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OFFICIAL REPORT
(HANSARD)

Wednesday, May 28, 2003

—

Speaker: The Honourable Peter Milliken

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HOUSE OF COMMONS

Wednesday, May 28, 2003

The House met at 2 p.m.

Prayers

• (1400)

[English]

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

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

STATEMENTS BY MEMBERS

[English]

MULTICULTURALISM

Mr. Andy Savoy (Tobique—Mactaquac, Lib.): Mr. Speaker, as a native of western New Brunswick I am proud to announce the success of the second annual Gathering of the Scots Festival in my home town of Perth-Andover.

The festival celebrates the rich cultural heritage and tradition shared by the residents of the region whose ancestors came from Scotland. Their ancestors contributed greatly to Canada's culture while maintaining values and traditions of their native land. The festival celebrated this contribution by featuring musical performances, dance, workshops and athletic competition that brought together Scots from all over Atlantic Canada.

The Gathering of the Scots Festival is just one of many festivals taking place in Canada every day that celebrate our citizens' rich heritage. I believe that these festivals emphasize Canada's commitment to multiculturalism and unify our country in celebration.

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• (1405)

SOFTWOOD LUMBER

Mr. Reed Elley (Nanaimo—Cowichan, Canadian Alliance): Mr. Speaker, one of the problems I have with this government is that it will not make decisions until it is absolutely necessary.

We remember the last minute intervention of the Prime Minister during the Quebec referendum. Only when it looked like the referendum was all but lost did the government take any real action.

Then the government promised to replace the Sea King helicopters. The Prime Minister's handling of the issue cost taxpayers \$500 million and today we are still without replacements. During the Iraqi crisis, the Prime Minister waited until the eleventh hour to make any decision, then, aided by hateful comments from his caucus, he alienated our neighbours to the south.

Now there is softwood lumber. It has devastated my riding and home province of British Columbia. The government knew that this agreement was expiring. For five years it did nothing to ensure its continuance in favour of our Canadian industry.

Sadly, the Minister for International Trade cannot tell us what the plan is so that this kind of situation does not occur every five years, putting the softwood lumber industry in peril. My constituents and Canadians alike deserve and expect better.

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TRANSPORTATION

Ms. Judy Sgro (York West, Lib.): Mr. Speaker, Canadian firms are truly part of the global economy, so I am pleased to rise today to congratulate Alcatel, a business in my riding of York West that was recently awarded a contract in China worth \$40 million U.S.

Alcatel will supply automated control systems for the province's metro line that will serve seven million people. Already a supplier of automated controls for trains in China, Hong Kong and Korea, Alcatel's contract is a continuation of its presence in Asia, which has given it millions of dollars worth of business.

Alcatel is the world's largest telecom infrastructure provider and has a worldwide reputation for its leading edge technology and expertise in automated train control systems. Urban rail systems are fast becoming the most advanced form of transportation in cities around the world and I am proud that a Canadian company is leading the way in a significant area of research and development. This is a win for Canada.

I wish to extend my congratulations to Alcatel on its continued success.

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CATHOLIC EDUCATION DAY

Mr. Pat O'Brien (London—Fanshawe, Lib.): Mr. Speaker, tomorrow is Catholic Education Day, which is a celebration of those individuals who teach in the various Catholic educational institutions across Canada. This year's theme is "Catholic Education: Rooted in Christ".

Catholic education teaches and promotes Canadian values and instills in young people the principles and ethics that help them grow to be responsible and caring citizens.

I was honoured to serve for over 20 years as a Catholic educator. My wife is a teacher in the Catholic school system in London, Ontario, and my children were educated in the system as well. I have seen first-hand the positive impact Catholic education has on the lives of young people in Canada.

Since Confederation, Catholic education has been guaranteed to Canadian citizens in our Constitution. It serves as a legacy and remains an important part of this country's heritage.

Today I wish to thank and congratulate everyone who is involved in Catholic education in Canada.

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ISRAEL

Mr. Irwin Cotler (Mount Royal, Lib.): Mr. Speaker, the 55th anniversary of the State of Israel should be seen as a cause for celebration and for hope.

For Israel is not just a CNN clip or what passes for the Internet image of the day. Rather, Israel has to be seen and understood as a first nation of humankind; the reconstitution of an ancient people in their ancestral homeland; the juridical embodiment of the Jewish people as an aboriginal people, partaking of an aboriginal Abrahamic religion together with Christianity and Islam, and living in the aboriginal land of Israel, shared with another indigenous people, the Palestinian people.

In a word, the Jewish people are among the only peoples in the world today who still inhabit the same land; embrace the same religion; study the same bible; speak the same aboriginal language, Hebrew; bear the same name, Israel; and dream of the same peace, as they did 3,500 years ago.

While anti-Semitism has been an enduring hatred, almost as old as the Jewish people itself, the Jewish people have been an enduring aboriginal people. That is a cause for hope as well as celebration and for the enduring peace for which Israel still dreams.

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WORLD HEALTH ORGANIZATION

Mr. Stockwell Day (Okanagan—Coquihalla, Canadian Alliance): Mr. Speaker, yesterday a majority of 167 members of all parties in this House followed the dictates of their hearts and consciences and voted in favour of the Alliance motion supporting Taiwan's observer status with the World Health Organization.

The ramifications of this vote will be far reaching. This Parliament supported democratic Taiwan and in doing so sent a message to other democracies and democratic groups who strive for freedom.

Our hope is that the Prime Minister will take this signal and begin to consistently speak up for courageous people who face tyrannical forces in other places such as Iran, Syria and Lebanon.

We must also stand with other vibrant and emerging democracies in Southeast Asia, where they face violent groups from within who deprive men, women and children of their natural rights to freedom and prosperity.

May yesterday's vote reignite what should be a shining light of our foreign policy, securing our place in the world once again as a country on the side of the individual rights and freedoms of people everywhere.

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• (1410)

DEAN LARRY TAPP

Mr. Joe Fontana (London North Centre, Lib.): Mr. Speaker, I rise today to bring to the attention of the House a significant milestone in my riding of London North Centre.

Dean Larry Tapp, from the Richard Ivey School of Business at the University of Western Ontario, is retiring on June 30. Larry Tapp is renowned for leading Canada's pre-eminent business school in its rise to international prominence.

The November 25 issue of *Time* Magazine named him as one of Canada's top business leaders. Under his leadership, the business school took on the global market and expanded into Asia with the founding of a Hong Kong campus.

Larry takes a keen interest in teaching the importance of corporate responsibility to Canada's up and coming business leaders.

Numerous Canadian companies are fortunate to have Dean Tapp sit on their boards where he serves as chair or as a director.

It is my privilege on behalf of the students and the faculty of the Ivey School of Business and the constituents of London North Centre to offer our sincere thanks and best wishes to a great Canadian.

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[*Translation*]

CONSEIL DU STATUT DE LA FEMME DU QUÉBEC

Ms. Francine Lalonde (Mercier, BQ): Mr. Speaker, what an unforgettable evening we had on Friday, May 23, when nearly 1,000 people—mostly women—gathered at the Spectrum in Montreal to celebrate each other and the 30th anniversary of the Conseil du statut de la femme du Québec.

Created in 1973 as an advisory body to the Quebec government, the Conseil has made a huge contribution to women's progress toward equality, and women clearly demonstrated how much they think of their Conseil.

In a celebration involving humour, song, dance, poetry, theatre and beauty, 27 women—and 3 men—of all ages and origins spoke, read and sang words written by women from Quebec honouring the successes of the past 30 years and the work of all those who have travelled this long road together.

Joyous and moving, full of creativity, openness, joie de vivre and confidence in the future, this evening was a fine reflection of the spirit that characterizes the women's movement in Quebec these days.

Congratulations. Long live the Conseil du statut de la femme du Québec.

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[English]

PRIME MINISTER'S AWARD

Mr. Gary Pillitteri (Niagara Falls, Lib.): Mr. Speaker, on May 15 Ms. Pamela Blanchfield, from the Boys and Girls Club of Niagara, was awarded a 2002-03 Prime Minister's award for excellence in early childhood education.

The award honours outstanding early childhood educators who excel at fostering, the early development and socialization of the children in their care, and help build the foundation that children need to meet every day's life challenges.

In the words of praise by the parents whose children are in Ms. Blanchfield's care, "Pam never inhibits the children from being the individuals that they are, but at the same time encourages and teaches them to be part of the team".

Canada's communities and their children are the beneficiaries of the experience and excellent work carried out by committed educators such as Ms. Blanchfield.

I am sure that all hon. colleagues will join me in congratulating her on this great achievement.

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CANADIAN FORCES DAY

Miss Deborah Grey (Edmonton North, Canadian Alliance): Mr. Speaker, I rise in the House today to honour the brave men and women of our Canadian military.

This Sunday, June 1, is Canadian Forces Day, an opportunity to celebrate the work that our military does on our behalf. Whether responding to domestic crises or international conflicts, these men and women serve our country with pride. Every day these dedicated and disciplined individuals put their lives on the line for the benefit of all Canadians.

On Sunday I ask the House and Canadians everywhere to think about the contributions that our military personnel make to our safety, security and sovereignty. We remember those who have made the ultimate sacrifice as part of their jobs, those killed and injured in combat, on peacekeeping missions, in accidents or in training.

Especially at this time, our hearts go out to the family, friends and colleagues of Capt. Kevin Naismith who was tragically killed in an CF-18 crash in northern Alberta on Monday.

We salute him and all members of the Canadian Forces and thank them for their commitment to our nation.

● (1415)

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KITCHENER RANGERS

Mrs. Karen Redman (Kitchener Centre, Lib.): Mr. Speaker, it gives me great pleasure to invite the House to join me in congratulating the Kitchener Rangers on winning the Memorial Cup to become the Canadian Hockey League champions.

On the road to the Memorial Cup, the Rangers triumphed over Canada's finest junior hockey teams. The Rangers entered the playoffs hungry for a sip from the cup that they had not tasted since 1982. This inspired the team from Kitchener to a hard fought victory over the Ottawa 67s to capture the Ontario Championship. The next to fall were the league's best: the Quebec Remparts, the Kelowna Rockets and the Hull Olympiques. The Rangers entered the championship tournament with one phrase on their lips, "C'est le temps", and this Sunday past belonged to Kitchener.

I ask all hon. members to join me in welcoming the Memorial Cup back home and congratulating the Kitchener Rangers, Canadian Hockey League champions.

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RIVER GUARDIANS

Mr. Rex Barnes (Gander—Grand Falls, PC): Mr. Speaker, protection of our rivers across the country, especially in Newfoundland and Labrador, is one of many important issues facing our country today. River guardians are the conservation officers who are contracted out by the Department of Fisheries and Oceans to assist full time DFO officers in the protection of our rivers.

When are we going to learn from our mistakes? Are we prepared to make the same mistakes we made with our cod stocks and other species? When are we going to stop cutting back in the areas that directly affect our most precious resources? River guardians protect our rivers from poachers who have no desire to abide by the law and in turn destroy our fish stocks.

This year river guardians will be further reduced by one week. DFO should not be cutting back in this area. These cutbacks are unacceptable and should not be tolerated. More guardians are needed on the rivers for longer periods to ensure that our rivers are protected from poachers. This will result in better management of our fish resource.

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[Translation]

NOËLLA CHAMPAGNE

Mr. Marcel Gagnon (Champlain, BQ): Mr. Speaker, I rise today to congratulate Noëlla Champagne, the new Parti Québécois MNA for the provincial riding of Champlain, who is known as a determined, passionate, competent and efficient woman.

In recent weeks, everyone in Quebec has had a chance to get to know her because she ran in two back-to-back election campaigns, due to a tied vote on April 14 in the Quebec general election.

Voters in the riding of Champlain came to understand that it was better to have a member who is ready to defend their interests than a member who sits on the government benches.

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I would like to pay tribute to this extraordinary woman, her dynamic team, and her party with solid roots in Quebec, which will one day lead the people of Quebec to achieving its full potential.

Congratulations, Noëlla Champagne.

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[English]

SHAUGHNESSY COHEN PRIZE

Mr. Roger Gallaway (Sarnia—Lambton, Lib.): Mr. Speaker, I am pleased to draw attention to and congratulate this year's finalists for the Shaughnessy Cohen Prize for Political Writing.

Sponsored by the Writers' Trust, this year's finalists, Stephen Clarkson, John Duffy, Colin Perkel, John Sayell and Daniel Stoffman are representative of excellence in Canadian political writing. At noon today, John Duffy was named this year's winner.

This award, named in remembrance of our late colleague, Shaughnessy Cohen, is especially meaningful to those of us who were in this House with her. Shaughn lived politics and loved to be part of any scheme, plan, mischief or gossip in and around the Hill. She always stated that any publicity or press story must be all about her.

Nearly five years after Shaughn departed this chamber and this life in her typically fast and, I can now say, dramatic style, I specifically and warmly congratulate the winner John Duffy. He has deservedly the right today to say, in matters of Canadian political writing, that it is indeed all about him.

* * *

STATUS OF WOMEN

Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP): Mr. Speaker, yesterday the Auditor General reported that the federal government is continuing to drag its feet on bringing in a new gender neutral system of job classification and evaluation for its employees, and, in fact, seems to be heading backward. Women in the public service are left for the foreseeable future with a 40 year old system that discriminates against them.

According to the Auditor General, "Canadians should be very concerned".

The federal government sets the tone and the pace for all of Canada on ending wage discrimination against women and its pay equity message has been appalling.

Unions even had to drag the government to the Canadian Human Rights Commission for a pay equity settlement that it resisted all the way. The government's pay equity message to other employers is to resist and delay.

Canadian women expect leadership but are getting hostility.

With the Auditor General and the United Nations already on its case, what will it take for the Liberal government to get pro-active and out front on the vital issue of pay equity and discrimination against women and begin setting a positive tone for the rest of Canadian society to follow?

●(1420)

[Translation]

ARTOPEX PLUS

Ms. Diane St-Jacques (Shefford, Lib.): Mr. Speaker, last week, the Fédération des chambres de commerce du Québec awarded the Mercuriade in the New Investment Project-Large Company category to Artopex Plus, a company whose head office is in Granby, in the riding of Shefford.

The winner of this award is a family business that specializes in the manufacturing of office furniture. New work processes have been introduced, with a focus on a greater involvement of the company's 350 employees. Plants were retrofitted and investments were made in equipment. Management and employees share a firm commitment to innovation and quality.

The success of this company, owned and operated by the Pelletier brothers, is based on sound values, hard work, a close management-employee relationship, and outstanding products.

Congratulations to Artopex Plus.

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[English]

KENN BOREK AIR

Mr. Jay Hill (Prince George—Peace River, Canadian Alliance): Mr. Speaker, I rise today to pay a very special tribute to Kenn Borek Air and its founder.

Kenn Borek was a true pioneer from my riding of Prince George—Peace River. Twenty-three years ago he had the vision to launch a small charter airline in addition to his very successful oil patch construction company and his farm in Dawson Creek, B.C.

In 2001 Kenn Borek Air received international acclaim for completing a 2,100 kilometre journey to the Antarctic to rescue a gravely ill physician.

Yesterday we learned of yet another daring rescue of a British adventurer off the North Pole. I want to congratulate the two flight crews: Captain Stephen King and Flight Engineer Paul Pitzner performed the rescue while Captain Scott Lippa and First Officer Miles Grandin crewed the backup aircraft.

In December of last year I was honoured to award Kenn Borek, posthumously, a Queen's Golden Jubilee Medal for all his achievements.

His legacy lives on.

ORAL QUESTION PERIOD

[English]

AGRICULTURE

Mr. Stephen Harper (Leader of the Opposition, Canadian Alliance): Mr. Speaker, instead of representing Canadians' interests abroad, the Prime Minister, the petty little guy from Shawinigan, once again seems to be engaging in a war of insults with President Bush.

There are the duties on softwood lumber and wheat. There are the travel advisories over the SARS outbreak. There is the ban on the importation of Canadian beef. On the issue of mad cow disease, which the Prime Minister forgot whether he even discussed it with the President, can the government report whether the President and the Prime Minister have had any useful discussions that might result in the lifting of the ban on the importation of Canadian beef?

Hon. John Manley (Deputy Prime Minister and Minister of Finance, Lib.): Mr. Speaker, I am sure the hon. member knows that there is additional work being carried on by the authorities at both the federal and provincial levels. Once the appropriate information is available, then of course we will immediately urge that the ban on imports to the United States be lifted. That will be done at all appropriate levels.

Mr. Stephen Harper (Leader of the Opposition, Canadian Alliance): Mr. Speaker, the Deputy Prime Minister can have this laid-back tone, but this is costing the industry millions every day that it is in effect.

The government waived the EI waiting period for workers directly affected by SARS in Toronto. On Monday I asked the Prime Minister in the House if he would do the same thing for beef industry workers. He appeared to say yes. A day later the human resources minister appeared to have said no.

When will the government be fair to beef industry workers and eliminate the EI waiting period?

Hon. Jane Stewart (Minister of Human Resources Development, Lib.): Mr. Speaker, I first want to say how much we appreciate the difficulties that may be associated to those who are working in the meat processing industry.

Let us be clear that the waiving of the two week waiting period in Toronto was for those who are directly affected by quarantine. We waived that two week period to support the quarantine for individuals who had no choice of going out to work, and could stay at home and have income for their families.

By working with the employers and the employees as we are doing every single day, we want to make sure that employment insurance work sharing opportunities and all the aspects of the employment insurance program are there for those who need it.

Mr. Stephen Harper (Leader of the Opposition, Canadian Alliance): Mr. Speaker, that kind of hair splitting is not acceptable. Workers in the industry are being directly affected because of the outbreak of mad cow disease. When EI waiting times were eliminated because of the Toronto SARS crisis, they were eliminated for those who were "prevented from working because of an

Oral Questions

outbreak". Beef industry workers are also prevented from working because of an outbreak.

How can the government explain this double standard toward the working conditions of rural Canadians?

• (1425)

Hon. Jane Stewart (Minister of Human Resources Development, Lib.): Mr. Speaker, there is no double standard. I would implore the hon. member to understand the circumstances around which waiving the two week waiting period was undertaken. It is precisely for those who are quarantined, who cannot leave their homes, who cannot go to work and who have to have the opportunity to have income support for their families.

There are other aspects of the employment insurance system that are there. They are working and working well. My officials are working with employers and employees to ensure they understand all aspects of the program and have the full benefit of those programs.

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HEALTH

Mr. Rob Merrifield (Yellowhead, Canadian Alliance): Mr. Speaker, SARS has now spread outside the hospitals and we hope that the health workers are able to contain this outbreak. We can only imagine the stress that they are under as they walk into their workplaces every day.

SARS having spread outside the hospitals makes screening at our airports even more urgent, but the government still has not fully implemented the promised screening measures. When will these measures be put in place?

Hon. Anne McLellan (Minister of Health, Lib.): Mr. Speaker, as I have said over and over again, we have ramped up our screening procedures at the airports. The hon. member has concentrated on scanners at Vancouver and Pearson airports. In fact, we have instituted a pilot project in relation to scanners at both of those airports.

We have put more quarantine officers in airports. We have ensured that those coming into and leaving the country have information about the symptoms of SARS, especially for those coming into the country. We ensure that they not only provide us with travel locator information, but in fact they are required to respond to a series of questions. If in fact people answer any of those questions in the positive, they are then further screened by—

The Speaker: The hon. member for Yellowhead.

Mr. Rob Merrifield (Yellowhead, Canadian Alliance): Mr. Speaker, the measures at the airport are still voluntary in and out. The WHO recommended interviews of all outgoing passengers. Passengers are flying out of Pearson right now without being questioned.

Very simply, how could the government possibly risk even one more case of SARS being spread outside the country?

Oral Questions

Hon. Anne McLellan (Minister of Health, Lib.): Mr. Speaker, we are concerned. Unlike the opposition that apparently is only concerned about export, we are actually concerned about the health of Canadians. Therefore, we are just as concerned about the possibility of importation of cases from affected areas.

Let me reassure the hon. member that we are screening in relation to both outbound and inbound passengers. We make a risk assessment on a daily basis. We are in constant communication with the WHO. We are ramping up our screening procedures as quickly as possible.

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[Translation]

SOFTWOOD LUMBER

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, since the softwood lumber crisis began, some 50 companies have been affected in Quebec, and 9,000 workers have been temporarily or permanently laid off. The worst is yet to come, since the U.S. industry is already talking about imposing other sanctions, despite the WTO's decision.

The president of the Quebec Forest Industry Council, Jacques Gauvin, wonders if there will be anyone left standing at the end of this conflict.

Will the government finally come to the realization that loan guarantees must be given and employment insurance benefits must be improved so as to allow businesses and the industry to survive these difficulties?

[English]

Hon. Herb Dhaliwal (Minister of Natural Resources, Lib.): Mr. Speaker, as I have indicated to the hon. member and to the House on a number of occasions, we are monitoring the industry closely. We are very concerned with the layoffs that have happened.

We looked at a variety of programs. We introduced phase one. We will continue looking. If the hon. member has some constructive ideas, I am sure that I and my colleagues would be pleased to look at ideas he wants to bring forward.

However, he should also recognize the good work that has been done already in community adjustment, in research and development, in developing new markets and also in supporting employees in the softwood lumber industry right across the country.

[Translation]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, a solution was suggested a long time ago. In the meantime, at the Béarn sawmill in Témiscamingue alone, 300 workers will be laid off on Saturday as a result of the softwood lumber crisis.

The hon. member for LaSalle—Émard, during a visit to this riding, stated that the government should take steps to help them with a phase two, once the WTO's final decision had been handed down. But that makes no sense. Steps should be taken before then. Because the danger is that no one will make it to the final decision. Victory is certain, but the sawmills will be closed. The victors will be no more.

Will the government act, today? This situation calls for immediate action.

• (1430)

Hon. Claude Drouin (Secretary of State (Economic Development Agency of Canada for the Regions of Quebec), Lib.): Mr. Speaker, as my hon. colleague mentioned, of the approximately \$350 million announced, \$110 million from Industry Canada will help communities; Quebec, for which I am responsible, will get a share.

Some 80 projects have been proposed to help diversify and support economic development in the region. Of these, 17 projects have already been approved for \$1.2 million. We will continue to support the regions as we have since the beginning, when the measures were announced.

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, while industries and workers are asking for an aid package to continue doing what they are good at, the minister is introducing a plan to diversify the economy. The industry and workers are asking for an aid package so that they can carry on, not quit.

Does the minister realize that everything he has proposed so far sends a message that we are abandoning the industry to the Americans rather than helping the workers survive the crisis so that they may still be there to celebrate the victory?

[English]

Hon. Herb Dhaliwal (Minister of Natural Resources, Lib.): Mr. Speaker, in fact that is exactly what we have been doing. We have been sending a very strong message to the Americans that this is the number one priority for us as a country. We want it resolved. The Minister for International Trade has made that a priority.

We also have programs to support workers. The very things we have been doing have been to support workers. We can outline all of those. For those members, \$350 million does not mean anything. It means a lot to the communities that are involved. It means a lot for the workers out there. That means we still have to monitor. If we need to do more, we will.

[Translation]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ): Mr. Speaker, the reality is that the list of affected mills continues to grow. More than 450 jobs are on the line in Chibougamau, 300 in Béarn in Témiscamingue, and 450 at the Coopérative Laterrière.

Should the message to the Americans not be that the minister will be announcing the second phase of his aid package very shortly?

[English]

Hon. Herb Dhaliwal (Minister of Natural Resources, Lib.): Mr. Speaker, I am very aware of some of the issues. I worked in a sawmill as a student. I know how much it means to the small communities. I know what it means to Canadians across the country. That is why we have \$110 million and proposals now and we are working with the local communities to see how we can diversify, as well as having training programs.

Oral Questions

We have been there. We are working to support them. We will continue to do that. If the opposition members have some ideas, instead of being bombastic and throwing their hands in the air, they should put constructive ideas forward so we can look at them.

Mr. Bill Casey (Cumberland—Colchester, PC): Mr. Speaker, sitting on a desk in Washington right now is a proposal entitled “Softwood Lumber: Proposal for an Interim Measure”.

If this offer is accepted by the Americans, it will end the Atlantic Canadian exclusion from the countervailing and will drag Atlantic Canada into a quota system that it has not been in since 1986. It will sabotage Atlantic Canada and the successful effort by the Maritime Lumber Bureau to gain and keep this important exemption.

Will the government simply contact Washington and retract this offer?

Mr. Murray Calder (Parliamentary Secretary to the Minister for International Trade, Lib.): Mr. Speaker, the proposal was developed based on extensive discussions with the industry by the chief negotiator.

We have been hearing from the industry across the country, including the Maritimes, on how they want to put an end to the anti-dumping measures. The industry has asked us to explore an acceptable solution that would allow for policy reform and stabilize the situation with regard to the lumber markets in the United States.

Mr. Bill Casey (Cumberland—Colchester, PC): Mr. Speaker, I do not believe that answer. The government is selling out Atlantic Canada. It is sabotaging years and years of good work. It is pitting region against region, industry against industry with the stupid proposal it has on the table.

The Liberals say in the House that they support the Atlantic exemption, but in Washington right now is an offer to do away with it. Again, I ask the government to retract this offer and retract it now.

Mr. Murray Calder (Parliamentary Secretary to the Minister for International Trade, Lib.): Mr. Speaker, the chief negotiator submitted this proposal to evaluate if there was a basis for negotiations that would eliminate the anti-dumping duties.

As I have said to the member across the way, we will only agree to a solution that is in the best interests of the Canadian industry.

* * *

• (1435)

THE ECONOMY

Ms. Libby Davies (Vancouver East, NDP): Mr. Speaker, my question is for the Deputy Prime Minister.

Yesterday the Prime Minister gave new meaning to pie in the sky with his bragfest on Canada's performance compared to others. Of course what he did not say is that other G-8 countries build affordable housing, fund public transit and help when a crisis hits.

I am curious to know, when the Prime Minister lands at the G-8, will he be bragging about how he has actually stifled Canadian cities?

Hon. John Manley (Deputy Prime Minister and Minister of Finance, Lib.): Mr. Speaker, I am sure on reflection the hon. member will want to join with other Canadians in celebrating the fact

that over the last five years Canada has led the G-7 in economic growth and in average employment growth.

Year after year we are improving our productivity rates. We are improving the well-being of Canadian families. We are doing it at the same time as we are reducing taxes and improving services to Canadians. That is a record to brag about.

Ms. Libby Davies (Vancouver East, NDP): Mr. Speaker, I can see that the Deputy Prime Minister is following his leader with more pie in the sky, because the reality is that when mad cow disease or SARS hits the U.S. or any other G-8 country, we see their governments go right into action.

That is not the case here in Canada. There is not a penny for the hurting hospitality workers in Toronto, nor for the meat workers in Alberta or Saskatchewan.

I wonder, will the Prime Minister be bragging about that at the G-8, or has he already forgotten these people in his quest for international glory?

Hon. John Manley (Deputy Prime Minister and Minister of Finance, Lib.): Mr. Speaker, there is no question that the NDP has never been faint of heart in finding ways to spend additional money.

I do want to assure the hon. member, as she may have forgotten, that the safety net programs that exist, including employment insurance and other support programs that apply in both of the situations she has described, are there and fully available to workers and those affected in the industry.

We have been prepared for events like that and we are responding in the appropriate way.

* * *

JUSTICE

Mr. Vic Toews (Provencher, Canadian Alliance): Mr. Speaker, according to Canada's frontline police officers, the new marijuana law will encourage drug trafficking among young people by implementing lower penalties and fewer consequences for drug use and possession.

How can young people believe the minister's claims that drugs are harmful when he is making it easier for them to use them? Why is the minister implementing a national drug strategy that tells Canadian youth it is okay to use drugs?

Hon. Martin Cauchon (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the member knows very well that we have always dealt with young offenders differently. That is why we have implemented Bill C-7.

The choice that we have is to keep proceeding with the existing legislation where the young essentially receive a verbal warning, or put legislation in place that will enable us to enforce it and impose a fine. A \$100 fine for a kid is pretty much, I believe.

Oral Questions

Mr. Vic Toews (Provencher, Canadian Alliance): Mr. Speaker, the question is the message that is being sent to our youth. That minister is speaking out of both sides of his mouth.

While justice department lawyers are telling the Supreme Court of Canada that this drug is harmful, the minister's bill is telling the youth that drugs are okay. It is the government's responsibility to protect young people from harm, not to encourage it.

How can we expect the youth of this country to understand the dangers of drug use when the Minister of Justice is unwilling to send a clear message in a national drug strategy of the problems with drugs?

Hon. Martin Cauchon (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I just do not understand that comment and that position.

What we have seen over the past few years, with the existing legislation, is an increase in the use of cannabis among our population. It is not the message we want to send. We want ensure that people realize the use of cannabis is illegal. We want to ensure we put in place a piece of legislation that we can enforce in society. At the same time, we are renewing the national drug strategy. It is \$245 million and it will be invested in training, education, and above that, notices will be sent to the parents as well in order to—

• (1440)

The Speaker: The hon. member for Lac-Saint-Jean—Saguenay.

* * *

[Translation]

SOFTWOOD LUMBER

Mr. Sébastien Gagnon (Lac-Saint-Jean—Saguenay, BQ): Mr. Speaker, for months now we have been asking the Minister of Natural Resources questions about the softwood lumber crisis, and all we hear is that things are fine. The Tembec sawmill in Béarn, Témiscamingue, will be closing for five weeks, thereby putting 300 people out of work. Yet the government continues to think things are fine.

How can the government explain its great optimism, when 450 jobs have been affected at the Laterrière forestry cooperative, another 450 at Chibougamau and then this temporary loss of 300 more at Béarn in Témiscamingue? What will it take to wake the minister up?

Hon. Claude Drouin (Secretary of State (Economic Development Agency of Canada for the Regions of Quebec), Lib.): Mr. Speaker, to repeat: we have \$110 million from Industry Canada for measures to support the regions.

The hon. member should be working with his community to find alternatives for diversification. In his region, 80 projects were proposed and 17 accepted, for a total of \$1.2 million. This will generate revenues of \$5 million. These are concrete measures, and we will continue with them.

Mr. Sébastien Gagnon (Lac-Saint-Jean—Saguenay, BQ): Mr. Speaker, we would like to be able to continue to earn our living from softwood lumber. In Toronto, they did away with the two week waiting period for employment insurance in order to help with the impact of SARS, and we agree with that.

If the Minister of Human Resources was able to change the eligibility conditions for Toronto, why does she not do the same for the people of Laterrière, Chibougamau or Béarn?

[English]

Hon. Jane Stewart (Minister of Human Resources Development, Lib.): Mr. Speaker, I will explain again that the waiving of the two week waiting period is strictly for those who are under quarantine and cannot get out to work.

With specific reference to the softwood lumber industry, I want to point out that the employment insurance system is there and will cover the vast majority of those individuals to whom the hon. member makes reference.

In addition, we have made changes to the work sharing agreement and that specifically says that we believe in this industry. We want to ensure that individuals who work in the softwood industry have the opportunity to remain connected to it and get additional training to upgrade their skills in that industry. We believe there is a future—

The Speaker: The hon. member for Langley—Abbotsford.

* * *

JUSTICE

Mr. Randy White (Langley—Abbotsford, Canadian Alliance): Mr. Speaker, the real problem here is there is no national drug strategy in Canada. In fact the current impaired driving laws are not effective for marijuana.

The Ontario police are testing the potalyzer which assesses marijuana use but it is not ready yet. If it is not ready yet, why does the government implement a marijuana decriminalization plan when the assessment measures are not available for roadside assessment of driving while under the influence of drugs? Why is that?

Hon. Martin Cauchon (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the member knows very well that drug impaired driving was a criminal offence, is a criminal offence and will remain a criminal offence. That does not change the situation with regard to the Criminal Code.

There is no test but the government is working in cooperation with police forces across Canada and we will come up with reform on that side as soon as we can. We want to ensure that we develop a test that will be accepted by the courts in order to implement the existing legislation within the Criminal Code.

Mr. Randy White (Langley—Abbotsford, Canadian Alliance): Mr. Speaker, we have heard it all. The government has penalties in place but no way to assess the reason why it gives the penalties. That is brilliant.

Yesterday the justice minister would not explain why young people pay a smaller fine for the possession of marijuana than others. Again, what message does he think he is giving to Canadians when he is assessing young people a smaller fine than other people for the possession of drugs? What is the message he thinks he is sending?

Oral Questions

Hon. Martin Cauchon (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the message that he is trying to send is pretty irresponsible. If we look at what is taking place in the field, it has no connection with Canadian realities. Look at what is taking place today.

People for the same amount, regarding the legislation we tabled yesterday, will basically get a verbal warning. At the end of the day there is a high disregard for the justice system. We want to develop a tool that we will enforce to send a strong message that in Canada the use of marijuana is strictly illegal. We are responsible on this side of the House.

* * *

• (1445)

[Translation]

CANADA LABOUR CODE

Ms. Monique Guay (Laurentides, BQ): Mr. Speaker, after the endless strikes at Cargill and Vidéotron, now it is the turn of employees of Radio-Nord to experience the treatment reserved for striking workers under the Canada Labour Code.

It is time for the Minister of Labour to acknowledge that not only does the Canada Labour Code, in its current form, not promote timely settlements of labour disputes, but in fact it contributes to dragging them out. What is stopping the minister from introducing legislation to put an end, once and for all, to the use of scab labour?

Hon. Claudette Bradshaw (Minister of Labour, Lib.): Mr. Speaker, because it was created by employees and employers, the Canada Labour Code works very well. As a result, 90% of labour disputes last year were settled without strikes or lockouts. The labour code works very well.

Ms. Monique Guay (Laurentides, BQ): Mr. Speaker, yesterday, the member for LaSalle—Émard stated that he hoped for a debate on the need for strikebreaking legislation.

Are we to believe from the Minister of Labour's response that she is indifferent to the comments made by her colleague, the member for LaSalle—Émard, who was passing through Témiscamingue yesterday, and that his comments were nothing more than smoke and mirrors and empty words?

Hon. Claudette Bradshaw (Minister of Labour, Lib.): Mr. Speaker, what is important to understand is that the Canada Labour Code was made by employees and employers. Politics were not involved, nor were any games played. The Canada Labour Code belongs to them. It is what they wanted and it is what they got.

* * *

[English]

AGRICULTURE

Mr. Rick Casson (Lethbridge, Canadian Alliance): Mr. Speaker, it has been nine days since our borders were closed to exports of beef and beef products. Canada's multi-billion dollar beef industry is in peril of disappearing. With every hour that goes by, the industry gets closer to economic collapse.

Could the minister tell us what demands are being made by our trading partners to assure them what we already know that our beef is safe, and when will our borders be reopened?

Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, I had another conversation yesterday right after question period with Secretary Ann Veneman, of the United States. I asked her that question specifically. She said that they, like us, need more science.

The depopulation of herds is continuing so we can demonstrate not only to our trading partners but to the International Office of Epizootics that the system we have and the science we are using is the proper way. Hopefully we can demonstrate that it is only one cow because that is what our system has found.

Mr. Rick Casson (Lethbridge, Canadian Alliance): Mr. Speaker, every day that goes by sees more and more of these cattle reach maturity. This situation is not like the softwood lumber dispute where the government can sit back and wait months and years to reach a decision. These are live animals. They reach maturity very quickly and must be fed and maintained on a daily basis.

With our borders closed, what is the government prepared to do with the 60% of these mature animals that have no market?

Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, I spent two hours with the Beef Roundtable this morning, which has representatives from all the value chain and the beef industry. They have agreed that the primary concern and the primary goal at this time is to get the border open and the markets open around the world. Those are the efforts we are taking at this time. We will continue, and hopefully we will be successful in the near future.

* * *

JUSTICE

Mr. Joe Fontana (London North Centre, Lib.): Mr. Speaker, I have a supplementary question for the Minister of Justice.

Drug-impaired driving is a serious concern to Canadians and to many of us in the House. I hope the legislation introduced yesterday by the Minister of Justice will not encourage marijuana users to take and drive.

What does the Minister of Justice intend to do about the problem and what assurances can he give the House today that he will protect the Canadian public?

Hon. Martin Cauchon (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the question is a very important one because all Canadians know that the question of drug-impaired driving in Canada is indeed a serious crime. It is an offence based on the Criminal Code.

At this point in time we are working with police forces from across Canada to develop a piece of equipment to measure that, and to ensure that the court will accept the new test. As well I am working in cooperation with my colleagues, and I intend to come forward with some amendments to the legislation pretty soon.

Oral Questions

● (1450)

AGRICULTURE

Mr. Rick Borotsik (Brandon—Souris, PC): Mr. Speaker, every day the U.S. border is shut to Canadian beef, the situation becomes more desperate for producers, feedlot operators, auction marts, packing plants and truckers. Today the Prime Minister once again poked the U.S. President in the eye with his nonsensical ramblings. It is obvious the Prime Minister does not realize our economy is strong because of our dependence on U.S. markets.

My question is for the Minister of Agriculture. Why did the Prime Minister blind side him like this? Why is the Prime Minister going out of his way to make it so difficult to open this border?

Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, we are making every effort to get the border open. I want to quote from Mr. Wythe Willey who is the president of the National Cattlemen's Beef Association in the United States and a trade policy adviser to President George Bush. He has said that the word of the Canadian beef system being safe should be enough and be sufficient for Washington to resume the north-south trade in cattle.

That is the type of support we have in the United States. That is the type of support with which we will work. I am confident that when the science is there and we complete the science in the near future the Prime Minister will again demonstrate that to the President.

* * *

NATIONAL DEFENCE

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, this week we learned that the cabinet secretly authorized an 11 year life expansion project for our fleet of Sea King helicopters at a cost of \$308 million. It will ensure that the Sea Kings will be around until the year 2014, more than 50 years after they came into service.

Will the Minister of National Defence explain why his government is prepared to put a whole new generation of pilots' lives at risk, when the whole fleet can still be replaced by the year 2008, and should have been replaced by 1993?

Hon. John McCallum (Minister of National Defence, Lib.): Mr. Speaker, the helicopters will be replaced far faster than the hon. member suggests. Indeed, I have said repeatedly and my colleague, the Minister of Public Works, has said the same thing, that it is a very high priority for us to get that new helicopter as fast as possible. That is one of the main reasons we rebundled the contracts, to get that helicopter faster. We are working with industry and my department to ensure that helicopter comes with the very least delay possible.

* * *

HEALTH

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

The minister knows that the tobacco epidemic costs 45,000 lives every year. Her predecessor, the former minister, promised to ban the labelling of cigarettes described as light or mild, as the new WHO tobacco treaty requires. Why has the minister betrayed that promise?

How many more kids will start to smoke and how many more smokers will die before the minister finally takes on the big tobacco companies and bans this dishonest labelling of cigarettes as light and mild?

Hon. Anne McLellan (Minister of Health, Lib.): Mr. Speaker, I do not think what the government has done over the past number of years in terms of implementing an aggressive tobacco control strategy can be matched by any other country in the world.

In fact, I am very proud to say that Health Canada officials were instrumental in the drafting of the new framework for tobacco control which represents the first global effort to put in place a tobacco control strategy. The hon. member knows full well that we continue to research the issue of light and mild and in fact—

The Speaker: The hon. member for Sackville—Musquodoboit Valley—Eastern Shore.

* * *

FISHERIES

Mr. Peter Stoffer (Sackville—Musquodoboit Valley—Eastern Shore, NDP): Mr. Speaker, three years ago the Auditor General of Canada said that the government, through the Department of Fisheries and Oceans, was managing the shellfish industry in the exact same manner as it was with the groundfish industry. We know the catastrophe that has happened there.

With the recent announcement of the 29% increase of northern shrimp, the territory of Nunavut is now questioning the legality of that decision and we on this side are questioning the scientific evidence of that decision.

Would the minister kindly provide to the House or to the Standing Committee of Fisheries and Ocean the scientific evidence on which he based his justification of the 30% increase of that precious stock?

● (1455)

Hon. Robert Thibault (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, after discussions with the industry and the scientific advice available, we established a TAC this year that is well within the safe limits for that industry. We could have gone higher, but we do not know by how much.

We are working with the industry to have an enhanced scientific knowledge process that will give us the capability of increasing yields further in the future, reducing if we should, and getting better potential access for communities like Nunavut.

*Oral Questions***HIGHWAY INFRASTRUCTURE**

Mrs. Betty Hinton (Kamloops, Thompson and Highland Valleys, Canadian Alliance): Mr. Speaker, the Province of British Columbia is currently considering leasing the Coquihalla highway to a private company because it cannot afford the maintenance and upkeep. Many of my constituents are furious. In 2002, the people of British Columbia paid a combined amount of \$1.1 billion to the federal government in gas taxes and GST.

Can the minister explain why only 2.5% of that is being reinvested back into highways?

Hon. John Manley (Deputy Prime Minister and Minister of Finance, Lib.): Mr. Speaker, the government has many sources of revenue. We go into the consolidated revenue fund and spend it on a whole variety of programs. We do not have a dedicated tax for highways or roads and neither does the Province of British Columbia. It must be remembered that almost the entire responsibility for highways lies with the province.

Mrs. Betty Hinton (Kamloops, Thompson and Highland Valleys, Canadian Alliance): Mr. Speaker, provinces would not have to resort to leasing their highways if the federal government would simply do its part and reinvest the road taxes from fuel back into roads. My constituents will now be facing increasing tolls on that highway.

How does the minister justify returning less than 5¢ on the dollar to British Columbia?

Hon. John Manley (Deputy Prime Minister and Minister of Finance, Lib.): Mr. Speaker, because we spend the money on health care; we spend the money on defence; and we spend the money on support for poor kids. If the member wants an increase in the—

Some hon. members: Oh, oh.

The Speaker: Order, please. The hon. member's colleague asked a question. Surely the whole group wants to hear the answer. How could the poor member for Kamloops, Thompson and Highland Valleys hear the answer with all this noise? I cannot. How could she?

The Minister of Finance has the floor. We will hear the answer.

Hon. John Manley: Mr. Speaker, we spend the money on agriculture and we spend the money on support for people who are unemployed.

If the hon. member wants an increase in the excise tax on fuel so that it can be spent by the provincial government, why does she not get up and say so? I do not think that would be a very good idea.

* * *

[Translation]

GOVERNMENT CONTRACTS

Mr. Robert Lanctôt (Châteauguay, BQ): Mr. Speaker, with regard to the sponsorship scandal, the minister refuses to answer under the pretext that he has referred the investigation to the RCMP. Modes Conili, Confections St-Élie, Groupaction, Communication Coffin, Lafleur Communications and eight other files were referred to the RCMP, some of them as many as three years ago now, and that was the last we heard of them.

With regard to the sponsorship scandal, is the government not using the formula that has served it so well: refer the case to the RCMP so that it will never be heard of again?

[English]

Hon. Ralph Goodale (Minister of Public Works and Government Services, Minister responsible for the Canadian Wheat Board and Federal Interlocutor for Métis and Non-Status Indians, Lib.): Mr. Speaker, I entirely reject the aspersions against the conduct, authority and ability of the RCMP.

When matters come to the attention of either ministers or other officials of the Government of Canada, they are referred to the RCMP. The RCMP alone, at its own discretion, using its own good judgment, decides what, when and how to investigate. The RCMP takes and receives no political instruction.

[Translation]

Mr. Robert Lanctôt (Châteauguay, BQ): Mr. Speaker, I find it quite strange that, after three years, it is considered normal for nothing more to be said about this. There is something immoral about the government's behaviour, which has, to date, requested 14 investigations relating to its integrity and then fixes things so that this is the last we hear of it.

Is it not strange that, each time investigations into the government's morality are referred to the RCMP, nothing ever comes of it and it is never mentioned again?

[English]

Hon. Ralph Goodale (Minister of Public Works and Government Services, Minister responsible for the Canadian Wheat Board and Federal Interlocutor for Métis and Non-Status Indians, Lib.): Mr. Speaker, those matters that fall within the administrative purview of the government are in fact being investigated under the terms of the Financial Administration Act. We have engaged the services of the world's very best forensic research team. It has filed one report. That report has been submitted to the RCMP and the second phase of the activity is now underway. We are following exactly what the law requires and we intend to continue to do that.

* * *

● (1500)

HIGHWAY INFRASTRUCTURE

Mr. Myron Thompson (Wild Rose, Canadian Alliance): Mr. Speaker, recently I asked the Minister of Transport about a dangerous stretch of the Trans-Canada Highway in my riding. There have been many accidents, 22 deaths and 119 injuries since 1999.

The minister told the House that an agreement with the government of Alberta has been signed to address this problem. The government of Alberta says there is no cost sharing agreement for highway projects in national parks.

Again, my question is for the Minister of Transport. How many more lives have to be lost on this highway which is in Banff National Park? How many more lives before it is finally fixed?

Oral Questions

Hon. David Collenette (Minister of Transport, Lib.): Mr. Speaker, I would like to correct the earlier answer that I gave last week. This matter falls under the purview of my colleague, the Minister of Canadian Heritage.

Mr. Myron Thompson (Wild Rose, Canadian Alliance): Mr. Speaker, the Minister of Transport has readily received letters from the Province of Alberta and the minister of heritage has been receiving letters from the Province of Alberta. The province has been requesting that this highway be fixed for over two years and nothing is happening. The Province of Alberta has not even received a reply.

Could the minister please explain why he has not even replied to the Alberta government request?

Hon. David Collenette (Minister of Transport, Lib.): Mr. Speaker, I am sure that all of these representations will be considered in due course.

* * *

HOUSING

Mr. R. John Efford (Bonavista—Trinity—Conception, Lib.): Mr. Speaker, yesterday the Government of Canada announced the signing of the Newfoundland and Labrador housing agreement.

Could the Secretary of State responsible for Canada Mortgage and Housing Corporation advise the House on the status of the federal housing agreements with the provinces and territories related to the \$680 million for affordable housing announced in the 2001 budget?

Hon. Steve Mahoney (Secretary of State (Selected Crown Corporations), Lib.): Mr. Speaker, I can tell the House that the agreement he referred to in Newfoundland and Labrador is a \$30 million affordable housing agreement, which is good news for Newfoundland and Labrador.

Also, on Friday I signed an agreement in Charlottetown, which was the 13th agreement. We now have all 10 provinces and all 3 territories signed on to a truly national affordable housing agreement. Unlike some critics opposite, we will focus on working with our provincial partners to build housing that is affordable for Canadians.

* * *

PIPELINES

Mr. David Chatters (Athabasca, Canadian Alliance): Mr. Speaker, Canadians are hearing mixed messages from the government on the proposed northern gas pipeline. The Minister of Indian Affairs and Northern Development offered to finance pipeline development in the MacKenzie Valley, yet at the same time, the Minister of Natural Resources is attacking the U.S. incentives for pipeline development and saying Canadians do not fund pipelines.

What is the Canadian position on financing the northern pipeline?

Hon. Herb Dhaliwal (Minister of Natural Resources, Lib.): Mr. Speaker, the Canadian government has a very clear position and it is very consistent with the American government. We do not provide subsidies for any pipeline project, whether it is the northern pipeline or the MacKenzie Delta pipeline. This is very consistent with the U. S. administration and is very consistent with our policy that we do not subsidize the development of pipelines in this country.

Mr. David Chatters (Athabasca, Canadian Alliance): Mr. Speaker, it is vitally important to Canada's petrochemical industry that it has market access to northern gas. What is the natural resources minister doing to modernize the 1977 northern pipeline treaty to guarantee Canada that access?

Hon. Herb Dhaliwal (Minister of Natural Resources, Lib.): Mr. Speaker, we will ensure that any pipeline project would have to go through the National Energy Board, an arm's-length organization. However, I want to ensure the hon. member that any pipeline that is built will be in the interests of Canadians, made for Canadians, and so that Canadians will benefit from that pipeline construction.

* * *

[Translation]

TOBACCO CONTROL

Mr. Réal Ménard (Hochelaga—Maisonnette, BQ): Mr. Speaker, on April 5, 2001, the member for Etobicoke Centre, who was then the Minister of Health, and the member for LaSalle—Émard, then the Minister of Finance, announced with great ceremony that over \$480 million would be allocated over the next five years to implement a comprehensive, integrated and sustained approach to tobacco control. At the time, they said there would be stable funding, but less than two years into the program, \$13 million has already been cut.

Why is the Minister of Health ignoring the financial commitments to Canada's tobacco control strategy made by her government in April 2001?

● (1505)

[English]

Hon. Anne McLellan (Minister of Health, Lib.): Mr. Speaker, as I have already indicated this afternoon, our government has a very aggressive approach to our tobacco control strategy. In fact, we are spending more on that strategy than ever before.

As I have already mentioned, we were instrumental in the drafting of the international framework for tobacco control and in taking action on low ignition propensity cigarettes. I wish to applaud my colleague from Scarborough East for making this an issue of importance to all of us. For the very first time information relating to anti-smoking is included within our mass media campaign denormalization messages.

* * *

DIAMOND INDUSTRY

Mr. David Pratt (Nepean—Carleton, Lib.): Mr. Speaker, Canada's newest and most exciting resource industry, diamonds, was the focus of a national round table held in Edmonton last week. This round table was the first time key stakeholders were gathered together to discuss the prospects for this important emerging industry.

Could the Minister of Natural Resources give us his cut on the brilliant future that lies ahead for Canada's diamond industry?

Hon. Herb Dhaliwal (Minister of Natural Resources, Lib.): Mr. Speaker, this is of great interest to all Canadians, particularly up north. For the first time we had an historic meeting where we brought together the diamond industry, the federal and provincial governments, and the aboriginal community to see how we can become a leader in the world and shape this industry. We want to ensure that we are in the forefront and that Canadians across this country can benefit from this emerging diamond industry.

* * *

BUSINESS OF THE HOUSE

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

That this House affirm its strong support for Norad as a viable defence organization to counter threats to North America, including the threat of ballistic missile attack; and support giving Norad responsibility for the command of any system developed to defend North America against ballistic missiles.

This motion standing in the name of the hon. member for Renfrew—Nipissing—Pembroke is votable.

[Translation]

Copies of the motion are available at the table.

[English]

GOVERNMENT ORDERS

[English]

PUBLIC SERVICE MODERNIZATION ACT

The House resumed from May 27 consideration of the motion that Bill C-25, an act to modernize employment and labour relations in the public service and to amend the Financial Administration Act and the Canadian Centre for Management Development Act and to make consequential amendments to other Acts, as amended, be concurred in.

The Speaker: It being 3:07 p.m. the House will now proceed to the taking of the deferred recorded division on the report stage of Bill C-25.

Call in the members.

● (1515)

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

(Division No. 173)

YEAS

Members

Abbott
Adams
Allard
Anderson (Cypress Hills—Grasslands)
Assadourian
Bailey
Beaumier
Bellemare

Ablonczy
Alcock
Anderson (Victoria)
Assad
Augustine
Barnes (London West)
Bélangier
Bennett

Bertrand
Binet
Bonin
Bradshaw
Bryden
Burton
Caccia
Calder
Caplan
Carroll
Castonguay
Cauchon
Chatters
Comuzzi
Cotler
Cummins
Day
Dhaliwal
Discepolo
Drouin
Easter
Eggleton
Eyking
Fitzpatrick
Fontana
Frulla
Galloway
Goodale
Grewal
Harb
Harvard
Hill (MacLeod)
Hilstrom
Hubbard
Jackson
Johnston
Karetak-Lindell
Keyes
Kraft Sloan
Lastewka
Lee
Lincoln
MacAulay
Mahoney
Maloney
Marleau
Matthews
McKay (Scarborough East)
McTeague
Merrifield
Mills (Red Deer)
Mitchell
Murphy
Nault
Normand
O'Reilly
Owen
Pagtakhan
Parrish
Penson
Peschisolido
Pillitteri
Proulx
Rajotte
Regan
Reynolds
Robillard
Saada
Scherrer
Scott
Shepherd
Skelton
Sorenson
Spencer
St-Julien
Steckle
Stinson
Szabo
Thibault (West Nova)
Thompson (Wild Rose)
Toews
Torsney
Valeri
Vellacott

Government Orders

Bevilacqua
Blondin-Andrew
Boudria
Brown
Bulte
Byrne
Cadman
Cannis
Carignan
Casson
Catterall
Chamberlain
Collenette
Copps
Cullen
Cuzner
DeVillers
Dion
Dromisky
Duncan
Efford
Epp
Finlay
Folco
Forseth
Gallant
Godfrey
Gouk
Hanger
Harris
Harvey
Hill (Prince George—Peace River)
Hinton
Ianno
Jennings
Jordan
Karygiannis
Knutson
Laliberte
LeBlanc
Leung
Lunney (Nanaimo—Alberni)
Macklin
Malhi
Marcil
Martin (Esquimalt—Juan de Fuca)
McCallum
McLellan
Meredith
Mills (Toronto—Danforth)
Minna
Moore
Myers
Neville
O'Brien (London—Fanshawe)
Obhrai
Pacetti
Pallister
Patry
Péric
Phinney
Pratt
Provenzano
Redman
Reid (Lanark—Carleton)
Ritz
Rock
Savoy
Schmidt
Sgro
Simard
Solberg
Speller
St-Jacques
St. Denis
Stewart
Strahl
Telegdi
Thibeault (Saint-Lambert)
Tirabassi
Tonks
Ur
Vanclief
Volpe

Routine Proceedings

Wappel
White (North Vancouver)
Wilfert
Yelich — 191

Whelan
White (Langley—Abbotsford)
Wood

NAYS

Members

Barnes (Gander—Grand Falls)
Borotsik
Comartin
Davies
Fournier
Gagnon (Lac-Saint-Jean—Saguenay)
Gaudet
Girard-Bujold
Guay
Hearn
Lancôt
Marceau
McDonough
Nystrom
Perron
Plamondon
Robinson
Sauvageau
Stoffer
Wasylycia-Leis

Bigras
Cardin
Dalphond-Guiral
Doyle
Gagnon (Champlain)
Gagnon (Québec)
Gauthier
Godin
Guimond
Laframboise
Loubier
Martin (Winnipeg Centre)
Ménard
Paquette
Picard (Drummond)
Reed (Halton)
Roy
Schellenberger
Thompson (New Brunswick Southwest)
Wayne — 40

PAIRED

Members

Asselin
Bakopanos
Bourgeois
Duceppe
Grose
Pettigrew
Rocheleau
Tremblay — 15

Bachand (Saint-Jean)
Bergeron
Coderre
Graham
Manley
Price
St-Hilaire

The Speaker: I declare the motion carried. When shall the bill be read the third time? Later this day?

Some hon. members: Agreed.

ROUTINE PROCEEDINGS

• (1520)

[*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 three petitions.

* * *

COMMITTEES OF THE HOUSE

ABORIGINAL AFFAIRS, NORTHERN DEVELOPMENT AND NATURAL RESOURCES

Mr. Raymond Bonin (Nickel Belt, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the fourth report of the Standing Committee on Aboriginal Affairs, Northern Development and Natural Resources regarding its order of reference of Monday, October 7, 2002 in relation to Bill C-7, an act respecting leadership selection, administration and accountability of Indian bands, and to make related amendments to other acts.

The committee held a total of 61 hearings on this bill from January 27 to May 27, 2003, travelled over a period of four weeks from Prince Rupert, British Columbia to Halifax, Nova Scotia hearing from more than 531 witnesses. The committee then sat for a cumulative total of 131 hours on clause by clause alone, the longest number of hours in Canadian parliamentary history.

The committee has carefully considered Bill C-7 and reports the bill with amendments.

[*Translation*]

The Speaker: The hon. member for Saint-Hyacinthe—Bagot, on a point of order.

Mr. Yvan Loubier: Mr. Speaker, I ask for leave to comment on the tabling of the report of the Standing Committee on Aboriginal Affairs, Northern Development and Natural Resources.

The Speaker: I am sorry, but there is nothing in the Standing Orders that would permit such a comment. When a report is tabled, that is the end of the matter.

[*English*]

FISHERIES AND OCEANS

Mr. Tom Wappel (Scarborough Southwest, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the fifth report of the Standing Committee on Fisheries and Oceans.

In accordance with its order of reference from the House of Commons of February 26, 2003, the committee has considered votes 1, 5 and 10 under fisheries and oceans in the main estimates for the fiscal year ending March 31, 2004, less the amounts voted in interim supply, and reports the same.

* * *

OLDER ADULT JUSTICE ACT

Hon. Diane Marleau (Sudbury, Lib.) moved for leave to introduce Bill C-439, an act to establish the office of the Ombudsman for Older Adult Justice and the Canadian Older Adult Justice Agency and to amend the Criminal Code.

She said: Mr. Speaker, today I am introducing a private member's bill entitled, an act to establish the office of the ombudsman for older adult justice and the Canadian older adult justice agency and to amend the Criminal Code.

The bill seeks to set national standards for dealing with older adult abuse, neglect and exploitation. Moreover, it seeks to enshrine into law the safeguarding of the elderly and those who, due to illness or otherwise, are too often the victims of crime at the hands of certain individuals.

If passed into law, one of the key elements of the bill would see the establishment of Canada's first ever ombudsman for older adult justice responsible for the protection of older adult rights.

I encourage all members of the House to review the legislation. I look forward to working with my colleagues to ensure its passage into law.

Routine Proceedings

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

* * *

• (1525)

STATISTICS ACT

Hon. Allan Rock (Minister of Industry, Lib.) moved for leave to introduce Bill S-13, an act to amend the Statistics Act.

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

* * *

PETITIONS

FISHERIES AND OCEANS

Mr. John Reynolds (West Vancouver—Sunshine Coast, Canadian Alliance): Mr. Speaker, I have a petition signed by hundreds of people from Vananda, Gillies Bay, Blubber Bay, Texada Island and Powell River in British Columbia.

The petitioners ask that Parliament request the Minister of Fisheries and Oceans to prohibit the establishment of a planned fish farm located in Raven Bay, Texada in British Columbia.

MARRIAGE

Mr. Darrel Stinson (Okanagan—Shuswap, Canadian Alliance): Mr. Speaker, I am pleased to present a petition signed by over 650 of my constituents of Okanagan—Shuswap calling upon Parliament to support, preserve and protect the legal definition of marriage as the voluntary union of one man and one woman to the exclusion of all others.

FIREARMS REGISTRY

Mr. Rob Anders (Calgary West, Canadian Alliance): Mr. Speaker, I am presenting a petition on behalf of 338 citizens.

The petitioners want to draw the attention of the House of Commons to the following: that they feel badly about the \$1 billion that has been wasted on the gun registry; that the gun registry is not supported by the provinces; and that the gun registry has not reduced gun crimes. They are calling upon Parliament to repeal the gun registry.

CHILD PORNOGRAPHY

Mr. Andy Burton (Skeena, Canadian Alliance): Mr. Speaker, I am pleased to present a number of petitions on behalf of the residents of Skeena riding.

The first petition calls upon Parliament to protect our children by outlawing materials promoting pedophilia.

FREEDOM OF RELIGION

Mr. Andy Burton (Skeena, Canadian Alliance): Mr. Speaker, the second petition calls upon Parliament to protect the rights of Canadians to be free to share their religious beliefs without fear of prosecution.

STEM CELL RESEARCH

Mr. Andy Burton (Skeena, Canadian Alliance): Mr. Speaker, the next two petitions call upon Parliament to focus legislative support on adult stem cell research to find the cures necessary to treat the illnesses and diseases of suffering Canadians.

AQUACULTURE INDUSTRY

Mr. Andy Burton (Skeena, Canadian Alliance): Mr. Speaker, last, but certainly not least, is a petition with over 1,200 signatures expressing concern about Canada's aquaculture industry.

COAST GUARD

Mr. John Cummins (Delta—South Richmond, Canadian Alliance): Mr. Speaker, I have three petitions to present today.

The first petition notes that the Department of Fisheries and Oceans is no longer providing adequate staffing and equipment to the coast guard to allow it to perform the function for which it is obligated to perform.

The petitioners request Parliament to ensure that the coast guard becomes an independent body and that the government provide a new hovercraft to enable the coast guard to perform the kinds of functions that we expect of it, including the dive operations.

• (1530)

FISHERIES AND OCEANS

Mr. John Cummins (Delta—South Richmond, Canadian Alliance): Mr. Speaker, the second petition also calls on the Department of Fisheries and Oceans and draws the attention of Parliament to the matter of aquaculture.

The petitioners note that the Fisheries Act prohibits the establishment of fish farms near wild fish and their habitat. They note that the Navigable Waters Act has restrictions as well. They also note that the previous minister of fisheries said that the department would not proceed with aquaculture if it would be a problem.

They are calling on the Minister of Fisheries and Oceans to prohibit the establishment of a planned fish farm located in Raven Bay, Texada Island in British Columbia.

HUMAN RIGHTS

Mr. John Cummins (Delta—South Richmond, Canadian Alliance): Mr. Speaker, the third petition I have relates to the matter of the Falun Gong group. It appeals to the Parliament of Canada to initiate a resolution to condemn China's persecution of Falun Gong at the United Nations Commission on Human Rights.

STEM CELL RESEARCH

Mr. Joe Comartin (Windsor—St. Clair, NDP): Mr. Speaker, pursuant to Standing Order 36 I wish to present a petition calling on Parliament to focus its legislative support on adult stem cell research.

Government Orders

FOREIGN AFFAIRS

Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP): Mr. Speaker, I am pleased to present a petition signed by constituents of Winnipeg North Centre and other residents of Winnipeg and Manitoba. These individuals are concerned about threats to international peace and security, particularly in light of developments in Iraq.

They call upon Canada and the government to ensure that the framework of international law is upheld. They call upon the government to refuse to participate in U.S. military led coalition forces outside the United Nations and they ask the government to use our unique relationship with the United States and our traditional role as a broker of peace to pursue non-aggression at times of threats to international security.

* * *

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 that agreed?

Some hon. members: Agreed.

* * *

MOTIONS FOR PAPERS

Mr. Geoff Regan (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.): Mr. Speaker, would you be so kind as to call Notice of Motion for the Production of Papers No. P-26 in the name of the hon. member for Kootenay—Boundary—Okanagan.

Motion No. P-26

That an Order of the House do issue for copies of all documentation, including reports, minutes of meeting, notes, e-mails, advertising, memos and correspondence since January 2002 within the Department of Human Resources that relates to the ratification of the Kyoto Protocol that sets out the benefits, how the targets are to be reached and its cost to the department.

Mr. Geoff Regan: Mr. Speaker, Human Resources Development Canada's response to this motion is one of voluminous character and would have an inordinate cost and require a good deal of time to prepare and translate.

Mr. Speaker, I think you would therefore find agreement from the Minister of Labour to have this put over for debate.

Hon. Claudette Bradshaw (Minister of Labour, Lib.): Mr. Speaker, I ask that Motion No. 26 be transferred for debate.

The Speaker: The motion is transferred for debate.

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

The Speaker: Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[Translation]

PUBLIC SERVICE MODERNIZATION ACT

Hon. Lucienne Robillard (President of the Treasury Board, Lib.) moved that Bill C-25, An Act to modernize employment and labour relations in the public service and to amend the Financial Administration Act and the Canadian Centre for Management Development Act and to make consequential amendments to other Acts, be read the third time and passed.

She said: Mr. Speaker, it is a pleasure to rise today to move third reading of the Public Service Modernization Act.

As I have maintained many times in this House, I believe that an impartial, professional public service is one of this country's greatest assets. The Public Service of Canada is an honourable institution that contributes significantly to the high quality of life that we share as Canadians.

As parliamentarians, we owe the men and women of the public service who work diligently across the country and around the world, day in and day out, our thanks and respect. This government is committed to supporting public servants and to ensuring that the public service can continue to pursue excellence and provide high quality service in an increasingly complex and fact paced world.

Bill C-25 is a key component of our efforts. The bill is a comprehensive and carefully measured package of proposals. It represents a balanced approach to setting the foundation that will allow the public service to change the way it does business. It proposes to streamline our often cumbersome staffing system, thereby improving our ability to attract and hire the people we need, when and where we need them.

It aims to build more constructive labour-management relations and create a more productive and supportive working environment through such devices as mandatory departmental labour-management consultation committees. It proposes to change the way that the public service approaches corporate learning and development to make us more competitive and to ensure that we can retain and attract employees more effectively.

[English]

I do not intend to go over the salient features of the bill in any great detail. I did that when I rose in the House during second reading. Instead, I would like to look at some of the amendments that were proposed by the Standing Committee on Government Operations and Estimates.

The committee process provided an excellent opportunity to expand the debate and discussion on Bill C-25. I must applaud members of the committee from all parties for the comprehensive and thorough attention they gave the legislation.

Government Orders

I also would particularly like to thank my parliamentary secretary, the member for Niagara Centre, for his tireless enthusiasm and hard work throughout the legislative process. As we all know, committee work can often be long and tiring but it is an essential component of good law making. It is clear to me, having attended the committee as both a witness and a spectator, that its members approached the matter at hand with both vigour and a clear and unbiased desire to improve the bill for Canadians, and they succeeded.

Over the last three months the standing committee heard testimony from more than 20 organizations and individuals, including eminent academics, union representatives, the Clerk of the Privy Council and public servants. It systematically reviewed 175 proposed amendments, accepting 40. While the amendments do not change the key elements of the bill or what it intends to achieve, they nonetheless strengthened it in certain important areas. I welcome this chance to look at some of the revisions proposed.

The committee endorsed amendments to make more explicit the values upon which human resources management is based. The Public Service Employment Act section of Bill C-25 includes the preamble articulating the principles and values underlying staffing. It underscores the importance of a public service that strives for excellence, is representative of Canada's diversity and able to serve the public with integrity, and in their official language of choice.

The standing committee proposed that we expand the preamble to include an explicit commitment to transparency and a stronger reaffirmation of our commitment to the country's linguistic duality. This is far more than just rhetoric; it is a firm commitment to these guiding principles.

• (1535)

[*Translation*]

The members of the Standing Committee focussed much of their attention on creating a supportive working environment—notably one that is free from harassment and where public servants can feel safe to speak out against perceived wrongdoing.

Nobody disagrees that these are important issues. The only question is what approaches are the most effective to ensure that people truly are protected.

The government has favoured a policy approach instead of a legislative one. The former offers maximum flexibility and it can be implemented and amended more quickly than legislation.

That is why, in November 2001, the government instituted a policy on internal disclosure to support employees who raise issues of wrongdoing in the workplace and protect them from reprisal.

While we believe that having a policy is still the most appropriate approach, after hearing from witnesses, we accept the view that there should be some form of legislative basis to support our efforts to eliminate harassment and to protect employees who have disclosed wrongdoing.

Proposed amendments will help to achieve this by recognizing the importance of allowing the Treasury Board to have such policies in place. This sends a clear message to future governments that employees should always be protected.

Another amendment is designed to ensure that such issues will be discussed in the new consultation committees that deputy heads must establish to exchange information with bargaining agents and obtain views and advice on issues relating to the workplace.

A third area where amendments were proposed and endorsed by the committee relates to the political activities of public servants. The non-partisanship of the professional public service is one of its fundamental cornerstones. It is a critical component of good governance and it must be upheld. But in our efforts to do so, we cannot trample on an individual's right to freedom of expression. And we should not discourage people from seeking public office and serving their communities in an elected capacity.

The new act would establish a clear regime for political activities which balances the right of employees to engage in the political process with the principle of political impartiality in the public service. It would also update the current political activities regime to bring it in line with a previous Supreme Court ruling.

For example, Bill C-25 stipulates that the political activities of deputy heads will be limited to voting in elections and that they may not actively involve themselves with a candidate or a political party. Given their unique decision-making role and the importance of providing objective advice to ministers, I am sure the members of the House would agree that this is a prudent and appropriate measure.

A number of witnesses before the standing committee, including the Public Service Commission, thought that the bill as tabled merited adjustment to make the regime regarding employee political activities as flexible as possible.

As a result of a motion in committee by the member for New Westminster—Coquitlam—Burnaby, there is a greater measure of flexibility with respect to whether an employee will be required to take leave when seeking to be a candidate or being a candidate in a federal, provincial or territorial election. There is new flexibility for the PSC to determine whether an employee would be granted permission to be, or seek to be, a candidate in an election.

I should also note that a separate amendment will strengthen the PSC's ability to investigate any allegation of wrongdoing in this area.

• (1540)

[*English*]

Those are just a few of the amendments that have emerged through the standing committee's thorough and thoughtful deliberations.

Before I close, I would like to mention one final aspect of the bill which has received considerable attention, the approach to merit.

Bill C-25 would strengthen the merit principle by requiring that all appointments to and within the public service be made on the basis of merit and by describing for the first time how merit is to be achieved. The new approach to merit will ensure that only competent individuals are staffed into jobs, while at the same time help to eliminate much of the unnecessary process which has made the system onerous and cumbersome.

Government Orders

After much consideration, we remain firm in our conviction that the changes proposed in the public service modernization act represent the most balanced and reasonable approach. Claims that we are watering down merit are clearly unfounded. While we are proposing greater flexibility in staffing, we are balancing them with strong safeguards to uphold the merit principle. We intend to focus the responsibilities of the Public Service Commission more squarely on safeguarding merit. At the same time, another proposed amendment will require that the commission consult, on request, with bargaining agents on policies regarding the manner of making and revoking appointments, as well as the principles regarding priorities for appointments and layoffs.

We also recognize that effective recourse is essential to maintaining the integrity of the staffing process. Bill C-25 would improve access to staffing recourse by creating a new independent public service staffing tribunal to hear complaints from employees who are dissatisfied with how they have been treated. One proposed amendment will clarify the grounds for complaints by stating that appointments made on the basis of personal favouritism constitute an abuse of authority.

Other proposed amendments have further strengthened the independence of the Public Service Commission and its audit's role. The member for Etobicoke North moved an amendment, for example, requiring that the appointment of the president of the Public Service Commission be approved by both Houses of Parliament. This will help sustain the independence of the office. Another amendment, proposed by the member for Châteauguay, would increase the scope of the Public Service Commission's audit function.

Together, these and other measures in the bill will ensure that merit remains the central principle guiding staffing.

• (1545)

[*Translation*]

I believe that these amendments will further strengthen this already solid piece of legislation. There was consensus among many of the witnesses who appeared before the standing committee that what is being proposed is long overdue.

We have a window of opportunity now—and we must take advantage of it. We are not just tinkering at the margins with this legislation. I believe that the Public Service Modernization Act will have a clear and enduring impact on one of Canada's most essential and respected organizations.

I would like to point out to members that this bill will be subject to automatic review in five years. This is a further reflection of the committee's view that five years was more appropriate than the seven years laid out in the original legislation.

The shorter time frame will give enough time for us to implement the legislation and take any appropriate measures. Throughout this period, we will report to Parliament on our progress.

The standing committee has deliberated long and hard and has offered wise counsel. Once again, I want to extend my thanks to them for their commitment to improving this important piece of legislation.

I firmly believe that with Bill C-25, we are clearly strengthening human resources management in the public service, which will lead to improved service to Canadians. I would like to invite all members of Parliament to support Bill C-25 at third reading.

[*English*]

Mr. Paul Forseth (New Westminster—Coquitlam—Burnaby, Canadian Alliance): Mr. Speaker, I am pleased to address third reading of Bill C-25, an act to modernize employment and labour relations in the public service and to amend the Financial Administration Act and the Canadian Centre for Management Development Act and to make consequential amendments to other acts. The act will be known as the public service modernization act, the PSMA. The bill is transitional in nature and will be phased in through levels of proclamation.

Part 1 enacts the public service labour relations act to provide for a labour relations regime in the public service which is based on greater cooperation and consultation between the employer and bargaining agents notably by requiring labour-management consultation committees enabling co-development, enhancing conciliation and providing for negotiated essential services agreements.

The new act eliminates certain managerial and confidential exclusions and brings unfair labour practices up to date. It provides for the establishment of conflict management capacity within the departments and more comprehensive grievance procedures. It also establishes the public service labour relations board whose mandate is to provide adjudication services, mediation services and compensation analysis and research services.

Part 2 amends the Financial Administration Act to put direct responsibility for certain aspects of human resources management into the hands of deputy heads, subject to policies and directives of the Treasury Board. New deputy head responsibilities include determining learning and development requirements, providing awards and setting standards of discipline.

Part 2 also amends the act to provide for annual reporting to Parliament by the President of the Treasury Board on the application of the human resources management provisions of the act.

Division 1 of part 3 enacts the new public service employment act to modernize staffing in the public service while retaining the core values of merit, excellence, non-partisanship and the ability to serve members of the public with integrity in the official language of need.

The act gives a new meaning to merit and creates new arrangements for staffing recourse, one of the features which is the public service staffing tribunal.

The Public Service Commission will continue to conduct investigations and audits on matters within its jurisdiction. The act establishes, in addition to the annual reporting by the Public Service Commission, a requirement for the President of the Treasury Board to report annually to Parliament on the Treasury Board's responsibilities under the act.

Government Orders

Division 2 of part 3 amends the existing Public Service Employment Act to permit certain elements of the new act to come into force sooner. The amendments establish new terms for the Public Service Commission to administer the existing act and to prepare the regulatory and policy framework for the new act. They also establish a new public service staffing tribunal to prepare for the coming into force of the new act and to establish a new regime governing the political activities of public servants in a manner that balances their right to engage in those activities while maintaining the principle of political impartiality in the public service.

Part 4 amends the Canadian Centre for Management Development Act which becomes the Canada school of public service act. The school becomes responsible for learning and development activities for employees in the public service.

When the bill was tabled in the House for second reading, the official opposition had concerns, especially in three areas. They were the new definition of merit, whistleblower protection for employees, and the constitutional rights of workers to be political partisans and remain public service employees.

The first concern that arose was around the new legal definition of merit. The regime seeks to remove the barnacles that have grown around the operational vehicle of staffing in the public service. The legislation attempts to wipe out the confusing court rulings of the merit principle which have built up over the years.

Time will only tell if the new definition will actually work as intended, but not every permutation can be anticipated. Therefore I am satisfied that the additional amendment that was agreed to from my initiative will protect the central idea from the worker's perspective.

Clause 14, line 42 at page 118 of the bill as originally printed was changed at the standing committee to read:

The Commission shall, on request or if it considers consultation necessary or desirable, consult with the employer or any employee organization certified as a bargaining agent under the Public Service Labour Relations Act with respect to policies respecting the manner of making and revoking appointments or with respect to the principles governing lay-offs or priorities for appointment.

• (1550)

This significant change puts the union smack in the middle of defending the merit principle as it may be applied in regulations and in the operational reality of staffing. The Public Service Commission will defend merit and will audit the bureaucracy for adherence. We now have two aspects, the legal definition and all the players who will make the abstract work in the real world.

The second concern of the Canadian Alliance was the growing controversy in Canada about protecting employees who should be reporting wrongdoing from inside the workplace. We have had a couple of private members' bills on that topic but they were deemed to be unworkable. The government had preferred an internal policy approach instead of a comprehensive system-wide bill.

However, the minister did respond to the growing community consensus that whistleblowing should be dealt with. Consequently, in November 2001 the internal disclosure policy was made operative. Now for the first time in law, the former internal policy memo on the topic has a basis in law.

The amendment which I brought forward, which was accepted by the government, commits the government to going down that ideological road of acknowledging the need for a policy and then protecting employees under the law with that policy. It is then evident from this change that the government accepts the legal principle that employees are to be encouraged to appropriately report wrongdoing in the workplace. This goes beyond reporting criminal wrongdoing, for all citizens no matter where they are, are duty bound to report to the authorities any criminal act that they observe.

However, there are many questionable things that may develop in the vast bureaucracy that need to be addressed and denounced. As managers and ministers cannot be all-knowing about every worker detail, there must be a culture of honesty and prudence that is backed up by law as a condition of employment that encourages employees to do the right thing when placed in ethical dilemmas.

There are amendments for legal recognition, but also in clause 2, line 23 on page 8, it should be noted that it is amended by adding:

—that affect those employees, which issues may include, among other things, (a) harassment in the workplace; and (b) the disclosure of information concerning wrongdoing in the public service and the protection from reprisal of employees who disclose such information.

This is in the functional area of the consultation committees of management and employees. This is followed by amendments to clause 8, on page 107, clause 8, which adds:

(h) establish policies or issue directives respecting the disclosure by persons employed in the public service of information concerning wrongdoing in the public service and the protection from reprisal of persons who disclose such information in accordance with those policies or directives;

(i) establish policies or issue directives respecting the prevention of harassment in the workplace and the resolution of disputes relating to such harassment.

The internal policy of the Treasury Board is now law. This takes the government down the road from which it cannot return and sends a clear message to future governments that loyal employees should always be protected and that the highest standards of conduct will be the norm throughout the public service.

These high standards will be a system-wide team effort and those who might be tempted to play offside will probably be reported on. Everyone has a stake in the issues of integrity and just doing the right thing.

The change allows for the operational flexibility and adjustment of the detailed regulations as new realities may occur, but the concept and culture now find their basis in legislation. My thanks to the progressive thinking of the minister for her effort to bring this subject into reality in the last year and her final step of agreeing to rooting it in the law. This is no small item for public workers in Canada.

Government Orders

The third area which came to prominence was the problem of the constitutional rights of workers to be political. Obvious conflicts of interest can arise when employees may wish to act in partisan ways while being employed in the public service which must remain non-partisan and be neutral to serve both the government of the day and the larger public interest. It must be remembered that public union employees do not work for their union or association but for the people of Canada and the national public interest.

The bill sought to respond to court rulings to describe the terms of how employees can become political, yet not violate conflicts with their own work. In the bill it is now clear that councillors on a municipal council can remain employed in the public service if all other issues of conflict are met. Employees may be a member of a political party, but they will of course keep their volunteer activities out of the workplace.

• (1555)

Employees may also seek to become candidates and will be able to take varied leaves without pay from their work in order to do partisan activities.

The sections as originally written in the bill were somewhat too restrained. Therefore, from my negotiations, there resulted in some agreement to loosen the regime under which a public employee could become a candidate. There are a variety of amendments in different parts of the bill but the effect is that the Public Service Commission has increased flexibility as the neutral arbiter of such matters to give varied short or long term leaves as needed so that an employee may seek a federal or provincial nomination for a riding and later take leave to actually fight the election.

I thank the minister for agreeing to these suggestions.

It remains that with reasonable limits for conflict, employees in the public service shall be able to be active members of political parties in their private lives and do that work in their communities. They may seek public office in accordance with a set of rules to not upset the overarching need to preserve the integrity and neutrality of the public service workplace. Time will tell if these new terms will work.

Like so much in the bill, the law cannot absolutely deal with every permutation that may arise. The commitment to formal and informal ongoing consultation that has been made by the government of the day will be the real maker of this legislation.

It has been widely observed that we need a culture change in the public service. The government is saying many good things based on the considerable advice and consultation that was made for the writing of this bill.

I accept the bill in principle as it seems to be the best we can get at this time. In view of the long consultation process and the need to have some legal concepts in operation soon, we need to move Bill C-25 forward.

I am pleased that the required statutory review of the bill will now be done in five years instead of seven, as originally planned. What may not work out operationally can be soon fixed by this guaranteed review.

The hope is that the bill will indeed modernize human resources management in the federal public service. It is the first wide-ranging legislative reform of human resources management in over 35 years. The time is now, as the public service needs a renewed legal framework for its staffing and management practices to allow it to operate more effectively and to better meet the needs of Canadians.

I hope the PSMA will develop into a balanced legislative package that works positively, both for the national interest and for the working lives of the thousands who engage in public service. It is a significant revision of the rules of employment. It is the result of research and much Canada-wide consultation conducted by the task force on modernizing human resource management, and we thank them.

The individual members of the various bargaining units should carefully note where the Canadian Alliance is coming from concerning the public service.

The Canadian Alliance values a professional public service. We say that public employees have greatly contributed to the building of Canada and our nation will continue to benefit from public administration that is based on political non-partisanship and the merit principle where these values are respected and independently safeguarded.

We affirm the transparent accountability of service delivery and accountability to Parliament through ministerial responsibility.

We recognize the need for public administration that strives for excellence, that is reflective of Canada's diversity, which is able to serve with integrity and efficiency in the official language of need where numbers warrant.

We affirm the principle of an independent Public Service Commission with authority to make appointments to and within the public service, which in turn is accountable directly to Parliament.

We are committed to a public service that is characterized by fair employment practices, facilitative management-labour dialogue, personnel development and recourse systems structured to amicably resolve conflict.

Employee relations should operate under the principle that the protection of the public interest is paramount and that effective management labour relations is a cornerstone of sound human resource management.

We affirm that free collective bargaining is the preferred method to establish terms and conditions of employment.

Finally, the Canadian Alliance concern is that politicians should not play politics with the lives of public employees. On the other hand, employee groups should not play power politics with the national public interest. Therefore, no employee should have fear of a Canadian Alliance government, regardless of what our political opponents may try to claim.

Government Orders

•(1600)

What we are dealing with in this bill is more than just management and labour in the public sector. We are dealing with the viability of the nation state to serve its citizens with integrity, wise administration, and value for dollar. One quick look around the world and we can see the value of non-partisan public employees that can be trusted by the public in whose name they labour and who pay all the bills.

I close by saying that how Canadians care for and serve each other is a measure of who we are as a great nation.

[*Translation*]

Mr. Robert Lanctôt (Châteauguay, BQ): Mr. Speaker, it is my pleasure to speak to Bill C-25 to modernize the public service.

However, as for the work done in committee, I am not so pleased to note that out of more than 120 amendments moved by the Bloc Québécois, only one was adopted. Moreover, a dozen or so amendments moved by the NDP were all rejected. This gives a good indication of what is happening with the bill.

We are told that the committee has done its work and it is true; we spent several months on this legislation and we see the result. In terms of the amendments on anything that affects employees, officials, union organizations, or anything regarding bargaining agents, it is very clear what happened. All the amendments moved by the NDP and the Bloc Québécois were rejected.

Bill C-25 would replace the current legislation, which dates back 35 years. That legislation became obsolete a very long time ago. This bill is the result of numerous reports and studies—more than thirty in total—on the need to renew how recruitment and staffing are handled in the public service. These reports and studies all found that there has to be a cultural shift in the public service.

The President of the Treasury Board introduced her bill in the House on February 6, 2003. The purposes of this bill are to add the concept of merit, implement a more flexible staffing system, improve labour-management relations, and incorporate learning and development activities for employees in the public service. This is not the case, far from it.

With this bill, the Treasury Board believes it will be able to handle the constant reduction in the work force and the increased competition in the labour market. Well, it will not be able to do so.

The government also intends to deal with the demographic problem in the public service. With this bill, it thinks it will be able to resolve the shortcomings relating to age and representativeness. Then there is the matter of the skills shortage. The government identifies this as being critical. It certainly is critical, but what Bill C-25 provides for is not the answer.

Finally, the intent of the bill could have been to really improve the public's perception of the public service. Because of its disrepute, few people are interested in a career in the public service, and there are recruitment shortages as a result. The cultural change will have to focus particularly on this last aspect. This is a pretty thick bill, one that is imposing and important, since it is designed to change not only technical aspects of the administration of the public service, but also the entire approach to it.

A structured and detailed approach should have been taken, if real changes were to be made, ones with real impact. The purpose of the analysis that follows is to consider all the pros and cons of each provision, in terms of its outcome.

As you might expect, Mr. Speaker, given my preamble, we are opposed to this bill because no significant changes were made, particularly with respect to the protection of public servants who report questionable, immoral or fraudulent practices or policies, but also with respect to actively promoting linguistic duality.

No changes were made regarding the contentious concept of merit. There are problems in the public service in Quebec as well; that is why, in January 2002, the Government of Quebec saw fit to create a position of secretary of state to public service renewal.

The Government of Quebec tackled the issue of managing the public service from various angles. In 1981, the Bisailon commission completed its work and, in 1983, the government passed the Public Service Act (employee responsibility, services to the public and resource development). In 1993, the government passed an act respecting the accountability of deputy ministers and chief executive officers of public bodies.

•(1605)

In 1994, the Government of Quebec took steps to make managers more accountable, in order to emphasize the allocation of financial resources, ratify framework agreements with unions, and reduce central controls, in order to truly respond to the challenges being faced and to introduce a management model.

In 1997, working groups considered three themes. Their first task was to evaluate and design public policy. They were then to ensure that these policies were implemented and that the public service was recognized as an institution and resource necessary to the state.

In 1999, the minister of state for the administration of Quebec's public service and president of Quebec's treasury board tabled a statement of government management policies. Following this statement, there were internal and external consultations.

Finally, on May 25, 2000, the National Assembly of Quebec passed the Public Administration Act. The statement of government management policies focused on the reason the public service exists—to provide service to clients. The public has become the driving force behind Quebec's new legislation.

This is an example that could have and should have inspired the federal government as it prepared the bill before us.

Government Orders

This statement of principles has three main aspects. First, there is a reform of training. Secondly, there is evolution in performance contracts. Finally, there is the accountability of each work unit. The Quebec reform also emphasizes reporting.

The statement provides that results will be evaluated against strategic indicators related to the economic, social, cultural or environmental impact of programs.

The implementation of Quebec's policy is predicated on the involvement of many stakeholders. First, there are parliamentarians. They are responsible for democratic oversight, flexibility, the purpose and implementation of programs. The minister is also fully accountable for the department's orientation. It is the minister who signs the performance and accountability contracts.

This feature would have added a lot to Bill C-25. The concept of accountability is critical to the principle of transparency, which is what the federal government is most lacking.

The deputy head serves as an adviser to the minister and as director of the departmental administration. Heads of agencies retain responsibility for their agency. They also have the added role of participants in the portfolio. Finally public servants assume a program management role in order to provide services to the public in a non-partisan way.

Although the new concept of merit received a favourable reception from the deputy minister and the Public Service Commission, it met with marked rejection by employees' representatives, among them the Public Service Alliance and CSN.

The specific area of controversy is the essential qualification criterion in connection with the merit principle. Some have expressed doubts that the employer can find the best candidate for a position when the requirement is merely to possess the essential qualifications, not necessarily the best ones.

We therefore have concerns that the deputy head or any other public servant might make partisan appointments or appointments to suit his own purposes, either by imposing qualifications only one person possesses or by selecting from among the candidates someone with the essential qualifications who is not necessarily the best person for the job.

The fact that the requirement is limited to essential qualifications creates ambiguity as to the level required. In other words, the term essential might mean that a candidate is required to have minimal, not the best, qualifications.

● (1610)

Therefore, the word essential is causing some confusion, since it leads us to believe that these are basic conditions and not best qualifications.

Paragraph 30(2)(a) of the Public Service Employment Act reads as follows:

(a) the Commission is satisfied that the person to be appointed meets the essential qualifications for the work to be performed, as established by the deputy head, including official language proficiency.

We had proposed amending paragraph 30(2)(a) by deleting the word essential. We believe that, as a result, the candidate will have to

possess all the necessary qualifications. But, of course, our amendment was defeated in committee, as were all but one of our 120 amendments.

In this regard, the Public Service Alliance of Canada states in its brief, and I quote:

The preamble states that Canada will continue to benefit from a public service where appointments to positions are based on merit, the principle of merit will be independently safeguarded and those exercising staffing authority will be accountable to the Public Service Commission, an independent tribunal and Parliament.

Further on, the brief reads:

Part 3 of Bill C-25, in its current form, represents a wholesale retreat from a public service defined by the appointment of the best qualified individuals. Bill C-25 delivers on its promise of increased flexibility for management, but contains very little protection for employees or the principle of merit. And, we would argue, very little accountability.

So, this bill merely increases the powers of the employer, of managers and of deputy heads, but has ignored everything to do with employee organizations, bargaining agents and, of course, if they represent them, public servants.

The PSAC also believes that the new notion of merit may put a chill on union activism, since the increased staffing power in the hands of front-line managers could enable them to slow the advancement of certain employees who are active in the union or even during the hiring process, which is even worse. We could even add political activism to this list.

Subsection 30(4) also diminishes the notion of the best candidate, since the Commission can limit the number. This section of the Public Service Employment Act reads as follows:

The Commission is not required to consider more than one person in order for an appointment to be made on the basis of merit

They are trying to say that when there is only one candidate, there will be no partisan appointment. When merit simply means a concept of merit with essential criteria and not having the best criteria, imagine how partisan the public service will become. At least, that is the big risk of this new legislation.

It is clear that this could lead to an abuse of power resulting in too broad a discretionary power. The problem with this provision stems from the fact that the aggrieved employee would not be able to appeal the decision because he will not have applied for a specific position. How could he go before a tribunal, when he did not have the opportunity to apply during the hiring period because only one candidate was chosen? Who will the candidate be? It will probably be someone in the good books of the boss, the employer, in other words, the deputy minister or the deputy head.

Moreover, with these provisions, challenging a decision becomes immaterial because a single appointment is possible. Those who oppose the concept of merit thought a compromise was possible whereby all parties would promise to release the job criteria before posting the job offer.

Government Orders

•(1615)

That way, professional requirements could not be made up on the spot for a specific candidate who happens to be in the boss's good books. Of course, the Bloc Québécois put forward several amendments to clear up the ambiguous concept of merit, as it will probably be highly contestable and contested. However, all such amendments were rejected in committee.

It should be noted that the Auditor General is worried about the lack of rigour of the government and its departments, especially when it comes to job classifications in the public service.

The Auditor General confirmed our position in her report that was released this week, in May 2003, when she explained, in chapter 5, and I quote:

5.3 In our December 2000 Report, Chapter 21, we recommended that the government develop a results-oriented recruitment strategy that would identify post-secondary recruitment targets to address workforce renewal challenges for the years ahead. In our 2002 follow-up work discussed here, we found that some departments and the government as a whole have made limited progress in human resources planning and in establishing recruitment targets. We found that some departments and the government as a whole have not analyzed their recruitment and renewal needs. Nor does the government have a complete picture of the educated and skilled people who are entering the public service through its various recruitment routes.

The Auditor General therefore recommends reviewing how recruitment is viewed in order to strike a balance between immediate needs and the long-term strategy.

We were also happy to see in the May 2003 report of the Auditor General that our concerns regarding classification were retained as a source of problems for the government.

Since the Treasury Board Secretariat was unable to establish a classification standard that would have provided for a fair salary structure, it decided to not apply the universal classification standard that had been planned since 1991.

The Auditor General explained:

6.2 Thus, in April 2001 the Secretariat decided not to implement the Standard government-wide. This planned universal approach has now been abandoned, despite a large investment of time and effort by tens of thousands of employees and an estimated investment of about \$200 million in incremental costs between 1998 and 2001.

We are also opposed to Bill C-25 because it does not provide protections for whistleblowers.

Since the sponsorships fiasco or the scandal at HRDC, it has become essential to put in place mechanisms to protect public employees who denounce practices that are questionable and possibly fraudulent.

The Public Service Integrity Office was opened on April 2, 2002. Its mission is to assist employees experiencing problems with internal disclosures of wrongdoing within their own department or when departmental mechanisms have not appropriately addressed their concerns.

According to the main guidelines of the policy governing the Public Service Integrity Officer, disclosure is defined as information raised within the organization in good faith, based on reasonable belief, by one or more employees concerning a wrongdoing that someone has committed or intends to commit. Wrongdoing is

defined as an act concerning a violation of any law or regulation, misuse of public funds or assets, gross mismanagement, or a substantial and specific danger to the life, health and safety of Canadians or the environment. It can also be an omission.

Therefore, the responsibilities of the Public Service Integrity Officer are: to provide advice to employees who are considering making a disclosure; to review disclosures and requests for review; to establish if there are sufficient grounds for review; to ensure that procedures are in place to manage instances of wrongdoing that require immediate or urgent action; to investigate or review the results of investigations; to prepare reports and make recommendations on how to address the disclosure; in cases when the departmental responses are not adequate or timely, to report to the Clerk of the Privy Council; to ensure that the protection of the information is in accordance with the Privacy Act and the Access to Information Act; to protect from reprisal employees who disclose information concerning wrongdoing in good faith; to monitor the type and disposition of cases brought to his attention; and to prepare an annual report to the Privy Council.

•(1620)

As for reprisals, employees who claim they are victims of reprisals can make a complaint to the office of the integrity officer only if the original complaint was lodged with that office. Reprisals include administrative and disciplinary measures.

These disclosures should be made within the employee's own department or organization. On the other hand, there may be situations in which internal disclosure is difficult or impossible. In such cases, the employee may contact the officer directly.

There also may be situations in which the employee believes that his or her internal complaint has not been dealt with by the internal mechanisms available. In such a case, the employee may contact the Public Service Integrity Officer to establish appropriate disclosure mechanisms.

The disclosure policy provides that the entire procedure should be completed in less than six months. The procedure has six steps.

In the first step, the employee provides information relevant to the disclosure, including the name of the person or persons alleged to have committed or attempted to commit a wrongdoing. The employee should also specify the date and description of the wrongdoing and the nature of the wrongdoing. The employee providing information should identify himself or herself.

Step two is the screening and review of a disclosure. In order to determine the appropriateness of investigating the information received, the integrity officer will consult the employee making the disclosure. The officer may then determine whether the employee has tried to resolve the matter using the departmental mechanisms provided. He may also decide that the matter is trivial, frivolous or vexatious.

The officer may reject the disclosure if it is insufficient, imprecise or false. During this review, the officer may reject the disclosure if it was not made in good faith or on reasonable grounds. The officer may also decline to review a disclosure if it is determined that the matter could be dealt with more appropriately under another policy, such as harassment.

Government Orders

As for disclosure of criminal activity, this should be dealt with in accordance with the Policy on Losses of Money and Offences and Other Illegal Acts Against the Crown.

The integrity officer will inform the employee in writing, whether or not it will proceed, and also inform the deputy head of the department.

The third step is an attempt at resolution or identifying and taking appropriate action.

If the problem cannot be resolved, the officer may initiate an investigation, even after the preliminary review. This is the fourth step.

Then, The Public Service Integrity Officer will review the results of the investigation and prepare recommendations for the deputy head. The deputy head shall review the recommendations and make a decision.

The final stage consists of presenting a report to the Clerk of the Privy Council, when departmental responses are not adequate and timely.

Although the federal government has appointed an integrity officer to investigate irregular situations reported by public servants, the scope is not broad enough to adequately protect these employees against reprisals. That is why we proposed an amendment in this regard.

• (1625)

We had proposed amending the bill to require the implementation of a true statutory provision to protect whistleblowers in each government department and agency.

Our concern with regard to the current disclosure protection policy is that it has no force of law and can be amended without anyone being the wiser. The scope of this policy is too narrow to truly achieve the sought-after objectives of establishing an atmosphere of trust with regard to the deputy heads so that public servants would disclose fraud.

It is difficult to attain this objective since it is only a policy and not legislation. The Bloc Québécois proposed a specific amendment that made protecting whistleblowers mandatory within the entire public service. Of course, our amendment was defeated in committee.

However, our amendment was based on the current policy, among other things, while using the Public Service Integrity Office to manage such reports. It also sought to make this office more independent and impartial, like that of the Auditor General.

Our amendment was as follows:

“Public service integrity officer” means someone appointed by the Governor in Council pursuant to section 242.2.

242.1(1) The employer sets out an internal disclosure policy for information on wrongful acts at the workplace stipulating that:

- (a) employees may disclose, in good faith and on reasonable grounds, information on wrongful acts within their organization;
- (b) disclosures must be handled appropriately and in a timely fashion;
- (c) employees must be treated fairly and protected from any reprisals.

(2) Employees who have exhausted all forms of recourse provided for in the policy on disclosing information on wrongful acts committed by the employer mentioned in paragraph 242.1(1) may disclose information on wrongful acts to the

public service integrity officer or, in exceptional circumstances where there is an immediate threat to life, health or public safety, to an outside source.

(3) The employer's policy mentioned in this section may be subject to co-development pursuant to section 11 of this legislation.

242.2(1) The public service integrity officer acts as an independent mediator for issues regarding the disclosure of wrongful acts and must report directly to Parliament. The Office of the Auditor General provides the facilities and administrative support to the public service integrity officer.

(2) The public service integrity officer sets out administrative procedures and policies to investigate allegations of wrongful acts and to protect from possible reprisal the employees who disclose in good faith information on wrongful acts in the workplace.

(3) The public service integrity officer chooses the corrective measures that he deems appropriate.

242.3 At all times, employees are protected from possible reprisal if they disclose or provide evidence in compliance with the employer's policy and the procedures applied by the public service integrity officer established pursuant to this section of the Act.

That was the amendment put forward for this legislation, not a policy.

Another aspect I strongly advocated in committee was limited recourse for public servants. Under the legislation, recourse is limited in that only abuse of power and language choice for interviews are covered.

Abuse of power is extremely difficult to prove and that is why we feel it is essential to broaden the scope of recourse that is available to public servants so that they may report any abuse or offence to administrative tribunals or the courts.

• (1630)

The Public Service Alliance voiced concerns about the limited number of grounds available to employees to bring their concerns to the expert tribunal. It wrote:

This not only unnecessarily limits review of the staffing process as a whole, but has the potential to severely limit the beneficial effects of the Tribunal's authority over human rights issues. Given the total absence of detail as to how, and whether, classification standards and selection processes and tools will be consistent with human rights principles—the limited grounds of recourse are troubling indeed.

The Alliance went on to say:

Moreover, read together with the definition of merit in section 30, proving an abuse of authority will be virtually impossible. The right to complain rests on the ability of a complainant to show that he or she ought to have been appointed. Given that the Bill expressly provides that it is not inconsistent with merit to only consider one individual for appointment makes it difficult to conceive of how one might prove an abuse of authority such as personal favouritism.¹¹ Moreover, the requirement that the individual prove that he or she ought to have been appointed, not that the process itself reflected an overall abuse of authority, is unnecessarily limiting and sets the standard of proof too high.

Continuing:

There is no right to file a complaint to the Tribunal in the case of external appointment processes. Given that the Government has removed the statutory preference for hiring from within the public service, the PSAC is concerned that a higher percentage of external appointment processes will be used and, accordingly, a higher number of staffing decisions will not be subject to recourse. The PSAC urges this Committee, therefore, to recommend that the Government return the statutory preference for hiring within the public service as set out in section 11 of the current Act.

We therefore moved an amendment that would increase the number of possibilities of recourse, but once again, of course, it was defeated in committee.

As with whistleblowers, the central government developed a policy to prevent harassment and, like the policy to protect whistleblowers, we moved amendments that would have required each department to apply the policy.

We asked that Bill C-25 be amended to reflect the changes already made to Quebec's legislation on labour standards. We wanted to deal specifically with the issue of psychological harassment, which affects more than 20% of Canada's public service.

We have to acknowledge that harassment has a significant impact on productivity. The results of the June 2001 policy clearly demonstrate that the policy needs to be applied more formally to be more effective.

In other words, this policy needed to be made more restrictive, it needed more teeth, because the federal policy has a number of shortcomings that needed to be fixed, and we had the opportunity to do so when we examined this bill.

We believe, for instance, that psychological harassment should have been included in these related provisions. This type of harassment must be understood and recognized by public service managers. Unfortunately, this type of harassment is not understood. Psychological harassment is insidious and devastating, because it is not done in an overt or obvious manner.

On May 21, 1999, the Government of Quebec's department of labour published a report on violence and psychological harassment in the workplace.

The definition in this document is drawn from a document written for client service officers in Quebec's department of employment and solidarity.

The definition is made up of four elements:

Any act of physical violence (assault or aggression) directed at an employee or an employee and his or her relatives resulting from his or her status as an employee of the department;

Any demonstration of verbal or written violence directed at an employee resulting from his or her status as an employee or directed at his or her relatives, whether threats, intimidation, defamatory libel, abusive or obscene comments, blackmail or any other form of harassment.

• (1635)

The third element is the following:

Any act of vandalism against the property of a member of the staff because of his or her status as an employee of the department or against departmental property, including the premises occupied by the department.

And the fourth element:

Any disruptive behaviour such as blocking the entrance or counter, shouting or swearing excessively, insulting or verbally abusing the staff or anyone present, and failing to heed a warning to stop.

This report contains a definition of psychological harassment, which says the following:

—through words, actions or behaviours that tend to devalue the workers, to reduce them to mere subordinates, and hinder their career advancement. Sometimes, this kind of violence takes the form of professional harassment, abuse of power and abuse of authority.

This must happen repeatedly and attack the employee's integrity or dignity.

Government Orders

In the same document, the CSN specifies that psychological harassment is insidious, subtle and invisible:

We talk about psychological violence when various means are used (words, actions, looks, posture, etc.) to hurt someone emotionally.

Certain American studies go even further, adding that harassment can take the form of deceptive actions or lies, control even outside the workplace, coercion, inequity, cruelty or indifference.

A 2002 poll by Statistics Canada showed that more than 20% of government employees experience harassment in their workplace. I should point out that, at Correctional Services Canada, 32% of employees report having been harassed. Imagine that. These are alarming statistics. We must act now, not wait for more studies that will show more of the same.

The poll also made reference to where this harassment was coming from. In the case of government employees, pressure came mainly from supervisors, 74% of the time, as compared to pressure from colleagues, 65 % of the time.

Some 78% of Correctional Services employees are harassed by their supervisors. It should be noted, too, that the percentage of these employees harassed by prisoners is high, 60% compared to 10% for public servants not employed by Correctional Services. Also, 13% of these workers are victims of physical violence, compared to 2% of public servants.

The Treasury Board's policy stipulates that it aims to prevent harassment by promoting increased awareness, early problem resolution and the use of mediation.

However, the next paragraph qualifies this objective by stating that dealing with harassment can be a complex matter, which is why it is important and essential to make related amendments to give it more force of law. Our amendments in this regard were defeated in committee.

Furthermore, the Official Languages Commissioner appeared before the committee to ask that specific reference to the Official Languages Act be added. The position of the Treasury Board of Canada Secretariat is that this legislation automatically applies, by default, whether there is specific reference to it or not. The commissioner took the opposing position. She appeared before the committee to state this. That is why we presented amendments to the bill's preamble to this effect. Our amendments were defeated in committee.

As with the Physical Activity and Sport Act, we believe that explicit reference to the Official Languages Act must be made for it to have force of law. That is why we decided to present in committee the amendments proposed by the commissioner.

The purpose of commissioner's recommendations was essentially to incorporate the notion of linguistic duality for the purpose of public representativeness and making enforcement of the act mandatory, when it came to training or recourse before the courts.

Government Orders

•(1640)

The Chair is indicating that my time is up. I simply want to reiterate our main criticism. Obviously, there has been a total disregard, among other things, of our criticisms about the bill's lack of protection for whistleblowers, the notion of merit and the entire issue of protection from harassment and protection for official languages. Unfortunately, once again, all our 120 amendments, save one, were defeated.

[*English*]

The Acting Speaker (Mr. Bélair): Order, please. It is my duty pursuant to Standing Order 38 to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Surrey Central, Regulatory Reform; the hon. member for New Brunswick Southwest, Member for LaSalle—Émard; the hon. member for Burnaby—Douglas, Firefighters.

Colleagues the next speeches will be 20 minutes followed by a question or comment period of 10 minutes. If you split your time with one of your colleagues, please indicate it to the Chair; it would be most useful.

Mr. Norman Doyle (St. John's East, PC): Mr. Speaker, I am pleased to say a few words on Bill C-25, the public service modernization act. I make these comments today on behalf of my colleague, the member for Kings—Hants, who is unable to be here today because of his commitment to Her Majesty's business in another area.

We are all aware that in Bill C-25 we have an overhaul of the way the federal public sector functions. I wish it were a more complete overhaul, but we do have an overhaul. By the government's own admission, over the past few decades the federal public service has remained structurally and functionally a top-down organization. It is somewhat stiff in its functioning, a lumbering giant that often requires a department to go through a maze of several months of paperwork and meetings simply to hire a file clerk.

I wish the minister had been a little more thorough in addressing some of the issues that really affect people in this country when it comes to hiring. We are often told by government, the federal government especially, that when we are unemployed in a certain part of the country we should simply move to another part of the country. It seems like a very simple process if a person happens to be living in central Ontario, or in central Canada period.

My colleague, the member for Cumberland—Colchester, has worked quite diligently in bringing some public attention to some of the problems people in this country have in being able to find work in other parts of the country. MPs realize, with people coming to them on a continuous basis looking for work, that people have a great deal of trouble accessing work in certain parts of the country. As I said a moment ago, the member for Cumberland—Colchester has worked quite hard in trying to bring public attention to some of the problems we have in that regard. For example, why is it that a person who lives in any part of this country cannot apply for a job that might be available in any other part of the country? This is why I am a little bit disappointed that the minister has not addressed this particular issue. It is a very important issue.

Today I was handed two or three different examples of what the member for Cumberland—Colchester has been talking about with respect to positions that become available in Ottawa.

For instance, I want to make members aware of a position for a paralegal in Ottawa. It is within the Department of Foreign Affairs and International Trade. The salary is between \$32,000 and \$38,000 a year.

Who can apply for that position? The Public Service Commission says that people can apply who reside or work in eastern Ontario or western Quebec and who have a home or a business postal code beginning with K1 to K7, K8A to K8H, K0A to K0J and on and on it goes down through the postal codes. One would be tempted to say, and to say with some accuracy, that this is discrimination by postal code. Why is it that a person who lives in any part of the country, whether they happen to live on Vancouver Island or in Bonavista Bay, cannot apply for a position in the nation's capital? The way things stand now within the Public Service Commission one cannot apply.

•(1645)

That is not the only example I can give. It is a very serious issue. We feel and have always felt as part of our policy that all jobs in every part of Canada should be available to every single person in Canada.

Here I have one for an architect; it is not for a rocket scientist but an architect in Hull, Quebec. Who may apply for the job as an architect? Architects come from every part of the country. They are trained in every province in Canada, from Vancouver to Newfoundland, as I said, and who may apply for a job as an architect over in Hull, a job that pays between \$44,000 and \$54,000 a year? Again it is people who work in eastern Ontario or western Quebec. But if people happen to live in Saskatchewan, if they happen to live in British Columbia or if they happen to live in Newfoundland and are unemployed, they cannot apply for the job. That is not fair. That should not be happening in a democratic society like Canada. People should be able to apply for these jobs no matter what part of the country they happen to be living in. These are not jobs that the federal public service is finding difficult to fill.

For instance, I have one here for a secretary here in Ottawa. The salary is \$32,000 to \$35,000 a year. Again, who may apply? One can apply if one happens to be in eastern Ontario or western Quebec. Again, secretaries are available in every part of the country and come out of trade schools by the score in British Columbia, Saskatchewan, Manitoba, Newfoundland, New Brunswick and Nova Scotia, but they cannot apply for the job.

I have a funny one here for a real property officer trainee wanted in Halifax, Nova Scotia, to work within the Department of Public Works and Government Services. Who can apply for the job in Halifax, Nova Scotia? It is open to people in Kings—Hants, Colchester, Antigonish, Pictou and Lunenburg counties, one county in Prince Edward Island and all the island of Newfoundland. If one happens to live in western Ontario or Quebec, one cannot apply for that particular job in Halifax, Nova Scotia. Again it is not fair. It is not fair to the people of Ontario or the people of Quebec that they cannot apply for a job as a real property officer trainee in Halifax, Nova Scotia.

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These are some of the real concerns. I have a whole stack of applications here for a project officer for Dartmouth, Nova Scotia, and for a Halifax maritime search and rescue support officer. People who are on the doorstep of these jobs cannot apply. There is one for a dental assistant in Greenwood, Nova Scotia, but people have to be from Halifax, Lunenburg or Queens in order to apply to be a dental assistant. People from Ontario or Quebec cannot apply. And on and on it goes.

We had an overhaul of the public service, but we did not have a complete overhaul of the public service. People are very upset about this particular issue. The minister who is responsible for this act, the minister from the Treasury Board, has not done the kind of job she should have on this. I am sure she has had a number of complaints from people all across the country who have concerns about this particular bill. I really do wish that when the minister stands to sum up debate on this issue she will address some of the very real practical problems people have.

• (1650)

There are many good points contained in this bill, but the minister had been made aware of this problem by the member for Cumberland—Colchester and her department was made aware of this particular problem by my own office and by numerous MPs in the opposition. She failed to do anything about it and I do not know if she intends to do anything about it. She is shaking her head that she is going to do something about it, but we see no evidence of it, not in the act so far, so I can only assume that the minister for the sake of convenience is saying that they are going to do something about it. But as usual, they say it here in the House of Commons and it never seems to get on to the Public Service Commission. The real practical application of doing something about it never really gets done.

However, not to be totally negative about this bill, there are some good points contained in the bill. It provides for more flexibility in staffing and managing people. Managers within certain levels will have more power over hiring and whom they hire, just like out in the real world. Applicants who feel they have been shortchanged in the staffing process will be given access to redress under the public service staffing tribunal.

The bill also stresses the need for a cooperative approach to labour-management relations. The intent is to make employees part and parcel of the process of running the workplace, and I believe that to be very good. Nobody knows how to do a job like the people who do it every day, and if the intent of the bill holds true we should in the long run probably have a much happier federal workplace.

The bill provides for the overhaul and consolidation of staff training and development processes of the federal public service. Also, it more clearly delineates the roles of key players in the human resource area: Treasury Board, the Public Service Commission, and the various deputy ministers and their various equivalents.

However, I have to say that the public service has not kept pace with the absolutely frantic pace of the private sector in the modern world. Many public servants are baby boomers who are about to retire. I am told we need about 7,000 new people every year just to keep pace. If we need 7,000 people every year, why is the Public

Service Commission being so restrictive in the way it posts jobs in this country?

Mr. Loyola Hearn: What does the Minister of Labour say?

Mr. Norman Doyle: Yes, that is a good point. The Minister of Labour might want to make a few comments on this as well.

If we need 7,000 people a year just to keep pace with the number of people who are retiring, why are we so restrictive in the way we hire people? Why do we not throw it open? After all, we are a country, a democratic country. If people happen to live in Halifax or Newfoundland, why can they not apply for every single job that becomes available within the public service? It stands to reason that they should be able to do that.

We need 7,000 new people every year just to keep pace with retirement. A hiring process that lingers on for months often sees the best people and the brightest job applicants scooped up by the private sector. When we add to this a looming shortage of skilled workers in all sectors as the baby boomers retire, the public service is going to be very hard-pressed to obtain good workers.

• (1655)

If there is a criticism of the government here, it is that it has taken this long to act on the reality of the looming skills shortage in all sectors of the economy. As for the act, it appears to be very thorough and very detailed. The devil, they say, is in the details. Lawyers and labour leaders have combed through the fine print. If there are major problems, other than the ones I have outlined, I am sure we will be hearing from the various stakeholders in the system. The public service unions have expressed concern and hopefully some of these concerns will be dealt with.

I think it is important that managers have a greater say in the hiring process. After all, the people being hired are people we have to work with every single day. As an employee and an employer, I have often seen the wisdom in having a harmonious productive workplace.

I recently read an article that referred to a study on the issue of who did the best hiring, the area manager or the technocrats from the human resources section. The study found that while both entities could assess applications on their level of technical competence, the manager did a much better job of picking an employee who also fit into the organization. Simply put, personality counts.

Most of the amendments that have been introduced make for greater clarity and do not detract from the overall thrust of the bill. However I am curious as to whether the government will support in the House an amendment passed in committee.

Clause 3(5), on page 158 of the original draft, indicates that:

A Commissioner holds office during good behaviour for a period of seven years, but may be removed by the Governor in Council on address of the Senate and House of Commons

In the amended draft, clause 3(5) now reads:

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The President and other Commissioners shall be appointed by the Governor in Council. The appointment of the President shall be made by commission under the Great Seal, after approval by resolution of the Senate and House of Commons.

I assume that means that the appointment of the president of the Public Service Commission has to be ratified by Parliament. I consider that to be a positive development.

However, as I said, the bulk of the amendments are matters of wording and clarity and generally give some strength to the bill.

I do not know if we can vote on certain parts of the bill but we do support the thrust of the bill. I would like the minister to address some of the practical concerns that I told her about today, and hopefully she will.

• (1700)

Mr. Larry Bagnell (Yukon, Lib.): Mr. Speaker, I appreciate the member's speech. I really liked the part about hiring people from across the country. If we want the public service to represent the nation, then, hopefully, a large part of it, which is in Ottawa, will be representative of people coming from across the country and they will have an opportunity to apply. I know that this, in its purest form, would be a very expensive procedure, and I commend the Public Service Commission for doing a trial on it. Hopefully it will work out something where the public service can be representative of the entire country.

I commend both the public service and the previous speaker for mentioning that. I do not know if he would like to comment further on how this could be accomplished realistically.

Mr. Norman Doyle: Mr. Speaker, I am sure it would not take a great genius to figure out how this could be done. It is only a matter of actually directing the Public Service Commission to post these jobs and make them available in all parts of Canada.

As I said a few minutes ago, it gives greater mobility to people who find themselves unable to find employment in certain parts of the country because industries have closed down and they now have to move to other parts of the country.

If an individual who happens to live in Halifax or in Newfoundland is aware of the fact that he can apply for a job here in Ottawa, it is a lot easier for him to be mobile and to move to other parts of the country that have employment opportunities.

As I said a moment ago, it is a fairly simple matter for the Public Service Commission to address. It simply takes political will on the part of the government to do it and I think it can be done fairly easily. As one of my colleagues said a moment ago, it helps build all regions of the country and it makes jobs available to people in all parts of the country.

• (1705)

Mr. Paul Forseth (New Westminster—Coquitlam—Burnaby, Canadian Alliance): Mr. Speaker, concerning the issue of national job postings, it is certainly very wise in theory. It is part of the federal-provincial effort to have a nation state of the free movement of goods, capital and labour within our country.

However there is a practical problem with regard to the specific advertisement that the member spoke about for the paralegal when

1,000 files arrive within seven days in an office. Historically there has been no physical capability for handling that.

In response to the member for Cumberland—Colchester and other members who have been worried about this issue, and certainly the members in our party have worried about this issue, the PSC wrote a report in November, which will come back this month or next month, on some pilot projects that it is running. We have to find a way to have wide open hiring and to give an opportunity to young people.

The other issue is, if we have national hiring for the capital region, what about regional restrictions for someone who may want to apply for a job in New Brunswick or Nova Scotia? Should a university graduate from UBC be able to go down there and knock somebody out? Therefore there may be some regional issues there.

What members need to do is talk to the Public Service Commission and find out what it is doing. How many members of Parliament have walked down the street and talked to officials at the Public Service Commission? I think I am the only member who has gone there in two years. Instead of continuing to talk in the clouds here about what is going on, members should talk to the officials at PSC, find out what they are doing, what the practical problems are and what they are actually doing to respond to that issue. In theory, they are on the right side but there are practical problems with delivering it.

Mr. Norman Doyle: Mr. Speaker, there may be practical problems in delivering it but that does not mean that it cannot be delivered.

The member for Cumberland—Colchester has, on a number of occasions, spoken to officials at the Public Service Commission on this particular issue. He has made some progress on it but not enough to say that the problem is solved.

Yes, we realize that not only the nation's capital would be affected with regard to job postings, but if people happen to live in Newfoundland or in Halifax it would throw those jobs open to them and to the rest of the country as well, and we would have a truly national job posting policy that everyone could take advantage of.

We are not advocating that people can only apply for jobs in the nation's capital and leave our neck of the woods alone. These are federal jobs that would be open to everyone in every part of the country.

I think living in this kind of country, one that is so huge and so geographically dispersed, there is no reason why people should not, in this day and age, have access to jobs in any part of the country.

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, this question about the public service has come up often but, quite frankly, I do not think it is relevant to a direct part of the bill. However since we are talking about the public service, the member knows there was a report in November and he knows some of the details of the problems. I think it is unfortunate that he is using this as a politically opportunistic time to throw a dart and read out job descriptions, when in fact there has to be an understanding.

Government Orders

The Canadian public will certainly understand that it is extremely difficult when there is a job available to have it posted right across Canada and to potentially receive thousands of applications but not be able to physically process them in time to meet the requirements of the employer. It would actually require a computerized approach where applications would be coded and then quickly processed. This is a physical and practical problem. It is being worked on as a consequence of the work done by member for Cumberland—Colchester.

A better message to send to the Canadian public is that the intent to have national posting is certainly there and the Public Service Commission is certainly on side, but those kinds of things have to be done in a way which can be cost effective and equitable to all.

I think it is unfortunate to simply identify a problem without at least giving credit to the extensive amount of work that members in his own caucus and other parliamentarians have already done to resolve this matter.

• (1710)

Mr. Norman Doyle: Mr. Speaker, the hon. member says that it is not a problem. It is not a problem for him because he represents an area in Ontario. It is not a problem for him when these job postings are not available to everyone else in Canada. However I can assure him that it is a real problem for the people in eastern Canada and western Canada.

As I said a few minutes ago, all it really takes to solve this problem is political will. The hon. member says that this would require a computerized approach. Well, I am sure the Public Service Commission does not use slide rules when it is trying to fill jobs. It uses computers. A computerized approach in the 21st century is not really too much to ask, and if it takes a computerized approach, then fine.

I think what it takes most of all, by the government, is the political will to really do something about it. However I do not believe the government has the political will to do anything about making all parts of the country equal when it comes to access to employment opportunities.

[*Translation*]

Mr. Robert Lanctôt (Châteauguay, BQ): Mr. Speaker, how much time is there?

The Deputy Speaker: Two minutes; one for the question and one for the answer.

Mr. Robert Lanctôt: Mr. Speaker, here is the question I wish to ask of the hon. member for St. John's East.

At the beginning of his speech, the member for St-John's East mentioned that not much weight had been given to the issues raised by the public service unions.

I would like to know the position of the members from the Progressive Conservative Party. They surely are familiar with the recommendations in the Fryer report and those of all the committees that have been established since 1998, that co-determination or joint management should be used to establish classification criteria and achieve staffing in which the unions, union officials and the employer would participate.

The preamble of this bill expresses a desire for better relations between unions and management in the workplace. Why, then, are they completely absent from this bill, and is no mention made of co-determination? I would like to hear the position of the Progressive Conservatives on this.

[*English*]

Mr. Norman Doyle: Mr. Speaker, first, I find it difficult to comment on the member's question because I am really not all that familiar with the bill. I am not the critic for this portfolio. I am speaking today and making these remarks on behalf of my colleague, the member for Kings—Hants.

I believe it is very important that unions be consulted and made a part of this process right from the very beginning. I will make my colleague aware of the hon. member's concerns, and he probably will talk to him on that.

• (1715)

[*Translation*]

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, it is with great pleasure that I rise today to speak on Bill C-25, the Public Service Modernization Act.

Those who may have had the chance to flip through the bill have no doubt noticed how thick it is, with its 279 pages. This is an incredibly thick bill. The least we can say is that what the government is seeking to do constitutes an ambitious undertaking. Change may have been due for 35 years, as the minister said, but there are pros and cons in this bill, and we are going to discuss its various aspects.

It is important to mention that the federal government has been taking steps to reform the public service for quite a long time. In the 2001 Speech from the Throne, the government stated, and I quote:

The Government is committed to the reforms needed for the Public Service of Canada to continue evolving and adapting. These reforms will ensure that the Public Service is innovative, dynamic and reflective of the diversity of the country—able to attract and develop the talent needed to serve Canadians in the 21st century.

Here we are, as parliamentarians, discussing a bill with which the federal government is seeking to achieve the objectives stated in that throne speech.

Bill C-25 was referred to the Standing Committee on Governmental Operations and Estimates for consideration and to hear witnesses on the subject. The NDP had an opportunity to attend. The NDP heard various witnesses state their positions on this bill.

Since February 27, the committee has been meeting regularly to further consider this bill, and mainly to assess its scope. The great number of witnesses who appeared before the committee is a clear indication of the importance of the bill. And the committee submitted to the government the amendments it felt were necessary. I must say that while valid, these amendments do not reflect all the concerns of public service employees.

When we read the bill, we note that the employer did not put any constraint upon itself, especially since it was the main drafter of the bill. It has set its own rules regarding labour relations without consulting its employees much at all.

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The NDP raised several important points that can be found in the bill but remain vague or hard to justify.

Where are public service employees' interests at this stage? We understood, as did the federal government, that providing the best service to Canadians is important to public service employees. However, we do not feel this should be done on the backs of workers.

It is important to remember that since the early 1990s, public service employees have been under a lot of pressure at work. Salaries were frozen for seven years. Program review resulted in the laying off of civil servants, which increased the workload for others.

I would like to make a point. Last week in my riding, the government announced it would lay off public service employees, who had almost reached three years of employment and therefore entitlement to government benefits. It did this to get around the system and to save money. Again, this was done on the backs of the workers.

Seventeen people were laid off without justification, in my view, since we need services. When people call offices, they cannot get service and are connected to answering machines. No service is provided, and the government is still laying people off.

It is odd that the people who are close to three years of service, on the verge of becoming unionized and being entitled to benefits, finally being able to live a normal life—like all workers in Canada—are the ones the government lays off. The same thing happened in Chatham, New Brunswick. Just before people reached three years of service, the government let them go.

• (1720)

I am certain—and time will tell—that, within six months, we will be hearing, “Oh, we are short of services. We are going to do more hiring”. That is the way this government operates.

About the pension fund surplus, that \$30 billion that has been removed—I would like to say stolen but I know you would catch me on it—this is money that has been taken from the workers. The \$30 billion comes from the pension fund. It represents pressure and stress the workers have to cope with. Yet this bill is touted as intended to help public servants.

It seems to me that employees in the public service have plenty of worry and stress, yet here comes a bill that will only add to their headaches. For whose benefit? For the people of Canada?

It is true that the committee did propose some amendments, but their scope is restricted to certain terms or reworking of content.

I want to congratulate the Bloc Québécois in this connection, because it proposed 120 amendments to the committee. The government, however, accepted only one. We said to ourselves, “Maybe the Bloc Québécois was not reasonable to bring in 120 amendments, so we will propose 10”, but none was accepted. As a result, no opposition amendments were accepted.

Does this mean that, in reality, we cannot think for ourselves, we cannot represent the people in our ridings, cannot represent the workers? Is that what it means? Does it mean that we are not smart enough? Is that the message the Liberal government wants to send to

Canadians? I find it shameful that the committee was working ever since February, and yet the government adopted only those amendments it wanted to see adopted, in its own interests, not the interests of the workers. There is absolutely nothing in it for them. I will address this further later on in my speech.

The committee made no major amendments. What happened to the existing bargaining table and right of recourse? The federal government had the opportunity extend the deadline for giving a notice to negotiate to four months when a collective agreement or arbitral award is in force. Yet, it did not take advantage of this opportunity.

As for two-tier bargaining, it is not very clear.

What happened to merit-based staffing and classification? The amendments contained in the bill would allow managers to consider only one candidate who has the skills essential for the position. It refers to essential skills. Why set up a staffing process when the employer plans to hire based on such a limited number of candidates?

I was surprised earlier to hear my colleague, the member for St. John's East—and I want to underscore this part—say, “We have some concerns about this bill, but there are some good points”.

There is a question I would have liked to ask him, but due to a lack of time I was not able to do so. My question is this: What is the position of the Progressive Conservative Party on this? With respect to the bill's good points, he said, “Now the government has more powers when it comes to hiring”. Does the Progressive Conservative Party accept hiring based on the merits of one single person?

In the past, in Canada, we have experienced the situation whereby if you do not vote Conservative, you will not get a government job, or if you do not vote Liberal, you will not get a government job. And the same holds true today. This provision in the bill puts senior officials in a position whereby a government member can phone them up and say to them, “Now I want you to hire my aunt's daughter, or my uncle's daughter. She is the one I want you to hire. She worked on my election campaign. I want you to hire her”. This sets up a process that will make this type of hiring easier.

This bill eliminates the democratic process that would give every Canadian a chance for a job. This is shameful. I thought that in 2003 we had finally gotten beyond this. I thought that at the federal level, we were above this. I apologize for what I am about to say, but at the provincial level, people come and see me and they say, “Yvon, the only way for me to get a job is to work on the Conservative or Liberal campaign, in case they win the election”. I thought that we were through with this type of situation in Canada, in this so-called best country in the world.

The provisions on essential services in this bill are very punitive and retrograde.

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•(1725)

How can it be justified on the basis of improved labour relations when, instead, it is going to widen the chasm between the employer and the unions?

And what about the basic right to strike all unionized employees have? Imposing limits and barriers on the union is an attempt to wipe out this right.

There have been a lot of discussions. Our hon. colleague from the Bloc Quebecois talked about them. It is in his speech. Once again, something is being taken away from workers' rights.

As a former union representative, I can assure you that taking away any part of this right from a union member is of no benefit to the employer. I have learned that through experience.

The bill on the modernization of the public service was a promise made by the Liberal government, and the New Democratic Party thinks that this promise has not been completely met. Simply bringing in a bill, declaring publicly that the government is proud of keeping its word, is worthless. It is a misrepresentation, as far as I know, because I can see no value at all in this commitment as it is expressed in Bill C-25.

The 297 pages of complicated legal terminology will not, in the end, improve labour relations between the two parties.

Should we be sorry for the thousands of Canadians employed in the public service who were hoping that this modernization would make a positive change in their workplace and would establish close cooperation between union and management?

Yes, I can do something other than being sorry for all those people, including some in my riding. The government talked about wonderful goodies, but in the end, they just got crumbs.

Now, it is up to the members of this House to represent the interests of these thousands of employees and to tell the government that Bill C-25 is nowhere near what public servants need. Why wait until everything is in place to realize that Bill C-25 is not adequate? We must act now if we want to make it adequate.

In the beginning, Bill C-25 was well received by my party. We believed that things had taken a turn for the better and that the public service would get what it deserved.

It is with heavy hearts that we are concluding consideration of this bill. It seems that the federal government does not want to modernize the public service. Instead, it wants to use it to its own advantage and for its own interests. I doubt that the federal government can build a modern-day public service with Bill C-25. Too many elements were amended in the interests of a single party. This will not allow Canada to boast about providing Canadians with the best services.

I would like to give other examples with regard to protecting whistleblowers, which was the subject of one of our amendments. How can a government refuse something so logical? It is as if I told my children, "If you notice one of your brothers or sisters stealing from one of your siblings, do not tell me". It is like saying, "I do not want to hear about it if a senior official does something wrong". There must be a reason for this.

The only reason has to do with what happened to Groupaction. Things unfolded, and public servants could have blown the whistle, but they did not because they were afraid of losing their jobs. That is the only reason this bill and these amendments were not adopted.

It is disgusting to see that the government is protecting the unacceptable. I said and I am going to say it again that it is like telling your child, "If you see your sister stealing in a store, I do not want to know about it, because I do not want to have to punish her". That is the simplest and most logical way of putting it that I can find.

It is as though the government is telling its employees, "If you denounce someone in a senior position because he did something improper, you will be fired".

•(1730)

That is why I take issue with this legislation, because we put forward amendments for the well-being of Canadians. I know the Liberals think that the government has belonged to them for 100 years, but the government does not belong to the Liberals. It belongs to Canadians. There should be provisions in the bill to protect our workers.

I worked for a company where I told the boss, "I am sure you hate the union". He said he did not hate the union because if anyone in management did something wrong, the union would tell him about it and he would have to correct the situation.

At the time, I thought my employer had a good attitude. I did not always agree with my employer but on that occasion I said, "That makes sense". I thought my boss was anti-union, but he was not. He said it was good to have a union because the union would report any shenanigans bosses got up to that the big boss did not know about.

The Liberal government does not want its employees to denounce senior officials. It does not want its employees to denounce the deputy minister if he does a favour for Groupaction, for instance, or for the owner of Auberge Grand-Mère. I am not saying he did that. No, it does not want public servants to inform it of this type of thing.

I think it is because it would have to punish people who have handed out goodies, those who have given out money during election campaigns. Is that the problem? What do the Liberals have to hide? I do not understand what the Liberals have to hide that they would say to employees, "Don't make these problems public". I have a hard time understanding any of this.

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Then there are the job openings for the National Capital Region. People from New Brunswick for example cannot get a job in Ottawa unless they have an apartment, an address in Ottawa. People from British Columbia cannot get a job in the capital of the country, in Ottawa, where almost all of the buildings house public servants. They cannot work for their government, for the taxpayers—since the public service belongs to the taxpayers, to all the people of Canada—unless they rent an apartment in Ottawa.

Now, renting an apartment takes money. The candidate is required to provide a home or business address in Ottawa. This means that a person who has a company address in Ottawa, but does not live there himself, can get a job.

But the poor unemployed young person who has been looking for a job within his or her province for six months and has all the qualifications for a job in Ottawa has to acquire an address in Ottawa or west Quebec—which certainly is just another way of saying the Gatineau region. To get that address, the young person must pay for an apartment. How can a young person be given a chance at a job?

It is so ridiculous that a person from Bathurst cannot get a job in Fredericton, but someone from Halifax or Newfoundland can, because of the kind of employment posters they have. I hope the commission is listening to what I have to say this evening, not just the government, and will find some solutions for this, because it is the commission that does the hiring.

I could give a lot more examples, because I have plenty. A francophone from Shippagan needs to speak English. He has to know both languages in order to get a job on a fishing boat. Well, I never knew fish spoke only English, so the workers on the boat needed to as well. His application is rejected because he does not speak English.

However, in Halifax, jobs are posted in English only. Anglophones can get a job in Halifax, but francophones in Shippagan have to have two languages. There are all sorts of injustices like this in the public service which will have to be resolved because it is completely unacceptable.

As Canadians and as taxpayers, they should have the opportunity for employment with Canada's public service, across the country.

• (1735)

I only have one minute left, so I would like to come back to the fisher I was talking about, a man who had a contract with the federal government for six months, aboard the *Opilio* at sea. There was a competition and he won it. After being given his assignment, he decided to try the bilingualism exam. He was told, "If you fail your bilingualism exam, you will lose your job as ship's captain".

I spoke with the Department of Fisheries and Oceans, and they told me, "No, a francophone from Shippagan should be able to operate a boat; we will give him a job". After I spoke to the minister, they said, "Now the second candidate had accepted a position in Saint John, but he decided to come back to Shippagan".

This was unheard of in the public sector and in the public service. However, once again, given the power that the government has, with the power that senior officials have, they completely abused it. I find this unfortunate.

I hope that this bill is not passed. We will not be supporting it because it does not do enough for workers.

[English]

Mr. Chuck Strahl (Fraser Valley, Canadian Alliance): Mr. Speaker, the member did not really give an explanation, but I suppose quite a passionate presentation.

The member's closing point is interesting. I am glad to hear that he is coming around to the Canadian Alliance position on some of the problems with the Official Languages Act. When necessary, of course, positions should be bilingual, but when it is not necessary he and I would agree. That is the problem that we have at times with some of the postings in the Canadian public service where the bilingual portion of it is abused. That is exactly the same position. However, I must say that some of the member's other comments were a little over the top.

I appreciate the efforts of the member for New Westminster—Coquitlam—Burnaby who has worked in committee, with the minister, and other colleagues to improve the bill. Although it is not perfect, we must decide if it is an improvement on the status quo. I believe it is. The member was able to improve things such as the whistleblowing portion. I wish to congratulate him and others who accepted that amendment.

When I listened to the member talk about accessibility and opportunity for workers throughout the country, I wondered whether he and his party would agree that the story this week in the *Vancouver Sun* about a worker who was denied accessibility to a job because he was white is also a travesty?

A guy applied for a job and was told that he was not allowed to apply for the job because the job had been designated for someone of an ethnic minority. The job was with the Department of Fisheries and Oceans and the guy was fully qualified. The first qualification was—and this is not a francophone thing this time, c'est un autre problème avec le gouvernement—that the person had to fit a certain ethnic profile before applying for the job.

We have had a lot of discussion about geographic equality. I would like to get this member's opinion because as far as I know the NDP is solidly behind the Employment Equity Act and the way it is administered to the public service. I would like to know whether he thinks that the worker out on the west coast, who fully qualified for this job and should have a shot at it, was ripped off? I think he was.

I think a guy who is qualified should be allowed to apply. I would like to know whether the NDP agrees with that or whether it supports the idea of quotas in the civil service based on ethnicity?

Mr. Yvon Godin: Mr. Speaker, I would like to answer the member's question. First of all, I am very proud that our country has decided not to be represented by the Canadian Alliance.

Second, the only reason why members of the Canadian Alliance support the bill is because many things in the bill are against unions. The Alliance members are against unions because unions represent the people and they feel that people should not be represented.

If one wants to talk about language, I have, for example, job postings from Ottawa, Dartmouth and other areas that require only English. There were no English-French or French job postings. They were either all English or all bilingual. That means that one either has to be English or both, but there are no postings for francophones only. I do not want to start a debate on that as we could debate it all day.

We are talking about the white person who did not get a job. There are similar issues with francophones and anglophones. Why would one ask a fisherman to be bilingual? I can assure everyone that codfish have not learned to speak either language yet. Crab have never learned to speak. Even when we had big problems with the crab industry, the crab never learned to speak.

Canadian Alliance members would like to be treated like Americans. They would like to live in the United States and have all the same rules. Everything would be for "me, myself and no one else, and look out for yourself".

I am proud to live in our country. I am proud to be a member of the NDP and able to represent many people in our society, whether they are black, aboriginals, or part of a minority. We have rules so people can have jobs in this country, but the Canadian Alliance does not believe in that.

I am very proud to be a member of the NDP. No one will believe how proud I am to be a member of the NDP. I hope to be here for a long time to represent Canadians in the way they believe they should be treated in our multicultural society. That is what I really believe in.

• (1740)

[Translation]

The Deputy Speaker: Order, please. It being 5:42 p.m. the House will now proceed to the consideration of private members' business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[English]

PARLIAMENTARY EMPLOYMENT AND STAFF RELATIONS ACT

The House resumed from April 8 consideration of the motion that Bill C-419, An Act to amend the Parliamentary Employment and Staff Relations Act (members' staff), be read the second time and referred to a committee.

Mr. Joe Peschisolido (Richmond, Lib.): Mr. Speaker, it is an honour to take part in today's debate on Bill C-419, an act to amend the Parliamentary Employment and Staff Relations Act.

It is fitting that we are considering this bill as part of private members' business. The bill would directly affect all members in the way we conduct our work and organize our offices, so it is

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appropriate that we are able to consider these issues in a non-partisan and thoughtful manner.

The government has considered many issues raised in the bill since the enactment of the original act in 1986. The government has not acted on these issues since there has been no agreement among parliamentarians, among ourselves, on how to proceed.

Let me now go through various aspects of Bill C-419. Bill C-419 proposes three main changes to the Parliamentary Employment and Staff Relations Act.

First, the bill would amend part I of the act to allow the staff of each MP and senator to negotiate collective agreements. These provisions would apply to parliamentary staff, constituency staff and caucus staff. Each MP and senator would be considered as an employer in relation to their staff. Parliamentary staff would therefore be covered by the same legislation as the employees of the House of Commons, the Senate, and the Library of Parliament. By including parliamentary staff under part one of the act, employees would have recourse through the Public Service Staff Relations Board arbitration and grievance procedures.

Second, the bill would add a new provision to the act to forbid employers to lock out their employees. This prohibition would apply to the House of Commons, the Senate, the Library of Parliament, and each member of Parliament and senator in their role as employers. The bill also includes penalties for employers who cause lockouts.

Third, the bill would bring into force parts II and III of the act. Part II of the act provides for labour standards such as hours of work, wages and leave, et cetera, and incorporates part III of the Canada Labour Code. Part III of the act provides for occupational health and safety standards by incorporating part II of the Canada Labour Code. Parts II and III of the act apply to the staff of MPs, senators, the House of Commons, the Senate and the Library of Parliament.

As I mentioned earlier, although the Parliamentary Employment and Staff Relations Act was enacted on June 27, 1986, parts II and III of the act covering labour and health and safety standards have never been brought into force, given concerns among members that these provisions should not apply to parliamentary staff. One concern has been the financial and operational implications that these provisions would have on members of Parliament and senators.

Bill C-419 could result in significant costs to MPs and senators as a result of the labour and health and safety standards under parts II and III. The new provisions in Bill C-419 for collective bargaining for parliamentary staff could also have significant financial implications for individual members of Parliament and senators.

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Another concern raised by parts II and III of the act is that they could interfere with the independence of members of Parliament and senators and their parliamentary privileges. For instance, staff could refuse to perform work they considered dangerous, which could prevent the House from sitting or could interfere with the operation of the offices of members of Parliament. In addition, government inspectors would have access to parliamentary premises, including the offices of members of Parliament. I am sure we would all agree that as parliamentarians we must be careful to ensure that our privileges are not unduly constrained so that we can perform our duties and our functions as members of Parliament, as representatives of the people of Canada.

• (1745)

We must therefore find the correct balance between maintaining our privileges while obviously ensuring that the interests of our employees are properly and carefully addressed.

The House of Commons, the Senate and the Library of Parliament have effectively addressed labour issues through other informal ways and means. The House, Senate and Library of Parliament employees have coverage similar to that provided under the Parliamentary Employment and Staff Relations Act without interfering—and this is the key point—they have the same coverage and protections without interfering with parliamentary privilege.

I believe that as parliamentarians we should always strive to uphold our duties in our roles as members of Parliament to our constituents, but also importantly as employers, to ensure that our own parliamentary staff have proper working arrangements and proper working conditions.

Perhaps it would be more appropriate for the Board of Internal Economy to create a parallel non-legislative structure to achieve the objectives of the act without the difficulties raised in a more rigid statutory approach.

[*Translation*]

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, it gives me great pleasure to rise to address the House on Bill C-419 introduced by the New Democratic Party member for Halifax. It is time that this bill came to the House for us to debate.

Bill C-419 will show us which political party in Canada truly supports unions and which party is truly opposed to them. The test will take place when it is time to vote.

The Liberal Party will certainly say, “Ah, the workers and the unions support us”. Finally, this bill will give the members' employees an opportunity to unionize, but now they will come to say they are not ready to give that opportunity to the employees. In fact, they say that if there are risks at work they can refuse to work.

Imagine that. In the private sector this has been a topic of negotiation for many years, and any worker who thinks his or her life is in danger has the right to refuse to work and can initiate an investigation of his or her workplace.

And the Liberals are afraid that people could refuse a task if they believe it could be a threat to their health and well-being. This is unheard of, and I never thought I would hear any such thing from the government.

Governments should leaders, both nationally and provincially. And this kind of bill scares the government. Just think of the message it is sending to private sector companies.

The private sector is opposed to unions because they negotiate good benefits for their members and that affects the bottom line. Today, in the House of Commons, the government is telling us basically the same thing: the way it operates must not change, must not be questioned, must not allow representation.

The remark that gets to me the most is the one just made by the Liberal member who said, “Imagine, staff could refuse to perform work they consider dangerous to their health or safety. We can't have that”.

God forbid that someone from outside Parliament should come and check whether jobs are safe. Incredible. The Liberals are to be thanked. On behalf of the workers, I wish to thank the Liberals for being so supportive of workers when they say, “We do not want anyone to represent you, but we want you to work for us”. As some would say, the same way that you have good companies and bad ones, you have good bosses and bad ones. Normally, when a union is formed it is because the workers want one, because there are bad bosses and bad companies. That is when the workers seek to unionize. Something has to happen to set that process in motion, something like abuse by the employer. That is when workers want to unionize.

Are the Liberals in this House this evening telling us that, as far as they are concerned, they want to continue abusing their employees in this day and age? Since they contend that they are not abusing their employees, they should have nothing to fear from unionization. Are they afraid of collective bargaining and free bargaining?

There are even some surprising questions in the speech by the Bloc Québécois member for Laurentides. She too had some questions relating to the union. We will wait for their speech this evening, but I have heard there is a possibility of their supporting the bill. They wondered how they could manage to negotiate salaries when the budget comes from Parliament and they have no control over the money.

It is like a company, with no control. If it makes a profit it has money, if it does not, it has no money. The two parties negotiate. As for the NDP, I am proud to represent them here; it will be six years on June 2. We have had a union for our staff, and I have experience with that. We have had collective agreements. We accepted a union for our staff and it did not kill us. In fact, our relationship is a really good one.

• (1750)

Another point that was raised by the Bloc Québécois member for Laurentides is that it must not be the same union, because of the risk of conflict of interest. I have always thought that it was not up to the employer to decide on the union, but rather that it was the workers' choice that determined the union that would represent them. That is not up to the employer. It is like having a company or an employer decide which chamber of commerce will represent it, it is not up to the population to tell it which one to go with.

Private Members' Business

I have a problem when such things are said in the House of Commons, particularly when it is something to do with workers. In this bill, all that is being asked is for workers to have the right to unionize and for this to be accepted by Parliament.

Once again, the Bloc asked a question, "Will we be forced to do it? Will employees be forced to unionize?" No, only if they want to. We cannot turn up at some workplace today, Tim Hortons for example, and tell the workers, "From now on, by law, you may unionize and in fact you have to unionize". It is up to the employees to decide.

I would just like to reassure the members of the Bloc Quebecois that they need not worry, our employees have been unionized for years. We think we have a good collective agreement with them—that is what our employees tell us—and we have free bargaining. The union that represents them is the Communications, Energy and Paperworkers Union of Canada. We have established good relations and employees seem happy.

However, I can say one thing. I do not know if there are members who are afraid, whether they are Liberal members, or members of the Canadian Alliance, or members of any other party who want to vote against the bill. I do not know how they treat their employees. Perhaps when Parliament adjourns, they lay off their employees and these people have to go on employment insurance. Perhaps they are afraid of trying to negotiate that in their collective agreement.

I think that with the office budgets we are given, we can support employees and do constituent work. We are in a better situation than private sector employers when it comes to our budgets, for the simple reason that the private sector may or may not make a profit.

We have to be honest. As members of Parliament, we have a fixed budget. It does not grow or shrink. We can adjust, with our budget. We are able to negotiate collective agreements and adjust. We have to give our employees some credit. They know that if members do not do their job, if they are not able to work for their constituents, they will lose their job.

The Bloc Quebecois raised another question. They asked what happens if out of 50 members, 25 of them do not get re-elected? If 25 members are not re-elected, the employees are laid off, as is the case with members of Parliament. This is in the collective agreement. You cannot give someone a job if there is no employer. The member of Parliament is the employer, and if the employer no longer exists, the employees no longer exist. We negotiated all of this. We negotiated collective agreements and the employees seem satisfied with all of it. They say so openly.

Moreover, if there is something that is not going well, they are not embarrassed to come and see the employer to say so. They are not shy about raising issues with us. They are protected. Our employees are subjected to a great deal of pressure. There is pressure from the riding and its issues. Sometimes, perhaps, we are not very tolerant toward our employees. I can guarantee that it gives us some structure, and it says to us, "Take the time to sit down and talk. Sort out your problems by using a negotiated collective agreement".

In a collective agreement, there are all kinds of rules and situations described. If an employee does not do his work, there are provisions

for a first, oral warning, a written warning and, in the end, dismissal. There are also provisions related to arbitration.

● (1755)

I just want to tell the Liberals not to worry. You are telling the workers that you support them, and if that is the case, vote for this bill. The only time you support the workers is when you want their votes, but when it is time to protect them, you are ready to say no to this bill. I think it is very sad to see the Liberals taking such a position—

The Deputy Speaker: I am sorry I have to interrupt the hon. member, but his time has expired. The hon. member for Mercier.

Ms. Francine Lalonde (Mercier, BQ): Mr. Speaker, I am pleased to take part in this debate, even if my time is limited. I have a great deal of sympathy for my colleague from Acadie—Bathurst. When I was already a sitting member of Parliament and he was still a unionist, we had the opportunity to work together. Later on, he was elected as a member of Parliament. I would have liked him to understand that the Bloc has made a decision to support the principle of this bill. He seemed to negotiate a bit like an employer would, continuing to argue even when an agreement has been reached. But that is the way he is, and we like him that way.

First, I have been in the CSN for 15 years. The unions and the need for unionization is something which touches an important cord with me. But I must also say that in the CSN I experienced at least one major dispute between unions. This means that organized labour is about power. It is by no means without impact. It can be adversarial, and oppositions are clearly stated. In this instance, two groups were fighting to represent the interests of grassroots members. This can happen, just like it does with political parties. People fight over the way the rights of citizens should be defended.

This bill, proposed by my hon. colleague from Halifax, whom I salute, stresses the conditions in which our assistants are working, because this is the issue. I want to say that, yes, when the hon. member for Laurentides raised these issues with the Bloc's caucus, she concluded the last time by saying, "we must ensure that our employees are well paid and well treated on the Hill". There is consensus on this.

Giving MPs' or ministers' assistants the right to unionize, or recognizing that right I should say, does not automatically mean that there will be unionization, but this lets us consider the conditions in which our employees are working.

First, I want to say that the Bloc has fiercely defended Canadian workers, as it did during the railway strike. At the time, I was my party's transport critic and the House had to sit over an entire weekend. Many times, the Bloc Quebecois has introduced anti-scab bills, since the Bloc is very sensitive and committed to fighting for workers' rights. So, it is obvious that the Bloc supports the principle of this bill.

Private Members' Business

This does not mean that the members are not entitled to ask questions, such as the one that the hon. member for Acadie-Bathurst sought to answer. In fact, in this matter, it seems that we must hold true to our beliefs. Those unfamiliar with unionization may well be fearful; it is a matter of laying to rest the fears raised.

I want to add that, obviously, as members, our roles are different.

• (1800)

We have ridings of various sizes. A number of practical problems would no doubt arise if our staff was to unionize, which is only a possibility.

It must be recognized that it is sometimes necessary to form a union. It may not always seem necessary as long as our assistants feel that their working conditions and their relationship with what would become their employer under the bill put forward by my hon. colleague from Halifax are satisfactory. That is provided that they feel—that is a judgment call—they are treated well and do not need to be represented.

I do not know what the situation is in the other parties, but I know what it is in my party. I could pay tribute to my own assistants, who work very hard, I know, to the point where sometimes I feel guilty seeing them work so hard. I know that the situation is the same for many other members and perhaps all of them. However, it is also obvious that the fact that we are talking about these conditions will put the focus on the conditions offered to each member of Parliament to fulfill his job. I would add—because time is running out—that we must talk about the need to do so anyway. At this point, there is a maximum salary. This is the only rule that exists and it protects the assistants. But presently, there is no minimum condition. In fact, there is nothing.

This right to unionize will force us to examine together the working conditions, our true needs, what we can offer and what can be asked of the men and women who work for us, but also and more to the point, with us.

I thank my colleague from Halifax for introducing this bill. I hope that it will move us forward collectively to ensure not only that we treat our employees in a humane, just and fair manner, and within our means, but also to ensure that all members of Parliament say, “We need more resources so that the assistants who work so hard can be treated in a satisfactory manner”. Because at this time, for many, these jobs are real killers.

• (1805)

[*English*]

Mr. Joe Comartin (Windsor—St. Clair, NDP): Mr. Speaker, we always stand up and say we are happy to have the opportunity to speak to a bill. That is really true this time as opposed to most of the other times when we are dealing with diplomacy and diplomatic speech. I am very happy to support Bill C-419 by the member for Halifax.

It was rather interesting when I was first elected because I felt to some degree like I was going through a repeat of one of my earlier historical periods. I am not that old, but that is what I felt like. The reason for that was I was appointed to help carry on negotiations between our caucus and the staff who worked for us. As I got familiar with the situation in the House and in preparation for those

negotiations, I felt to some degree like I was going back through some history of mine.

Two incidents in particular come to mind. One was I had only been practising law in private practice for about a year when I had cause to hire a staff person, a secretary, who had attempted to organize a union in the city of Windsor in the legal profession. She had been locked out for the better part of a year, and eventually lost her position. She was looking for work at the time I needed staff, and I hired her.

I remember some of the discussions we had about the attitude of the legal profession, what I will call the very archaic attitude of the legal profession at that period of time toward collective bargaining and unions. I cannot help but think, when I hear some of the speeches in response to this bill, of a similar type of attitude.

An hon. member: Nineteenth century.

Mr. Joe Comartin: Nineteenth century, thanks very much.

It is interesting because it is never put in terms of people being afraid that somehow they will lose a little of their power. The lawyers did not talk that way, and the members of Parliament do not talk that way. They talk of some other greater good. With the lawyers it was that it may somehow infringe on their solicitor-client relationship with confidentiality. Those were the kinds of arguments we heard. They were hogwash, and so are the arguments from the members of Parliament who classify their opposition to collective bargaining with their staff by stating it is an historical privilege that we have had.

If it is a privilege and if they think history would justify that, there are times when we have to move beyond. We had the divine right of kings too at one time. It was obvious that at some stage the general population would not accept that, whether it was kings and queens having their heads cut off or there simply being a coup d'état, power being usurped and a more democratic government put into place. It is the same type of thing.

What this is really about is justice and fairness. Will we deal with our staff in a relationship that is fair and just or will we stand on some historical privilege that in effect oftentimes leads to abuse and certainly does not contribute to a fair and just relationship between the employers, in this case the members of Parliament, and their staff?

The second point in my history that I want to talk about, which was brought back as I was entering into these negotiations, was the process I went through in my last place of employment before I was elected. In that case I was the manager of an office of a prepaid legal plan, a plan that had been set up in cooperation between the auto companies and the CAW union. Early on we unionized. We recognized the union, and we did not have to go through a process of the vote and all the rest of that.

Private Members' Business

• (1810)

It was the first I had the opportunity to work in a management position where I had to on a regular basis deal with collective bargaining and a collective bargaining unit in the workplace. It taught me very clearly that when there was that type of structure, it was much easier to manage because there were built-in procedures to which the employee, in this case the union member, and the employer had agreed. Oftentimes they work collectively on establishing those procedures.

My colleague from Acadie—Bathurst a few moments ago made reference to how a discipline problem would be handled. That procedure is established and because it is established by way of bargaining, it is generally much easier to apply because both parties have accepted that it is a fair process, whether one is the employer or the employee.

I worked under that system for 13 to 14 years. It was a comfortable system to work under. I would not suggest that we did not have difficulties. We always did at negotiations but as in any other equal relationship, we hammered them out by way of negotiations, came to a satisfactory resolution to both sides and then used that agreement to base our relationship on for the next number of years until the negotiations came up again.

I have had exactly the same experience working in the situation I have here in the House as I did in my professional life as a lawyer in that legal plan. In the last round of bargaining I can remember a few heated arguments between our team and their team but we hammered it out. We improved the relationship in fact, and that has shown to be the case over the last two and a half years. It has worked reasonably well. It is not perfect but it is a major improvement over the types of relationships that we see between staff and other members of Parliament who belong to other political parties.

One final point, because I know my time is just about up, is the role that we have as members of Parliament to provide leadership in this country. That is true in a whole bunch of ways, and this is one of them. If we say we expect employers across Canada to treat their employees fairly, we have to do the same thing. We also have to recognize that the labour movement is a fundamental infrastructure for our democracy. Therefore we have again a role as leaders in the country to say that we can work within that setting and that we expect most other employers to do the same thing. If we are not prepared to do that, we are abandoning our role as leaders in this country.

• (1815)

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, I rise a point of order. Discussions have taken place between all parties, as well as the member for Halifax, concerning the last hour of debate on Bill C-419. I believe you would find consent for the following motion. I move:

That at the conclusion of today's debate on Bill C-419, all necessary questions to dispose of the motion for second reading be deemed put, a recorded division deemed requested and deferred to 3 p.m. on Tuesday, June 3, 2003.

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

Some hon. members: Agreed.

(Motion agreed to)

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, I am glad to see we will have an opportunity on Tuesday to test the interest of the House of Commons in the bill put forward by the member for Halifax, Bill C-419, which would amend the Parliamentary Employment and Staff Relations Act to give the right to organize and unionize to our Parliament Hill employees.

Other representatives from the NDP have spoken about the importance of the bill. It is something to which we are ideologically committed. The NDP is very proud to say that we are the only political party in the House of Commons today that has a unionized workforce, represented by the Communications, Energy and Paperworkers Union, Local 232. We can speak from experience and can give some comfort and solace to those members from other parties who are apprehensive about the idea of extending the right to organize to Hill staff.

I do not really think we should have to have this debate in this day and age. Frankly, the right to organize, the right to bargain collectively and even the right to withhold services in the event of an impasse are basic tenets of any modern democracy, certainly basic tenets of any western civilization. That much is not in question.

The only reservations we have heard put forward by members are perhaps that they may lose some of the flexibility they believe they need because of the unique workplace in which we all work. I believe we can provide some comfort or solace to those people who are apprehensive by looking at our own experience.

We have a unionized workforce. Our staff have the same challenges that the staff of any member of Parliament may have. They need flexibility in our workplace, but nothing in our collective agreement precludes that flexibility if someone has to work through lunch or stay late. What our collective agreement does preclude is the exploitation of those same workers by members of Parliament who may get too busy to pay due attention to workplace conditions in their office, which is their workplace.

This place has a terrible reputation for its treatment of employees, and this goes back many years. A lot of members of Parliament tell employees that it is a privilege for them to work on Parliament Hill, and it is, but they use that as justification to pay them terribly. We pay our employees a living wage, a fair wage. It is our belief that fair wages benefit the whole community and that there are many good reasons to provide fair compensation, obviously above and beyond any moral and ethical reasons. However we do hear horror stories from other offices.

I was not surprised when our employees felt they needed protection from this exploitation. As members of Parliament get so busy and so caught up in their work, they often forget the human aspects of the employees who work for them and the fact that these people have lives and deserve fair compensation, fair working conditions, fair working rules, fair benefits, fair holidays, et cetera. That is the point here.

Private Members' Business

I am very proud that the member for Halifax has brought this issue to the forefront. I know the history of this issue has been outlined by other speakers and I will not spend a lot of time on it other than to say that since 1986 all the elements have been in place. It has just been up to the ruling party to give royal assent to phase two and phase three of the Parliamentary Employment Staff Relations Act.

I do not want to be critical in the time I have but I notice the Minister of Labour is listening to the debate, and I am pleased to see she is giving her time to listen to it. However the Liberal Party in another example, with the rural route mail couriers, has seen fit to deny the basic right to organize to that group of workers as well.

● (1820)

There is very little justification, although we do hear people standing up and saying it, for not allowing our employees to unionize. We cannot really make the case that it would grind Parliament to a halt and therefore do a disservice to the country, because in other situations, for instance, firemen or policemen, they do have the right to organize and they do have the right to bargain collectively. In those instances they do not have the right to withhold their services. There is some other type of binding third party arbitration that takes the place of a strike or a lockout.

That is something that can be dealt with if the case can be made that Parliament, especially during times of war, et cetera, cannot be stopped because of labour unrest, but it is certainly no excuse for not allowing these basic freedoms to the many hardworking Canadians who work on Parliament Hill.

In my own experience as a labour leader for the carpenters' union, I had the opportunity to organize many workplaces, speaking with workers and employees in their kitchens. We had to sneak around many times in order to organize a workplace. I do not think the employees on Parliament Hill deserve to be treated that way when their employer is the Government of Canada, the Parliament of Canada, the members of Parliament, who surely accept that Canadians believe in the right to free collective bargaining.

The rigidity that some members fear in a collective agreement, as I said before, is no excuse. I am holding a recent *Hill Times* article in which some staff employees of members of Parliament were interviewed. One individual works for one of our members of Parliament and he points out that it is not unusual for him and his colleagues to have to be very flexible in their working rules. He also points out the benefit of having an avenue of recourse if there are disagreements with an employer, whether it is about holiday time or working conditions or working rules.

Being a unionized employee is not all about money. Frankly, negotiating the actual salary and wage is something that happens once every two or three years when people bargain the terms of their collective agreement. Being unionized employees means knowing they have an avenue of recourse that does not put their jobs in jeopardy if they do have a comment or a criticism to make of the work rules, or a simple avenue to air their views and their opinions.

We believe it is wrong to deny these basic freedoms. I can point out some recent examples on the Hill when Hill employees have had difficulties when they were laid off without cause, for instance. Their only avenue of recourse was going to the courts or, I suppose, asking

for an audience with the Speaker and asking him to intervene. That system cannot be relied on. We need a better process than that.

We heard about one member of Parliament not too long ago who laid off one of his staff because she became pregnant. The woman had no avenue of recourse. She was not covered by the Canada Labour Code nor was she covered by employment standards legislation. She could not go to the Ontario Labour Relations Board. This woman had no one to advocate on her behalf other than going to the courts, and that is ridiculous. That is why employment situations need a process by which grieved employees can seek justice. Surely in a case like that it is terribly unjust treatment.

There is another example. Some members of Parliament lay off their staff over the summer months because they do not need them. Some of these individuals are long term employees. It is a terribly unfair thing to do in order to save a few dollars in their budgets.

I will end by saying that I am very proud to be involved with this initiative. I again compliment the member for Halifax for tirelessly bringing this issue forward again and again. Hopefully it is starting to resonate with enough other members of Parliament so they will see that fair wages benefit the whole community and Canadian workers have a right to be represented by the union of their choice. It is our duty to be an example to the public in that way.

● (1825)

Ms. Judy Wasylcia-Leis (Winnipeg North Centre, NDP): Mr. Speaker, I am delighted to be able to participate in the debate and to join with my colleagues in the New Democratic Party in supporting this initiative by the member for Halifax.

At the outset I want to join with my colleagues in congratulating the member for Halifax in bringing this legislative proposal to the House. We are talking about a basic element of civil society. We are talking about the right of all workers to join a union, to bargain collectively, to refuse work in unsafe, unhealthy conditions, and to go on strike if necessary.

We need to acknowledge the conviction of the member for Halifax in bringing forward this matter. It is a matter that is long overdue and is an issue that has been raised many times before and does take commitment, conviction and persistence. The member for Halifax has shown all three qualities, particularly persistence in bringing the bill back to the House for the third time to try to convince members from all political parties to support this very important initiative.

I hope that members today are listening to the arguments and recognizing a fundamental principle here. That is, to paraphrase a former leader and founder of the CCF-NDP, J.S. Woodsworth: What we desire for ourselves we wish for all; the kinds of rights and privileges we want for ourselves in this place, we wish for all in our society. Extending that concept in this place, the House of Commons, the rights and privileges of members must be extended to all the staff who work so hard in the pursuit of democracy on behalf of elected representatives and for the continuation of this great institution.

Private Members' Business

This is a matter of unfinished business before us. As has been pointed out in the debate, it was in 1986 that the legislation dealing with parliamentary employment and staff relations was first introduced and passed. However, two parts of that legislation were not proclaimed. It is the purpose today on the part of the member for Halifax to see those parts proclaimed and to ensure that all staff working for members of Parliament, working for Senators and working in the Library of Parliament are able to enjoy the rights we wish for all, the right to join a union, the right to bargain collectively, the right to refuse work in unsafe conditions—

An hon. member: Dignity.

Ms. Judy Wasylycia-Leis: —and the dignity, as my colleague from Windsor says, to have the power and control over one's day to day life in the workplace.

This is about unfinished business and it is also about being consistent with the recent court ruling referenced in the debate. That of course was the decision by the Federal Court of Appeal in November 2002 which ruled that members of Parliament are required to abide by basic human rights legislation. It was a unanimous decision. The court rejected the argument put forward by the House of Commons that parliamentary privilege somehow exempted MPs from the provisions of the Canadian Human Rights Act.

It is certainly accurate to say that Bill C-419, the matter before us today, would complement that important court ruling by providing the vast majority of Parliament Hill employees with some protection in their workplaces.

• (1830)

Staff members who have worked for the NDP over the years have provided a very important pioneering effort in this regard. The proposal before us today dates back some 10, 15 or 20 years ago when NDP members of Parliament pooled their efforts and resources to form the Parliamentary Association of Support Staff. That became the first initiative in this place for a collective association, for cooperative efforts on the part of staff in order to advance the needs and concerns of workers in this place.

We owe a debt of gratitude to those individuals back in the mid-1970s to the late 1970s who actually planted the seed that led to an active union on the part of staff working for NDP members of Parliament and forms the basis for this legislative proposal today.

We are talking, as many have said, about the fundamental rights of a civil society. The rights to join a union, to bargain collectively, to pursue one's rights in the workplace and to be able to refuse to work in unsafe, unhealthy conditions are fundamental to our notion of civil society.

Today we urge all members who have turned away from this initiative before, who have said no in the past when this matter was before the House, to reconsider and give their support and their blessing to this legislative proposal, because it means a great deal to workers in this place and it means that we have provided the kind of leadership that is so necessary and that people turn to us for.

I urge all members to support Bill C-419 to ensure that all staff working for members of Parliament, for senators and for the Library of Parliament are able to enjoy this matter of simple justice.

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, it is a great privilege to wrap up the debate on my Bill C-419.

I want to thank my colleagues for the incredible support that they have given. I want to also thank other members who have spoken in this debate and even some who have not spoken but who have been here attentively listening, if I may say, including the Minister of Labour. I think that is a positive sign and is very welcome.

I acknowledge without any hesitation that when I introduced Bill C-419 with the unanimous support of my colleagues, there were some members who expressed quite strong reservations. They had the courage and the commitment to participate in the debate. They raised some questions about how this would work or expressed reservations about how it could work to have employees on the Hill exercising their right to organize and collectively bargain.

I suppose this is the whole point about private members' bills and private members' debates. As a result of the debate that has taken place in the House and as a result of the dialogue that was stimulated by the introduction of this bill, I am pleased that a number of members who started out with some reservations have now indicated their full support to move ahead.

Let us be clear that all we are talking about is the fundamental right to organize if employees so choose in their workplace and to have the opportunity to bargain collectively. After all, it is a fundamental democratic right.

When parliamentarians recognize that not only is this an important principle but that in practice it now exists with the employees of one caucus, surely it would be unthinkable to deny that it is time to extend those benefits to all employees of members of Parliament, ministers, senators, et cetera, on the Hill. What possible argument could there be that only some employees on the Hill would have the opportunity to exercise those very fundamental democratic rights?

Not only has there been good discussion back and forth between members of the NDP caucus who have been living with collective agreements and organized staff for many years, but discussion has actually taken place between members and their employees. Understandably their employees are asking how is it that the NDP staff have the benefits of a collective agreement and they do not. That is very encouraging.

I want to take the last moment or two to pay tribute to our employees on Parliament Hill who chose through a democratic vote to be represented by CEP 232. That is their union local. They have chosen to associate with an outstanding union that has a wonderful reputation. They could have made another choice and they would have been well represented by other unions as well, but that was their choice. I have to say from the perspective of the employers, and I know I speak on behalf of all of my colleagues when I say this, that this relationship has been exceedingly important not just because it respects fundamental rights, but because it is about respect. It is about dignity.

Adjournment Debate

I want to be really clear and this is like a moment of truth. It might even be like a true confession to stand here and say this. We are not saying either on our own behalf or on behalf of our employees that it is heaven on earth to work for the New Democratic Party caucus. Our staff work exceedingly hard.

There is some irony in the fact that other employees on the Hill are not permitted to organize in the way our staff is. Our employees enjoy better wages and have somewhat better control over their working conditions but they also work under more adverse conditions in some respects. Because other staff are underpaid in many cases and their rights are not fully respected, this means that more dollars and cents are used to provide various support services, whether they are in the form of equipment or expense moneys to be used to improve their ability to get the job done. There is a discriminatory aspect toward our employees that we should recognize. We appreciate that that makes their job even more difficult.

● (1835)

I want to conclude by saying how much we appreciate the genuine engagement of many members in trying to understand more about how this works. I want to say clearly to all members of Parliament staff that our staff, the proud members of local CEP 232, have indicated that they stand ready to answer questions that employees of other caucuses may have about how this works. This is understandable. The employees, the staff members of other caucuses, of ministers, of the Senate and of the Library of Parliament may say that they are not interested in hearing what the member for Halifax or any of the other NDP members of Parliament have to say. They may be interested in talking with employees who have chosen to organize, to avail themselves of their basic right to join a union and bargain collectively. They may want to hear from them how this actually works. At the end of the day it is a question of people making an informed choice about whether they would want to join a union.

As parliamentarians, when we vote on this matter next week, it will be an opportunity for all members of Parliament to speak with one voice in saying that we acknowledge the rights of our employees to organize and that we do so by way of expressing our respect and appreciation for the work they do. That is a very important signal for us as employers and parliamentarians to send to all employees in this country of ours to say the same kind of respect, dignity and rights should be extended and accorded to all working people in this country.

● (1840)

The Deputy Speaker: It being 6:42 p.m., the time provided for the debate has expired. Pursuant to order made earlier today, the question is deemed put and the recorded division is deemed requested and deferred until Tuesday, June 3 at the expiry of the time provided for oral questions.

ADJOURNMENT PROCEEDINGS

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

[English]

REGULATORY REFORM

Mr. Gurmant Grewal (Surrey Central, Canadian Alliance): Mr. Speaker, on behalf of the constituents of Surrey Central, once during question period I asked the government when it would begin a serious review of Canada's regulatory system with an eye toward reducing the red tape. The hon. government House leader chose to respond but he failed to give an answer to my question.

After I raised the issue of regulatory reform in the House and had round tables with stakeholders in the industry, the Liberals listened to me, and in September's throne speech promised to reduce the administrative burden, also called red tape, on businesses. The industry minister is on record promising regulatory reforms some time in the year 2010. It is an unacceptable long term calendar.

The External Advisory Committee on Smart Regulation is now touted as the fulfilment of this promise. It has a chair, Mr. Hugh MacDairmid, and a \$4 million two year budget. Who knows, maybe in another few days it may even have some committee members. However will it reduce the regulatory red tape in Canada? That is my key question.

According to the committee's mandate, as stated in the press release of the Prime Minister's Office and in the executive director's press release, it will not. The committee will "provide an external perspective and expert advice to the Government of Canada on regulatory issues spanning economic and social policy objectives".

The government should reconsider its regulatory approach and it must clearly act in a reduction in red tape rather than some hanky-panky stuff. Canada's regulatory system is slow, costly, overlaps and is inefficient. The red tape imposed by government is strangling productivity and hurting economic growth in Canada.

The provinces have already reached this conclusion. We know the province of Ontario is light years ahead of the federal government in regulatory reforms. Provinces like Alberta, British Columbia, Nova Scotia and even some territories have also done a remarkable job in their work toward regulatory reforms.

Canada has hundreds of thousands of regulations with more being added every day; 16 a day on average. The cost to businesses and to Canadians is over \$100 billion.

It is time for the government to follow the lead of the provinces and act to review the many thousands of existing overlapping, ill-considered and outdated regulations.

In the last quarter century, Canadians have witnessed unprecedented growth in red tape. Therefore the government needs to move from red tape to smart tape and from smart tape to smart government. All of Canada will benefit from this exercise, so I demand an answer to my question. When will regulatory reform take place in Canada?

● (1845)

Mr. Bryon Wilfert (Parliamentary Secretary to the Minister of Finance, Lib.): Mr. Speaker, I am pleased to have the opportunity to discuss Canada's capacity to produce high quality regulation. There have been some comments and I appreciate the member raising this issue.

Adjournment Debate

The regulatory regime in Canada is very competitive with other jurisdictions and regulatory activity has contributed positively to Canada's quality of life and business environment.

The hon. member has referred to a number of statistics, essentially from the Fraser Institute publication, on the cost of regulation in Canada that covers all levels of government. This is one view of Canada's regulatory environment and it is based on some questionable methodology.

Another view comes from the OECD, which has recognized the Government of Canada as not just a worldwide "regulatory reform pioneer" but a "consistent leader and a vigorous innovator".

Recent independent publications can attest to Canada's record of regulatory excellence. For example, the 2002 OECD report, entitled "Canada: Maintaining Leadership Through Innovation", praised the Government of Canada's regulatory performance in providing businesses the freedom to prosper, which I know is a very legitimate concern of the member across the way.

In particular, the OECD report acknowledged that Canada appears to have been:

—unusually successful...in pursuing one of the major objectives of successful regulatory policies, being [able] to control overall regulatory burdens, or the trend of 'regulatory inflation' as experienced in most OECD countries.

An assessment of regulatory impact should not rely solely on statistics, but should focus on the fundamentals of regulatory reform. In particular, the Government of Canada's regulatory regime is designed to support our high quality of life and bolster our international competitive economy, both things I know the member across the way is very concerned about.

Evidence of this positive impact of regulatory reform on standard of living and economic performance can be seen in several international comparative studies which assess the business climate in this country, and we score well in these studies.

A study by *The Economist* magazine's intelligence unit ranked Canada as the fourth best country in the world in which to do business for 2001 to 2005. Recent research by OECD also concluded that Canada has one of the lowest levels of administrative burden among the OECD countries, after the United Kingdom and the United States.

Clearly, Canada has a strong system of regulatory governance but the world is changing. Markets are increasingly integrated, more companies are becoming global, knowledge increases and science advances at a faster pace than ever, and citizens have access to better and more information and are more demanding of government.

In response, Canada is redesigning its regulatory approach to create and maintain a Canadian advantage. The member referred to the 2002 Speech from the Throne, which I will hopefully elaborate on afterward, but it basically says "to accelerate reforms in key areas to promote health and sustainability, to contribute to innovation and economic growth, and to reduce the administrative burden on businesses", on which both of us I know can agree.

I want to speak a little about smart regulation. Smart regulation will ensure Canada has a regulatory framework that contributes to the innovation environment for the social and economic benefits of

Canada at the same time it protects our health and safety, preserves the environment and reduces the administrative burden on business.

• (1850)

Mr. Gurmant Grewal: Mr. Speaker, in the short time that I have let me say that I rely on facts.

There are regulations still on the books, for example, for checking the canvas on the wings of airplanes when the wings are now made of metallic. Drivers still have to keep an axe in their bus.

I am sure the member has spoken to the Chamber of Commerce members, manufacturers, exporters, importers and so on, and will agree that there is a need to harmonize regulations in Canada among the provinces, the federal government and various other bodies and departments. We need to standardize the regulations with provincial, national and international standards; a regulatory impact analysis has to be studied and done; a cost benefit analysis has to be done; a disallowance procedure has to be in place; and so on.

In conclusion, I would urge the member not to do window dressing by quoting some of the reports from various sources but to look into the facts. Regulations and red tape are impediments to investors and to growth of businesses, particularly small businesses.

Therefore I urge the member to convey a message to the government that it needs to follow the example of the provinces and move from red tape to smart tape, to smart government, which is what other provinces have done. This I what I demanded. I need an answer as to when the government will do that.

Mr. Bryon Wilfert: Mr. Speaker, I will elaborate a little bit here. As announced in the 2002 Speech from the Throne, the external advisory committee on smart regulation, the EACSR, will provide expert advice. Over the next 12 to 15 months the EACSR will develop recommendations on modern regulatory strategy to support Canada's objectives as a trading nation that is committed to offering a high quality of life for its citizens.

Smart regulation is about preparing Canada for the future and ensuring that we have a modern regulatory framework designed for the 21st century to maintain a Canadian advantage.

In the next 12 to 15 months we will see movement on that. Working with the hon. member, with his interest in this, will be very important. Again, together I think we can advance an agenda on which we both very much agree.

MEMBER FOR LASALLE—ÉMARD

Mr. Greg Thompson (New Brunswick Southwest, PC): Mr. Speaker, I asked the Minister of Finance a question a few weeks ago regarding the former minister of finance, the member for LaSalle—Émard, who was the owner of Canada Steamship Lines and who, by all reports, at least on the Liberal side of the House, will be the next Prime Minister of Canada.

I suggest there is a conflict of interest in the ownership of that line in regard to what the hon. member did when he was finance minister. I just want to review what he did.

Adjournment Debate

As the owner of the Canada Steamship Lines, the member for LaSalle—Émard, the next Prime Minister of Canada if the Liberal Party is correct in what it is saying, when he was the minister of finance he effectively created a loophole in the Income Tax Act to escape paying taxes in Canada. I find it unbelievable that a future Prime Minister of Canada and a former finance minister would manipulate the Income Tax Act to suit himself personally. He knew that the loophole was there and he refused to close it.

This is not just my opinion as a member of Parliament. This is also the opinion of the Auditor General. In her annual report of 2002 she acknowledged that.

What the member for LaSalle—Émard successfully did was he avoided paying taxes. The following is an example of what happens to Canada Steamship Lines with the effective tax break that it created in Barbados for itself. It avoids paying corporate tax in Canada. Corporate tax in Canada is about 28%.

Instead, because the member for LaSalle—Émard allowed that loophole to exist in the Income Tax Act, an act which he controlled as finance minister, Canada Steamship Lines now pays taxes in the range of 1% to 2.5% in Barbados.

The ships that are owned by the former finance minister also operate under what we call flags of convenience. Canada Steamship Lines may be based in Canada but it operates under flags of convenience, including under the flags of countries like Barbados, which I mentioned, Bermuda, China and Singapore, to name a few. It allows that company today as we speak to pay lower wages. The employees on those boats do not have the same benefits as do employees working on a ship registered in Canada.

I find it wrong when a finance minister of Canada can create his own rules to operate his own company and still remain in cabinet. That is the question I put to the Minister of Finance but I do not think he accurately responded to that question. There is a big concern, at least on this side of the House, and, generally speaking, on the part of the public itself in terms of how a minister of the crown could be allowed to do that. My question is, why?

• (1855)

Mr. Bryon Wilfert (Parliamentary Secretary to the Minister of Finance, Lib.): First, Mr. Speaker, I am somewhat disappointed in the hon. member's comments and some of his tone, because he is alluding to some comments here with regard to a fine, outstanding parliamentarian, the former minister of finance.

I think the issue he wants to talk about, which he really did not get to, is the issue of taxes and that I think is a legitimate question. I would like to focus on that rather than on what I would consider to be gossip, rumour-mongering and things that really have no place in this House.

Canada taxes not only the income of our Canadian resident corporations, whether they earn it in this country or abroad, but also in other situations the income of foreign subsidies, which is what I would like to talk about.

Canada's rules must therefore take into account the fact that those companies' incomes could be subject to foreign tax as well. There are two basic ways that countries around the world deal with foreign

taxes in these circumstances. One way is to have the taxpayer claim a foreign tax credit, which reduces their home country tax by the foreign amount. The second way, as I am sure the hon. member knows, is simply to exempt the foreign source income from the home country tax.

Our Canadian tax system combines these two methods. A Canadian corporation's direct foreign source income and certain of the income of its foreign subsidiaries is eligible for foreign tax credits to reduce the Canadian tax on that income.

At the same time, Canada exempts certain kinds of foreign income of foreign subsidiaries from Canadian tax. The rules are complex, but essentially the exemption we are speaking of is given for the active business income of a foreign subsidiary that is resident in the country with which Canada has a tax treaty, provided the income is earned in such a country.

I believe the hon. member's question boils down to this. Why, when the government revised certain aspects of these rules several years ago, was the exemption left in place for a particular kind of subsidiary resident in Barbados that does not pay a substantial tax rate? The answer has several elements.

First, it is not clear that abruptly curtailing that exemption would have benefited Canada. In a world of tax planning opportunities, there is no assurance that corporate groups would not simply move the functions performed by, in this case, a Barbados subsidiary to another jurisdiction where similar results could be obtained. In fact, the corporations would not pay any more Canadian tax.

Indeed, forcing businesses out of Barbados could actually be counterproductive. As a tax treaty partner, Barbados gives Canada's tax authorities far more information and assistance than many other jurisdictions do.

Second, Canadian business is understandably interested in maintaining its international competitiveness. In this case, decisions that disrupt the operations of Canadian corporations abroad can have repercussions on their competitiveness. I am sure I will be able to expand a little more on that after the hon. member has a chance to comment.

Mr. Greg Thompson: Mr. Speaker, it is an insult to the House to suggest that my question is based on innuendo and not logic or fact. The fact is that every national newspaper in the country has reported on this, as well as the CBC program *Disclosure*.

There is no question that the finance minister at the time, the owner of Canada Steamship Lines, the member of Parliament for LaSalle—Émard, the next prime minister of Canada according to the Liberal Party, in fact used a tax loophole, one that he could have closed himself as finance minister. He kept that loophole open to suit his own needs, or in other words, to make his company more profitable. He exercised that loophole. It is a direct conflict of interest. He should not have been allowed to do that, nor should he be allowed to sail under what we call flags of convenience to avoid Canadian taxation and Canadian labour rules.

Adjournment Debate

• (1900)

Mr. Bryon Wilfert: Mr. Speaker, I think the simple solution is if the hon. member believes that what he has read in the newspapers is in fact the case he can say it outside, put it outside, and deal with the implications of that. I think it is unfair, it is unwarranted and it is unnecessary to besmirch the reputation of an honourable gentleman in this House without evidence. If the member does not have it, that is one thing. If he has it, he should say it outside where he is not immune.

I thought the issue here was taxes. It is not about a particular member. It is about an issue. Let us try to enlighten the House a little bit. Canadian businesses understandably want to be competitive. What is important here is that as a fellow Commonwealth state, with which we have deep ties, a tax treaty formed the basis, in this case, of giving an exemption to these Barbados corporations that have been in place since 1980. The choice to leave in place the long-standing exemption for income from these Barbados corporations was an entirely reasonable one.

I want to point out to the member that this does not mean we are standing still. For the benefit of the member, we are currently reviewing both our tax treaty with Barbados and the relevant income tax regulations to make sure they fit our tax policy goals.

Changes, the hon. member may like to know, may be considered, but let us be clear: Any changes will have to result in a careful and thorough analysis and we are going to look at that not by political motivation but by real facts.

FIREFIGHTERS

Mr. Svend Robinson (Burnaby—Douglas, NDP): Mr. Speaker, every day in communities across Canada, that we have the honour of representing, men and women in the Canadian fire service, Canadian firefighters, put their lives on the line. They do so for the citizens in my community of Burnaby, the citizens in Cornwall, Montreal, and in communities across this land.

Today I want to once again urge the Liberal government to listen to the strong appeal from Canada's firefighters to establish a national hazardous materials and weapons of mass destruction training program for Canada's first responders. As the parliamentary secretary, who will be responding on behalf of the government, well knows Canada's firefighters have been seeking funding in the amount of \$500,000 to establish this program in Canada for some time now.

It is a program which is already in place in the United States. In fact, because the program's curriculum and administration are already in place and well established in the United States, virtually all of the funding for this program in Canada would go toward actual instruction.

Most Canadian cities and towns do not have dedicated HAZMAT teams or specialized CBRN response training. That means the majority of Canadians are not adequately protected from the aftermath of a terrorist attack.

There was a situation near the University of Guelph where firefighters in that community were forced to consult their guide-books after a van carrying radioactive material overturned. They did

not have the kind of comprehensive training in that instance that they should have had and that all firefighters across this country should have.

I introduced a motion last year in the House calling on the Government of Canada to provide additional funding to Canadian firefighters which would enable them to participate in the International Association of Fire Fighters hazardous materials training for first responders program, thereby providing them with the skills necessary to respond effectively in the aftermath of chemical or biological attacks. This is one of the three key recommendations that Canadian firefighters have brought before the Parliament of Canada.

It is essential that as Canadians we recognize that we have a responsibility to listen to these concerns. Firefighters have talked about the importance of funding this program. They have called for changes to the Criminal Code of Canada that would increase the severity of punishment for criminal acts that kill or injure firefighters.

Recently, for example, a firefighter from my community of Burnaby, John McQuade, was in a grow-op situation in which his life was at risk. He said that we must come down much tougher in circumstances like that, and I agree. Firefighters have also called for a national public safety officer compensation fund in Canada.

It is long overdue for the government to recognize that out of the \$7.7 billion allocated for national security after September 11, surely it can come up with \$500,000 to fund this important program. It is not the military but firefighters who are the first on the scene in the event of a terrorist attack. I call upon the government to finally act on this. Let us not have any more excuses for delay. The time to act is now.

• (1905)

Mrs. Marlene Jennings (Parliamentary Secretary to the Solicitor General of Canada, Lib.): Mr. Speaker, I wish thank the member for Burnaby—Douglas for raising the issue of government funding to train Canadian firefighters to respond effectively to acts of terrorism on Canadian soil.

I am happy to inform him that the government does indeed recognize the critical role of firefighters in responding to terrorism, particularly acts of chemical, biological, radiological, and nuclear terrorism, otherwise known as CBRN terrorism.

In a terrorist incident firefighters, together with the police, emergency medical services and hospitals, are on the frontlines working to ensure public safety and security. Our government agrees with the member for Burnaby—Douglas that in order for these first responders, including firefighters, to do their job effectively they need adequate training.

[*Translation*]

Before the 2001 budget was brought down, the federal government held consultations with almost all the provinces to discuss how we could combine our efforts to strengthen the ability of our country to fight terrorism. Many people attended these meetings, including a large number of firefighters.

*Adjournment Debate**[English]*

The results of these consultations were fed directly into the preparatory work that went into the 2001 budget which, and I ask the member for Burnaby—Douglas to listen carefully, allocated \$513 million over five years to strengthen national response capability for CBRN terrorism, chemical, biological, radiological and nuclear terrorism. This included funding for equipment and training for first responders, including firefighters.

As well, the Office of Critical Infrastructure Protection and Emergency Preparedness, OCIPEP, has responsibility for overseeing the allocation of the funding and has in place a federal-provincial program to cost share the purchase of CBRN related equipment. To date firefighters have received \$5 million over the past two years to purchase CBRN related counterterrorism equipment.

[Translation]

OCIPEP was also given the responsibility for developing a national training strategy in collaboration with other departments. The training program, which is being developed in close consultation with experts from the participating federal departments as well as first responder subject matter experts, will include four levels: introductory, basic, intermediate and advanced.

[English]

Pilot presentations of both the introductory and basic courses have already been held, with the intermediate courses to follow. Feedback from first responders on the pilot courses has been extremely positive.

[Translation]

Training will be harmonized in order to ensure the effectiveness of the programs, including interoperability and avoiding overlaps.

When the training program was being developed, an in-depth review was done of the current chemical, biological, radiological and nuclear terrorism training programs in Canada and the United States. I can also assure the hon. member for Burnaby—Douglas that firefighter training needs were taken into consideration in the development of the course.

[English]

● (1910)

Mr. Svend Robinson: Mr. Speaker, the bottom line is that the Liberal government has completely ignored the request of Canada's

firefighters for half a million dollars in funding for this very important hazardous training program.

The parliamentary secretary said that there was \$500 million there and there is more money here, but why is it that the firefighters are still not being allocated the funding that was promised to them?

On March 27 of this year in the House, the Solicitor General said in answer to a specific request by this member that "the government, at an appropriate time, will respond to that question".

Then on May 15 at the justice committee when I asked the question again, the Solicitor General said that they were looking into it and would respond at an appropriate time.

On April 29, the Minister of National Defence, in response to a question from my colleague, the member for Palliser, the labour critic, said, "...the government certainly supports this initiative".

Why on earth, if the government supports this worthy initiative, will it not listen to firefighters, put the funding in place through the OCIPEP program and make sure that firefighters are in a position to respond effectively to these CBRN situations?

Mrs. Marlene Jennings: Mr. Speaker, I would like to inform the member that when I talked about the \$513 million which was allocated in the 2001 budget, the government in that amount committed \$59 million in chemical, biological, radiological and nuclear training for first responders over six years as well as \$12 million ongoing. In addition, the government committed \$10 million for the purchase of equipment that first responders need in order to deal with chemical, biological, radiological and nuclear emergencies. As I mentioned, over the past two years firefighters have received \$5 million to purchase that kind of counterterrorism related equipment.

As well, I mentioned that the government is working with the provinces to develop a long term chemical, biological, radiological and nuclear training program for first responders based on the training needs and priorities first responders themselves have identified at the local level, and the first pilot project of training has actually taken place.

[Translation]

The Deputy Speaker: The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 7:12 p.m.)

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