in order. It has very little to do with us. There are so few tools that we have at our discretion to slow things down from the runway that happens here all the time.

The Senate is not sitting right now. The member says it is because we are halting legislation. We did not pull Bill C-13. The government House leader did. We did not pull Bill C-10 today. The government House leader did. Bill C-20, the child protection bill, has been shanghaied for a little while.

We have seen a long term calendar that might go a week into the future and it is subject to change. Let us see some good legislation that we can put through. Let us see a schedule that the government sticks to. Let us see some dates that are locked down so we know what we are working toward, and we can get in here and speak to that legislation.

We spend so much time, two steps ahead and three steps back, and then we get legislation like this that is so full of holes that Canadians do not understand it. They are concerned about big business and unions taking over the political parties. Good and rightly so, but this bill does not address that in any way at all. It would limit the numbers, but it would change them around and would put them in from a different way.

It is more smoke and mirrors. It is legislation that I certainly cannot support and I know my folks at home would expect me to stand up and say this is not good.

• (1800)

**Mr. John McKay (Scarborough East, Lib.):** Mr. Speaker, I am thankful for the opportunity to speak to this bill. It is an important bill which addresses a number of perceptions of the Canadian public that need to be addressed. I want to congratulate the Prime Minister on his ability to put this bill on the floor of the House and to address issues of transparency and accountability which we are all subject to. In large measure the bill attempts to enhance accountability and transparency, and in that respect I support the bill at its inception.

I want to address the misperception and that is the apparent alleged connection between the donation of moneys to a political party or a candidate and the concomitant linkage to influence. That has not been my experience. I do not know of anyone in the House who can in fact make that connection. I would be shocked, indeed horrified, if in fact members accepted money on the basis that there was to be influence or that there was to be quid pro quo. I find that a completely offensive notion and all members need to address that issue as they speak.

There certainly may be expectations on the part of donors. I would say all donors; I would not simply limit it to corporate or union donors. There is a small percentage of people who do, in some manner or another, expect some influence as a result of their donation. Those donors and the Canadian public need to realize that this place is a lot more complicated than that and simply writing a cheque does not result in what one might in fact expect.

However, it is at this point almost settled political lore that money buys some form of influence. It does not seem to matter much how

often it is repeated that money does not in fact buy influence. It has still become almost part of the myth of politics in this country and indeed in other countries.

In politics perception is reality and it does not matter much that there may not be any evidence to support that reality. It is a reality that in fact generates this bill, which in some respects may even be a bill that is based upon a myth rather than a reality.

I want to address the issue of fundraising in political parties. Political parties are simultaneously simple mechanisms and very complex and sophisticated mechanisms. They do require funding. If in fact a party is to get its message across, it requires access to significant resources. It is a little bit more than bake sales. Frankly, I have been there and done that, and it is not a lot of fun to raise money in small amounts at a time. It uses up a lot of energy and in the end does not produce sufficient resources to communicate what needs to be communicated in the years 2001, 2002 and 2003.

In my view, the bill has some problems which are not insurmountable. A lot of them exist on the periphery of the bill rather than in the bill itself. We heard the member for Fredericton talk about the fact that the party in New Brunswick is a fused party because the provincial and federal wings exist together. I believe that is true in Nova Scotia as well as in some other provinces. It would create a difficult situation which would have to be disentangled. It would have been nicer to have had a bit more lead time so that those parties could disentangle themselves from each other.

• (1805)

It does not address the issue of how current debt will be paid off. There are parties, ours included, that carry a significant amount of debt. One has to think in the context of the bill and in the context of various leadership races, one just finished and two still continuing, that limited moneys will be funnelled to leadership races rather than to the needs of the party. As the bill is to be proclaimed on January 1 of next year, there will be a situation for a number of the parties where in fact their debt may be increased rather than maintained or decreased, the consequence of which will be difficulties in doing things like election readiness.

Another problem that comes to mind is in the allocation of the moneys that are raised on the per voter basis. In the case of the Liberal Party I am told that something in the order of \$8 million would come to the Liberal Party, so the real question there is how those moneys are to be allocated. Will they be allocated on a pro rata basis? Will they be allocated on a per vote basis? Will they be allocated by some form of discretionary allocation which may or may not be a reward and/or punishment system? I, like all other members here, need to know how those moneys will be distributed and made available to members and to the provincial associations as well.

*Government Orders*

Another issue that has come up is the limit on the \$1,000 corporate donation. On the face of it that sounds like an attractive proposition, except that not all corporations are by any means created equal. We have a situation where a bank, let us say, is limited to \$1,000 nationally as a corporate donation. The Toronto-Dominion Bank in downtown Toronto is a very different entity from the Toronto-Dominion Bank in Beaverton, Ontario or Biggar, Saskatchewan or a town or village in New Brunswick. Basically, we are precluding those banks, trust companies and financial institutions from participating with their local member. Essentially all of that money will be distributed wherever the head office is located.

Again, maybe that is not a problem, but for some entities it will be. On the other hand, for a Tim Hortons franchise, which is part of an extensively franchised corporation, in theory each franchise could give \$1,000. It seems to me that members will end up cozying up to Tim Hortons and distancing themselves from the banks. Did we actually accomplish anything by doing that? I put it to you, Mr. Speaker, that possibly in the future a Tim Hortons manager will be far more influential than a bank manager, if in fact the basis for the bill is a perception that money buys influence.

How will parties adjust to election readiness? We are in a cycle. We were elected in November 2000. We potentially have a mandate to November 2005. We are sort of in the middle of a normal election cycle. We have this bill that will proceed. There will be some modifications in committee. The bill will come back to the House and be proclaimed sometime in January. We will have something in the order of a year to a year and half to develop resources for the next election. That in and of itself will be somewhat difficult, because there will be limitations on being able to get ready for election readiness.

The final point has to do with some unintended consequences. One of them might well be the unintended consequence of enabling only very affluent leadership aspirants to seek the leadership of various political parties, because if in fact there are limitations on abilities to do corporate and union fundraising and the leaders expect to be able to spend significant sums of money, that will be difficult for people who are anything other than quite affluent themselves.

I offer these as a series of concerns that come to mind as I read the bill. I hope they are useful concerns and I hope some of them will be taken up in the committee.

• (1810)

**Mr. Keith Martin (Esquimalt—Juan de Fuca, Canadian Alliance):** Mr. Speaker, it is a pleasure to speak today on Bill C-24, an act to amend the Canada Elections Act.

On the surface, it is a bill that professes to end influence peddling in Canada and I could support it, as could any member in the House. However, the fact of the matter is that this is not what the bill is about. The bill has some serious deficits of which the Canadian public should be well aware because it is their money that will be used to fund us as political parties, instead of in other ways.

The first aspect of the bill deals with corporate and individual donations to parties and candidates. The bill limits funding to political parties by corporations to \$1,000 a year and by individuals to \$10,000 a year. I do not have any problem with that at all. In fact, putting limits on individual and corporate donations is a good thing.

But where does influence peddling take place? It takes place underneath the table. The big chunks of money that we find from organizations like Groupaction and others come in under the table and amount to the tens of thousands if not hundreds of thousands of dollars that are given to political parties in Canada today. Therein lies the challenge.

Producing transparency in the manner in which individual corporations are able to provide moneys to political parties will remove the ability to have influence peddling. I would suggest that what the government could do is adopt what the European Union has done, and that is the "publish what you pay principle". Not only would I say publish what you pay, I would say "publish what is received". If we could do both of them, influence peddling would be severely limited in Canada. That is a good way to end it.

To register constituency associations and to put more transparencies in place are good parts of the bill, but where I have serious problems is in using public moneys to fund political parties, and really, if this part of the bill were removed I would stand up and support the government on its bill.

In our system today, after an election parties are refunded from the public coffers 22.5% of the amount of money that they have actually spent. In the bill the government proposes to increase that to 50%.

Second, the government also proposes to increase the tax credit from 50% to 75% of donations. When individual organizations like the Canadian Cancer Society, the Heart and Stroke Foundation and so many others are starving for money and indeed when there is more reliance placed on them to raise their own funds, would it not be right for the government to increase the amount of money that it allows individual charitable organizations, regardless of what they happen to be, so that they would have the same charitable deduction as political parties? Why not do that? That would be a very good and progressive move on the part of the government: to make individual charitable deductions the same whether one donates to a political party or to a charitable organization.

The other aspect that we take umbrage at is the annual allowance. What I think the Canadian public will find very interesting is that in the bill the government proposes to allow the taxpayer to give political parties \$1.50 for every vote they have received in the last election, for every single year. Let us look at the facts in the last election. For the Liberal Party, that would mean \$8 million every year. My party would receive \$4.9 million and the Bloc Québécois \$2 million per year of taxpayers' money. In total, almost \$19.3 million of the taxpayers' money would be going to us as political parties every single year.

These days when there is so much competition for moneys for health care, defence and a whole host of issues that help the people of our country, surely the government would take it upon itself to say we should not be funding Canadian political parties with taxpayers' money. A better use of the people's money is to put it into health care so people can get their health care when they need it, or to put it into social programs for the poor and underprivileged when they need it, or into housing or aboriginal affairs, or a host of issues that affect the poorest of the poor, because \$19.3 million of the taxpayers' money is nothing to sneeze at.

*Government Orders*

•(1815)

I would support the bill if the government removed the public financing of political parties and took it upon itself to be innovative. I would ask the Minister of National Revenue to please give charitable organizations the same tax write-off as would be given to political parties. It is the right thing to do.

On the issue of a vibrant democracy, it is sad to say that a justifiably cynical public is moving away from political structures and into alternative structures to try to get what they want. That has happened because there has been a defanging of the country's political institutions.

MPs cannot represent the public who sent them here in the manner in which they should be. We need the power to represent our constituents and to do what they want. It is sad that in 2003 that is not the case and as time passes, it is becoming worse. Politics has become a cynical game fuelled by the taxpayers' dollar. The problems of the nation are merely the backdrop upon which the game is played for the maintenance or acquisition of power. That has to change.

Whoever sits in the prime minister's seat and chooses to do this, chooses to democratize Canada, chooses to democratize this House, will have a legacy that will live far beyond that person's years. Whichever leader chooses to do that will have put something in the history books that he or she can be proud of and that will serve the Canadian people very well for years to come.

There are things such as empowering MPs and changing private members' business. The rules are crafted by this House, by your office, Mr. Speaker, to go into the standing orders. In the waning days of December before the winter break, the government chose to renege on its promise. It chose to end the hard work of changing private members' business, that small island of opportunity where MPs can innovate. It chose to kill it and it has gone back to the dark days of private members' business being a farce. That has to change.

With respect to committees, the public and others who have been involved in committees must sigh and shake their heads at how disappointing the experience has been. Committees could be a vibrant place where members from all parties could put forth their individual expertise to deal with issues and offer solutions to help the government to better our country.

Committees are basically a make work project for MPs. We study issues. We often study the studies and then we go back and study them again. Legislation is reviewed which is a good thing.

However, there is a dominance of the party in power. The parliamentary secretaries sit on the committees. The government controls the committees with an iron fist. The original intent of committees as a place where MPs could actually have a vibrant discourse with each other and come up with something good, productive and effective is absent.

Many committees do good work. Even when that good work is done, the committees put together documents that get a day of interest in the media and then they are tossed on a shelf to collect dust. I am sure that somewhere in Ottawa there is a large warehouse where those studies are collecting dust.

We do not need more studies. We need action. We are not lacking in solutions. We are lacking in the political will to implement solutions. We need to deal with issues. We need to put people to work, to shorten waiting lists, to give people health care when they need it, to clean our environment, to help aboriginal people, the most dispossessed people in our country. That is what we need to do. We do not need to root around for more solutions.

•(1820)

There are numerous people outside and inside the House with umpteen constructive solutions that only need to be applied. The government does not need to apply them on a national scale. If the ministers applied them as pilot projects, imagine what we would see. We would see success and sometimes we would see failure, but surely where there was success we could share it with people from coast to coast and adopt that for the betterment of all Canadians.

I close by saying that the government has a grand opportunity to reform our system to make it more transparent and to democratize the House for the betterment of all Canadians.

[*Translation*]

**Mr. Richard Marceau (Charlesbourg—Jacques-Cartier, BQ):** Mr. Speaker, clearly for anyone who is a history buff, the opportunity to take part in a debate such as this is both a privilege and an honour.

Since its creation, the Bloc Québécois has advocated for amendments to legislation on political financing to create a different model, a new model based, of course, on the legislation on political party financing that was passed in Quebec in 1977.

Since 1990, the Bloc Québécois has championed changes like those that are being proposed today, because the Bloc Québécois is a product of Quebec, because our members were active in Quebec politics, because we knew Quebec's laws and because we knew how well Quebec's legislation has served democracy in Quebec.

When René Lévesque, one of the greatest statesmen in Quebec's and even Canada's history, came to power in 1976, he had a specific plan in mind: to democratize politics in Quebec.

When he founded the Parti Québécois in 1968, he insisted right from the start that the bylaws of the party stipulate that the party must be financed by its membership, by individuals. At the time, the other parties, that is the Union nationale and the Liberal Party of Quebec, laughed at him and said, "He is going to run into problems with that one, it makes no sense".

At that time, political parties operated with secret slush funds and with generous backers who, pardon the expression, got kickbacks on certain government contracts in return.

Despite the David and Goliath aspect of the battle René Lévesque and his slingshot waged against the two monster political machines, that were well greased though not always very cleanly, within eight years of the party's birth he had brought his party to power. One of his first actions was to bring in the bill on the financing of political parties, in fact it was Bill 2.

*Government Orders*

When this bill was passed in Quebec in 1977, I was seven years old, so I knew nothing about Quebec politics or public life. I am very proud to have had the opportunity to grow up in a state where, from the moment I first became aware of public life, there has been no political funding scandal of any significance.

There are not many developed countries that can boast this. It would be easy to list a number of countries that have had problems, such as Germany with former Chancellor Kohl, France, Italy, and so on.

Since 1977, thanks to the Act to Govern the Financing of Political Parties passed by the great René Lévesque, no scandal relating to political financing has tainted Quebec politics.

The observation of political life in Quebec, and in some cases our personal participation, has led the Bloc Québécois on several occasions to bring up the idea in this House of having legislation along the lines of what was passed in Quebec in 1977.

The government voted it down every time. It is unfortunate for the image of politicians that it took scandals relating to political financing—like Groupaction or Auberge Grand-Mère—to get the government to move on this.

• (1825)

It is too bad, because although it was primarily the Liberal government that was affected by these scandals, all political parties have been tarnished by this type of scandal.

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

**Mr. Richard Marceau:** It is too bad that RCMP investigations were needed in the case of Groupaction to make the government budge.

It is also too bad that the principles in the bill introduced by the Prime Minister do not apply to the current Liberal leadership race. It would have been very interesting and appropriate for the next Prime Minister of Canada to have been chosen in a clear, proper, well-defined process, as proposed in the bill introduced by the Prime Minister. I find it is too bad that the current Liberal leadership race is not subject to the principles that are at issue today.

I know I only have one or two minutes remaining, but I would simply like to say that I am very happy that the governing party has finally understood that legislation such as the legislation adopted in Quebec in 1977 is the right way to go. I find it too bad that this comes so far into the government's mandate, and I find it too bad that it took several scandals to get there.

Despite the recriminations from those across the room, the Bloc Québécois will support this bill, because the federal government's political standards will finally correspond to Quebec's.

**The Acting Speaker (Mr. Bélair):** It being 6:30 p.m., the House stands adjourned until tomorrow at 10.00 a.m. pursuant to Standing Order 24(1).

(The House adjourned at 6.30 p.m.)





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