



CANADA

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OFFICIAL REPORT
(HANSARD)

Thursday, May 19, 2005

—
Speaker: The Honourable Peter Milliken

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HOUSE OF COMMONS

Thursday, May 19, 2005

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

•(1000)

[*Translation*]

ANTI-TERRORISM ACT

Hon. Roy Cullen (Parliamentary Secretary to the Minister of Public Safety and Emergency Preparedness, Lib.): Mr. Speaker, pursuant to Standing Order 32(2), I have the honour to table, in both official languages, the annual report on the use of arrests without warrant pursuant to the Anti-Terrorism Act.

* * *

[*English*]

JUSTICE AND ATTORNEY GENERAL OF CANADA

Hon. Paul Harold Macklin (Parliamentary Secretary to the Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, pursuant to Standing Order 32(2) it is my pleasure to table, in both official languages, the annual report concerning investigative hearings and recognisance with conditions December 24, 2003 to December 23, 2004.

* * *

[*Translation*]

COMMITTEES OF THE HOUSE

CANADIAN HERITAGE

Ms. Marlene Catterall (Ottawa West—Nepean, Lib.): Mr. Speaker, I have the honour to table, in both official languages, the ninth report of the Standing Committee on Canadian Heritage on its study of the Canadian Feature Film Industry.

[*English*]

TRANSPORT

Hon. Roger Gallaway (Sarnia—Lambton, Lib.): Mr. Speaker, I have the honour to table, in both official languages, the fourth report of the Standing Committee on Transport.

Your committee studied the subject of air liberalization in the Canadian airport system following a request by the Minister of

Transport on November 18 of last year. The committee travelled across Canada from Saint John, New Brunswick to Vancouver and heard from stakeholders, air carrier unions and provincial governments and has decided to table an interim report.

The committee is also requesting a government response pursuant to Standing Order 109.

At this time I would like to take the opportunity to thank all members of the committee from both sides of the House for their input and diligence and also the committee staff.

* * *

•(1005)

CONSCIENTIOUS OBJECTION ACT

Mr. Bill Siksay (Burnaby—Douglas, NDP) moved for leave to introduce Bill C-397, an act respecting conscientious objection to the use of taxes for military purposes.

He said: Mr. Speaker, I am pleased to introduce a private member's bill that would allow people who object on conscientious grounds to paying taxes for military purposes to have a prescribed percentage of their income tax diverted into a special account.

The bill would recognize the deeply held views, often related to deeply held religious convictions, of some Canadians that participating in any way in the activities of war and the accumulation of weapons sanctions and perpetuates killing and violence.

The bill would provide an important option for conscientious objection and would ensure that the tax dollars of those Canadians who hold these beliefs are spent for peaceful purposes.

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

* * *

EDUCATION BENEFITS ACT

Mr. Borys Wrzesnewskij (Etobicoke Centre, Lib.) moved for leave to introduce Bill C-398, an act respecting education benefits for spouses and children of certain deceased federal enforcement officers.

He said: Mr. Speaker, I am pleased to rise today to introduce a private member's bill entitled an act respecting education benefits for spouses and children of certain deceased federal enforcement officers.

This initiative was originally the vision of a former member of the House, Janko Peric of Cambridge, Ontario. Mr. Peric introduced this bill during the last Parliament and I hope we will see him back in the House to continue his fight for public safety initiatives.

Routine Proceedings

The bill would provide for educational benefits of a financial nature to the surviving spouse and children of federal enforcement officers who die from injuries received or illnesses contracted in the discharge of their duties.

The bill mirrors legislation that currently exists in the province of Ontario. In light of the tragic deaths of four RCMP officers in Mayerthorpe, Alberta earlier this year, I would hope that colleagues from all sides of the House will lend their support to this worthy initiative. We owe the families of those who risk their lives for the safety of all Canadians.

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

* * *

PETITIONS

KIDNEY DISEASE

Hon. Peter Adams (Peterborough, Lib.): Mr. Speaker, I am proud to present two petitions from citizens of the Peterborough area who are concerned about kidney disease.

Over the years I have received tens of thousands of signatures of people who are concerned for those on dialysis and for those who have other kidney problems. They greatly appreciate the work being done by the Canadian Institutes of Health Research and the fine work being done by the Ottawa institute.

However they point out that kidney disease is a huge and growing problem in Canada and that real progress is being made in various ways of presenting and coping with kidney disease, in particular the development of the bio-artificial kidney.

The petitioners call upon Parliament to make research funding available to the Canadian Institutes of Health Research for the explicit purpose of conducting bio-artificial kidney research as an extension of the research being successfully conducted at several centres in the United States.

I have two more petitions. I want to thank, in particular, Ken Sharp of Peterborough who has spearheaded this movement to increase the emphasis on kidney research in Canada.

Ken has been on kidney dialysis all his adult life. For him, the bio-artificial kidney offers an opportunity for mobility and full living which is not possible on dialysis.

The petitioners call upon Parliament to support the Canadian Institutes of Health Research and have an institute for the explicit purpose of conducting bio-artificial kidney research as an extension of the research being successfully conducted at several centres in the United States.

Mr. Yvon Godin: Mr. Speaker, I rise on a point of order. I was to introduce Motion No. 52 in the House, which is on the order paper, but it went very fast from private members' bills to petitions. I would ask for unanimous consent to go back to motions.

• (1010)

Hon. Peter Adams: Mr. Speaker, I must say, as a member of the House sitting here at the moment, I have not memorized the Standing Orders and I think it is important we know what Motion No. 52 is.

The Speaker: Motion No. 52 is a motion that the third report of the Standing Committee on Human Resources, Skills Development, Social Development and the Status of Persons with Disabilities presented on Tuesday, February 15, be concurred in.

Is there unanimous consent to revert to motions so the member can put this motion to the House?

Some hon. members: Agreed.

Some hon. members: No.

The Speaker: It appears there is no consent. I think we will go ahead with petitions for the time being.

AUTISM

Mr. Werner Schmidt (Kelowna—Lake Country, CPC): Mr. Speaker, I would like to present a petition according to Standing Order 36 on behalf of constituents in Kelowna—Lake Country.

The petitioners request that two things be done in Parliament: First, that the Canada Health Act and the corresponding regulations be amended to include the IBI/ABA therapy for children with autism; and second, that there be the creation of academic schools at the doctoral level and at the undergraduate level so that the treatment and the therapy for autism be taught at the universities.

On behalf of these constituents and petitioners, I present this to the House.

Mr. Gurmant Grewal (Newton—North Delta, CPC): Mr. Speaker, I am also very pleased to rise today on behalf of the constituents of Newton—North Delta to present a petition signed by a large number of petitioners calling upon Parliament to amend the Canada Health Act and regulations to include intensive behavioural intervention therapy for children with autism as a medically necessary treatment and require all provinces to fund this treatment.

The petitioners call upon Parliament to contribute to the creation of academic chairs at a university in each province to teach this particular treatment.

HUMAN RIGHTS

Mr. Navdeep Bains (Mississauga—Brampton South, Lib.): Mr. Speaker, I am presenting a petition to the House of Commons with respect to Jaswant Singh Khalra, an internationally respected human rights defender. It was alleged that he was brutally murdered by the police in the Punjab state of India.

On March 25, 2005, a leading Indian newspaper, *The Tribune*, reported that one of the accused police officers of the Jaswant Singh Khalra murder said he tried to kill a prosecution lawyer, Mr. Brijinder Singh Sodhi, in front of the court.

Many Canadians have signed this petition with respect to assistance for the human rights action committee. They want Parliament to intervene to protect the life of Mr. Brijinder Singh Sodhi, so justice can prevail. There are many petitions. I hope Parliament can intervene on behalf of these individuals as per their request.

Government Orders

[Translation]

CANADA POST

Mr. Marc Boulianne (Mégantic—L'Érable, BQ): Mr. Speaker, it is my pleasure to present a petition in accordance with the Standing Orders on behalf of people from Saint-Julien, in the vast riding of Mégantic—L'Érable. This is a unique, self-governed municipality. With the support of the residents, the petitioners call on Parliament to ensure that a request is made to Canada Post to give Saint-Julien its own unique postal code.

[English]

AIRPORTS

Mr. Mark Holland (Ajax—Pickering, Lib.): Mr. Speaker, I rise to present a petition on behalf of constituents in Ajax—Pickering and the surrounding area with respect to a proposed airport in Pickering. The constituents are opposed to an airport in Pickering now or at any point in the future and feel those lands would be best left in their natural state. These lands immediately abut the Oak Ridges Moraine and could form the largest urban park in North America.

The constituents also feel that it would be best to either expand facilities at Pearson or, if there is an overflow at Pearson and a need to expand, Hamilton is a better location. Some hon. members are suggesting Moncton as a possible location, although I might suggest that Hamilton is somewhat closer.

On behalf of those constituents I present this petition.

MARRIAGE

Mr. Dean Allison (Niagara West—Glanbrook, CPC): Mr. Speaker, I have addressed the House on numerous occasions defending the traditional definition of marriage. Today I rise again in the House to present more petitions on behalf of the constituents of my riding of Niagara West—Glanbrook pursuant to Standing Order 36(1).

I feel the need to continue to rise in the House because of the overwhelming correspondence I have continued to receive defending the traditional definition of marriage.

These petitioners urge the Parliament of Canada to maintain the traditional definition of marriage as the union of one man and one woman to the exclusion of all others. These petitions only represent a fraction of the thousands of pieces of correspondence I have received and continue to receive from my constituents and Canadians from coast to coast to coast.

I urge my fellow hon. members from all parties to respect the voices of their constituents when they vote on this matter as they are the voices of Canadian democracy.

•(1015)

Hon. Gurbax Malhi (Bramalea—Gore—Malton, Lib.): Mr. Speaker, I have the honour to present the following petition concerning the definition of marriage. The petitioners express the view that marriage is the union of one man and one woman to the exclusion of all others.

[Translation]

QUESTIONS ON THE ORDER PAPER

Hon. Dominic LeBlanc (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.

GOVERNMENT ORDERS

[Translation]

BUDGET IMPLEMENTATION ACT, 2005

The House resumed from May 18 consideration of the motion that Bill C-43, an act to implement certain provisions of the budget tabled in Parliament on February 23, 2005, be now read the second time and referred to a committee, and of the motion that this question be now put.

The Speaker: The last time this bill was before the House, the hon. member for Abitibi—Témiscamingue had the floor. He has four minutes remaining to finish his remarks.

Mr. Marc Lemay (Abitibi—Témiscamingue, BQ): Mr. Speaker, in only four minutes I will try to paint the picture.

I am pleased that the end of my speech comes today because in the meantime I had a chance to read in this morning's papers—these are not our words—a good article in *Le Droit* by a journalist reporting on cattle farmers begging for help two years after the mad cow crisis. In Quebec, in addition to the anniversary of the 1980 referendum, tomorrow marks the two-year anniversary of the beginning of the mad cow crisis. We had expected to find help for farmers in this budget. Allow me to quote the president of the Union des producteurs agricoles:

Federal programs are geared more toward western farmers and still do not meet the needs of Quebec cull and dairy farmers.

It is absolutely clear, in our opinion, that this budget provides nothing to help farmers in Quebec, beef, cull and dairy farmers in particular. These three sectors are in crisis.

Now I want to talk about the famous foundations. Amendments are proposed in the budget, and the Auditor General's mandate is to be extended to agencies that received at least \$100 million in funding within the last five consecutive fiscal years. Each word is significant. If money was received one year and not the next, then more money was received in the third year, this amendment is not applicable.

Government Orders

The Bloc Québécois has been calling for changes to foundations for many years. I was not in the House two years ago when I heard my colleagues repeatedly call for the elimination of these foundations for which the government and the members do not have oversight. As a result, we are asking the House not to vote in favour of this budget, which would see funding continue to go to these foundations. Between March 1 and 31, the government allocated over \$3 billion to these foundations. This is unacceptable. As elected representatives, we have no oversight or control over these foundations. I repeat, this is unacceptable.

I want to conclude with a final word about seniors. The amazing thing is that this budget will amend the Old Age Security Act so that our seniors receive an additional \$18 per month. This is huge. This is staggering. This is a disgrace. We should vote against this budget just for that. Obviously, we are in favour of giving seniors a bit more money, but we have been asking for ages for this bill to be made retroactive and for our seniors to receive, retroactively, the guaranteed income supplement payments that were stolen from them. This is the only word we have to describe this situation. They were not told, and they are entitled to that money.

There will be 54 of us voting against this budget this evening. I will not be the only one saying this: I am asking the House not to vote in favour of this budget and to ensure that this government is defeated on this confidence vote. If so, this evening would mark the start of an election.

• (1020)

Mr. Marcel Gagnon (Saint-Maurice—Champlain, BQ): Madam Speaker, I appreciated the end of my colleague's speech, as well as the beginning, which I was here yesterday to hear. He tried to summarize in 10 minutes all the mistakes in this budget, as well as its shortcomings as far as Quebec is concerned. He ended by touching on the seniors issue.

Given his announcement of a planned increase in old age pensions, I would like to hear his opinion on the fact that seniors have been robbed for the past 10 years. The increase announced in the budget will start in 2006, if the promises in the budget are kept. This means that those who have been fleeced will continue to be fleeced. They are making out that they have already paid out money but the seniors will get it only over the next four years. I would like to hear my colleague's reaction on that.

Mr. Marc Lemay: Mr. Speaker, I thank my hon. colleague. I hope this will not be the last question he asks in this House because he is a great help to us. We hope he will reconsider his decision. In the event he does not, I would like to thank him very much for the work he has done on behalf of seniors. It is thanks to him that we on this side have alerted the government about the situation of our seniors, as we will continue to do.

The bill states as follows:

—increase the guaranteed income supplement by \$18 a month for single pensioners and by \$14.50 a month for each pensioner in a couple, effective January 2006.

Not next week, but January 2006.

Also, the amendments increase the allowance by \$14.50 a month and the allowance for the survivor by \$18 a month, effective January 2006. In addition, the amendments provide for identical increases to the guaranteed income supplement, the allowance and the allowance for the survivor in January 2007.

Not only is there no effort made toward retroactivity, to giving back the money taken, the money of which seniors were deprived, but as well the increases start only in January 2006. This is totally ridiculous. The budget should be voted down on that alone.

Mr. Sébastien Gagnon (Jonquière—Alma, BQ): Madam Speaker, our region of Saguenay—Lac-Saint-Jean was hard hit in recent years by major crises such as the softwood lumber dispute and the mad cow crisis. Now, we have to set about reorganizing the economic structure of the large and major businesses in the area, which are producing twice as much but creating half as many jobs. I cannot see the people of my region supporting this budget, in light of these harsh realities and this government's insensitivity.

I would like to know what my hon. colleague's perception of these realities is. He too is from a major resource area, namely Abitibi-Témiscamingue. I would like him to share his thoughts about this insensitivity of the federal government to resource areas like ours.

• (1025)

Mr. Marc Lemay: Madam Speaker, I thank my hon. colleague from Jonquière—Alma for his excellent question. It gives me an opportunity to mention that, in my riding of Abitibi—Témiscamingue, our livelihood depends on four main resources: agriculture, forestry, mines and, more recently, tourism. Three out of these four industries are ailing. We are starting to see some mining exploration, in response to a huge demand. Agriculture, I already commented on. As for forestry, it is currently facing a serious crisis.

What we have asked for and will ask for again is that the Program for Older Worker Adjustment be implemented. The POWA would have helped with the rationalization and it would have made the current crisis more bearable. It would have allowed older people to enjoy the retirement they deserve.

[English]

Mr. Mark Holland (Ajax—Pickering, Lib.): Madam Speaker, it is extremely important that I speak to this today on behalf of my constituents.

Obviously there is going to be a very important vote tonight. I have spent a lot of time over the last couple of weeks talking to constituents and knocking on doors and it is overwhelmingly clear that those constituents do not want an election. It is also overwhelmingly clear that they want the budget passed. This is a document that represents many of their important priorities. I will talk about those in a moment.

After a week of obstructing Parliament, the Leader of the Opposition said that he would allow it to continue, that he would allow it to make it to this point in debate. I think Canadians want that to occur. They want Parliament to work.

Government Orders

As vice-chair of Canada's public accounts committee, I was deeply disappointed that four meetings in a row, including meetings into this week on national security, on a passport action plan and on setting the priorities for the Auditor General for the coming year, were totally ignored. They were missed by members of both the Conservative and the separatist parties, who decided they did not feel like showing up at the committee. We had witnesses from across the country at the committee, which is supposed to be an example of non-partisan cooperation between parties. We could not even conduct business. I think that is truly wrong.

This budget shows that we as the Liberal Party in a minority government position are prepared to work with other parties in Parliament. We looked at what our priorities are as a governing party and asked how we could build upon them and work with some of the other parties. We found in the New Democratic Party a party that was willing to compromise and work with us in the spirit of what this minority government is supposed to be all about.

I will talk a little bit about what the budget means, particularly for my riding of Ajax—Pickering and Durham region, but also in a broader context for Canada.

Having been a municipal councillor, I will start with the cities and communities agenda and the new deal. I was a city councillor for seven years with both the region of Durham and the city of Pickering. The needs the municipalities face are huge in terms of infrastructure and helping to support a sustainable environment in transit and mobility. We have a Prime Minister and a party that recognize this and want to take action.

In regard to the new deal we have for cities and communities, I have already had an opportunity to talk with the town of Ajax and the city of Pickering about what specific projects we could implement, should this budget pass, to better integrate transit with the greater Toronto area, for example, how we could create a pedestrian bridge that would connect right from the GO train to downtown Pickering into a new corporate centre that people are willing to build if this piece of infrastructure is there.

We can see just on a micro level that this has real meaning and impact for municipalities and allows them to do projects they could not otherwise contemplate. When we roll that out across the country, we should consider that cities are the economic engines of this nation. Not only will this make a difference in terms of reducing gridlock, improving transportation and thus improving our environment, but it is also going to greatly improve our economy and make sure we have a sustainable economy into the future.

I can also say that in my riding of Ajax—Pickering we have one of the highest percentages of families. We have a huge number of people who, like me, have children. I have three children. My wife did make a choice to stay home with the children, but the reality is that there is a great number of people who do not, who work and who need to ensure that those children they have and are nurturing have an environment that does not just take care of them but in fact prepares them for the rest of their lives.

One thing we have seen is that if we can make sure that children get all the enrichment they need and are given the tools they need in those formative years, they will be successful in the rest of their

lives. Our plan is not a day care plan. This is a national early learning strategy that really focuses in on those early years. It makes sure that we give them priority so that we give children the base they need to be successful in the future. Again, that is the best thing for the future of our nation.

• (1030)

This is also probably the greenest budget this nation has ever seen. I was extremely pleased to see the measures to support Kyoto. It builds upon the commitment that has been made.

We should also take a look at what we did in the automotive sector. I am very proud of that, coming from a region where we work very closely with the automotive sector. We found a voluntary agreement. We sat down with the manufacturers of automobiles and asked how we could work together to collaboratively reduce emissions. We came up with a deal that would see a reduction of roughly 25% in vehicle emissions in the next number of years. That is going to make a huge difference.

This budget builds upon that and makes sure that we are going to achieve those Kyoto goals. When we see what is happening in our north, when we see what is happening to the climate, when we see mountains that for thousands of years were snow-capped and we now see that snow evaporating, and when we see the ice shield receding, we know we have to take action. I am very proud that this is a government that is leading the way and is going to help lead the next round of negotiations and what comes after Kyoto.

For constituents in my riding and for Canadians in general, what we are doing with the military is extremely important as well. We are increasing our military not just for the sake of having a larger military and not so we can enter into engagements like what has happened in Iraq, but quite the opposite. It is so we can play a role in the world in developing peace, so that we can be a force for peace in the world. I think the Prime Minister has to be commended for the actions he has taken in so many different parts of the world, in Darfur and Afghanistan, and there is also the role that Canada played in Haiti. We can continue to play those kinds of roles and be a stabilizing force for peace in the world.

Of course this budget also builds upon our priorities as they pertain to homelessness and housing and it is acting upon the needs of seniors. In my community we have a vibrant seniors community. I am deeply proud that we are going to be putting \$2.7 billion toward a guaranteed income supplement to increase their benefits. That is going to be a real benefit. We know we have to do more, but it is a great starting place. With programs like new horizons and others, this budget really does put seniors at the forefront in recognizing them as a priority.

Government Orders

I do want to speak for a second about the priorities that we built upon with our colleagues from the New Democratic Party, because I am particularly proud of this. Canadians asked this minority government to work, this government came here for it to work and we took priorities that we had and found ways to enhance and build upon them. We put \$1.6 billion toward affordable housing, \$1.5 billion toward education, another \$1 billion in environmental measures and half a billion for foreign aid. I would suggest that these are all priorities for the Liberal Party, very much so, so it was indeed a pleasure to see our budget enhanced and built upon by finding these areas of commonality.

However, the key in this budget, with all of the wonderful things I have just outlined, is that we keep a balanced book. The reality is that Canada is the only nation right now that is in the black, not the red. When we take a look at the fact that we have done this for eight years in a row, we see that it is a first in Canada's history. I think that is a remarkable accomplishment. Let us look at the government that preceded us. It had eight consecutive years of massive deficits, ending in its last year with a \$42 billion deficit. Members can imagine the impact of that.

Because of these surpluses we have been generating each and every year, we have begun to be able to pay down the debt to the tune of \$50 billion. That means roughly \$3 billion each and every year that we have as a result of reduced interest payments.

As well, when we look at the facts that our unemployment rate is 6.8%, our employment rate now exceeds that of U.S. and we have the fastest growth in the average standard of living of all G-8 nations, we see how far we have come. Imagine being here in 1993, at a time when the *Wall Street Journal* was saying that we were an honorary member of the third world, at a time when our unemployment rate was 14% and interest rates were at 12%.

At that time, I and others in my generation were told to forget about CPP, that it was done, it was over. Let me point out that because of the actions of this government it is now guaranteed for the next 75 years. That is a remarkable achievement. Let us take a look at what is happening in the United States and the uncertainty of its social security system. People in Canada know that they can count on CPP. That is a very important achievement for this government.

As we go forward, I think we need to balance these priorities. We need to make sure we keep our commitments but do not promise the world. One of the things that concerns me greatly as I listen to members of the Conservative Party is how quickly they are running around and saying, "Do not worry. We are going to defeat the budget, but essentially we agree with everything in it. We are going to keep those commitments, plus we are going to give massive tax cuts". That is a recipe for disaster.

• (1035)

I do not think Canadians will buy the fact that we are going to have an election simply because the Conservatives want to do the same things, because they want to keep the same commitments we have made only they want to give more tax breaks.

The reality is that we are still going to have a minority government in all likelihood. We need to make it work and we are here to work.

We are here to govern. We are here to work with the other parties. I hope they are all willing to do the same.

Mr. Merv Tweed (Brandon—Souris, CPC): Madam Speaker, I listened intently to the member's comments. I asked a question of one of his colleagues the other day. He spoke of two things and I wonder if he might elaborate a little. He talked about infrastructure funding and also about the day care and child care program that the Liberals are presenting as a national package.

We have heard the talk in cities across Canada about the need for infrastructure. The roads are crumbling in many cities. They are in dire need of some sort of assistance and see this as a way to it. I wonder if the member knows if there is a factor or a process in which amounts of dollars may be applied to different projects.

Also, in regard to the announced child care program, can the member tell us and tell Canadians how many new child care vacancies or spaces as far as accepting children into the program is concerned would be available in his constituency?

Mr. Mark Holland: Madam Speaker, the truth is of course that all of these matters are currently being negotiated. Let us take a look at infrastructure in particular. We have dedicated 5¢ a litre of existing gas tax revenues toward municipalities. We have been working very hard with all of the municipal associations. In fact, in Ontario we now have an agreement with AMO in terms of how the money will be split up.

Obviously one of the questions was about where we have upper and lower tier municipalities and how we divide this. For example, in Ajax—Pickering, we have the town of Ajax and the city of Pickering, but we also have the region of Durham. Both of them provide important services. There are important questions about how we divide it up, but the reality is that we are extremely close. In fact, next week, I understand, there is going to be a deal struck so that we can see exactly how those dollars can flow.

Therefore, we know in rough terms what those funds are going to mean for each municipality. As I said, as a member of Parliament I can already sit down with those councils and talk in a very real and meaningful way about the types of things that will happen specifically for our community.

I referenced one of those projects, an important pedestrian link that is going to connect our GO transit system with Pickering's downtown. That is a huge project and it is one that people in the western end of Durham are very excited about. There similar projects in Ajax that we are in discussions about.

In terms of a national child care strategy, it is much the same answer. We know what the objective is. The money has been very clearly set out. We are currently in closing negotiations with the province of Ontario. When those negotiations are concluded, we will be able to give firm numbers in terms of exactly how many spots we are going to be able to open.

What we do know is that the moneys we have set aside and the willingness of the provinces, as we have discussed, is going to lead to great improvements in early learning. For families with young children it will mean a great opportunity and the assurance that their children will go into an environment where they are nurtured and enriched and where they are prepared for the rest of their lives.

Government Orders

I would urge the hon. member to support this budget so these important measures can move forward.

● (1040)

Mr. Werner Schmidt (Kelowna—Lake Country, CPC): Madam Speaker, I have a question for the hon. member who just spoke and waxed rather eloquent about the contribution of the money to the cities. I think that is a very interesting comment. I want to assure him that if the Conservatives become the new Government of Canada, the commitments that have been made, for example in Vancouver, British Columbia, will indeed be honoured.

I want to address a more specific question. It has to do with the \$300 million municipal green fund. In the budget itself, the indication is that there will be about \$150 million or thereabouts to clean up the brownfield sites. Yet when I look at the implementation bill, which is what we are dealing with right now, I see that part 8 of that particular bill does not refer at all to the cleaning up of the brownfield sites.

Can the hon. member assure us that the money allocated, actually stated in the budget itself, will indeed come into play and into existence in the administration of the municipal green fund?

Mr. Mark Holland: Madam Speaker, I am glad the hon. member brought to the attention of the House the green enabling funds. Before I answer the question, I was very pleased to attend last's week first announcement, which happened to be in my riding, of dollars flowing directly to municipalities, in this case to the city of Pickering. It is an excellent example of how these dollars will work.

The funds will enable the municipality to move forward with a plan to build a sustainable community. For people who know the Ajax Pickering area, it is one of the fastest growing areas in the nation. These funds will enable us to build a sustainable model of how this development can continue and to ensure that we have a balance between the economic interests of our area and, more particularly, the environment as well, as we move forward.

In terms of brownfield sites, I have had an opportunity to talk to the minister about this issue. He has given me his commitment. This also will play an important role to help clean up brownfield sites. I hope, with some of the money given to the city of Pickering, that it will plan to also deal with some of the brownfield sites.

Before I close on this point, although I appreciate the assurance of the hon. member that the Conservative Party would do the same thing, I do not share that same level of security. The Conservative Party platform last time was to kill three of the four existing infrastructure programs. At its past policy convention, it also passed a resolution that said it did not believe giving the money municipalities was the right way to go. The party did not believe in the new deal. Its sudden enlightenment on this issue does not give me a great deal of confidence. I would suggest that if the hon. member supports these measures, he should support the budget.

Mr. Werner Schmidt: Madam Speaker, I cannot help but comment on that last point because the hon. member referred to our convention. The important thing is to recognize exactly what the resolution was that we passed at the convention. It states:

A Conservative government will reduce federal gasoline taxes conditional on an agreement with the provinces that they will use this tax room to fund infrastructure in provincial and municipal jurisdictions.

What could be clearer than that kind of a commitment which is that we will do this? This was our convention, our membership and the Conservative Party position. I would like to encourage the hon. member to take things as they are and not put all kinds of interpretations on them.

● (1045)

Mr. Mark Holland: Madam Speaker, if we listen specifically to what the hon. member said, therein lies the problem. The Conservative Party would give the money to the provinces. It will not give it to the municipalities and we feel that we need to give the money directly to municipalities to let them be the ones to decide what they want to do.

I do not feel comfortable handing money over to Ralph Klein hoping that it makes its way into the hands of the municipalities. That is the wrong way to go and municipalities across the country have said that. Just as important, one thing we have to recognize about the announcement on the gas tax is that we keep the infrastructure programs.

What the Conservative Party is suggesting would take us back even worse than we were before the new deal. It would scrap three out of four of the infrastructure programs and then it would do a shell game where it would give the money to the provinces. The net amount to municipalities is the same before we even begin the new deal. It would just do it in a shell game. Instead of giving it to municipalities and empowering them, it would give it directly to people like Mr. Klein, who frankly I do not believe has the knowledge on a local basis of those individual projects that one has in municipalities.

Mr. Ken Epp (Edmonton—Sherwood Park, CPC): Madam Speaker, I am very honoured to stand in defence of Canadian taxpayers when we talk about the implementation of a Liberal budget bill. I would like to begin my intervention by responding somewhat to what the hon. member for Ajax—Pickering said.

He said that he did not want to trust the democratically elected provincial governments. Canadian taxpayers have had it, first, with their money going to ad scam agencies and then seeing whether they are getting value for their dollar. There is a considerable difference. I am proud to be in a party that will respect the Constitution of Canada. We will not override the constitutional rights and responsibilities of the provinces in order to funnel money directly to people to buy their votes. That is wrong.

Our plan is very reasonable. When we form the government, we will make a deal with the provinces and that deal will include ironclad guarantees that money will go to municipalities for the programs they need, and it is very evident that they need it. That is very evident.

If that member does not trust elected provincial governments, then I do not know what we will do in the country.

We have another problem with the government. Under its watch, we have had the greatest increase ever in Quebec's mood to secede from Canada. That is despicable. Canada is a wonderful country. We all need each other. Quebec needs to be a viable part of our country.

Government Orders

In the next election the separatist members in this place will probably increase their membership because of the fact that the federal government does not respect the constitutional rights and responsibilities of the provinces. Quebec's gripe is the same gripe that western Canada and the Atlantic provinces have. The Liberals insist on, and I will use a seriously bad word, raping the financial abilities of the provinces, the workers and businesses in those provinces and then gingerly giving back money the way it wants to whomever it wants as long as it helps them get another electoral success. That will not happen. I can hardly wait until Canadians give their judgment on that corrupt government.

Bill C-43 is an enigma to me. There are all kinds of promises in it. There are many parts in Bill C-43 to implement different parts of the budget. The Liberals thrive on announcements. They love announcing stuff. They announce the same money over and over again. The Prime Minister and government ministers fly all over the country on the Challenger jet to announce money that has been announced before. There is never any new money. Meanwhile, some farmers on the prairies are literally going broke. This is sad. They are in total despair. Some of them are even taking their own lives because they cannot cope. Meanwhile the government continues to announce money but never pays up.

This legislation announces promised tax reductions. The way those people spin it is in itself a tremendous dishonesty to Canadian taxpayers. The much touted \$100 billion tax reduction is over 10 years. Why did the government not say that it was \$20 billion and then in little letters say that it would be over 20 years? It is not nearly as much as those members are claiming. As far as an annual budget is concerned, it is \$10 billion a year, but most of that money is not effective until five, six or eight years down the road when the Liberals hope to still be in power. We trust they will not be.

• (1050)

The same is true with the tax cuts. Bill C-43 speaks to a reduction of \$16 a year or 30¢ a week. I do know what Canadian taxpayers will do with all that money. It goes up a bit to \$192 a year, by the year 2009. Why are we talking with such urgency about promoting and passing a budget bill that will not come into effect for another four years in its full impact? By then I hope we have a government that will address the real needs of Canadian taxpayers.

Later today I will be voting in favour of the bill. Some will say that after all the negative things I have said, how can I bring myself to do that? Let me tell a little story.

I was in a restaurant not very long ago and somebody in an adjacent table was quite upset, called the waiter over and asked for a new bowl of soup because there was something in it. I do know what was in it, but it was replaced. I remember when I was a youngster growing up in what at that time was a poor family. We had trouble making ends meet. I remember on more than one occasion there would one of those little black houseflies in our soup. Did we throw out the soup and demand a new one? I hate to admit it, and some members will be grossed out by this, but we took that little old fly very carefully out of the soup. We stirred the soup and we ate it because it was that or nothing.

I will vote for the budget bill today, notwithstanding that there are some flies in it. I will take it because of the good things in it.

The Liberals are such charlatans. They give us a bunch of stuff that we should have, but then they throw in stuff that is totally rejected by Canadian taxpayers and by our party. Instead of using their heads and compromising with us, who have the numbers to sustain them so we could have this Parliament work, they make a deal with the NDP. That is the other bill we will vote on tonight, a bill that we cannot support. Basically they are saying to the Canadian people that they do not want Parliament to work. Instead they make a deal with somebody who does not have enough numbers so they can pass the bill. It will be defeated tonight, I sincerely trust.

However, we will support this bill because of the good things in it. I must pay particular attention to the Atlantic accord. I want to ensure that people understand this deal. The Atlantic accord actually began during the last election campaign. Recognizing the needs of the Atlantic people, our leader said that we would have to ensure that they would become financially self-sufficient. They are proud and hard-working people. They should be allowed to keep the money they earn so they can become self-sufficient. He is the one who started this. Then the Prime Minister chimed in and said that the Liberals would do the same because he wanted to win the election, but he lost a number of seats despite that effort.

Finally, we are getting the government, dragged, kicking and screaming, to agree to the Atlantic accord. If the Liberals would have simply brought that in stand alone legislation, as we have requested over and over again, it could have been passed a couple of months ago. Did they do this? No, they sat on their butts and delayed it. Now they have put it in with a bunch of flies in the soup in order to see whether they could persuade us to vote against it. We will not fall for that trick. We will vote for it because of the Atlantic accord and the fact that Canadian people need that part.

At the same time, we are outright rejecting some of the other parts. They are the flies. When we form the government, we will bring in all the good parts of these budgetary measures, except that we will accelerate the tax cuts and show some assistance to Canadians in a real and tangible way, something that makes a bigger difference to them than 16 lousy dollars a year.

• (1055)

Mr. Rick Casson (Lethbridge, CPC): Madam Speaker, I was listening to my colleague speak and I agree with what he was saying, of course. One of the issues I would like him to expand on, when he talks about tax relief and leaving more money in the pockets of families, is the government's promise of money for child care. What would he do or what would he prefer to see in the budget instead of the plan that is in place now to create this huge bureaucracy?

Government Orders

Mr. Ken Epp: Mr. Speaker, I am delighted to talk about this. If there is anything that I value, it is my family, my wife and my children, and of course, I value very highly the solid family that I grew up in.

I grew up in days when there were very few child care spaces. It was just a fact of our generation. In those days, mostly the men, but sometimes the women, would go out and earn the living while the other one stayed home to look after the children. I am happy to tell members that all of our children so far, who have given us grandchildren, have chosen that same route, where there will be, for the sake of the children, a full time parent at home. I think this is wonderful.

I think that Canadians across this country, if they stopped to think about it, would say that we should provide help for people who need help looking after their children, but that we should give them a choice in what kind of help they need. In many cases, they would forgo a second salary in order to give the very best assistance and best training, and best care for their children by having one of the parents at home. I think that Canadians should have a choice and that is what our party would support.

There are many people across this country who live far away from these so-called institutionalized day care centres. They would not have access to them, but they would still have to pay the taxes to fund them. There are many people who choose not to.

If I may, I would like to give a personal example. It just so happens that my wife and I sort of adopted a family that lives just a couple of miles from our house. My wife, by the time our kids were gone from home, was well trained in child rearing. We raised three perfect kids, so she had the credentials. She had no degree, but there they were, three perfect children. She got a job with this family we adopted and she became their live-in day care helper and basically helped that mother raise her three children. There was no institutional day care. My wife did not have a degree. She did not have any formal credentials. However, I will tell members that she was the most qualified person in the world to give good, loving care to those children.

I do not see any reason in the world why we should force more families to leave their children at home, for both spouses to go out and work to earn money to pay an ever increasing tax bill, and not give them the choice on what kind of care they could have for their children if that is a necessity.

Even beyond that, I think it is atrocious that nowadays almost all families have a requirement for both spouses to work because of the fact, as all studies show, that half of every family's income goes to taxes at all the different levels anyway. In other words, when the second parent goes out to work, usually it is simply to help pay all the taxes that are there. If we could have some meaningful tax reductions for families, then of course that would open up a whole new level of choices.

The Liberal government is so wrong in the approach that it is using here. It is unfortunate that it is taking away from parents their right to make choices on the most valuable thing that they have, and that is their children.

I have often said that I can choose which place I go to get my car repaired. Why can I not choose who is going to look after my children and why can I not have that choice made by me, in a country as rich as ours?

• (1100)

[*Translation*]

Mr. Réal Lapierre (Lévis—Bellechasse, BQ): Mr. Speaker, my saying that the Bloc Québécois was chosen by the Quebec public to represent it at this level of government will come as no surprise. We have proposed to Quebeckers that we become the defenders of two essentials. The first is to promote balanced federal-provincial policy based on Canada's Constitution, that is, respecting the areas of jurisdiction of the provinces and Quebec. The second is to promote good management of public funds according to the needs of all parties concerned, that is, management taking Canada's real revenues into account.

We were elected with a majority. The people of Quebec put their trust in us. They put their trust in our vision, our calculations and our judgment.

We have made the expectations of Quebeckers known to this government. Have we asked for anything so wrong, so impossible, that no favourable response, no positive measure, is forthcoming in support of the needs of people in Quebec?

We asked to have the fiscal imbalance recognized in figures and not just in theory. Private negotiations on many occasions with a number of provinces have confirmed the merits of that request. In fact, Nova Scotia and Newfoundland and Labrador will be receiving equalization offset payments until 2020 and initial payments of \$800 million and \$2 billion, respectively. To that we add the recent agreement with the Ontario premier, and we have proof that it is high time for an updated method of allocating federal funds.

As we have been saying loud and clear for a long time, the equalization system is totally outdated. Its founding principle, financial equality among the provinces, no longer meets the requirements of the situation.

These piecemeal agreements can only undermine the credibility of the principle of equalization, hence the urgency of settling the shameful differences between the provincial budgets and the federal budget, now known as the fiscal imbalance.

The money needed to maintain and improve education must be transferred quickly to the provinces and Quebec. The tax field of the goods and services tax must be transferred, unless personal income points are redistributed, and the CHT and the CST eliminated once and for all. This is no whim, but a matter of justice and fairness. It is no luxury, but a necessity.

We are calling for an independent EI fund that is not managed by political decision-makers, with eligibility criteria that are acceptable to all workers and a realistic benefit period. There is nothing in the budget for this, despite the numerous studies and analyses proving its merits. The only positive measure is the agreement with Quebec on parental leave. Is this not proof that Quebec, as we have said over and over again, is innovative, generous and a leader in terms of initiatives in Canada?

Government Orders

There is complete silence with regard to repaying the \$46 billion misappropriated for unclear purposes. That is why it is essential, before changing the role of the employment insurance commission, to ensure that both it and the fund are independent. That is the only way to prevent such dubious practices from occurring in the future.

Does any area generate more sympathy or appeal more to the public's conscience than the environment?

• (1105)

The Bloc Québécois has made the Kyoto protocol a priority. In order to ensure its implementation, we called for more substantial aid for wind power, while eliminating tax incentives for non-renewable energy sources and nuclear energy. Given the current situation and Canada's commitment to the Kyoto process, is this not the least of what needs to be done?

We proposed incentives for public transportation users, by allowing them to claim their passes as a deductible. Are we asking for the moon? The increasing number of cars in urban centres is a plague, in terms of both health and public safety, not to mention all the other related problems. Here is one incentive that could have shown us just how serious the government is about getting on the environmental protection bandwagon and respecting its international commitments. This is a concrete, inexpensive and, what is more, effective measure. Instead, the government chose complexity yet again.

Who is it trying to convince that creating an emission reduction incentives agency will resolve the problem of air pollution? We have yet to learn the agency's scope, terms of reference, budget, powers and administration. We cannot support an idea that has not yet been defined. However, we would support tax credits for the purchase of hybrid vehicles.

Insofar as agriculture is concerned, the farmers caught in the mad cow disaster are still waiting for fair compensation for the difficulties they have endured. Cull cattle producers are still going through an unprecedented crisis. But there is nothing in this budget to help them escape the downturn into which they have been unjustly thrown. Regarding the issue of infrastructure and communities, we cannot support a project whose implementation would mean infringing on areas of provincial jurisdiction. So long as Quebec remains in charge of everything done within its borders and so long as no conditions are attached to the transfers, the deal for cities and communities will be acceptable.

When we look at the Income Tax Act, we are left with very little. Let us look closely at two points. The increase in the Canada child tax benefit from \$1,681 to \$2,000 is totally inadequate and fails to meet the needs of families. The increase in the registered pension plan and RRSP ceiling to \$22,000 will only benefit the rich. How can we be expected to support measures that are clearly inadequate in many cases and in others too grandiose?

The Old Age Security Act provides for an increase in the income of older people, which is a positive. But what is going to be done about those people who failed to receive what was due to them in previous years? We will not stop insisting that their benefits should be fully retroactive. The 11-month limit that was imposed is unacceptable.

The Student Financial Assistance Act will help to lighten the burden that students bear in some cases, particularly in cases of death or permanent disability in families whose income is too low. We obviously support this measure, which will help people who are less well off deal with situations that are already difficult. However, I would like to add a caveat. At the very least, there should be a substantial increase in the transfers for social programs and post-secondary education. It will be recalled that the Prime Minister promised this during the election campaign.

Regarding the Millennium Scholarship Fund, it should be eliminated and the money for it should be given to Quebec, which would distribute it, since this falls within Quebec's jurisdiction.

This brief overview shows some of the shortcomings in the budget that they want us to support. The related issues are too important for Quebecers. The Liberals had a fine opportunity to table a budget that would have been the envy of any modern society.

• (1110)

The government will have a surplus of nearly \$50 billion to work with over the next three years, according to our forecasts, and we therefore had every reason to expect much better. There had to be political will, though, of a kind to which we have certainly not been accustomed by this government.

[*English*]

Mr. Ken Epp (Edmonton—Sherwood Park, CPC): Madam Speaker, I am sure the hon. member heard my speech in which I expressed my support for Quebec staying inside the country and us working cooperatively together to make this into a stronger country.

The old rule that I remember is that in matters of relationships like this, the whole is always greater than the sum of its parts. Each province in the country is much stronger because of the fact that we are part of a greater whole, and that is the whole country of Canada.

He mentioned equalization payments. I want him to know that our party is a firm believer in and a strong supporter of the principle of equalization. It is in the charter. We agree with it. It is good that citizens in all of the provinces can have comparable levels of services with comparable levels of taxation.

When I think of equalization, because he mentioned it in particular, obviously it is of benefit to some degree, at least as it is now, but I wonder whether he has given any consideration in his push for leaving our country as to the financial loss his province would suffer if this equalization were to be removed.

[*Translation*]

Mr. Réal Lapierre: Madam Speaker, in response to my colleague, I will say this. Recently, comprehensive studies were conducted to examine the benefits from equalization in each province, and in Quebec in particular. To suggest, in the absence of any official assurances anyway, that, in its present form, the equalization system can be so beneficial to the people of Quebec is wrong.

Government Orders

Here is what we will be forever standing for as citizens and elected representatives of Quebec. Whether or not the formula can be amended and eventually corrected, we will never condone any interference with the prerogatives and priorities in Quebec's fields of jurisdiction.

• (1115)

[*English*]

Mr. Bill Siksay (Burnaby—Douglas, NDP): Madam Speaker, toward the end of his speech the member said that he supported significant increases in spending for social programs, and I think he mentioned post-secondary education. I completely agree with him about that. It is something I campaigned on very seriously during the last federal election and it is something I found lacking in the government's budget and in this budget bill that we are debating this morning. That is why the members of the New Democratic Party worked so hard in this Parliament to see a significant increase in spending for post-secondary education. That is why our better balanced budget bill includes that spending.

Why can the member not support ensuring that students across Canada get that increased funding, especially when we have seen in Quebec recently an incredible mobilization of the student community fighting for better post-secondary education in the province of Quebec? Students all across Canada have been doing that and here is an opportunity to take advantage of it. Why will he not be supporting that later today?

[*Translation*]

Mr. Réal Lapierre: Madam Speaker, I want to point out to my hon. colleague that it is not because we have divergent political ideologies. No matter what, we cannot just dismiss out of hand any and every proposal from the other parties.

That said, I might add that Quebec has demonstrated its ability to develop the most integrated and the best child care system. The credit for that goes to the child care community in Quebec. Was federal intrusion necessary to achieve this? Absolutely not. We took the means to achieve our ends, in accordance with the wishes of the people.

As I indicated in my speech, additional funding is required for post-secondary education. But in that area as in others, this means that the federal government has to transfer funds to our provincial government. Believe me, we are wise enough and far-sighted enough to manage the money intelligently and soundly.

[*English*]

Mr. Werner Schmidt (Kelowna—Lake Country, CPC): Madam Speaker, it is indeed an honour to speak to Bill C-43, the budget implementation bill that the government has presented to the House. However I do so with mixed feelings because we actually have before us two budgets. We have Bill C-43 and Bill C-48 which will be debated right after this particular debate collapses.

We need to recognize that certain elements in Bill C-43 are actually quite encouraging and we can support them, particularly the business of implementing the Atlantic accord. This is a very significant issue and we will be supporting it.

However there are some things that I believe the people of Canada and particularly the constituents of Kelowna—Lake Country need to

be aware of. This budget implementation bill is not as great as it appears to be.

I want to speak in particular to the personal tax cuts and to tax cuts a little bit more generally because there seems to be a feeling among the Liberals of "Look at how benevolent we are. Look at what we are doing. We are cutting personal income taxes".

Yes, indeed, the Liberals are cutting them: \$16 next year. Most of us know there are 12 months in a year. If we divide 16 by 12, it does not leave us very much per month, does it? I suggest that there are not even enough tax cuts in each month to buy a cup of coffee at Starbucks.

The Liberals then go on to tell everyone what they will do in the future. Yes, by the time we get to 2009, four or five years from now, it will be \$192 in savings. That is a pittance. If there is to be a tax cut, let us make it a real tax cut.

The interesting thing is that in those tax cuts and counterbalancing those tax cuts, we need to look at what the budget also does. It increases the overall spending of the government. If we look at it in some detail, we discover that in 1996-97 the real federal program spending per capita was \$3,466. It will have risen to \$4,255 by the year 2005-06, the year we are talking about now. That is an increase of \$800 per capita in volume terms, or \$3,200 for a family of four. The current Liberal spending plans will take it to \$4,644 by 2009-10. That is a projected increase of almost \$1,200 per person.

However increases in real government spending do not necessarily equate to solving problems or getting better results. Imagine if that same money had been left in the pockets of the citizens of Kelowna, for example. If they had put \$1,000 of tax savings into an RRSP, which they should all be doing, and if that had been invested at 3.5% per year, and that is a very low level but is, at the same time, very realistic, that would result in a nest egg of \$29,200 in 20 years and \$53,000 in 30 years. A return of 5% would result in a nest egg of \$34,000 and \$69,000, almost \$70,000 in 30 years.

It is pretty evident that if that money had been left in the hands of individual citizens and they had invested it as they wanted to do it and at these very minimal rates of return, they would have benefited far better than a measly \$16 tax cut or, in 10 years, \$192. That is on an individual basis.

We need to cut the taxes of industry. I have been an advocate of cutting taxes to business for a long time. There is a reason for this. What does not seem to be clear is that business employs people and it is business that actually is the economy of a country and makes the country work. It is business that creates new ideas, that innovates new products, that commercializes the findings of research, that actually conducts research to make better products, that makes the process of manufacturing a little bit more efficient, that provides employment for all kinds of people and that focuses the application of money in such a way that it gets the greatest resources.

Government Orders

•(1120)

We have a tremendous industrial sector and a great manufacturing sector in this country. However, by increasing the taxes and making the tax burden so heavy, these people are finding themselves hamstrung to do the innovation they know they can do but cannot implement because they do not have the capital to make it possible. They do not expand their plants or invest in machinery and equipment because the tax burden is too high.

There was a time when the government even had a capital tax. It really did not matter whether a business was doing anything at all. Simply by having invested millions of dollars in equipment and machinery, they were taxed on the fact they had put that money to work.

Can anyone imagine anything less economically stimulating than a capital tax, and yet that was done? It cost many people their jobs. It is such backward thinking to do that sort of thing and yet we do not have a reasonable tax cut for businesses in this budget. I cannot help but encourage members to think about increasing the tax cuts for business.

The other point I want to make has to do with trust and the management of our country's affairs. We will soon be debating Bill C-48. I will not go into it in any great detail but I want to refer to a provision in the bill that essentially provides \$4.6 billion without a plan as to how that money will be spent.

We are in the business at the moment of listening to the discoveries of Justice Gomery. He is revealing what happened over the last number of years because there was a fund designed to build stronger unity in Canada, particularly with Quebec. Two hundred and fifty million dollars were spent in the advertising program to build things up but with no plan as to how that was supposed to actually be done. The result is that the money was spent not only willy-nilly but very clearly through fraudulent activities. We now know it as ad scam.

How did that ad scam program actually work? There are essentially three points. First, advertising agencies overcharged the federal sponsorship program with fake invoices for work that was never done. Second, the agencies then gave the money to Liberal Party workers and riding associations. Third, in some cases the agencies hired Liberal Party campaign workers and paid them using taxpayer money gained from the sponsorship program. I am sure some people listening want us to provide some evidence of this because we make these broad, sweeping statements. We had witnesses and testimony has been presented. Let me read into the record some of the testimony that was actually given to the Gomery commission.

Lafleur Communications took a commission of \$112,500 for simply delivering a \$750,000 cheque to VIA Rail. It received \$112,500 to carry a cheque from one corporation to another? Those were taxpayer dollars.

Bernard Thiboutot of Groupaction funnelled cheques totalling \$57,000 to Liberal Party organizers through an employee consulting company. These too were taxpayer dollars.

This is all sworn testimony.

Luc Lemay, whose companies took in \$36 million in sponsorship contracts, testified that he paid Jacques Corriveau, a close friend of Jean Chrétien, nearly \$7 million in commissions over the years. He said that Corriveau did little or no work for this money. These were taxpayer dollars.

Those are three examples.

•(1125)

In conclusion, I want to thank the people who voted for me in the last election. It has been an honour to represent them in this House, but at the same time I feel honour bound to tell them this about the budget. We will support this implementation bill at the end of this day because it has some good things in it, but I want them all to know that there are some things in this budget that are very wrong and they will see why in the debate on Bill C-48.

Mr. Derek Lee (Scarborough—Rouge River, Lib.): Madam Speaker, first, let me acknowledge the remarks of the member. He has served here for a number of years and in a relative way his remarks are probably about as objective as we are going to get from the opposition these days on some of those issues. I appreciate his efforts to be fair in dealing with those issues.

I would like to back up a little to his comments on the budget rather than the sponsorship inquiry because the budget is the subject of the debate here. I know that his party urges tax cuts. Actually, most of us on this side of the House urge tax cuts. I am hopeful that at some point we can address in a more robust way the corporate tax cut provisions that were initially part of the budget.

However, I am concerned, and I would like him to address this, that by urging major tax cuts one removes from government the ability to do things that Canadians want the government to do. The Conservative Party in Ontario tried that. It tried to push government into a smaller and smaller box. Ontarians did not accept it and those tax cuts pushed that government into a huge deficit position.

Tax cuts are fine provided that they allow government to continue to do what Canadians want government to do, and do not push us into deficit. Could I ask him to address that?

•(1130)

Mr. Werner Schmidt: Madam Speaker, I really appreciate that last phrase, "and do not push us into deficit". I am sure the hon. member is only too well aware that it was this party and its predecessor that pushed for a balanced budget. I am thoroughly and completely committed to a balanced budget. That is where we want to go. I am so glad that the government of the day has in fact seen the light and the significance of that, and actually presented to this House and to the people of Canada a balanced budget.

Government Orders

Regarding tax cuts and the role of government, government should do those things that individual citizens cannot do for themselves or are unwilling to do for themselves. It is not the government's role to find how many different ways we can intrude into the lives of people and do things for them. It would be nice if that were done, but if left to their own devices they would do far better. I am a firm believer that the common sense of the common people and the individual's ability to apply money is far more successful and far more efficient than if left in the hands of politicians.

I would encourage governments to cut taxes and leave more money in the hands of the people. We will find them doing things for themselves that currently government has assumed that it has to do for them. Left with their own resources they will look after themselves extremely well and they will do far better than some of these programs that government thinks it must put in place.

There is a delicate balance that must take place here. I am a firm believer that it is the common sense of the common people and money left in their hands that will be spent much more effectively and efficiently than would ever be done by the government.

Mr. Bill Siksay (Burnaby—Douglas, NDP): Madam Speaker, the member for Kelowna—Lake Country said that there were some good things in the government's budget Bill C-43 and that he was going to vote for it on balance because he thought it merited his support. However, I understand from what he has said this morning that later tonight he will vote against Bill C-48 which will ultimately cause the defeat of the government, or would work toward the defeat of the government. This would undo all of those good things that he was supporting a few minutes ago in the main budget bill.

What does the hon. member have against ensuring that there is more affordable housing in Canada that will help people who live in poverty, who need housing, and who spend way too much money on housing right now? This budget will benefit the economy. We all know that the housing industry is a key aspect of our economy.

What does he have against post-secondary education spending and helping students who need assistance to get the education that they need so they can participate in the economy? What does he have against public transit and helping the environment, and all of those kinds of things which will benefit both our economy and our society?

Mr. Werner Schmidt: Madam Speaker, I have nothing against helping people find affordable housing. One of the reasons there is not as much affordable housing as there could be is because there is an excessive tax burden on people who provide housing for people.

Regarding post-secondary education, we need to support it and we need to support it better than we have in the past. I also know that there would be even more private money supporting universities and other post-secondary institutions if the tax burden were not as high as it is for industry in particular.

[*Translation*]

Mr. Odina Desrochers (Lotbinière—Chutes-de-la-Chaudière, BQ): Madam Speaker, it is again a pleasure for me to rise in this House to speak on the budget. I should start by saying how very proud I am to be part of this crew of 54 men and women who are prepared to do battle. We are prepared to take on the ship of the

Minister of Transport, which is already foundering. The sallies we will make on that ship within the next few weeks will make it possible for new crew members to be added to the Bloc Québécois crew and to show our belief in the sovereigntist movement.

I am trying to find something positive in this budget. Perhaps I could have been taken in, like some Ontario NDP members, by this incomparable whitewash campaign by the Prime Minister, but the Bloc Québécois members are solid, proud and unshakeable. We did not take the bait in this blackmail operation by the PM involving provincial premiers, the NDP and the most disadvantaged members of our society.

Returning to the budget, there is absolutely nothing in it on employment insurance. I am still having to cope with an injustice in my riding, having to deal with two categories of unemployed. One group needs to accumulate 700 hours to be eligible for EI and the other has to have worked 595 hours. This injustice is the result of the fiddling around with the regions carried out by the Liberal Party of Canada. It would, however, be simple to adopt a measure we have been proposing for a long time, and to set the required number of hours worked to be eligible for EI at 360 for everyone.

I would also like to speak about seniors, those most neglected by this budget, despite their great contributions to this country. There are a large number of seniors in Lotbinière, and they have been totally neglected by the Liberal government since 1993. No sensible adjustments have been made to their pensions. They have a very small amount and are not even getting the GIS when they are entitled to it.

In its budget, the government also ignores all of the farmers' expectations. There are a lot of expectations in the Lotbinière RCM, as there are throughout Quebec. No help was provided for farmers, who have been caught up with the mad cow crisis for two years now. There has been nothing tangible from the government to indicate its support for supply management. Farming in Quebec is in a full blown crisis, and all the budget offered was money for the rest of Canada. Once again, in this budget there is nothing at all for Quebec.

Let us turn now to what I call fiscal strangulation, which was initiated and co-ordinated by the present Prime Minister while he was the Minister of Finance. The fiscal imbalance underlies many of the problems of the Government of Quebec. Regardless of who heads it, the Liberals or the PQ, the result is the same. Because of the management style in this House, which has led to the creation of the fiscal imbalance, Quebec is the big loser.

The Bloc Québécois had demanded two essential conditions by taking steps to try to shake up Liberal sensibilities. The answer was no. There is nothing for the unemployed. The government continues to refuse to recognize the fiscal imbalance, despite the unanimous vote by all parties in the National Assembly.

The day after the budget was presented, a number of mayors called my office in connection with the famous gasoline tax to find out whether they were entitled to it.

Government Orders

•(1135)

We should ensure that these funds are administered by Quebec and not by the federal government, which is trying once again through little partisan schemes to please certain municipalities to the detriment of Quebec.

This government has always been disconnected from the reality of a number of regions in Quebec. I knew already that this tax program would do absolutely nothing to help small municipalities in Quebec. I am sure, though, that if the entire envelope were transferred to Quebec, it would be able to understand the regions better. A sovereignist government would provide the amounts needed to help certain regions survive.

Continuing with the budget that has been brought down, I find it very difficult to find anything positive. I say it again: there is nothing to fix the fiscal imbalance or for employment insurance. I am going to raise another point that is very important in my riding. We have been affected by the textile crisis. People do not talk about textile plants or factories any more because, unfortunately, that is the past. This is because of the irresponsibility of this government, which left companies and workers in the textile sector to battle the really incredible things done by the Chinese.

Now we have the furniture manufacturing crisis. Several towns in my riding are dependent on this work and we know already that Chinese brands are invading our furniture dealers. Who will again suffer the consequences? It is the regions—not just mine of Lotbinière—Chutes-de-la-Chaudière but several regions in Quebec. We are going to lose textiles. We are losing furniture, and nothing is done. There are major tools, though, at the WTO that could enable us to support these people and have transitional measures. If somehow, in the end, we cannot get the necessary assistance, there could always be a program, which is called POWA, for people who have worked 25, 30, 35 years in companies, raising their families. Unfortunately, these people did not have the education needed to go elsewhere and they find themselves at age 52, 55, 58 with nothing left.

That is part of this entire budget and all the measures that are being adopted. Some say the Bloc Québécois has a lot to gain with this budget, but what are we to gain when there is nothing on the table? There is nothing in it for Quebec. The fiscal imbalance is a daily reality, as is the issue of employment insurance. The best they could come up with was a gift of \$4.5 billion to the NDP to save face, but mostly to stay in power. That is the primary objective of this government. Just look at the Duplessis-style behaviour of the current Prime Minister trying to buy the vote of Canadians and Quebeckers.

Let me tell you something. Quebeckers are becoming wise to Liberal partisan tactics. We have learned from the events of 1980, 1981, and 1995 and we have learned even more with the Gomery inquiry. In 2005, we will send a very clear message that we no longer want this government. There remains only one true solution for Quebec to flourish and that is sovereignty. We are on our way, with support now running at 54%.

On behalf of the Bloc Québécois, on behalf of this team of proud men and women, who stick together and stand their ground,

yesterday we said we are against the budget and today we still are. This evening, at 5:45 p.m., we will say nay to the Liberal government's tactics.

•(1140)

[*English*]

Mr. Ken Epp (Edmonton—Sherwood Park, CPC): Madam Speaker, I would like to simply advance the same debate that I had with the member's colleague earlier today about equalization.

I did a rough calculation and I do not know if my numbers are right, but one could consider that there are around seven million people in Quebec. One could also consider that on average over the last number of years the net equalization payments into Quebec have been \$10 billion a year. I am not sure whether that includes the health and social transfer or not, but it is in that neighbourhood. That works out to almost \$6,000 per family.

Those members are representing their constituents from the province of Quebec, and they do so ably and work hard here. They are always here participating in the debates. I have no problem with that. They were elected by their people to be here, but surely they cannot properly represent the well-being of their constituents if they say that they want to get out of Canada and thereby lose what is a very substantial benefit per family on average in terms of the services that their government is able to provide because of these payments.

I am sure the member has an interesting answer and I will be eagerly listening to it.

•(1145)

[*Translation*]

Mr. Odina Desrochers: Madam Speaker, if people had played by the rules in 1995, I would not have to answer such a question.

Today, and since that famous advisor, Marc Lalonde, appeared on the scene in the Liberal Party, separatists are once again being talked about as a threat. It is as though people have just discovered that Bloc Québécois MPs are sovereignists. I have a hard time understanding why federal MPs are just realizing now that our only goal is to get out of this Parliament.

It does not work and will never work. This budget proves it, as do equalization, the fiscal imbalance and employment insurance. How do they expect us to support a government that does not care about the needs of Quebec? We are prepared to leave to build a new Quebec.

[*English*]

Mr. Ken Epp: Madam Speaker, I do not know if I should increase the pressure on the member, but I really would like him to answer the question that I asked which had to do with the money.

I certainly agree there are grievances that the province of Quebec has, as do other provinces, with the way the federal government is run in Ottawa. We need to work together to improve that. I also see where the Bloc members are coming from in the sense of some of these slights that Quebeckers have suffered, from their perception, in terms of our Constitution. I have some measure of sympathy for that.

Government Orders

The fact of the matter is still that being part of Confederation, Quebecers are net beneficiaries of the equalization system. I know they say they pay taxes, but so does everyone else in the country. Taxpayers in Quebec though get a net benefit from the equalization program of around \$6,000 per family per year. The province that I come from gets to pay about \$10,000 per year per family, or even more. That is fine. I do not mind doing that. I love my neighbour. I help him whenever I can and that is great.

Why can the Bloc members not simply acknowledge that this is there and represent their constituents by working to stay in this wonderful country instead of trying to escape from it?

[*Translation*]

Mr. Odina Desrochers: Madam Speaker, I invite my colleague to read a reliable study published recently by the former minister of finance, François Legault, in which he talks about an additional \$18 billion. I am talking about an extra \$18 billion that we would have for running Quebec. Currently, we have a shortfall of several billion dollars.

Where would I get the slightest indication that this government is pro-Quebec? I realize the Conservative member finds this difficult. Nonetheless, he need not worry. An economic association will be set up and we will continue to work side by side with the rest of Canada, since we will become a rich and prosperous country, that flourishes internationally.

• (1150)

[*English*]

Mr. Gary Lunn (Saanich—Gulf Islands, CPC): Madam Speaker, I am very pleased to rise on behalf of all of my constituents in an incredible part of this country, Saanich—Gulf Islands, to talk about the budget.

It is coming up to eight years that I have been a member of Parliament and it has been a great honour. To see what is happening now is absolutely unbelievable. There is a media frenzy as we lead up to tonight's vote. I want to talk a bit about exactly what is happening. It is important that we talk about the facts.

I do not think Canadians are fooled by what has been going on. The facts speak for themselves. The government is obviously in a desperate situation because of the Gomery commission, because of the vote buying scheme by the Liberal Party of Canada to try to prop itself up to save its existence. The only way it can do that right now is through the budget. It has taken away all the opposition supply day motions. To be quite frank, I fully expect that the Liberals will be successful tonight from what has happened. However, let us talk about they have done.

Bill C-48 could be called the NDP budget. Applaud the NDP. It was successful. It was able to go to the government and say, "No. What you told us two months ago, just toss that out the window. This is what we want". In order to save itself that is what it has done.

It is important for every Canadian to know that Bill C-48 is exactly, in English and French, two pages long. In other words, the English version of Bill C-48 is exactly one page. When I flip the pages of Bill C-48, there is nothing on them. It is quite remarkable. The pages are blank. There is not even any ink on the page. Some

staples are pushed through the paper, but the pages are absolutely blank.

I want to focus on what happens when the Liberal government comes in with legislation that is blank, with no specifics. What has been the record when we have seen that type of a slush fund?

The gun registry was about a \$2 million expenditure. It was very short on details. I am unable to tell the Canadian people exactly what happened. The government sort of panicked, put money into that, and now it has grown into a \$2 billion unmanageable database. It is incredible.

In the mid-1990s there was the sovereignist movement in Quebec. Of course the Liberal government was in power when all that happened, the last people to try to keep this country united. The Liberals responded by saying, "We need a sponsorship program. We are going to save the country". Again what happened? The Liberals came in with no details and said, "Here are buckets of cash". It is no different from this NDP budget bill. Buckets of cash. Imagine spending \$4.5 billion in just a few sentences, maybe about five paragraphs. Not bad. That is probably millions of dollars per word. It is incredible.

We have found out how the government goes about spending money with no details, no substance. Let us look at some of the facts.

Between 1994 and 2001 Lafleur Communications earned 78% of its income from the federal public works department and crown corporations. Jean Lafleur earned more than \$9.3 million from the sponsorship program. That one individual earned \$9.3 million of taxpayers' money, but that was not enough. The government needed to throw in a little tip. His family members got another \$2.8 million. Those are hard-earned taxpayers' dollars. I suggest what is in here has likely ended up with the same type of activity.

• (1155)

Jean Brault of Groupaction testified that he made \$1.1 million in contributions to the Quebec wing of the Liberal Party and that those contributions were covered up by fake invoices. Luc Lemay, whose companies took in \$36 million in sponsorship contracts, testified that he paid Jacques Corriveau, a close friend of Jean Chrétien, nearly \$7 million in commissions over three years. The list goes on and on.

Numerous witnesses have come forward. Benoît Corbeil, former executive director of the federal Liberal Party's Quebec wing, the very top of the pyramid, the boss of the Liberal Party of Canada in Quebec, said that he received \$100,000 from Jean Brault and used it to pay volunteers in the 2000 election campaign.

Liberals ran around across the country and sprinkled around taxpayers' money. It is unbelievable. That is the record of this Liberal government in managing the public purse. It is unrefuted. It has never been denied.

I will accept some members' comments that there are discrepancies in the testimony, that there is conflicting testimony. Absolutely there is conflicting testimony, but it is uniformly bad. Witness after witness talks about phony invoices. It is about putting Liberal Party workers on campaign payrolls.

Government Orders

All Liberals should hang their heads in shame, because silence is consent. None of the Liberals are standing up. They are not denying this. How this was done is the most offensive thing I have ever seen. Even worse, to add insult to injury, what have we witnessed in Parliament in the last weeks and months? A government that is embroiled in the largest scandal in Canadian political history.

What was that scandal? Let me sum it up in a few words. In essence, it was a vote buying scheme. It was taking taxpayers' money, stuffing it to their friends in the Liberal Party and volunteers in the campaigns and buying some votes. That is the essence of the sponsorship program.

Mr. Paul Szabo: Madam Speaker, I rise on a point of order. With respect to the member, the matter before the House now is Bill C-43. He talked a little about Bill C-48 and now he is talking about the Gomery inquiry. I believe it would be time to get the debate back to the relevant matters before this place.

The Acting Speaker (Hon. Jean Augustine): Point well taken, and I would ask the hon. member for Saanich—Gulf Islands to be as relevant as he possibly can in speaking to Bill C-43.

Mr. Gary Lunn: Madam Speaker, I appreciate that, but I am drawing the link as we speak. This is all very relevant. It is extremely relevant. I will explain the link. As I mentioned a moment ago, this was a vote buying scheme like we have never seen before. The Liberals have used the budget as a vote buying scheme. They went off, because they did not have the votes, to buy the votes of the NDP. It is outrageous.

Mr. Paul Szabo: Madam Speaker, I have not taken the time to go to the table to get a copy of Marleau and Montpetit, but I could cite the reference that in fact it is against the rules stated in the Standing Orders of this place that any undue influence be taken to influence the vote or the actions of another member. Effectively the member is suggesting that there has been action taken which in fact is contrary to the rules of Parliament. I believe that unless you rule otherwise, Madam Speaker, the member must in fact withdraw the allegation that there has been vote buying.

• (1200)

The Acting Speaker (Hon. Jean Augustine): In response to the member for Mississauga South, I was listening very carefully to see whether the member was referring to individuals. It seemed as though they were broad-brush statements, so I will allow the member to continue. He has less than one minute left.

Mr. Gary Lunn: Let me conclude, Madam Speaker, but unfortunately, it is not just about one member. I will conclude by saying that it looks like the government is going to be successful tonight, for the reasons I have just outlined.

I hope that every single Canadian in this country will remember exactly what has gone on, exactly what we have seen and exactly what the budget is all about, and that every single Canadian will see through this and will mark their ballot in the next election, which I anticipate will be next spring, for honesty and integrity.

This place is pleading for honesty and integrity. It is about time we had a government that could stand up to those words.

Hon. Wayne Easter (Parliamentary Secretary to the Minister of Agriculture and Agri-Food (Rural Development), Lib.): Madam Speaker, I listened to a fair bit of the member's remarks

and I have to lay this on the line. He said that we should hang our heads in shame. I will tell members who should hang their heads in shame. It is those members over there who use the privileges of this House to take allegations and substantiate them as if they are facts.

First, the member who just spoke is a lawyer. Will he answer me this question? Does he see that kind of operation, in which members use allegations with the benefit of parliamentary privilege, as due process of law in terms of what he learned in law school?

Second, I stand here proud to be a member of this government. I am a proud Liberal, one who was in the government when we took this country, which was almost bankrupt, according to the New York Stock Exchange, a country that had a \$42 billion annual deficit, and turned it around.

We have had eight surplus budgets. The previous prime minister and this Prime Minister, the then finance minister, should be congratulated for their fiscal management in terms of managing this country in the way it ought to be managed, in terms of creating jobs, the \$100 billion in tax cuts, and this budget, the best budget we have seen in a century.

I will tell members that I stand here as a proud member of the government and I am willing to go to the polls at any time on this budget. I guarantee that we will be back here as the government so we can continue to manage responsibly and fiscally properly.

Mr. Gary Lunn: Madam Speaker, I am happy to respond to my hon. colleague. He raised a number of issues.

First he talked about the Gomery commission. He made the reference that it is as a court of law, that somehow this is going to have an outcome. Clause k of the Gomery commission very clearly states that Justice Gomery is not allowed to name any single individual or any organization. Under the terms of reference, he cannot name anybody.

Second, with respect to the evidentiary process of the Gomery commission, numerous factual documents have been tabled before Justice Gomery as evidence. This is not just testimony but actual evidence and it cannot be refuted. There are letters to the current Prime Minister when he was finance minister from the head of policy for the Liberal Party saying he was aware that money from sponsorship programs was being funnelled directly into the Liberal Party for partisan purposes and asking if the minister would look into it.

These are the facts. Witness after witness, dozens of them, have testified about fake invoices, cash in envelopes, suitcases full of cash and money going to Liberal Party campaign workers. It is absolutely unreasonable and the government members try to claim they knew nothing when a lot of the front bench members who are sitting here now were front bench members back then. It is absolutely unacceptable.

In fact, I had hoped that the hon. member would stand up and acknowledge that this had happened as opposed to what he said. How can those members be trusted to clean this up when they stand up and pretend that it is just testimony, that it has not been proven? There has been a litany of witnesses for months.

Something has to change when they will not even acknowledge that. The Prime Minister has yet to deny the corruption inside the Liberal Party. When one witness says he got \$100,000 and another witness says it might only have been \$90,000, where does it end? It is uniformly all bad. These are admissions and confessions coming from people inside the Liberal Party in the most senior positions.

I stand by my words. I really hope that the Canadian people can look into this, mark their ballots and vote to bring in a government of honesty and integrity. It is long overdue.

• (1205)

Mr. John Cannis (Scarborough Centre, Lib.): Madam Speaker, as a lawyer the hon. member would know, as he said in his presentation primarily around the Gomery inquiry, that if he does not have data he cannot bring forth the case.

I want to remind him and all Canadians that it was this Prime Minister and this government that authorized the release of twelve million documents. Without those documents, all this evidence and what has gone on in the Gomery inquiry would never have happened. This Prime Minister took a very proactive lead to make sure of getting to the bottom of it.

It hurts me when the hon. member says that “all Liberals should hang their heads in shame”. I will not give an example, but that shows me that the Reform mentality is still there in that party. That is why those members are having their problems. In the last election and in every other election, certain members of that party made some very provocative statements. Does this mean that all those members are the same? I do not believe so.

Let me close with this, though, because really we are debating the budget. Does the hon. member not support putting money into post-secondary education, transport, affordable housing and international obligations, issues that the country has asked for and we have delivered on?

Mr. Gary Lunn: Madam Speaker, it is the former Liberal members who are trying to shut down the Gomery commission. I stand by my words: that if we approve this budget they are naive to think it will go to a—

The Acting Speaker (Hon. Jean Augustine): Resuming debate, the member for Acadie—Bathurst.

Mr. Yvon Godin (Acadie—Bathurst, NDP): Madam Speaker, I wish I could have had a chance to raise a question for my colleague from the Conservative Party. I stood up, but two Liberals in a row were recognized instead of another party.

I wish I could have raised a question for my colleague from the Conservative Party on his saying that Bill C-48 is so vague. It is on one page, he said, and he asked what the government will do with that money, saying that it is pretty vague.

I remember, though, when the budget came down in the House of Commons from the Minister of Finance. The Minister of Finance had not even had the time to finish it when the leader of the Conservative Party ran outside and said he would vote for it. He did not even know what was in the budget at that time. The only thing he knew was that the taxes would go down from 21% to 19% for the big corporations. He ran outside saying he could not vote against the budget because it was a good budget.

Government Orders

The Leader of the Opposition never raised a question about what big business would do with that, what presidents of companies who are getting paid \$10 million per year would do with that. He did not raise any questions about that. He was not worried about big corporations.

Let us look at the accord with Newfoundland and Labrador, which we agree with. There was \$2 billion for the accord with Newfoundland and Labrador and Nova Scotia, negotiated very fast not too long ago. Tonight the Conservative Party members will probably vote for the budget bill, Bill C-43, because they want that \$2 billion going to Newfoundland and Labrador and Nova Scotia without knowing what is going to happen with it.

It seems to me that the problem, as always, is that when the NDP wants to have a good budget to bring to the ordinary people, it is wrong. That is what the Conservative Party stands for.

[*Translation*]

As I said, it is a great pleasure for me to be able to speak to Bill C-43 and the improvements to it contained in Bill C-48. The Liberal colleague from Prince Edward Island said that Bill C-43 was a good budget. The only thing he neglected to say is that, thanks to the NDP amendments to it proposed in Bill C-48, after two days of negotiations with the NDP leader, Canadians' interests are really being served. For example, and I cannot say this often enough, \$1.6 billion will go to affordable housing construction, of which there was not a word in bill C-43. This investment will put roofs over the heads of the homeless.

That is what causes a problem for the Conservatives. They say they can support C-43 but not C-48. They are not concerned for ordinary Canadians. It is as if they wanted people to stay out on the street, since there is no place and no money for them.

As for post-secondary education and worker training, there will be \$1.5 billion to reduce the cost of post-secondary education and thus to help students and their families. The Conservatives are incapable of voting in favour of such a measure, because they want Canadian students to be in debt. Is that the message they want to send? The Conservatives will apparently vote in favour of Bill C-43 but against Bill C-48, which includes \$1.5 billion to reduce the debt load of young Canadians. The Conservatives cannot vote in favour of that. They accuse the NDP of being too fond of spending because it wants to lighten the debt load of Canadian young people. Nothing could be more ridiculous. One hopes that Canadians will see through this.

Then there is \$900 million for the environment. How can anybody argue that they do not want a clean planet for future generations? This planet does not belong to us. It belongs to everyone now and in the future. We have responsibilities toward the entire planet and we all need to do our part. How can the Conservatives vote against Bill C-48 and its \$900 million allocated to the environment, which is so dear to us and so essential to our health?

Government Orders

This evening, how can the Conservatives vote against Bill C-48, after voting on Bill C-43, which will allocate 1¢ more per litre of gas? In the budget, the Liberal government agreed that a tax of 5¢ per litre of gas will go to the towns and municipalities in our country for infrastructure. How can the Conservatives vote against allocating 1¢ more to the municipalities of Calgary and Edmonton, in Alberta? This evening, how can the Conservatives rise in the House and vote in favour of Bill C-43, indicating that the Liberals have a good budget, but then vote against Bill C-48? When it is time to help our municipalities, students in debt and poor people in the streets, the Conservatives are absent.

Unfortunately, I do not approve of one part of the budget. Unfortunately, the government did not give more for employment insurance. The parliamentary committee issued a recommendation on February 15, asking the government to consider the best 12 weeks worked and to eliminate the divisor of 14. This would have helped all Canadians in regions where employment is seasonal. It would have helped people in Newfoundland and Labrador, Prince Edward Island, Nova Scotia, New Brunswick, the Gaspé and the North Shore, in Quebec. Unfortunately, the government decided not to consider the best 12 weeks, and this is too bad. I am asking the government once again to reconsider.

Today, people entitled to EI benefits after working for 12 weeks receive only 55% of their salary.

• (1210)

These women and men work in industries that pay very little, almost minimum wage: \$8 per hour. If you take 55% of that, it is less than welfare. The government has set the divisor at 14, assuming that workers would abuse the system by quitting their jobs. That is wrong. That is a totally false assumption, because those who quit their jobs are not eligible for employment insurance. That is why I find it terribly unfortunate that there is nothing for them in Bill C-43. When we look at the government's budget, we can see that it contains no details about employment insurance. Any details were provided only in the press release issued by the minister the same day as this budget bill was introduced.

Today, the government still has the authority to make it the 12 best weeks. The federal government has had a new Minister of Human Resources and Skills Development for two days now. I would like to ask the new minister to show sensitivity to the plight of these workers. There are women working in fish plants in the Acadian peninsula, the Gaspé and Quebec's North Shore. These women and men working in Newfoundland and Labrador, Prince Edward Island or Nova Scotia cannot pick and chose their jobs. This is not Toronto, Montreal, Vancouver, Calgary or Edmonton. These people need an income to feed their kids, buy clothes for them and send them to school.

The best thing we could do to promote economic development is whatever can be done to ensure that people are educated and healthy. How can one hope to achieve that while driving people to poverty? How? There is no way anyone can succeed that way.

Many of the studies that were conducted and presented to the House of Commons were adopted by the government. But when it comes to ordinary people, it is a very different story. And Bill C-48 is a case in point.

The Conservatives voted against changes to EI knowing that they involved improving conditions for ordinary people, the workers. This is not acceptable, but their political party was entitled to do so. People will decide democratically whether they will vote for them or not. However, those watching now must remember that that is what the Conservatives will be doing this evening.

The Liberal government, however, has a responsibility to respond to the request of the Subcommittee on the Employment Insurance Funds, which proposed the 12 best weeks and 360 hours to qualify for EI. The government has not made the necessary changes to help these people, but there is still time for it to do so.

There is a \$46 billion surplus in the employment insurance fund. The Conservatives are concerned because \$250 million is missing in the sponsorship fund and \$100 million could have been invested elsewhere. I do not support that. However, \$46 billion, which belonged to workers, was withdrawn from the employment insurance fund. I wonder which scandal is bigger.

I hope that this evening all the political parties will use common sense and vote for bills C-48 and C-43 so that ordinary folks have a chance for a better life.

• (1215)

[*English*]

Mr. Ken Epp (Edmonton—Sherwood Park, CPC): Mr. Speaker, I listened intently to the member's speech. I want to again thank those people in the translation booth since I happen to be one of those unfortunate unilingual Canadians who only speaks English. Without their help I would not have understood a word that he said, but now I feel that I understood too much of what he said.

I want to point out to him that this deal that the NDP struck with the Liberals is actually curious to the extreme. It used to be that budgets, when presented in the House, were basically left unchanged. It was against the rules to leak anything. The government leaks budget speeches and proposals almost willy-nilly these days. It is just a barrage of leaks.

The finance minister presented the budget and lo and behold, we are now going to be voting on a budget bill which was not in the budget, almost \$5 billion worth of expenditures not in the budget. This NDP member is saying that this is really good. I think it is a violation of a very important principle. Canadians should be able to trust what the budget speech says when it is delivered. This is so dramatically different from what was delivered and on that count alone one should be defeating it.

Government Orders

Then on the other hand, I am also amazed that the NDP would be willing to strike a deal with the Liberal government when even to one of its own members, the Liberals have proven themselves not trustworthy. When the deal was struck with the member from Winnipeg to drop his bill on access to information on the promise that there would be a bill from the government, the Minister of Justice showed up at our committee and presented a discussion paper. There was no bill. We are just going to talk about it some more.

The member from Winnipeg was really upset about that and rightly so. Why can these NDP members not learn their lessons? We cannot trust these guys. Why cut a deal with them?

• (1220)

Mr. Yvon Godin: Mr. Speaker, when my colleague talks about a budget that should not be changed, he should remember we are in a minority government right now and that is when change occurs. That is when there is an opportunity for other parties to have an input. That is what happened during the time of Tommy Douglas. During a budget debate he said that if the government wanted the budget to go through, that it would have to give Canadians public health care across the country.

That is the practice when there is a minority government. Instead of just fighting in the House of Commons, we can do some work instead. I am proud that this is what the NDP has done. In two days we have done some work for Canadians. Ordinary people who vote can say that finally there is a change. The people who live on the street in Toronto in front of city hall and sleep on cardboard say that maybe they will finally have a home.

It is not a shame to change one's mind in a minority government. It has been done in the past. Canadians will say that the best government they can get is a minority government because other people can have an input. Other countries like France are used to working with a minority government. It is not the first time that France has a minority government and good stuff happens to ordinary people.

However, the Conservatives only want to look at big corporations. They want to cut taxes. They do not care if we are going to have money for highways. They do not care if we are going to have money for schools. They do not care if we have money for health care. No, they are going to privatize. If people are sick and have money, they will be served in a hospital, but if they are poor, they can stay on the sidewalk in Toronto and die there. The Conservatives do not mind that.

I say that is wrong. This is a good budget, especially with the additions put in Bill C-48. In the past we know that the opposition parties always vote against the budget. That is the practice. However, when the budget came into the House of Commons, the leader of the Conservatives said that this is a good budget. He said that his party would not bring down the government because this is a good budget. He broke the practice of the House. That is what has been done.

[*Translation*]

Mr. Paul Crête (Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, I am very pleased to address the budget implementation act today. We had an election less than one year ago. At the time, Quebeckers gave us the message that, when

the federal government would make budget decisions, it would have to be clear and specific on certain issues. We have a duty to ensure that if these issues are not dealt with in the budget, we are going to be the voice of Quebeckers and vote against the budget.

The first major issue in this respect is the fiscal imbalance. There is a consensus in Quebec that includes people from all provincial political parties, and the Bloc Québécois. Everyone agrees that, considering its responsibilities, the federal government has way too much revenue. As for the provinces, and particularly Quebec, they have responsibilities in health and education, but they cannot go and get the revenue, because the federal government is taking up too much tax room in proportion to its responsibilities.

In Quebec City this morning, the leader of the Action démocratique party in Quebec, Mario Dumont—who is not a sovereignist—asked the premier, Mr. Charest, to invite federal Liberal members to vote against the budget. This is very significant. Indeed, as regards the fiscal imbalance, the budget does not include any of the measures that we expected. The government has had a year to put forward some initiatives to solve the fiscal imbalance, but it has not done it. The problem continues to exist.

We cannot support the budget that was amended to enlist the support of the NDP, precisely because of this Canadian, centralizing approach, whereby the federal government is increasingly involved in all sorts of areas that do not come under its responsibility. If the government had really wanted to respect Quebec and the provinces, it would have ensured that this money be transferred to Quebec, which could then have spent it in the way it felt was most appropriate.

However, it is not in the budget and this is one of the reasons why Quebeckers want us to vote against this budget. We will be their voices, their spokespersons when the time comes this evening to vote on these two bills.

The Bloc Québécois has maintained some cohesion and coherence from the beginning on these issues. We want to make sure when we go back to our constituents that we have not become turncoats and that we have clearly defended what they want. That is what we are promoting.

This is true for fiscal imbalance and for employment insurance. I was the critic for this portfolio for many years. We started off with the then Prime Minister of Canada, Jean Chrétien, calling the unemployed beer drinkers.

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Slowly, day after day, month after month, we refuted this falsehood and we showed how the federal government used more than \$46 billion for purposes other than the EI system. Yet, people are informed on their paycheques that they are paying for an EI system, they are paying a contribution that is supposed to be used for this system. They are not supposed to be financing the government's entire operations.

This is unfair and instills a sense of injustice in the unemployed and low-income earners. These people fought the deficit more than anyone and never saw a return on their investment. Election after election, in 1997, 2000, and 2004, the Liberals promised an overhaul, but, every time, once the election was over, they went back to business as usual. They keep things the way they are and take in money just to spend it however they please. We find that unacceptable.

That is another reason why we cannot support the NDP amendments, which, at the end of the day, would mean passing the budget without overhauling the EI system. In terms of distribution of wealth, if there is one thing this Parliament should have done, it is to ensure that there is a true EI fund, a fund where those contributing to it, the employers and employees, have control over how it is spent. They are the ones who should determine the amount of benefits, the number of weeks of benefits they are entitled to and how many insurable hours they need to qualify for EI. Currently there is no indication of any of this in the budget. Just like before, the government continues to amass surpluses, but does not pay out adequate benefits. There are some terrible examples of this.

Canada does not have a program to help older workers. One did exist until 1995.

•(1225)

Globalization results nowadays in many companies being affected in different sectors. There are plant closings. We saw them in the textile sector. My hon. friend mentioned the furniture sector. The forestry sector is currently deeply affected. Often these workers are 52, 53, 55 years old. They lose their jobs and no longer have a chance of getting to the Quebec pension plan, the Canada pension plan or their old age pension.

In our society, which is rich and has the means, we should have instituted programs of this kind. The reason why there are not any is the federal government spent all the money from the surpluses on paying down the debt and other expenditures for all kinds of extravagances. So there is nothing left for essential needs, like this one.

How could we vote for a budget that has not changed the employment insurance system, while all last election campaign, the federal Liberals could be seen everywhere saying that, this time, they would change things and we would have a real system? Today, there is nothing of that in the budget. I do not think that we could face ourselves in the mirror if we supported this budget without having this commitment.

In the election campaign and during meetings with our fellow citizens, we will be able to say that we held our heads high and advanced the views that they wanted advanced.

There is another example, namely the question of the environment and the Kyoto protocol. Thanks to its hydroelectricity, Quebec has a major advantage when it comes to ensuring that there is less pollution. Great efforts were made over the last ten years. Now, all these efforts should be taken into consideration and Quebec should have a chance to reap the reward. But no—in the budget, they act as if all these efforts were just part of the Canadian picture and so big polluters are given a chance to continue polluting, with no recognition on the other side of the House for Quebec's contribution.

When I talk about this with young people, back in Quebec, who are very concerned about the environment, this fact is reason enough to have a sovereign Quebec. It is not true that Quebec must continue to pay. Quebec pays for the polluters, and then it is supposed to continue propping things up so that this can continue. That cannot be the reality. We cannot make progress with this kind of situation.

Here is another example. Currently, millions of dollars are scattered here and there. Cattle producers in Quebec have agreed to establish a producer-owned abattoir. That way, they could get reasonable profits and, above all, they could sell their beef at acceptable prices. They are waiting for an \$11 million contribution from the federal government, and they are unable to get it. It is absolutely unacceptable today, given the size of the federal surplus, for this need not to be met when we all know the impact of the mad cow crisis. This is unacceptable here.

Softwood lumber is yet another example. For the past three years, we have been asking the federal government for a real action plan to help companies affected by the softwood lumber crisis. We are not talking about tens of thousands of dollars. These people have put billion of dollars into a reserve fund in response to quotas and duties imposed by the Americans. This has cut their productivity.

Now, these companies are dropping like flies. Why did the federal government not move forward with the action plan—including loan guarantees and other means—that we proposed? The POWA is another initiative for workers who have lost their jobs due to the softwood lumber crisis. The federal government could have shown some sensitivity. But no, it is out of the question. This is not in this budget.

I want to give another quick example. This year in my riding, the budget for the summer career placement program for students will be cut by \$116,000. This makes no sense. Everyone says we need to stop our young people from leaving and, therefore, our communities from losing money. This is true across Canada. This makes no sense whatsoever, given the surplus. There was no reason that one red cent had to be cut from any community in Canada this year. This kind of decision is completely absurd. There are consequences, in the budget, for not having listened to people who asked for more money for students.

Seniors, who for years been denied retroactive payments of the guaranteed income supplement, still have not heard a thing about it.

There are, therefore, a great many reasons why this budget must be voted against. This afternoon, when the Bloc members stand up to be counted, I think they will be showing very clearly that here they represent Quebec and have represented it proudly. Their vote indicates that Quebec as a whole rejects this budget which is unacceptable to Quebecers.

• (1230)

[English]

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, during his discourse the member made a statement with regard to certain programs were not done because, “the government used all of the surplus to pay down debt”.

It concerns a little. Perhaps it bears worth explaining how the process works. The surplus or deficit from a particular fiscal year is determined after the Auditor General has completed her audit. That is some six months after the end of the year. Then the financials are reported and there is a reported surplus or deficit.

It is not possible to spend a surplus. The surplus is automatically under the accounting rules applied against the debt. We cannot say that we have some money left over from the last accounting year, so let us spend it on something. That is not an option. I wanted to point that out to the member.

He should well know about providing funding for important programs, for example the Canada pension plan which is separately funded. However, there also is the fact that the Government of Canada, in providing tax credits for contributions that are made to the Canada pension plan for employer and employee contributions, is effectively contributing to the funding of those.

I just raise it with the member that there is not an option with regard to the surplus and that the savings on interest by paying down debt in an orderly basis is important to help sustain the important programs that all Canadians want.

• (1235)

[Translation]

Mr. Paul Crête: Mr. Speaker, as far as employment insurance is concerned, it is very important for people to know that, year after year for five or six years, the federal government has arranged to minimize its potential surplus. It knew very well that there would be between \$5 billion and \$10 billion in that account alone.

At year end, it would not necessarily have been a bad thing for the money left that was really available to be applied to the debt. But it is unacceptable that \$5 billion in surplus funds was knowingly accumulated annually, when they knew right from the start that this money would be available and that it was accumulated at the expense of the unemployed, of the workers and employers who contributed to the fund. This is one of the main reasons we are voting against this budget. In fact, as long as there is no independent employment insurance fund, we will not be able to consider the government to have acted properly in this connection.

When he was the finance minister, the current Prime Minister deliberately underestimated surplus forecasts to ensure that, at the end of the day, the largest amount possible could be applied to

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paying down the debt. But some people paid the price for that in the meantime. It is reported that, as successful as we are at producing wealth, we still have many children who are poor in Canada today. The fault lies with the current Liberal government. It is chiefly responsible for that.

[English]

Mr. Vic Toews (Provencher, CPC): Mr. Speaker, my colleague from the Bloc talked about moneys being transferred to the provinces. His concern was that these transfers should occur with fewer restrictions. We are facing the same problem in Manitoba and I think it is happening across the country with respect to the gas tax.

We were told that the new infrastructure program, which is taken out of the gas tax, could be used by cities for their priorities. What we are finding now is that the federal government has specifically restricted cities over 500,000 and will not allow them to use it with respect to roads and bridges.

For example, the city of Winnipeg needs roads and bridges fixed. It needs potholes fixed. The federal government has specifically said that Winnipeg cannot fix its potholes.

What does the member say about something like that?

[Translation]

Mr. Paul Crête: That is a very good question, Mr. Speaker. I think that the federal government has an unquenchable thirst for visibility. If it had done the math logically, it would have withdrawn from certain fields of taxation. Efforts would have been made to allow the provinces to have access to these fields, because they have responsibilities in education, health and road systems. In addition, because they are closer to the problems and the people, they would be able to find much less expensive solutions.

This thirst for visibility is costing us a bundle because it is inefficient. By interfering in jurisdictions that are not its own, the federal government is creating duplicate bureaucracies, and that always increases costs. Quebecers have realized that, finally, the only solution now is for Quebec to get out of Canada and achieve sovereignty, to be able, among other things, to do away with these kinds of practices which cost a bundle to all of Canada.

• (1240)

[English]

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I had the opportunity to speak to Bill C-43 before the subsequent amendments and motions to be put.

I would first like to thank the Conservative Party for agreeing to support Bill C-43 today. The first inclination of the leader of the Conservative Party was that it was a good budget and that it was one his party could work with. We appreciate that.

The issue, however, has gone a little farther now. In my view, the debate has gone on for some time with regard to the amendments or the additions that have been made for the budgetary purposes included in Bill C-48.

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In the main budget, Bill C-43, and I do not want to get into great detail, but members will recall that the range of the key items include health care, the Atlantic accord, the exercise of transfers of additional funds to our cities, the gas tax, day care, the military and a range of other important initiatives which have been well debated in this place.

The reality is that the Government of Canada is a minority government. I think everyone knows from the lessons of history what happens when a minority government tries to govern as if it has a majority. It is an untenable situation in which to be. It means there has to be a higher level of cooperation and give and take within Parliament. It has been so long since the last minority government, which was in 1980 and which fell in nine months, that it is taking a bit of time for the various parties to find their niche as to how we can make Parliament work.

Bill C-48 was the first concrete effort in which cooperation was made to show Canadians that a minority government could work. It is not the only item. Members well know that a large number of bills are at various stages of the legislative process, many of them in late stages in committee and ready to come back to this place for debate. They are important.

One of the bills that is very important to me is the whistleblower protection bill in government operations. It was here in the last Parliament. We are very close and I want the bill to come back. I want public servants, the important people who serve Canadians, to have whistleblower protection. It is a commitment of the government and in fact has the support of all parties. I think it would be a real shame if the budget were to go down and that legislation would die yet again before the House has had an opportunity to take it through all stages.

With regard to the so-called budget amendments, one thing I learned just recently was to look at the calendarization of the incremental spending that is being proposed in Bill C-48 and what impact it has. Interestingly enough, when one calendarizes the \$4.6 billion, one sees that in the first year the impact is 1% of the total budget. It is a 1% increase in the total budget.

It is not an exorbitant amount in which someone would start to question whether the financial fundamentals on which the original budget was based have been compromised. If I could remind members, those are to include things like the \$3 billion contingency fund on the principle that Canada will not go into a deficit. A \$3 billion contingency fund has always been built into the budget.

There are also prudence factors which take into account that there are always estimates about what economic growth might be over the budget period and what short and long term interest rates might be. In the budget process, and I believe this has been articulated in every budget since 1997, there will be a conservative estimate of each of those made so that we err on the side of prudence. There is a prudence factor, which has varied from time to time, but it is in the range of about \$2 billion.

• (1245)

When the Minister of Finance goes before the people of Canada and announces that we will have a balanced budget, the documents will show that it includes the assumption that the contingency of \$3

billion and a prudence of \$2 billion or \$3 billion have in fact been necessary to be used. In fact, members should look at the budget as being the worst possible case that we can project, which is a balanced budget, no deficit but no surplus.

Because we have not had a recession in Canada for a long time, as members well know, and I am not sure whether any of the experts had ever anticipated that would be the case, we have gone through a very healthy economic climate in Canada as a consequence of the work of business and the people of Canada. We did not go into recession when the U.S. went into recession in the last round that it did.

As a result of the economic performance in Canada and the prudent budgeting principles that were included in the budget, surpluses have been created. Some would say that if surpluses have been created then obviously the people are being overtaxed.

Part of the equation of making a resilient economy, a resilient prudent and responsible fiscal position, is to manage the debt.

When we came here some 42¢ on every dollar was going to pay interest on the debt. Since that time we have paid down almost \$60 billion of debt. The savings on the interest is what some economists have referred to as the fiscal dividend. When we get our economic house in order and there are savings, where do those savings come from? The permanent savings are the savings on the interest of financing the debt. That means that we have saved \$2 billion to \$3 billion annually on interest payments. These numbers keep going up because of the interest rate scenarios. This is an additional \$3 billion each and every year available to sustain the important programs that Canadians want and, as time permits or as the finances permit, to introduce new programs, such as the additional moneys that have now been put into day care, another important initiative that Canadians want, or into cities, Kyoto, the military and foreign aid. We have certain priorities but they all cannot be dealt with in every budget at the same time.

However Bill C-48 brings in some other aspects. I know some members have suggested that this is just buying votes. I am not sure whether there is anyone in this place who would say that assistance for post-secondary education is inappropriate. I am not sure if anyone would vote against that. I think it is helpful. We need an educated workforce. We need to help those young people coming up to have the best possible education and be able to afford it.

Another element in Bill C-48 is additional moneys with regard to foreign aid. I do not know about other members but when I hear the details of the situation in the Sudan, particularly in Darfur, I get very concerned. How can I feel comfortable as a Canadian or happy as a person when I know there are people elsewhere in the world who have no chance to be happy, who are hungry, who do not have a roof over their heads, who have no security and whose lives are at risk? Foreign aid is an important aspect and it is important that Canada continue to play the appropriate role it can in leadership ways, as well as in providing aid to people.

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What else is included in Bill C-48? Additional moneys with regard to the environment, for housing retrofits. Every little step that we can invest in ensuring our air is safe and clean and that we are dealing with greenhouse gases that affect climate change is important. Everyone knows that what comes with the creation of greenhouse gases are the health impacts created by the particulate matters. The investment in the environment is very much a health issue. Who in this place would be against the health issue?

Finally, with regard to Bill C-48, there is affordable housing. I will have to tell members that I will debate anybody in this place at any time about the importance of providing affordable housing for those who need it. Every time we touch one level of housing, if there is more affordable housing that means people who are currently in social housing may be able to now move forward into the next level, it will free up social housing.

• (1250)

I believe this is a good news story. I am very hopeful that Bill C-43 and Bill C-48 will pass. All Canadians in all regions of the country will benefit from this and it will demonstrate to Canadians that Parliament is working.

Mr. Loyola Hearn (St. John's South—Mount Pearl, CPC): Mr. Speaker, I listened with interest to the hon. member opposite. He is a person, over the few years I have been here, who has a social conscience, as I hope many of us here do, and his concern for the needs of society are probably second to none.

I have no argument whatsoever that people need money for education. One need only to check *Hansard* to see how often I have raised the need for investment in education. I have no doubt that we need shelters for the homeless. We have abandoned the people on the lower end of our society, people who cannot help themselves.

However I do have one concern. If the Liberals have the feeling that we must help people, that we must invest in education and that we must invest in housing to help the homeless, why is the money in Bill C-48, which he says must pass because we need to do this for these people, and not in the original budget? Why did the Liberals not think about these people when they brought down the budget? Why was it not brought in until they had to buy the NDP for a quarter of a billion dollars each to get its support to stay in power? How can they justify that in the eyes of the public?

Mr. Paul Szabo: Mr. Speaker, the member is well aware that this is a minority government and that it requires a greater level of cooperation among all parties.

Bill C-43 comes forward with the budget. It probably would be naive to think that in every budget we could deal effectively with every issue that is important. I think we need to look at a series of budgets. We need to look at what was put in place to make the environment correct so the next thing can happen.

We always talk about post-secondary education, foreign aid, the environment and housing, and these are important issues, but we do have existing programs. However, to be even more blunt about the realities, this is what the government felt was prudent in terms of presenting a budget that would get the opposition on side.

I mentioned in my speech that the additional amounts were only a 1% increase in the overall budget. It was not a major diversion but

certainly supportive of principles which we as a party do in fact support.

[*Translation*]

Mr. Yvon Lévesque (Abitibi—Baie-James—Nunavik—Eeyou, BQ): Mr. Speaker, I listened to the member opposite speak of assistance for post-secondary education and social housing. If I have understood properly, if we are going to have an election campaign, this will be an important topic for the Liberal Party. What is the NDP's role in this? It will once again have served the interests of the Liberal Party.

Reference was made to the environment. Money going to the environment is intended to help the oil and gas companies and the auto industry in Ontario. Is the government providing any help at all to enable consumers to buy hybrid vehicles, apart from a little assistance to Quebec? This is what we have been requesting, and it would encourage the industry to produce them and make them available at a better price. No mention is made of it, however.

They talk of the deficit. I would, however, remind the party opposite that the unemployed paid off the deficit, as did the provinces in the budget transfers. In this regard, I would ask the member opposite to tell me when his party will implement the promises it made to the NDP.

• (1255)

[*English*]

Mr. Paul Szabo: Mr. Speaker, the member has raised more items than I can properly address and do them justice in the time allotted. All I can say is that all of the premiers got together. They agreed on the equalization and on the fiscal balance within the federation.

The member and a previous speaker for the Bloc wanted to talk about EI. Let me remind the member, and the House for that matter, there is legislation guiding the notional EI fund. It says that to the extent there is a surplus, there must be at least a couple of years of surplus there. To the extent that there is a surplus in excess of what is required for emergency purposes, for example, a major recession, either EI premiums must come down or new programs must be introduced to bring down that surplus.

That is exactly what happens. The moneys of the existing surplus in excess of the amount necessary are still there and available to go down. We have reduced the EI premiums each and every year since 1993.

Mrs. Bev Desjarlais (Churchill, NDP): Mr. Speaker, I am pleased to join in the debate on Bill C-43. I want to comment on a couple of areas that have come up in the debate and I hope not to bore anyone by being repetitious.

My colleague from Mississauga South praised the government on its support for education and for keeping tuition rates down. He indicated that this was a great move by the government. I want to remind him that the only thing that was in the initial bill with respect to support for students was that if they happened to die, they would not have to pay. That was all. That can be found on pages 89 and 90 of Bill C-43.

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The New Democratic Party told the Liberal government that was not good enough. Students across the country need to know they can afford their education. The government needs to provide some support to the provinces and to the universities and colleges to help keep tuition rates down so students can afford to go to school. Education is crucially important.

The NDP moved to get the Liberals to change some of the budget to reflect the different process, and that is what the Conservatives are criticizing. The Conservatives are criticizing the NDP for acting on behalf of students in Canada to keep tuition rates down.

They can go ahead and tell all the students in Canada that the NDP was bought by keeping their tuition rates down. They can go out there and tell it like it is. They can say we were bought by keeping tuition rates down instead of giving corporate tax cuts. I am proud of that.

The Conservatives should be ashamed for criticizing the fact that we arranged additional dollars to keep tuition rates down. Quite frankly, the Liberals should be ashamed that they had to be forced into a situation in order for students to get that. Throughout their campaigns they promised to help students. They promised to help them afford their education. They did not do that. Prior to the NDP agreement, students would not have to pay their debt if they happened to die. That was all the Liberals gave them.

Other Liberal promises were made during the election and some have come up a number of times since then. During the last campaign the Liberals promised dollars for child care, dollars for affordable housing and dollars for education. They also promised dollars for aboriginal communities like we could not imagine. They promised millions of dollars to aboriginal communities for infrastructure, for roads, water, and education for aboriginal students. What did the Liberals offer in the budget? Zip. It is shameful.

The New Democratic Party made sure that part of the dollars for affordable housing would go to aboriginal communities where there is the greatest housing needs in this country. We made sure that the money was marked for aboriginal housing because we know it would never flow to those communities otherwise. It is all promises.

During the last election I listened to the President of the Treasury Board promise money to a community in my riding. The government had promised that same money three years ago but it had never been paid out. The government made a big news announcement but it was the same money from before. The government promised the same money again to the same community. The reality is that money is not going to flow unless the New Democratic Party is here to hold the government accountable because it did not follow through on its promises in the last election.

The government made promises to assist in education. The New Democratic Party made sure some of those dollars would go to aboriginal education assistance. What did the Liberal government do? It is going to tax the support dollars that first nations students get.

The Auditor General identified education for aboriginal people as a crucial area. We have improved some of the access for first nations and aboriginal people to education. We are going to give them some additional dollars. What is the government going to do?

● (1300)

Aboriginal students have to leave their communities to get an education. Heaven only knows, we are just starting to see senior high schools in first nations communities. They were disallowed for decades by a plan to keep aboriginal people uneducated, and there is no doubt in my mind that is what it was. Some communities are just beginning to get senior high schools, and the government is going to tax what little dollars aboriginal students are getting to go to school.

After there was an outcry, the Liberals said they would look at it again and see what they could do and come back to it in 2006. Of course they would say that, because they are pretty sure there will be an election. Once again they promised to look at it. They did not fix the situation. They made another Liberal promise. The only way that Liberal promise will be kept is if the New Democratic Party is here to make sure that those promises are kept.

My Bloc and Conservative colleagues are a little touchy about this. They are upset that the NDP made a deal to get a better budget. Anybody who has negotiated, whether they be union people or business people, knows that in negotiating, we go back and forth, saying, "Okay, you give this and we will do this". That is what negotiations are about. It happens all the time in the House on pieces of legislation. Members can talk all they want that things do not get changed. We all know there is negotiation behind the scenes to get changes made.

The reality is that we were not happy with that first budget because it did not give back to Canadians what they rightfully deserve. They deserve to benefit from their tax dollars. We did not want to see increased corporate tax cuts. There had already been a number of corporate tax cuts over the years. I am not denying that if there is lots of money out there and we can afford it, go ahead. The reality was that the government was paying for it on the backs of everyday ordinary working Canadians who do not have the kind of money that the corporations have. That was not acceptable to us, so we negotiated a deal.

How can that be wrong? How can it be wrong for us to negotiate on behalf of the Canadian people for a better budget for them? The Bloc members and the Conservatives, and the Liberals as well, should go out there and tell Canadians how much better the budget is because of the work the NDP did. The Bloc and Conservatives should go out there and criticize that Canadians have more money for education, affordable housing and child care and that more dollars will go to foreign aid. They should go out there and tell Canadians that it is happening because the NDP made it happen. That would be truthful in the next campaign and throughout the next number of days. That is why we are seeing a much better budget than we had before.

The other part of the changes that I have not mentioned is in the area of meeting our Kyoto commitments. We strongly support changes within our industries that will help to benefit the environment. We have a plan on implementing Kyoto and trying to meet the needs to address the ongoing climate change.

Anybody who lives anywhere in Canada over the last number of years has seen how our weather has changed and how it is affecting our environment. Certainly in my riding, the northern part of Churchill where the polar bears are, it is having a drastic impact. Already we can see the impact on our polar bear population. It is not something we have to worry about 10 years down the road. We are already seeing those changes. I do not have to be convinced there is a problem out there, so we are committed to implementing our Kyoto plan.

The Liberal government talked a fine line on Kyoto and sustainability, but there was nothing concrete. We ensured that there were more dollars there for the environment and for Kyoto.

I will try to wrap up really quickly. There is no question that the budget is not great. There is no question that we are not happy with the fact that there are no changes to EI. We know that the government is using the EI fund to offset its surpluses and there needs to be changes, but we got a better budget. It is not perfect, but it is a better budget. It is a budget for Canadians.

• (1305)

Mr. Merv Tweed (Brandon—Souris, CPC): Mr. Speaker, I find it interesting. On the other side of the House we hear one member talk about the new NDP budget being 1% of the budget that was presented only a few weeks ago. What the member fails to suggest is the program spending on that side of the House has gone up almost 50% in the last 10 years, so this is on top of it.

I want to ask the member for Churchill a question. In her comments she talked about all the promises made by a government that were broken. I would like to add, and I am sure the member would agree, that it was that government that said it would eliminate the GST. It was that government that said it would tear up the NAFTA. It was that government that said, I think in red books one, two and three, it would introduce a child care program for all Canadians.

Based on the track record of the current government and its inability to fulfill the promises it already has made to Canadians, why is the member convinced that the current government will do anything with those promises which have been added outside of the first budget, or what we call the NDP budget, and not break them?

Mrs. Bev Desjarlais: Mr. Speaker, the ultimate answer is more New Democrat members in the House. We have an opposition, the Conservatives and the Bloc, that has huge numbers.

I want to point out that the Conservatives supported the first budget, which did not have near what is in there now. Therefore, I find it hard to be critical of the NDP now getting something better for Canadians, and that we should feel bad about that. It is not perfect, but it is better.

As I indicated, we are very disappointed that we could not get movement on the EI fund and have those dollars spent where they should be spent. It is not a matter of continually lowering premiums. We need to see an improvement in benefits which were cut year after year, again with the support of the Conservatives.

There had been numerous program cuts. Those program cuts happened at a time when there was an increase of Conservative members and less New Democrats. We have a minority government.

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Right now we have a situation that is better for Canadians and we will do whatever we can in the House, even if we are limited in numbers, to do what is best for Canadians.

[*Translation*]

Mr. Yvon Lévesque (Abitibi—Baie-James—Nunavik—Eeyou, BQ): Mr. Speaker, I noted the comments by my colleague from the New Democratic Party. To my knowledge, this party's traditional allies are workers, through their unions. I find it odd for them to be bragging about all sorts of things, especially what is good for Canadians. I return to the remarks of the Liberal Party renegade, who said as recently as yesterday that what is good for Canadians is not good for Quebec and vice versa. This is what the member opposite has just said. She is in fact saying that it is good for Canadians.

I would point out that all their demands were at cross purposes with Quebec. For Quebec to agree to their demands, its areas of jurisdiction would have had to be taken into account in their implementation. When student bursaries and help for social housing are called for, it must not be forgotten that Quebec manages these programs. The funds were obtained at the national level and are managed by the government.

In this regard, I ask the hon. member, when does she think the NDP will get the money promised to help the public?

• (1310)

[*English*]

Mrs. Bev Desjarlais: Mr. Speaker, with the make-up of the number of provinces and territories in Canada, there is no question that we often have jurisdictional disputes. I deal with them every day. There are always jurisdictional disputes with provincial, municipal and first nation governments. We have to respect the jurisdictions of the provinces.

When I say what is best for Canadians, I also include Quebec among Canadians. I know there are some who do not want to see that happen, but I always have acknowledged Quebecers as Canadians in the same way I have acknowledged people from Saskatchewan as Canadians, or people from Alberta as Canadians and others. We are all part of one great country and we need to respect that as well.

Mr. Tony Martin (Sault Ste. Marie, NDP): Mr. Speaker, I appreciate the opportunity to put a few thoughts on the record where Bill C-43 is concerned and perhaps to speak somewhat as well, flowing from that, on Bill C-48.

However, first, there were some things in Bill C-43 that we as a party appreciated and could support, but there was more in it that we could not. Because we could not support it, we voted against it, primarily because of the surprise in it, the Trojan Horse so to speak. It contained the next round of corporate tax breaks which we thought were unnecessary. They were not in keeping with the discussions our party and our finance critic had with the Minister of Finance on the Liberals' commitment during the election.

Government Orders

Based on the Liberal platform and the conversations we had with individual ministers, the commitment was not in any concrete way included in the budget. All of sudden, in an agreement to win the support of the Conservatives, significant corporate tax breaks were included in the budget which would take another \$4.6 billion out of the public treasury. We felt that money should have been, and will be if we pass Bill C-48 tonight, spent on the priorities of Canadians for their communities, their children, their aging parents and their infrastructure.

The tax breaks in our view were yet another gift to those in our country who already had more than enough. They have been getting corporate tax breaks for the last 10 to 15 years. When I go back and speak to my constituents, they ask me these questions. When is enough, enough for the corporations of this country and the world? When is another increase in wages to the CEOs of some of the corporations enough? When is another stock option to executives in these corporations enough? When is more income for the wealthiest of our provinces enough? When does it turn to greed?

I believe we have gone beyond that point. It is time now for us who have been given responsibilities as leaders in the country to look at those things that we need to invest in, things that will support a standard of living, which we know we can afford, for our families, our neighbours, for everybody who calls themselves Canadian.

We were not happy with the corporate tax break. However, we were pleased with the commitment that the government made to a national child care program. Unfortunately, as it rolls out, the government now finds itself in a hurry, as we seem to be going headlong toward the possibility of an election. Agreements are being made with provinces that do not fit with the framework we believed was there, those of us who were involved in the discussions, lately me more than others.

Some people in this province have been working on child care for 20 to 30 years. They have done the research and the work. They know that if we are to have a national child care program that is worth its salt, that will deliver the services we know are needed by families, by children and by the economy, it needs to be framed in legislation. It needs to be based on the quad principles. It needs to be delivered through a not for profit delivery system.

We were very excited with the first two agreements that were signed by Manitoba and Saskatchewan, two New Democrat governments that understand those principles. They understand why it is important we stick to them. We need to a program that is right from the start. This is the first national program in over 25 years. Manitoba and Saskatchewan have committed to a framework of accountability. They also have committed to a not for profit delivery system, with which we are pleased. However, we now see that Ontario, Newfoundland and Nova Scotia are getting less and less of that commitment.

●(1315)

However, we are getting more anxious and nervous about the way the national child care program is beginning to roll out. We know that once it gets away, it is hard to get it back into shape. We need to ensure that it truly is a national child care program, not another patchwork of child care with more money. We need to ensure that the

money is spent in an appropriate way so we get the best value as an investment in our children, families and the economy.

However, money has been allocated. Reference to a national child care program was first promised by the Liberals in 1993 and the Conservatives before that. Finally, there was a reference this past year because of a significant presence of New Democrats here pushing the Liberals in that direction. It was referenced in the Speech from the Throne and then it showed up in the budget. We were pleased about that.

The economy in my community is beginning to change its direction. We used to have some valuable high paying jobs in the resource based sector of steel and paper. Those jobs are becoming fewer and fewer. We are now looking at a growing sector of call centres where people do not make as much money. They do not make anywhere near the kind of money they used to make in those valuable, unionized jobs, in the industries that were industrial heartbeat of northern Ontario.

Ontario now has jobs that are less dependable. They do not pay as much. It is important that we have a good, affordable child care system in place for parents who want to participate. If they want to make ends meet, or want to buy a house, or pay the mortgage, or feed the kids, and all the things we want for ourselves and for our families, they probably will have to work two jobs. Some work two and three jobs in the same family. If they do not have good, affordable, high quality, safe child care available to them, they will be unable to do that.

The national child care program, however incomplete it is as it rolls out, because of the lack of commitment by the government to the principles and to the not for profit delivery system, is still very important. That is why we need to pass Bill C-48, the budget we negotiated with the Liberals, tonight. We need that money in our communities and in Sault Ste. Marie. It represents a significant growth in that sector, not only spaces for families and for children, but jobs for child care workers, good jobs and more money for those people already working in the child care sector. They will have benefits, pension plans, all the things we all want for ourselves.

The national child care program is a very important. We encourage members of the Bloc and Conservative Party to ensure that the bill goes through tonight so we can move forward with these.

I want to talk briefly about the criticisms by the Conservatives over the national child care program, which are misleading at best. They talk about an investment of \$5 billion to \$10 billion in our young people, our children, as somehow pouring money into a big black hole. Their suggestion as to how we might do this, which would be to give tax breaks or tax credits to parents to buy their own child care, would not create a national child care system. Also, it would cost us four or five times as much money to put in place. We are talking \$20 billion to \$25 billion if we add up all the money.

Government Orders

That is not to speak of the reduction in the economy if we remove those people who are skilled and trained, women in particular, from the workforce. The analysis that has been done by people who know, the economists, tells us that it could be anywhere from \$70 billion to \$80 billion a year. We are talking a cost of close to \$100 billion a year if we follow the plan that the Conservatives have suggested is better than the plan in the budget, which would give us a \$2 return for every dollar we spend in early learning and early child care for our children.

• (1320)

Mr. Jim Abbott (Kootenay—Columbia, CPC): Mr. Speaker, it is always entertaining to listen to NDP members talk about corporate taxes. They have such a lack of understanding about who pays corporate taxes. Corporate taxes are not paid by corporations. Corporate taxes are paid by their customers.

This NDP member comes from Sault Ste. Marie where Algoma is in constant competition with the U.S., China and every other jurisdiction that makes steel. Yet, he does not understand that it is the customers of Algoma who pay the corporate tax. Why does he not understand that by reducing corporate taxes, as was budgeted in the original budget, in 2006, 2007 and 2008 it will continue to make corporations competitive in the world?

Because corporate taxes will ultimately be paid by the corporations' customers, we are talking about making corporations less competitive. It takes away hundreds, thousands, tens of thousands of Canadian jobs by not allowing Canadian corporations to be competitive with the U.S., China, Brazil, France, Korea and all of the customers with whom Algoma is in competition.

The member should be ashamed of himself for not being prepared to stand up for the workers in Sault Ste. Marie, Hamilton, British Columbia and the ones who need the jobs. It is the customers of the corporations that pay the taxes.

Mr. Tony Martin: Mr. Speaker, we in the New Democratic caucus are indeed standing up for the workers of Sault Ste. Marie, Winnipeg, Vancouver and communities across this country. We are fighting for the health care that families and children need. We are fighting for the university education their children need, and against the phenomenal debt they have when they graduate. We are fighting for the infrastructure we need to support industries.

Economically, northern Ontario has been going downhill for the last 10 or 15 years, at a time when we have been seeing unbelievable corporate tax breaks given out to corporations across this country. As a matter of fact, Canada is very competitive with the United States in terms of its corporate tax rates and is lower in many instances.

To suggest for a second that somehow more corporate tax breaks are going to make Algoma Steel more competitive is not to understand the dynamic of the steel industry in Sault Ste. Marie, Hamilton and across the country today. The steel industry is cyclical. It is being challenged by what is happening in China and India. In actual fact, it is doing quite well right now.

Algoma Steel is doing better than it has ever done and it is because of the contribution our community has made to the restructuring of that industry, and the contribution the workers in

that industry are making. The retirees who are now sitting back looking at corporate tax breaks and the kind of money that Algoma Steel is making have given up their own wages and the indexing of their pensions to in fact save that company.

The member should not lecture me on what is important to a company like Algoma Steel or the steel industry in Canada or North America.

• (1325)

Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP): Mr. Speaker, as these negotiations were going on for what is being called the NDP budget, which we take a great amount of pride in, one of the important things to small and medium size business owners everywhere was that their competitive advantage be maintained. In the negotiations on this tax cut, which was not talked about in the election, there was no exchange of views and it was a surprise to everybody. The NDP ensured that small and medium size businesses in Canada would not be affected by the reduction. I wonder if the hon. member would comment on the strength and vitality of that community in our sector.

Mr. Tony Martin: Mr. Speaker, I certainly can. Everybody knows that every penny invested in education, for example, is an investment in small business and industry in this country because students who obtain an education participate, contribute and compete in the global economy. Every penny we put into affordable housing means families and children can participate more actively and successfully in the education system and ultimately in our economy.

Every penny put in to protect the wages of workers across this country as small business and industry go bankrupt protects communities and families in this country. Every penny put into infrastructure, roads and our public transportation system, is an investment in our industry and small business. They all depend on it to get their products to market and to obtain supplies to produce whatever it is they are selling.

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, I am happy to have this opportunity to join the debate on this critically important budget bill because in my view Canada is at a crossroads. We are at a fork in the road where as a nation we have a critically important choice to make. In fact, years from now people will look back at this date of May 19, 2005 as a crossroads date for the nationstate of Canada and the direction we want to go.

I am proud and honoured to be here as a member of Parliament for the riding of Winnipeg Centre, and equally honoured to follow my colleague from Sault Ste. Marie who just enlightened and focused the House better than I have heard before on the issues that are really important to Canadians. In our small corner of the House of Commons, in this little area that is relegated to the New Democratic Party, great wisdom and great contributions flow.

In my opinion we need more New Democrats in Parliament. It is an observation that I have to make because this budget bill is an example of what good things happen when the NDP forces the Liberals to act like Liberals.

Government Orders

Many people voted for the Liberal Party thinking that they would get a liberal agenda. They got suckered, frankly. It is like a big hook in their mouth being led down the garden path because we have seen what 10 years of majority Liberal government looks like. It looks a lot like a Conservative government.

In fact, our current Prime Minister, when he was the finance minister, was the most right wing finance minister we have ever seen. He took us places that the Conservative Party did not dare to go. If we thought that neo-conservatism was limited to Margaret Thatcher, Brian Mulroney and Ronald Reagan, no, neo-conservatism had an anchor in this country with our current Prime Minister. He is the champion of neo-conservatism.

As fate would have it, in the last federal election, we found ourselves in the happy circumstance where more New Democrats came to Ottawa, New Democrats with some influence and with some ideas. They had a novel idea to spend some of this incredible surplus on people. What a thought. Instead of paying a tithe to Bay Street, instead of squandering it on more corporate tax cuts for people that are showing record profits already, let us spend some money on people for a change. Is that so radical a concept? Is that so strange? Can people not get minds around the idea that maybe it is our turn to have some of our tax dollars spent on our needs?

For heaven's sake, this is what we are proposing. We were all asked to tighten our belts for 10 years of austerity. The current Prime Minister, when he was finance minister, said we were left with this unbelievable deficit left by the Conservatives, the most wasteful, spendthrift government in Canadian history. It jacked up the operating deficit to \$42 billion a year and jacked up the debt to \$500 billion from \$125 billion. That was the Conservative legacy. Not that I am any great fan of the Liberal Party, but it inherited a disaster. When he was finance minister, the Prime Minister inherited a disaster left in the wake of the most wasteful government in Canadian history, the Conservative government under Brian Mulroney.

We were asked to tighten our belts. We were told to suck it up. There was no more money for health care and no more money for education and training. But ironically, there seemed to be lots of money to give to Bay Street in terms of corporate tax cuts. In three successive budgets the Liberals lowered taxes. They reduced services to us, took our tax money, denied us benefits, and gave it to Bay Street. That was their political philosophy. It seems absurd, but that is what they did.

Now we have reached a point of time in our history where we are saying enough is enough. We were asked to tighten our belts and do without at a period of time when Bay Street was showing record profits quarter after quarter through the whole 1990s. When there was not enough money for a single thing for us, there seemed to be lots of money for Bay Street. Now we are saying to turn that faucet back on a little bit, not excessively. The spending proposals negotiated by the NDP do not even get us back to the level of spending on social programs that we were at in 1993 when the Liberals took over. It only returns some modicum of balance. It is not over the top. It is not excessive. It is giving us back some of our money. What is wrong with that?

● (1330)

I cannot understand this party that sells itself as the grassroots party and the party of ordinary Canadians. In the west at least, that is how it would like to promote itself. Why is it a supplicant to Bay Street? Why is it a corporate shill instead of a champion for ordinary Canadians? That is what I find bizarre to understand.

We are trying to advocate, on behalf of the average family, that a little bit more money be put into affordable housing because there are communities, frankly, in Canada today where the average working family cannot even aspire to own their own home. That is wrong in a country as wealthy as Canada.

We have communities in Canada today where both members of the family have to work just to keep their heads above water. The husband and wife have to work these days, but they cannot find child care that they can trust, where they can feel safe leaving their children. That is wrong in a country as wealthy as Canada.

I wish I had time to ask my colleague from Sault Ste. Marie some more questions because early childhood development is the single most important investment we can make. Those years between zero and five are when a child's future is determined. That is when his or her destiny is shaped. If children are in substandard, inadequate, warehouse-style, big-box day cares, they are not going to flourish and reach their full potential. We know that for a fact. This is not a left-wing prospect. This is not some fabrication by the pinkos down at this end of the House.

Charles Coffey, former vice-president of the Royal Bank of Canada, a darling of Bay Street, has written perhaps the most definitive policy paper on early childhood development, flagging this as an urgent issue for Canada to spend some money on.

We are faced with these record budget surpluses every year and the NDP, using what influence it has, manages to negotiate into that budget some spending for ordinary Canadians. What is wrong with that? How can anybody vote against that? They would have to be out of their minds.

How do they go back to their constituents and explain that. I see some Conservative MPs from Manitoba right here right now. I have in fact done the number crunching on the \$4.6 billion that the NDP negotiated as a part of this budget. The \$80 million will come to Manitoba for affordable housing and \$65 million will come to Manitoba for post-secondary education tuition. How could that be a bad thing? Were we not sent here to bring home the bacon? Is it not our job to try and wrestle a bit of money out of Ottawa and bring it back to our constituencies? That is what we have done.

We have used the little political influence that we have down at this end of the House to negotiate something good for Canadians and now the Conservatives are threatening to vote against it. They are the ones who are going to have a tough time on the doorstep because I am going to remind people every time I go to a doorstep in the province of Manitoba that the Conservatives were opposed to bringing back \$80 million for affordable housing in the province of Manitoba.

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I see members who represent rural ridings in Manitoba saying that none of that money will go to their ridings. That is not true. In fact, members do not know that for a fact. They are inventing this because they are ideologically opposed to spending taxpayer money on taxpayers. They would rather give it to Bay Street. This is what is frustrating to me.

I am glad I had the opportunity to share some of my views with these people because I am astounded by their naivety and their inability to count, for one thing. Maybe if they cannot count that high, they should take their shoes off because if they have to count higher than 10, they seem unable to do that because the Conservatives were bad money managers.

The Conservatives, throughout history, have driven deficits through the ceiling. Here are some good examples. Saskatchewan and Grant Devine had seven deficit budgets in a row, whereas Allan Blakeney had nine balanced budgets in a row. The NDP knows how to balance the books, these guys do not.

• (1335)

Mr. Jim Abbott (Kootenay—Columbia, CPC): Mr. Speaker, it turns out that this NDP member suffers from exactly the same problem as his friend from Sault Ste. Marie. Again, NDP members have blinders on when they think somebody other than the customers of the corporation pays the corporate tax. They do not understand that as the most fundamental concept. I do not know how in the world we can ever get it through to them because they seem to be ideologically blind.

However, I must say that I agree with him that normally the NDP comes to the House as just a little small rump off in the corner, and in this particular instance the NDP has managed to actually prop up the establishment. Those NDP members have propped up the establishment of the Liberal Party, which is thoroughly corrupt in the way that they have been handling the country's finances, in the way that they have been governing this country and in the way that they have been extorting money.

It is an absolutely amazing, outstanding event that the NDP would actually come to the House and exert its influence to prop up the establishment. To that I say shame on this member.

Mr. Pat Martin: Mr. Speaker, I could not agree more with the member from British Columbia. It is my personal belief that the Liberal Party of Canada is institutionally psychopathic. Its members do not know the difference between right and wrong and I condemn them from the highest rooftops.

But before the last Liberal is led away in handcuffs, we want to extract some benefit from this Parliament and that means getting some of the money delivered to our ridings before this government collapses. Why can those members not see the sense in that?

Mr. Ken Epp (Edmonton—Sherwood Park, CPC): Mr. Speaker, I am so glad that the member for Winnipeg Centre came to the House. He is the member who says that before those crooks are led away he wants to make sure he gets some of their money on the basis of their promise that—

• (1340)

The Deputy Speaker: The hon. member for Scarborough—Rouge River on a point of order.

Mr. Derek Lee: Mr. Speaker, I am rising on a point of order because the member opposite has made a reference to crooks. There was also a previous reference to handcuffs. There are a lot of people watching the proceedings of the House today and I am asking colleagues in a respectful way, including colleagues opposite, to try to keep the debate civil and to avoid unparliamentary language. We will get through the day and get to the vote tonight, but if we are not careful, we are going to have more problems than we are ready to deal with.

The Deputy Speaker: I thank the hon. member for Scarborough—Rouge River for his intervention. I encourage all members to be careful. The earlier comments referred to a political party. We certainly do not want to let this deteriorate into accusing individual members of Parliament of something.

I will ask the member for Edmonton—Sherwood Park to put his question.

Mr. Ken Epp: Mr. Speaker, out of respect for the Chair and for this House I gladly withdraw that term. I was ill advised to use it.

I have a simple question for the member. He is the one who had the private member's bill asking for a new revision of the access to information legislation. This Prime Minister said to him to withdraw the bill and the government would make sure to give him everything he wanted in the legislation. What happened? The Minister of Justice came to committee and presented not a bill, not a draft bill, but a discussion paper. Hey, just what we needed, more time to talk about it.

The member himself was upset at the time. How does he expect that those people, who cannot be trusted, are going to deliver anything they have negotiated other than that they want to stay in power? That is what it is all about. The Liberals need to be turfed because of that.

Mr. Pat Martin: Mr. Speaker, I firmly believe that freedom of information is the oxygen that democracy breathes and that secrecy breeds corruption. It was in that spirit that I put forward a private member's bill to improve the access to information laws.

The biggest mistake I have ever made in my career was trusting the Liberal government when it asked me to withdraw my bill, saying it would give me a better bill within an immediate period of time. I got duped. I got sold a bill of goods. I got suckered in. I guarantee that it will never happen again because I have learned my lesson. I thank my colleague for reminding me of that because I still get mad every time I think about it. I was sucked in by those guys. It will not happen again.

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

Some hon. members: Question.

The Deputy Speaker: The question is on the motion that this question be now put. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

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Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Deputy Speaker: Pursuant to order made Monday, May 16, the division stands deferred until later this day at the expiry of the time provided for government orders.

* * *

AN ACT TO AUTHORIZE THE MINISTER OF FINANCE TO MAKE CERTAIN PAYMENTS

The House resumed from May 16 consideration of the motion that Bill C-48, an act to authorize the Minister of Finance to make certain payments, be read the second time and referred to a committee, and of the motion that this question be now put.

Mr. Ted Menzies (Macleod, CPC): Mr. Speaker, it is a pleasure to rise today to possibly change the subject a little to that bill which we would like to discuss and to which I would like to speak in opposition, that being Bill C-48.

In reading the introduction, "An Act to authorize the Minister of Finance to make certain payments", I think the House would want to be much more precise than that. That certainly concerns me, as I am sent here to represent my constituents and I am sure that they would be very concerned about that also.

The past few weeks have seen anger and recrimination in the House, and so in fact have the last few minutes. Frustration with legislative paralysis and personal and professional insults hurled across the floor like a bunch of kids in a sandbox is not productive.

I speak today in an effort to remind the members of the Liberal minority government that Canadians deserve a government which inspires the nation with its vision and which brings Canadians together with its leadership. Rather than use my 10 minutes to turn up the heat or chase partisan quarrels, I want to talk directly to my constituents and to Canadians across the country to explain why the Conservative Party cannot support this Liberal-NDP budget amendment.

As I mentioned, I am opposed to this for a number of reasons. The first one I would like to raise is the fact that this is an NDP budget. I might remind those people here, as I would remind my constituents, that we did not elect an NDP government, and I would suggest intentionally so. In that case, why are we dealing with an NDP budget?

I would also suggest that if the minority Liberal government had consulted with Canadians and with the other parties in the House, we might have actually had a budget that could have passed back in March and we would not have had to go through all of this.

The Conservative Party of Canada at that time voted to continue this Parliament, to make things work and to make it better for all Canadians, as opposed to the NDP, which voted on March 9 to

defeat the government. It is an interesting twist of fate that we find the NDP members suggesting they will vote with the Liberals on this NDP budget. That day, the NDP and the Bloc both attempted to defeat the government. The Conservatives have been working hard trying to make this work, but when we see a bill like this before us, we are having a difficult time supporting it.

I know my constituents. I have heard from many of them. They are frightened by this sort of bill being put forward with these unspecified spending qualifications, with \$4.5 billion from a surplus. We are not sure what that surplus is now that the government has spent the billions of dollars it has in the last 30 or so days, with the Liberals flying back and forth across this country handing out money with no plan. It is money that should have gone to debt relief. That is a fundamental concern of my constituents, as it is of mine.

We have committed hundreds of millions of dollars with no plan whatsoever. It is a last minute plan, I suppose. Getting the Liberal government re-elected is the only reason I can see for the Liberals putting this kind of money out there in that form.

Conservatives want Canada to become more competitive. What we have seen in the last few days does not make this country more competitive. We have heard comments from this side of the House on the reality of how the economy works and what stimulates the economy. This budget is not good for the corporations in this country, so it will therefore not be good for Canadians. We need to recognize that. We need to be more relevant in trade. Trade is our future and we see nothing in here that stimulates trade.

● (1345)

We see nothing to get to the goals that we all recognize are very important in foreign aid. There is \$500 million talked about here, again with no plan. We do not see any plan for any of the spending. We would like to see the foreign aid money be more targeted and more effective. The spending needs to be targeted, not just scattered wherever it may fall.

On this side of the House we would like to see a budget put forward that creates more jobs and does not overtax the employers. We all know and have heard how that will affect the taxpayers, our constituents. We need to provide good, accessible health care. We do not see that effect coming out of this NDP budget.

We need something very important in my riding, and that is some effective help for the agriculture industry. In the first budget that was tabled, I believe agriculture was mentioned once or possibly twice. There is a serious disaster going on in the agriculture industry, specifically with respect to BSE. Not only is there a disaster in the cattle industry, in the ruminant industry, but also in the grains and oilseeds industry.

All of the debate in the House has done nothing to help my constituents who are still suffering from the effects of the BSE situation. In fact processing plants have been applying for the money that will backstop processing facilities. The government announced a loan loss provision, but from my understanding, not one penny of it has gotten through to be poured in concrete. That is the sign of a very ineffective plan, but we have not seen anything to replace it.

S. O. 31

The Conservative Party launched a process where we would be intervenors in the court case going on in Montana and moving on to San Francisco. The Liberal government attempted it, was rejected on the first claim and walked away. How is that going to help our producers? By ignoring them, ignoring the issue, it has not gone away; it has just gotten that much worse, in fact to the point where we may see the beef that is going across the border, as it flows now, being stopped in the next few weeks. That is a very real possibility with the new challenge coming up in Montana.

The NDP had a chance to deal with this. It had an opportunity to at least address the issues that affect farmers. Again I see nothing in here that will improve agriculture. That is one of the many reasons I have a difficult time accepting that this is a good budget because I do not see that it is at all.

There is a plan for CFIA to help expand markets. My understanding is that has not moved ahead. The agriculture minister stood in this House back in March and told us that the CFIA was going to work diligently to open markets. I do not believe that has happened. Once again our ruminant industry has been let down.

I have spoken about the CAIS program several times in the House. That program is not effective. It does not help the grains and oilseeds sector at a time when commodity prices, the grains and oilseeds prices in this country are probably the lowest in real dollars that we have ever seen. We have a program that our agriculture minister tells us will help farmers out, will buy them some time until we can see those commodity prices come back. In my own personal situation, I had applied for some of that money when I was an active farmer, before I came to this House. I owe half of that money back because that is how ineffective the system is. It does not put dollars into the pockets of farmers where it is needed.

My time is almost over and I respect that. I am enjoying what I am saying but I realize that we do have a time limit on debate.

We realize the corruptness that has gone on in the government and that is fundamental to my opposition to this bill. I cannot with any conscience support a piece of legislation like this bill, which in effect props up the government that we have watched demoralize the country and drive a wedge between the provinces.

•(1350)

I would like to close by reminding everyone that the type of behaviour we have seen is probably an indication of the demoralizing issues that have plagued the House. I certainly hope we see an end to it, which might even be as soon as this evening.

•(1355)

[*Translation*]

Mr. Marc Lemay (Abitibi—Témiscamingue, BQ): Mr. Speaker, I would like to put a question to the hon. member, who made an excellent presentation.

If we look at this bill, we notice that the government is taking a piecemeal approach in an attempt to buy agreements with a number of provinces. Here is my question to the hon. member.

Does he not believe that, far from helping Canada, these agreements reached by resorting to a piecemeal approach are harmful to the provinces and confirm the existence of an imbalance

between them and the federal government? By taking this piecemeal approach to reach these agreements, is the government not creating an even greater fiscal imbalance?

[*English*]

Mr. Ted Menzies: Mr. Speaker, the member is absolutely correct. These piecemeal agreements that we have seen not only are ineffective, they are antagonistic. They have done nothing but pit one province against another.

It adds to what we have seen in the sponsorship scandal. In so many of the claims that we have seen, the money has gone to people in Quebec. That is the way it appears but that is not the fact. It may have gone to people in Quebec, but it had nothing to do with Quebec. It was the Liberal government trying to buy off Quebec, trying to buy the allegiance of one province.

This exemplifies what the Liberals have done. It magnifies it and brings it out to everyone that the Liberal government does not show equal respect to all provinces.

[*Translation*]

Ms. Nicole Demers (Laval, BQ): Mr. Speaker, I listened to the hon. member's speech and to the reply that he provided to my colleague, the hon. member for Abitibi—Témiscamingue. I am wondering if, in his reply regarding the fiscal imbalance, he also thought about what members opposite are imagining.

Will the government respect its agreements with Bill C-48? As we know, this is a party that has deep social values. Is it not betraying somewhat its social values by supporting such agreements? Is this not confirmation that everything has its price?

[*English*]

Mr. Ted Menzies: Mr. Speaker, the member's question certainly raises the larger question that everyone on this side of the House is asking. We have seen promises, promises and promises that have not been kept. Therefore, why would we expect the promises in this legislation to be kept either?

STATEMENTS BY MEMBERS

[*English*]

NURSING

Hon. Judy Sgro (York West, Lib.): Mr. Speaker, I am pleased to rise today to inform the House that last week, May 9 to 15, 2005, was National Nursing Week. This year's theme is "Nursing: Patients first. Safety always".

I would like to commend our nurses' dedication to deliver first class health care to Canadian families, often under very difficult circumstances. National Nursing Week provides us with a wonderful opportunity to celebrate the immense contribution that nurses, especially our front line workers, make to our communities.

I want to particularly mention the Humber River Regional Hospital in my own riding of York West and all the valued and hard-working nurses who provide the highest quality care.

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I am honoured to offer my thanks to everyone who has chosen nursing as a career. Their tireless efforts make a positive impact on the lives of Canadians.

* * *

• (1400)

HOUSING

Mr. John Cummins (Delta—Richmond East, CPC): Mr. Speaker, over a month ago I provided the minister responsible for CMHC with documents received under access to information that made it clear that in 1981 CMHC was aware of the leaky condo problem in British Columbia, but failed to issue a public warning to homeowners and builders because of concerns about liability and defaulting mortgages.

CMHC abandoned its duty to protect the public because it wanted to protect itself. Recently obtained documents show that in 1981 CMHC requested that the national building code be amended to prevent what was to become a two decade long nightmare for B.C. homeowners. Nothing was done.

CMHC failed to take action to prevent this costly disaster. CMHC failed to warn homeowners whose lives were to be devastated by this conspiracy of silence. CMHC failed to advise the builders so that flawed building practices could be changed to protect homeowners.

When will the minister end the cover-up?

* * *

INTERNATIONAL FUND FOR IRELAND

Mr. Pat O'Brien (London—Fanshawe, Lib.): Mr. Speaker, it is very good news that today the Government of Canada is announcing its continued support for the international fund for Ireland. The Canadian contribution is due for renewal and the government is not only committed to the reinvestment, but it is doubling our contribution from \$1 million to \$2 million over four years.

Canada is a founding partner in this important fund since 1986, along with the United States, Australia, New Zealand and the European Union. At a time when the peace process in Ireland is at a critical stage, the renewed and enhanced commitment of Canada to the international fund is an important statement of our support for the Irish peace process. This fund promotes economic and social advances and encourages contact, dialogue and reconciliation between nationalists and unionists throughout Ireland.

As a Canadian of Irish ancestry, I wish to thank all those in our government who understand how important it is that Canada has recommitted to the international fund for Ireland.

* * *

[*Translation*]

PRIME MINISTER

Mr. Stéphane Bergeron (Verchères—Les Patriotes, BQ): Mr. Speaker, last Saturday was the 25th anniversary of the infamous statement by Pierre Elliott Trudeau, "We are willing to lay our seats in the House on the line to have change."

We now know what change was brought about by this formal promise by this former Liberal prime minister. Pierre Elliott Trudeau

shoved down Quebecers' throats a Constitution they still have not ratified. There is a Liberal promise for you.

Jean Chrétien's actions were hardly any better, misrepresenting and even trivializing his formal promise to Quebecers on the eve of the 1995 referendum to recognize Quebec's distinct nature and include it in the Constitution.

How much stock should we put in the current Liberal Prime Minister's promise to hold an election within 30 days of Justice Gomery's final report? The House has already voted on this issue. The government no longer has the confidence of this House. The Prime Minister has only one option left: he should have the courage to let the people decide.

* * *

[*English*]

FAMILY REUNIFICATION

Ms. Anita Neville (Winnipeg South Centre, Lib.): Mr. Speaker, I rise today to speak about the motion I introduced in the House on April 12, 2005. This motion proposes changes to the immigration and refugee protection regulations that would allow a sponsor's sibling's income to be included in family class sponsorships.

For many Canadian residents, it is difficult to bring family members to Canada because of financial constraints. Many new Canadians who wish to be reunited with their parents and family members cannot do so because they are not yet financially secure. While current regulations allow a sponsor's partner to financially contribute to a sponsorship, in many cases this is not enough.

In order to expand the opportunities open to Canadian families, my motion would amend the regulations to allow siblings to combine their resources. This simple change would greatly improve Canadians' financial options in bringing their families to this country. I urge all members of the House to support the motion and to support the reunification of families.

* * *

GENERAL MOTORS

Mr. Colin Carrie (Oshawa, CPC): Mr. Speaker, I rise today to honour the hardworking men and women of General Motors and to recognize the success of Oshawa's GM complex in the recently awarded J.D. Power and Associates 2005 initial quality study.

In the prestigious awards, General Motors swept the North and South America plant categories, with Oshawa No. 2 taking the gold Plant Quality Award and Oshawa No. 1 receiving silver.

The executive director of J.D. Power and Associates stated:

GM's Oshawa complex is an extremely important driver of economic well-being in Ontario and in Canada. The recent investment announcement is also testimony to the importance that GM places on these facilities and these awards should solidify confidence in the Oshawa operation. This is an important achievement, not only for GM Canada but also for the industry in Canada as a whole.

Oshawa's auto workers led the industry with an unprecedented number of awards. I am proud to represent the thousands of individuals in my riding who helped make GM an industry leader worldwide.

* * *

●(1405)

VOLUNTEERISM

Hon. Paddy Torsney (Burlington, Lib.): Mr. Speaker, I rise today to congratulate Chris Yardley, a constituent of the riding of Burlington.

Chris went on assignment to St. Petersburg, Russia as a member of CESO, the Canadian Executive Service Organization, a unique volunteer based development agency that was founded in 1967.

CESO volunteers represent Canada around the world, working since 1969 with aboriginal peoples as well. These volunteers are part of Canada's effort to stimulate development here and in the disadvantaged economies around the world.

Chris advised a company in St. Petersburg engaged in software development on management and marketing. He conducted a strengths, weaknesses, opportunities and threats analysis and made recommendations on improving the company's management practices.

He introduced modern marketing techniques and provided information on the North American market where the client has customers. He helped them develop a marketing strategy and drafted a business development plan.

Chris Yardley is one of over 3,400 volunteers who use their expertise, professional experience and help businesses grow and economies improve at home and abroad.

I am sure all hon. members will join me in congratulating Chris and CESO for continuing to do a good job and to help others.

* * *

[Translation]

THE BUDGET

Ms. Johanne Deschamps (Laurentides—Labelle, BQ): Mr. Speaker, in a few hours, Quebecers will send a message to the rest of Canada when the Bloc Québécois members vote. It is not our style to hold our nose and vote. We will vote as we always have, by defending, above all, the interests of Quebec.

Bloc Québécois members, like everyone else in Quebec, are people of principle and cannot be bought with billions of dollars in election promises, or with dirty money.

The Liberal budget is bad for Quebec. It does not recognize the fiscal imbalance. It proposes a plan for Kyoto that puts Quebec at a disadvantage. It does nothing for our workers.

This government has no regard for democracy, does not have our confidence and does not deserve to be in power. This evening, we will remind it of that. Above all, for the people of Quebec, tonight's vote will be one more step in building our country.

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STUDENT EMPLOYMENT

Hon. Denis Paradis (Brome—Missisquoi, Lib.): Mr. Speaker, the summer work student exchange program is an initiative I launched in my riding of Brome—Missisquoi. In the beginning, there were only 20 or so participants, students who were eager to learn a second language, get their first job and discover their country.

Ten years later, nearly 9,000 students have taken part in the program, including the 1,375 students registered for the summer 2005 program.

They are our *raison d'être*. Without all these young people, their participation and their enthusiasm, the summer work student exchange program would not have expanded as much as it did. I thank the Canadian Unity Council for its involvement.

My thanks also to all my colleagues in this House who have supported the program.

For 2005, there are some 193 MPs from all political parties involved in the program. My thanks to the host families, all the stakeholders, and those who, 10 years ago, believed in this project, whose sole purpose was to provide young Canadians with an unforgettable experience.

* * *

[English]

WAR BRIDES

Mr. Bradley Trost (Saskatoon—Humboldt, CPC): Mr. Speaker, the next time you go to the post office, take a minute to look at the commemorative envelopes on display. Look for the envelope that has a wartime photo of a glowing bride and her happy groom.

Lloyd Cochrane served with the RCAF. His war bride, the lovely Olive, worked for the British war department.

The story of Canada's war brides is the story of passion in the midst of tragedy. It is a tale of leaving one's homeland, a tale of hope, of following one's heart.

They experienced culture shock and homesickness in post-war Canada. But, like many immigrants before and after, Canada's war brides toiled quietly to build a better country.

Like other war brides and their servicemen husbands, Olive and Lloyd Cochrane also left a living legacy through their children and grandchildren, a legacy that endures, a legacy that will not be forgotten.

Let us remember Canada's war brides, a special group of immigrants.

* * *

●(1410)

MIGRATORY BIRDS CONVENTION ACT

Hon. Bryon Wilfert (Richmond Hill, Lib.): Mr. Speaker, I rise to inform the House that Bill C-15, an act to amend the Migratory Birds Convention Act and the Canadian Environmental Protection Act, has been passed by the Senate and will receive royal assent today.

S. O. 31

The passing of Bill C-15 represents significant and necessary improvements to existing federal legislation that deals with marine pollution and illegal dumping of bilge oil in our oceans.

Off the coast of Newfoundland and Labrador alone, over 300,000 seabirds die annually as a result of this pollution. We have a responsibility to protect our environment, both for Canadians and internationally.

Bill C-15 strengthens Canada's ability to enforce its environmental laws effectively and immediately, particularly in the exclusive economic zone.

The passing of the bill allows Canada to better protect our marine environment and send a clear message to polluters.

Bill C-15 represents the government's commitment to the protection of our environment and natural heritage now and into the future.

* * *

HOUSE OF COMMONS

Mr. Joe Comartin (Windsor—Tecumseh, NDP): Mr. Speaker, over the last few days I spent a great deal of time with both veterans and retirees. They all expressed their shock at the conduct of members in this chamber and the lack of ethics on the part of the government and members of the official opposition, conduct they see verging on the criminal.

We need enforceable rules in the House and a binding code of conduct to include the following: stopping all heckling in the House; stopping personal attacks by one member on another; and expanding the categories of unparliamentary language. We need to prohibit any member from profiting in any fashion by the method in which they cast his or her vote. We need to prohibit any person from inducing a member to cast his or her vote in a particular fashion which would result in profit to that member.

If these measures were implemented, they would restore faith in members of Parliament and in our public institutions.

* * *

WELLINGTON—HALTON HILLS

Mr. Michael Chong (Wellington—Halton Hills, CPC): Mr. Speaker, in February of this year, Wellington—Halton Hills constituent, Peter Buchanan-Smith, won the Grammy Award for best recording package at the 47th annual Grammy Awards in Los Angeles.

Peter and Dan Nadel received this coveted award for their work on Wilco's album titled *A Ghost is Born*.

I ask all members to join me in congratulating Peter and his parents, Jock and Virginia Buchanan-Smith, for this tremendous achievement.

As a founder and a director of the Dominion Institute, it gives me great pride that a \$250,000 gift was donated in the name of Her Majesty the Queen to the Memory Project, an initiative of the institute.

In praising the institute, Her Majesty said:

The "Memory Project" has most successfully brought together veterans and young Canadians throughout the country. In the process it has safeguarded not only many remarkable stories of the veterans, but also a unique chapter of this country's history.

I ask all members in this 38th Parliament to join me in congratulating the Dominion Institute for its contribution to the civic and historical discourse in Canada.

* * *

[*Translation*]**SOFTWOOD LUMBER**

Mr. Pierre Paquette (Joliette, BQ): Mr. Speaker, it will be three years this Sunday that the softwood lumber dispute has been going on. The industry's situation in Quebec and Canada is deteriorating quickly. On top of the \$4.5 billion in illegal duties levied by the American, legal fees are piling up.

On April 14, the minister finally announced financial assistance for the associations in support of the industry's legal proceedings, with costs now exceeding \$350 million.

In early May, in a meeting with government negotiators, the representatives of the softwood lumber industry were stunned, to put it mildly, to learn that this assistance will not actually be provided until the end of 2005.

But now is when the industry needs this money to resist the American industry's legal harassment. By delaying this assistance, the minister is weakening our industry's position and playing into the hands of the American industry. What a shame.

* * *

[*English*]**KIDNEY DONATIONS**

Ms. Helena Guergis (Simcoe—Grey, CPC): Mr. Speaker, I would like to pay tribute to a father of five in my community who has put his life on the line to save the life of another person.

Jerry Ducharme of Angus, Ontario recently donated one of his kidneys to give new life to a man from nearby Orillia. The recipient says that he now enjoys a level of energy unheard of since first developing kidney disease more than three years ago.

According to the Kidney Foundation of Canada, living donations are usually only performed between relatives or people with close emotional ties. Mr. Ducharme, in a very unselfish act, responded to a plea made in the local paper.

It is an honour to have Mr. Ducharme as one of my constituents. He is a new hero in our community.

Oral Questions

•(1415)

ATLANTIC ACCORD

Mr. Michael Savage (Dartmouth—Cole Harbour, Lib.): Mr. Speaker, recently, during the first budget vote, the three Conservative members of Parliament from Nova Scotia chose not to support the budget and the Atlantic accord, an accord that will result in \$830 million upfront for Nova Scotia, a commitment on the part of the Prime Minister going well beyond his original proposal of last June. It would provide much needed relief from the crushing debt built up in Nova Scotia by the Conservatives in the 1980s under John Buchanan and Greg Kerr.

The Conservative members now want to play optical illusions with their constituents and vote for one budget bill while just minutes later standing and voting to bring down the government, knowing full well they will kill the Atlantic accord.

Recently, the students union at Dalhousie University sent a letter on behalf of 16,000 students appealing to the three Nova Scotia Conservative MPs to support the budget and the accord. These students and all Nova Scotians are asking MPs to ensure the passage of the Atlantic accord and to stand up for Nova Scotia.

* * *

TORONTO PORT AUTHORITY

Mrs. Bev Desjarlais (Churchill, NDP): Mr. Speaker, the transport minister has announced that the Toronto Island airport bridge issue has finally been resolved, but there is still one last action that needs to be taken. It is time to dissolve the Toronto Port Authority and turn over its assets and liabilities to the City of Toronto.

The Liberal government's sell-off of other ports and wharves has seen communities lose out and certain individuals profit.

The Toronto Port Authority does not even meet any of the criteria for a port of national significance, which are specified in the Marine Act. It should never have come under the jurisdiction of a port authority.

There is no point in continuing to support this money losing operation. There is no point in continuing to withhold control of the port from the citizens of Toronto. This matter must be resolved once and for all. Dissolve the port authority and return control of the waterfront to the city.

ORAL QUESTION PERIOD

[English]

SPONSORSHIP PROGRAM

Hon. Stephen Harper (Leader of the Opposition, CPC): Mr. Speaker, the government is once again trying to mislead Canadians. Yesterday it claimed to have created a \$750,000 trust to pay back dirty sponsorship money; however, the trust is actually empty. Not one dollar of stolen money has been deposited.

Given that we could go into an election tomorrow, will the Prime Minister commit to putting money in that account today?

The Speaker: I have great reservations about the question asked by the Leader of the Opposition, which appears to deal with internal party matters. Clearly, the hon. member is entitled to ask questions concerning the administration of the Government of Canada, but asking questions about internal party matters is not something that is permitted in question period, and I am sure he knows that.

In the circumstances, I would invite him to move to his next question.

Hon. Stephen Harper (Leader of the Opposition, CPC): Mr. Speaker, I would have thought the government would love to answer a question like that about its truthfulness and determination to pay back this money. The Liberal Party received stolen public money, promised to pay it back, yet used it in three election campaigns.

Let me rephrase the question. Will the government today require the Liberal Party to pay the money back?

Right Hon. Paul Martin (Prime Minister, Lib.): Mr. Speaker, there is no need for the government to make such a requirement, given the fact that the Prime Minister, who is also the leader of the party, has said unequivocally it will return every single penny. It wants no part of any money inappropriately received.

Hon. Stephen Harper (Leader of the Opposition, CPC): Mr. Speaker, the problem is no one any longer cares what the Prime Minister says. They only watch what he does.

[Translation]

A month ago, the Liberal government denied that there was any dirty money, and now it admits there is. What is more, it has created a fake trust, and not one cent will be deposited into it before the election.

Is this not proof that the Prime Minister plans to run a fourth election campaign using money stolen from the taxpayers?

Right Hon. Paul Martin (Prime Minister, Lib.): Mr. Speaker, the Leader of the Opposition's question is not valid. I have said this many times and I will say it again. If the Liberal Party received the money inappropriately, it will be repaid. It cannot be clearer. I said it last week, the week before that and the week before that, and I will continue to say it.

•(1420)

[English]

Mr. Peter MacKay (Central Nova, CPC): Mr. Speaker, the government's mistrust fund for repayment of dirty sponsorship money is yet another duplicitous trick on the eve of an election. Just a month ago the Liberal Party voted against a motion to set up the same type of trust.

The promise to deposit money into a trust for repayment to the Government of Canada should it be judged to have been received inappropriately is laughable. Clearly money was stolen, and like the account itself, the promise is empty. What all this really means is not one red cent will be set aside in all likelihood until after another Liberal election campaign has been run with dirty money.

Will the Prime Minister come clean and confirm that to date, no money has been put in a trust account to reimburse the Canadian taxpayer?

Oral Questions

Hon. Scott Brison (Minister of Public Works and Government Services, Lib.): Mr. Speaker, once again the Prime Minister has been clear and the party has been clear from the beginning that if any funds have been received inappropriately, they will be returned to the Canadian taxpayer.

The establishment of the \$750,000 trust fund is a goodwill measure that will establish to Canadians a step in that direction, but the final transaction to the Canadian taxpayer cannot occur until we have all of the facts. That is why it is important that Justice Gomery complete his work and work with party auditors to ensure that we have all the facts. I can assure the hon. member and all Canadians that the Liberal Party will be doing the right thing in returning every penny inappropriately received.

Mr. Peter MacKay (Central Nova, CPC): It is pretty hard, Mr. Speaker, to take that member or any other Liberals seriously when they talk about trust funds of any kind.

If the Prime Minister wants to assure Canadians that money was really set aside to repay the taxpayer for the kickback cash used by his party in at least two elections, he has a chance to do so. He could demonstrate a grain of integrity and some semblance of a higher level of civility to enhance the public trust instead of his continual unethical behaviour and desperate partisan tactics to be reckless with people's lives and their money.

Will he simply agree to have the Auditor General today audit this account and assure Canadians that the money is actually there?

Hon. Scott Brison (Minister of Public Works and Government Services, Lib.): Mr. Speaker, once again, Canadians know that this Prime Minister keeps his promises, because he is doing the right thing to get to the bottom of this issue. Canadians know that this is a Prime Minister who has put country above party, he has put principle ahead of partisan strategy, and he has done the right thing to get to the truth, which Canadians deserve.

That hon. member ought to clean up his own house and his own party because they owe money to David Orchard. David Orchard is still looking for the money that that party owes him and he is not getting any response.

Our party is doing the right thing in fixing the problem. They are ignoring the problem.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, on 41 occasions, the Bloc Québécois has called upon the Liberal Party to set up a trust for its dirty money. Having answered 41 times that this was not necessary, the Liberals have finally promised to deposit \$750,000 into a trust account, but that is far from enough. We have done a cautious calculation and, based on what we have heard so far in the Gomery inquiry, the amount that ought to be put in trust is at least \$5.3 million.

To stop the Liberals from using one red cent of dirty money to run another election campaign, money taken from the public purse, will the Prime Minister compel the Liberal Party—

The Speaker: The right hon. Prime Minister.

Right Hon. Paul Martin (Prime Minister, Lib.): Mr. Speaker, if there is one reason why we need to wait for Justice Gomery's report,

it is because he is the one who will provide the answers and we will not need to put up with far-fetched allegations like that one.

I repeat, if any money was received inappropriately, all of it, without exception, will be paid back by the Liberal Party.

• (1425)

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, I will take the Prime Minister's words literally. If he is putting \$750,000 in trust, that is also based on allegations. His allegations are the ones that are far-fetched, because the amount that has been identified is \$5.3 million. The figure of \$750,000 represents just 15% of the misappropriated money. The figures speak for themselves.

My question for the Prime Minister is this: since these are public funds, will he compel the Liberal Party to put all the dirty money in trust, rather than keeping the lion's share of it to run another election on taxpayers' money?

Right Hon. Paul Martin (Prime Minister, Lib.): Mr. Speaker, the reason the Bloc leader wants an election is very clear. He is afraid of Justice Gomery's findings. He knows very well that, when the Gomery report is released, he will no longer be able to make the sort of far-fetched allegations he has just been making.

Mr. Michel Guimond (Montmorency—Charlevoix—Haute-Côte-Nord, BQ): Mr. Speaker, the Minister of Transport said yesterday that, in his opinion, \$750,000 was a substantial amount, a preliminary sum for reimbursement of the dirty sponsorship money, which, I would point out, comes from the taxpayers.

As it took us time and dozens of questions to convince the Minister of Transport that he had no choice but to create this dirty money trust, will it take as much time to convince him that \$750,000 is at best 15% of the dirty money and that for him to be credible he has to deposit at least \$5.3 million in a trust fund?

Hon. Scott Brison (Minister of Public Works and Government Services, Lib.): Mr. Speaker, once again, the party has been clear. If the party received inappropriate money, it will reimburse taxpayers.

[*English*]

The establishment of a trust fund by the party is a strong statement of goodwill in that direction. We cannot complete that transaction to the Canadian taxpayer until we have all the facts.

There are allegations in today's *Montreal Gazette* that the separatists in Quebec were involved in a conspiracy to obstruct and reject valid no votes in the 1995 sovereignty referendum. Maybe the separatists should demonstrate the courage that this Prime Minister has had and clean up their own house.

[*Translation*]

Mr. Michel Guimond (Montmorency—Charlevoix—Haute-Côte-Nord, BQ): Mr. Speaker, it is odd that, on the eve of an election, the government is changing its mind and suddenly agreeing to create a trust fund for the dirty money.

Will the Minister of Transport acknowledge that this symbolic gesture is intended primarily to permit the Liberal party to save face on the eve of an election rather than to really correct the tainted money situation?

[English]

Hon. Scott Brison (Minister of Public Works and Government Services, Lib.): Mr. Speaker, the Prime Minister is changing the culture of government for a generation. This Prime Minister is taking the courageous stand to identify a problem, to fix a problem and not hide from problems as the leader of the Bloc is doing and the leader of the Conservative Party is doing.

I am proud to stand as a Liberal next to this Prime Minister and this Liberal Party that is doing the right thing to change the culture of government for generations of Canadians.

[Translation]

If it is possible to change the government's future, it is worth it in the short term.

* * *

[English]

THE BUDGET

Hon. Jack Layton (Toronto—Danforth, NDP): Mr. Speaker, today we are going to face two important budget votes. People care about these votes a great deal because they have the potential to help people and to help our environment.

What people are hearing about is Tory MPs raising the issue of patronage jobs. They are hearing responses that the Prime Minister's Office is playing games with public appointments. This does not rebuild faith in politics and if it in any way endangers the vote on the budget, this will have serious consequences. Can the Prime Minister assure us that there has been no offer of public jobs for a change in votes?

Right Hon. Paul Martin (Prime Minister, Lib.): Yes, I can, Mr. Speaker. I am pleased to inform the House and the leader of the NDP that no such offers were made. I made it very clear the other day that no such offers were made. No such offers were made. Offers were solicited and offers were turned down.

Hon. Jack Layton (Toronto—Danforth, NDP): Mr. Speaker, we are about to vote on a very important budget. It is a better budget. I appreciate the answer, but I have to say if no public jobs were offered, the Prime Minister needs to explain now in the House why senior officials from his office are on tape speaking about the dangers of there being an explicit trade of jobs for votes.

What is the Prime Minister's explanation?

• (1430)

Right Hon. Paul Martin (Prime Minister, Lib.): Mr. Speaker, a third party intermediary has confirmed that in fact a solicitation did come from a member of the opposition to a member of the government and that the solicitation was refused unequivocally.

* * *

SPONSORSHIP PROGRAM

Mrs. Diane Ablonczy (Calgary—Nose Hill, CPC): Mr. Speaker, when the Auditor General did her audit of the sponsorship program,

Oral Questions

she said that at least \$100 million flowed from government contracts to Liberal friendly ad agencies for little or no work. In other words, \$100 million kind of just disappeared, and yet the government is saying that \$750,000 in a trust account fixes the problem.

Why is there such a gap between the \$100 million the Auditor General talked about and the \$750,000 the Liberal government is talking about?

Hon. Scott Brison (Minister of Public Works and Government Services, Lib.): Mr. Speaker, is the member implying that \$100 million was donated to the Liberal Party of Canada?

I am surprised that somebody who once at least called herself a lawyer would be so sloppy in her research. She should fire her researchers and really bone up on her research such that she asks a question that actually can be considered serious on the floor of the House of Commons.

She is not doing anything for the House of Commons when she stands up and makes wild allegations that not only disgrace herself, but disgrace all members of the House.

Mrs. Diane Ablonczy (Calgary—Nose Hill, CPC): Mr. Speaker, I assume that the minister has no good answer for Canadians because the best he can do is smear the questioner.

That is the minister who got up just a few weeks ago and said—

Some hon. members: Oh, oh!

The Speaker: Order. The hon. member for Calgary—Nose Hill has the floor.

Mrs. Diane Ablonczy: Mr. Speaker, the same minister got up and said that there was a big audit of the Liberal Party books and there was no dirty money that went into the Liberal Party.

Now he is saying that \$750,000 will cover whatever problem was not there and yet the Auditor General talked about \$100 million. How is anyone going to be fooled by this ploy by the Liberal Party?

Hon. Scott Brison (Minister of Public Works and Government Services, Lib.): Mr. Speaker, no other member of the House has to smear the hon. member for Calgary—Nose Hill because she smears herself when she refuses to apologize to the member for York West for the months of criticisms, attacks and smears that she launched on the floor of the House. Now that the member for York West has been cleared by the Ethics Commissioner, the hon. member should not be taken seriously until she offers her apology.

She smears herself. Nobody else has to do it.

[Translation]

Mr. Rahim Jaffer (Edmonton—Strathcona, CPC): Mr. Speaker, the Minister of Transport has said, "Our credit is good, we have been in business for 138 years". Diverting public funds has swelled their election coffers, but undone their credibility. The trust fund exists, but there is still no money in it.

Oral Questions

How can we have confidence in this government, when the Liberals are preparing a fourth election campaign with tainted money?

[*English*]

Hon. Scott Brison (Minister of Public Works and Government Services, Lib.): Mr. Speaker, clearly the party, by establishing a trust fund in the amount of \$750,000, intends to put \$750,000 in the trust fund in the very near term.

The fact is the Conservatives' entire line of questioning today is based on a false premise. We are doing the right thing. The Liberal Party is doing the right thing. It is time for other members and parties in the House to do the right thing, clear up their own conspiracies and difficulties, stand up for Canadians and the truth, support Justice Gomery and let him do his work.

Mr. Rahim Jaffer (Edmonton—Strathcona, CPC): Mr. Speaker, Liberals think we should celebrate a down payment on corruption. No wonder the banks give them good credit. Whenever a Liberal loan comes due, all the government needs to do is tap into taxpayer dollars and redirect the money into the Liberal Party.

The public works minister said that there was no dirty money. Now he says that they will put the dirty money into a trust account. With this most recent admission of guilt, how can Canadians be expected to trust the government?

• (1435)

Hon. Scott Brison (Minister of Public Works and Government Services, Lib.): Mr. Speaker, the public works minister never said that at all. These are serious allegations. We take them seriously for Canadians. That is why we are supporting Justice Gomery in getting to the truth. Anybody who used the brand of the Liberal Party of Canada to commit malfeasance, to harness the unity crisis for financial gain, ought to and will face the full extent of the law.

We as Liberals stand with Canadians demanding justice to ensure that the right thing is done.

* * *

[*Translation*]

GOVERNMENT OF CANADA

Mr. Michel Gauthier (Roberval—Lac-Saint-Jean, BQ): Mr. Speaker, some very serious accusations have been made by a member of this House, who maintains that he was offered a position of ambassador by the Prime Minister's chief of staff. This is supported by a recording.

I am asking the Prime Minister, who carefully refused to answer the very simple question put by the NDP leader and by the media earlier will he confirm whether or not that was indeed the voice of his chief of staff?

Right Hon. Paul Martin (Prime Minister, Lib.): Mr. Speaker, the allegation is totally false.

Mr. Michel Gauthier (Roberval—Lac-Saint-Jean, BQ): Mr. Speaker, I am not asking the Prime Minister for his opinion as to whether his chief of staff is innocent or guilty. I am asking him to tell us whether or not the voice that was recorded by the hon. member, offering him a position of ambassador, was that of his chief of staff, his top aide. Is it the voice of his chief of staff, yes or no?

Right Hon. Paul Martin (Prime Minister, Lib.): Mr. Speaker, I do not know why the hon. member does not understand. This is not true.

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EMPLOYMENT INSURANCE

Mr. Yves Lessard (Chambly—Borduas, BQ): Mr. Speaker, on April 13, the new Minister of Human Resources and Skills Development voted in favour of an independent employment insurance fund to end, once and for all, the government's plundering of that fund, which now totals in excess of \$47 billion.

Now that she is in a position to establish such an independent fund, since she is now the minister in charge, will she be consistent with herself and establish that independent fund?

[*English*]

Hon. Belinda Stronach (Minister of Human Resources and Skills Development and Minister responsible for Democratic Renewal, Lib.): Mr. Speaker, it is a complex file. I will take the opportunity to study it and ensure that I make an informed decision that would be in the best interest of Canadian workers.

[*Translation*]

Mr. Yves Lessard (Chambly—Borduas, BQ): Mr. Speaker, does the minister realize that her credibility is at stake here?

I remind the minister that she voted in favour of an independent fund, and of the amendment to the throne speech calling for an in-depth review of the employment insurance program.

When she discussed her joining the government with the Prime Minister, did the minister only negotiate her own personal hiring conditions, or did she also take that opportunity to negotiate the needs of the unemployed, whom she claims to support?

[*English*]

Hon. Belinda Stronach (Minister of Human Resources and Skills Development and Minister responsible for Democratic Renewal, Lib.): Mr. Speaker, as I said before, it is a complex file. I am in a position to make changes. I will take a look at all the options on how we can make improvements.

* * *

AGRICULTURE

Mr. James Bezan (Selkirk—Interlake, CPC): Mr. Speaker, it has been a full two years since the U.S. border closed to Canadian beef, cattle and other livestock. Injunctions were demanded by the special interest group, R-CALF. Judge Cebull, who was sympathetic to their cause, has added insult to injury by granting them.

Farmers and ranchers across the country are waiting for the other shoe to drop. On May 9, R-CALF filed for another injunction to ban Canadian beef.

Oral Questions

Why has the agriculture minister never aggressively tried to fight these injunctions that are strangling Canadian farmers and ranchers?

Hon. Andy Mitchell (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, clearly we have been working with the USDA and in the U.S. court system to ensure that the Canadian position is made clear.

I have had three meetings by phone with the agriculture secretary, including as recently as two hours ago. We are determined to work with the Americans to fight these injunctions. We are determined to work with them whatever the outcome may be.

• (1440)

Mr. James Bezan (Selkirk—Interlake, CPC): Mr. Speaker, the Liberals have wasted two years under three agriculture ministers who should have been aggressive on this file and taken action under NAFTA and WTO.

While the current agriculture minister stalls on taking the appropriate trade and legal action, farmers and ranchers are drowning in red ink. Producers are worried about their future if Judge Cebull and R-CALF close the border to boxed beef.

Where is the agriculture minister's plan to farmers and ranchers and to open markets if R-CALF closes the border again?

Hon. Andy Mitchell (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, obviously we want to see regularization of trade with the United States, but the hon. member misses some important facts. We have moved the United States from being in opposition to a border opening to being our allies in getting the border open.

In 2004 we have been able to achieve 90% of the trade in beef and beef products with the United States that we had in 2002. We have been able to increase our slaughter capacity by 30%. We have provided assistance to the producers to the tune of \$2 billion.

* * *

INFRASTRUCTURE

Mrs. Joy Smith (Kildonan—St. Paul, CPC): Mr. Speaker, the government's gas tax agreement with the nation's cities has been very carefully camouflaged.

Winnipeg had planned to direct gas tax money to its crumbling roads and bridges, but now the government says that it cannot use gas tax revenues for roads and bridges, another Ottawa knows best plan.

Will the minister for infrastructure remove the restrictions on gas tax transfers and let Canada's cities address the priorities of its residents?

Hon. John Godfrey (Minister of State (Infrastructure and Communities), Lib.): Mr. Speaker, the purpose of the gas tax is to invest in environmentally sustainable municipal infrastructure. There are many categories in which a large city like Winnipeg can invest. It could be public transit, waste, waste water, waste management or community energy systems.

We are working with the city of Winnipeg, the province of Manitoba and the President of the Treasury Board to come up with the solution which will work best for Winnipeg.

Mr. James Rajotte (Edmonton—Leduc, CPC): Mr. Speaker, the reality is that in February the minister for infrastructure, that minister, clearly stated that federally transferred gas tax revenues could be directed toward roads and bridges. Clearly now he has fallen back on that commitment.

Why has the government not lived up to its commitment to municipalities across the country to address their infrastructure needs for their cities by rebuilding roads and bridges?

Hon. John Godfrey (Minister of State (Infrastructure and Communities), Lib.): Mr. Speaker, we included the rehabilitation of roads and bridges as a category for smaller communities. We wanted to direct the bulk of our money toward public transit and water projects so that when we had made our investments, we would be able to reduce greenhouse gas emissions and clean up water and air. We will do so.

* * *

NATIONAL DEFENCE

Mr. Andy Savoy (Tobique—Mactaquac, Lib.): Mr. Speaker, budget 2005 makes very substantial new commitments to our armed forces and is important to communities like Oromocto, New Brunswick, North Bay, Ontario, Val-Cartier, Quebec and Cold Lake, Alberta.

I understand now that the Conservatives are planning to vote for one part of the budget and then shortly thereafter, in partnership with our friends the separatists, attempt to bring down the government.

Could the Minister of National Defence tell us what would happen to planned defence spending if the House does not pass all budget votes today?

Hon. Bill Graham (Minister of National Defence, Lib.): Mr. Speaker, let us be very clear. The defeat of this government in the House tonight would mean the defeat of the most important contribution to the armed forces of Canada in 20 years. Our colleagues across the floor are threatening to deny our men and women in uniform the resources they need to serve our country.

Let us not destroy the faith of the men and women courageously serving our forces today. Let us give hope to the future, which he and I will speak to tomorrow when we are in his riding in RMC. Let us pass the budget. Let us give them that sense of confidence in the future that we also want for our cities, for our housing, for our aboriginal community, for our—

The Speaker: The hon. member for Acadie—Bathurst.

Oral Questions

[Translation]

EMPLOYMENT INSURANCE

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, on February 15, the Standing Committee on Human Resources, Skills Development, Social Development and the Status of Persons with Disabilities presented its second and third reports on employment insurance, which contained 28 recommendations.

One of those recommendations was to repeal the divisor rule and use a new calculation period based on the best 12 weeks of insurable employment.

Will the minister do the honourable thing, listen to the workers and the committee members, and adopt the best 12 weeks in order to resolve, once and for all, one of the problems with seasonal employment?

• (1445)

[English]

Hon. Belinda Stronach (Minister of Human Resources and Skills Development and Minister responsible for Democratic Renewal, Lib.): Mr. Speaker, I look forward to reviewing the report, to having the member's input and to doing what is best for Canadian workers.

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, the minister thought it was complex file, but it is not a complex file. This is a file in which the Liberal government has taken \$46 billion out of the pockets of the working people.

Will the minister bring back the best 12 weeks for our citizens, the working people?

Hon. Belinda Stronach (Minister of Human Resources and Skills Development and Minister responsible for Democratic Renewal, Lib.): Mr. Speaker, let me repeat, I am looking forward to having an opportunity to review the report and to doing what is in the best interests of Canadian workers to make improvements to the system.

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CHILD CARE

Ms. Rona Ambrose (Edmonton—Spruce Grove, CPC): Mr. Speaker, almost 100% of working moms and dads have said that they want choice in child care. The premier of New Brunswick has also asked for choice in child care. Yet the Liberals refuse to offer choice.

Make no mistake that the Liberals have created a two tier child care system, one tier for the Liberal plan, and a tier for the rest who are forced to fend for themselves, money for some and nothing for most.

Could the minister explain why he is creating a two tier system?

Hon. Ken Dryden (Minister of Social Development, Lib.): Mr. Speaker, 12 months ago, before the election campaign, child care in the country was flat and going nowhere, despite great work by child care workers across the country. Then we had the election campaign, then the Speech from the Throne and then \$5 billion over five years, \$700 million this year in the February budget. All those things are at risk. Five agreements have been signed and there are others to go.

This is not \$320 for low income which the party opposite has promised.

Ms. Rona Ambrose (Edmonton—Spruce Grove, CPC): Mr. Speaker, the Liberals' two tier child care system does not respect the needs of the majority of parents. The Conservative Party program is truly universal. Cash would go to every child and we would financially empower every family.

Would the minister explain why he is unwilling to support every child and every family in our country?

Hon. Ken Dryden (Minister of Social Development, Lib.): Mr. Speaker, as members of the House will recall, for the last seven or eight months from that side of the House there have been only discouraging words in terms of early learning and child care, nothing but discouraging words all the way along.

Now there is a technical phrase that has been used about making a commitment to the government's commitment. That is not a commitment. All of us will wait anxiously for what is said by the party opposite.

* * *

NATIONAL DEFENCE

Mr. Gordon O'Connor (Carleton—Mississippi Mills, CPC): Mr. Speaker, let me start by saying that the members of the armed forces know that the Conservatives will stand behind them and they will not slash and burn like the Liberals did—

Some hon. members: Oh, oh!

The Speaker: We will have a little order, please. The hon. member for Carleton—Mississippi Mills has the floor.

Mr. Gordon O'Connor: Mr. Speaker, in 1966 the Liberal government authorized the spraying of agent orange on forests in CFB Gagetown. At or about that time, thousands of troops were serving in Gagetown, including me.

Recently it has been confirmed that agent orange can cause cancer and other medical problems. Will the minister detail what action the government is taking to address this serious and tragic health problem?

Hon. Bill Graham (Minister of National Defence, Lib.): Mr. Speaker, I am glad that the hon. member has said that his party will be standing behind our armed forces. I lay out the challenge to him again to support the budget tonight and support the armed forces of Canada and where we are going in the future of our country. That is the way he can do it rather than with this empty rhetoric.

I can tell members that when it comes to agent orange, which happened in 1966 as he said, it was a defoliation program that took place in Gagetown. We are working to trace every member of the armed forces who was there.

The Minister of Veterans Affairs has made it clear. We have made awards to veterans who have made claims. Claims can be made. We urge people to come forward. We will support anyone who was affected by that program.

Oral Questions

•(1450)

Mr. Gordon O'Connor (Carleton—Mississippi Mills, CPC): Mr. Speaker, the members of the military will know who is telling the truth. The government has known about this serious problem for some time, yet chose to hide it. There are at least 20 open files seeking resolution.

Now the media, through access to information, has informed the public of the use of agent orange and the consequences to soldiers' health, yet the government is only starting to respond. Why does the government have to be spurred by public opinion before taking responsibility for the health consequences of putting the military in harm's way?

Hon. Bill Graham (Minister of National Defence, Lib.): Mr. Speaker, I totally disagree. That is a complete misrepresentation of what took place. This was a matter that occurred 45 years ago on a base where nobody understood at that time what the consequences were.

We have been learning now how members might have been affected by it in parts of the base, but we did not know exactly which parts were affected and who had gone through. These are circumstances that are very complicated.

We take this very seriously. I can promise the hon. member, who says he was at Gagetown, that we are working with our forces and we will make sure that anybody who is affected by this will be compensated. My colleague, the Minister of Veterans Affairs, has already done it.

* * *

[Translation]

AGRICULTURE

Ms. Denise Poirier-Rivard (Châteauguay—Saint-Constant, BQ): Mr. Speaker, yesterday morning, the Quebec Union des producteurs agricoles reminded us that the mad cow crisis has had serious consequences and, to date, producers in Quebec have lost \$280 million, losses that existing programs have not compensated.

Why is the Minister of Agriculture and Agri-Food not amending existing programs to bring them more in line with the reality facing Quebec producers?

[English]

Hon. Andy Mitchell (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, we have taken a number of measures in order to assist producers in Quebec and indeed right across Canada.

As I mentioned in an answer to a previous question, we have been able to increase slaughter capacity in this country by nearly 30%. We have provided income support of well over \$1 billion to producers. We have intervened in the marketplace through our set-aside programs to see a recovery in the price.

There is additional work that needs to be done, as the hon. member has pointed out, and we will move in that respect as we go forward.

[Translation]

Ms. Denise Poirier-Rivard (Châteauguay—Saint-Constant, BQ): Mr. Speaker, the Quebec government has already done its

part to secure financing for the Colbex abattoir. The federal government must do its share to ensure that producers get a floor price for their cull cows.

Why is the minister not announcing the federal contribution to this financing?

[English]

Hon. Andy Mitchell (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, I have made it clear on several occasions in talking to the UPA in respect of the slaughter capacity in Quebec that if there is any proposal to increase that slaughter capacity, we have programming to assist in that respect.

* * *

STANDING COMMITTEE ON GOVERNMENT OPERATIONS AND ESTIMATES

Mr. Joe Preston (Elgin—Middlesex—London, CPC): Mr. Speaker, the Minister of Public Works refuses to attend the government operations and estimates committee to be held accountable on the 2005-06 spending estimates for his department. This committee has twice scheduled meetings with the minister and twice the minister has refused to attend.

With regard to the committee's agenda, would the chair of the government operations and estimates committee explain to the House and Canadians the minister's absence from this committee?

Mr. Leon Benoit (Vegreville—Wainwright, CPC): Mr. Speaker, the truth is that the public works minister has shown contempt for this committee of the House of Commons by not fulfilling his basic responsibility to come to the committee and answer the questions that the committee may have about his department.

In fact, he has twice now agreed to come to our committee and has both times broken his word. He is hiding from the questions the committee should ask of him. It seems clear to me that the Minister of Public Works has a hidden agenda that he desperately wants—

The Speaker: I see that the hon. member for Vegreville—Wainwright has the next question. I trust it is not to himself.

Mr. Leon Benoit (Vegreville—Wainwright, CPC): Mr. Speaker, the Minister of Public Works often says that he is open and accountable, but his actions say he is not. We just cannot trust what he says.

The truth is that the public works minister has shown contempt for the government operations and estimates committee by not fulfilling his most basic responsibility of appearing before the committee to answer the questions it has about his department. Twice now he has agreed to come and both times has broken his word.

Why is the minister showing such contempt for the committee and for the Canadian public?

Oral Questions

● (1455)

Hon. Scott Brison (Minister of Public Works and Government Services, Lib.): Mr. Speaker, the fact is that my office has been working with the chairman's office to schedule times. This was complicated somewhat by the fact that the Conservative members of that committee and the Bloc members of that committee decided to take a holiday that week instead of working. In fact, my office offered to meet with the committee tomorrow as well, but those members over there believe in a four day work week.

Let me say that Liberal members of Parliament are working five days a week and seven days a week in the interests of Canada. We do not believe in four day work weeks. We do not believe in taking time off and voting ourselves days off.

* * *

[Translation]

INFRASTRUCTURE

Mr. Jean-Claude D'Amours (Madawaska—Restigouche, Lib.): Mr. Speaker, many roads in our rural regions need to be repaired in order to allow our individual and commercial traffic access to the highways. This will facilitate connections between the regions, thereby contributing to tourism and trade while also ensuring the safety of our drivers.

In my riding and in the riding of my colleague from Beauséjour, the need to repair some roads, for example, highways 11 and 17 in New Brunswick, is becoming increasingly urgent.

On behalf of the citizens of Madawaska—Restigouche, I would like to know the status of this matter. Could the minister give us an update on the negotiations between the Government of Canada and the provinces?

Hon. Jean Lapierre (Minister of Transport, Lib.): Mr. Speaker, I want to thank the hon. member for his question and for his tireless work in connection with highways 11 and 17.

We are currently in discussion with the provinces. My colleagues, the provincial transport ministers, and I need to implement phase two of the national highway system, which would fund the work on highways 11 and 17.

Accordingly, over the next few weeks, we can certainly ensure that officials will be working together so that the ministers can give their approval for the repairs to highways 11 and 17 to be subsidized by the Government of Canada.

* * *

[English]

SPONSORSHIP PROGRAM

Mr. Jason Kenney (Calgary Southeast, CPC): By the way, Mr. Speaker, last Friday 99% of Conservative MPs were in the House and only 45% of Liberal MPs, so who showed up for work?

The public works minister said the other day that \$750,000, a fraction of the dirty money received by the Liberal Party, had already been placed in an account. It turns out that was not true. Then he said it would be placed in an account in a few months. We do not know if that is true. Today he said "in a few days".

Can the minister consult with himself to get his story straight so that Canadian taxpayers know when the Liberal Party's dirty money is going to be set aside so it cannot run a fourth campaign on it?

Hon. Scott Brison (Minister of Public Works and Government Services, Lib.): Mr. Speaker, I have been clear. The fact is that the Liberal Party has established a trust fund and will be placing \$750,000 in that trust fund. That is the right thing to do. In fact, it is an interim step that demonstrates good faith, but the most important commitment is that of returning any funds received inappropriately to the Canadian taxpayers.

Let us be clear. There are allegations against the Conservatives. There are allegations against the Bloc.

There is only one leader of any federal political party, and that is our Prime Minister, with our Liberal Party, who is doing the right thing to get to the bottom of this issue and ensure that Canadian taxpayers are treated fairly.

Mr. Jason Kenney (Calgary Southeast, CPC): Mr. Speaker, imagine that member talking about good faith.

Let us be clear. They are not allegations about Liberal corruption. They are admissions under sworn testimony before a quasi-judicial inquiry, not allegations but confessions. Now we know that millions were received by organs of the Liberal Party illicitly. We know that close supporters of the Prime Minister received that money. We know that not one red cent has been put aside.

When exactly does the Liberal Party plan to set aside that money? Or does the government plan to go into the next election for a fourth time with taxpayers' stolen money?

Hon. Scott Brison (Minister of Public Works and Government Services, Lib.): Mr. Speaker, a few weeks ago that hon. member stood in the House and quoted something that I supposedly said. In fact, it turned out that somebody else had said it and he has refused to apologize to the House for misleading the House at that time. He demonstrates that he does not deserve the respect this House ought to provide to members when he refuses to actually retract that which is not true.

Beyond that, he is the hon. member who said that the only person who believes Chuck Guité is Chuck Guité and then a few weeks later was saying that Chuck Guité's testimony was sacrosanct. He has no credibility.

* * *

● (1500)

[Translation]

PUBLIC SAFETY

Ms. Christiane Gagnon (Québec, BQ): Mr. Speaker, a student in my riding has missed out on a great opportunity to work for Agriculture and Agri-Food Canada for the summer, because of the RCMP's inability to process fingerprinting requests expeditiously.

Can the Minister of Public Safety and Emergency Preparedness tell us why an agronomy student needs to provide fingerprints and undergo a detailed security clearance in order to take a summer job as an assistant in a soil and field crop research centre?

Points of Order

[English]

Hon. Anne McLellan (Deputy Prime Minister and Minister of Public Safety and Emergency Preparedness, Lib.): Mr. Speaker, as the hon. member is probably aware, public employees of the Government of Canada do need to be security cleared. That is a requirement. I would be amazed if anybody were to suggest otherwise.

However, the point she raises is an important one in that we need to make sure when we do these security clearances that we are able to do them in an effective and efficient way. In fact, this issue was raised with me at main estimates at committee earlier this week. I have promised to take up this matter and see if we can expedite this security clearance system, at least for summer employees.

* * *

SOCIAL DEVELOPMENT

Ms. Yasmin Ratansi (Don Valley East, Lib.): Mr. Speaker, the Conservative-Bloc alliance members are threatening to bring down the government tonight by voting together to kill the federal budget.

Could the Minister of Social Development inform the House of how this will affect the implementation of the early learning child care initiative that the federal government has already signed with Newfoundland and Labrador, Nova Scotia, Ontario, Saskatchewan and Manitoba?

Hon. Ken Dryden (Minister of Social Development, Lib.): Mr. Speaker, as I mentioned earlier, 12 months ago in this country, as the Canadian public knows, nothing ambitious was happening in the area of early learning and child care on a broad scale. There was nothing in that regard.

Then there was the campaign commitment. Then there was the delivery in terms of the budget. Now there are five agreements with five different provinces. This year there is \$700 million and there will be \$5 billion over five years. A commitment to create a national early learning and child care system: that is what is at stake.

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BUSINESS OF THE HOUSE

Mr. Jay Hill (Prince George—Peace River, CPC): Mr. Speaker, I am not quite sure exactly why we would ask the Thursday question this Thursday because we fully expect that Parliament is going to end here in a couple of hours.

Nevertheless, just in case something mysteriously happens and the Liberals manage to bribe another vote or two, and Parliament survives for another day, I wonder if the House Leader—

The Speaker: I am sure the hon. opposition House leader is trying to be helpful, but it is the Thursday question he is putting, not a speech. The hon. member will want to constrain himself.

Mr. Jay Hill: Mr. Speaker, if Parliament does survive, I wonder whether the government has a plan for what its agenda is for tomorrow and the week following the break week.

Hon. Tony Valeri (Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I know the hon. member was attempting to show some civility. He has great difficulty in doing that.

After completing the debate on the budget bills, Bill C-43 and Bill C-48, the House will take up third reading of Bill C-9, the Quebec development bill; Bill C-23, the human resources legislation; Bill C-22, the social development bill; and Bill C-26, the border services legislation.

We would also like to deal with the census bill, Bill S-18 and the RADARSAT bill, Bill C-25. If there is time, we would start Bill C-46, the corrections and conditional release bill; Bill C-47, the Air Canada bill; and Bill C-28, the food and drugs bill.

This list of legislation will carry the House well into the week of May 30, the week in which we return from the break.

In addition, three days that week shall be allotted days, namely May 31, June 2 and June 3. On May 31 the House will go into committee of the whole to consider the estimates of the Minister of Social Development.

I look forward to working with all of my colleagues in the House because I know, and all members know, it is in the interests of Canadians to get this Parliament working on the issues that are important to them.

* * *

● (1505)

POINTS OF ORDER

ORAL QUESTION PERIOD

Hon. Peter Adams (Parliamentary Secretary to the Minister of Human Resources and Skills Development, Lib.): Mr. Speaker, we have been very excited in recent days and weeks, but I am truly concerned that Parliament maintain the strength of the Standing Orders and I know you are very interested in that.

I was surprised last week that you did not rule on it, but I noticed again today that the opposition used the Standing Order which allows a question to be posed to the chair of a standing committee.

This is a relatively obscure but extremely important Standing Order. It is a Standing Order which gives strength to committees. It gives the committee chairs some stature in the House.

I would argue that in both cases the opposition abused that privilege. Mr. Speaker, if you read the Standing Orders, and I know you have the Standing Orders memorized, you will note that yes, a question can be posed to the chair of a standing committee, but the chair of the standing committee can only reply with respect to the organization of the committee and its agenda. The chair cannot comment on the work of the committee and certainly cannot criticize the work of the committee or anything of that sort.

I would argue that if you, Mr. Speaker, leave the question that was posed by the Leader of the Opposition last week with respect to public accounts and the question that was posed today to the chair of the government operations committee hanging, you will have weakened permanently the Standing Orders of the House and weakened the status of standing committees of the House.

Mr. Speaker, I urge you to look into both of those questions and rule, as I think you will, that those questions were an abuse of a very valuable Standing Order.

Government Orders

Mr. Jim Abbott (Kootenay—Columbia, CPC): Mr. Speaker, I think that the intervention is a little bit off the mark in that the question was speaking clearly to the agenda of that committee. The fact that the minister was choosing not to turn up at the committee, the committee could not even set its agenda. Clearly, the question was on the topic of the agenda which is the point that the member just rose on.

Mr. Joe Comartin (Windsor—Tecumseh, NDP): Mr. Speaker, I want to indicate our party's support for the point or order raised by the member for Peterborough. However, he ignored the fact that the first time the question was asked, it came from the NDP leader. It was a proper question because it dealt with the issue of how the committee functions, its schedule, et cetera, and was more of a technical question. I want to support his position. The two questions that were asked by the official opposition I believe were also out of order.

Mr. John Williams (Edmonton—St. Albert, CPC): Mr. Speaker, as I have just said, and you are aware, as the chair of the public accounts committee I have had one or two questions from the leader of the New Democratic Party.

At least you will note, Mr. Speaker, that when questions are asked of the chairs of committees, especially from this side, we give fulsome and real answers, but we never get an answer from the government. Therefore, these questions are not only in order but helpful to the assembly.

The Speaker: I thank all hon. members for their interventions on this point. The Chair very much appreciates support for the Standing Orders which the Chair is bound to enforce in the House.

Yesterday there was a question, which the Chair ruled out of order, addressed to the member for Vegreville—Wainwright by the hon. member for Elgin—Middlesex—London. Today, I thought there was an improvement on yesterday's question in terms of it dealing with the business of the committee, which, as the hon. member for Peterborough correctly pointed out, is what the questions should be concerned about. The difficulty was that in his submission he suggested that the answers had to do the same thing.

Our Standing Orders state that the question has to concern the business of the committee, but the chair of the committee, having been asked the question as ministers tend to do, could talk about things other than the specifics of the question. I can see that the hon. member was upset at the fact that the committee chair seemed to go on about subjects perhaps totally different from the one specifically raised in the question. He may have gone beyond that, but I do not think it is for the Chair to enforce that kind of restriction on answers. If I were to do so, I might cut members' answers short, which I know the House leader for the official opposition would be appalled at.

I will refrain from that, but I will certainly continue to look at questions to ensure that they are concerning the business of the committee. I had made that representation after the point of order was raised yesterday. I did not make a ruling because I spoke to both hon. members who raised it and indicated my dissatisfaction with the question.

It was corrected today. It was a borderline question, but I thought it met the exigencies of our practice, which is to require that the question deal with the business of the committee and not a question

about what went on in the committee. It is to deal with its agenda and business. I thought the question, by a narrow margin, met the exigencies of the Standing Order today. I will review the other one the member raised with me, but I did rule yesterday's out of order.

I appreciate the support the hon. member for Peterborough has offered and the support of the hon. members for Windsor—Tecumseh, Edmonton—St. Albert and Kootenay—Columbia, who all support the Chair in their efforts to ensure that the questions asked are proper in the House.

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ANGLICAN CHURCH OF CANADA ACT

(Bill S-25. On the Order: Private Members' Business:)

May 10, 2005—Second reading and reference to a legislative committee of Bill S-25, an act to amend the act of incorporation of The General Synod of the Anglican Church of Canada—The Member for Victoria.

• (1510)

Hon. David Anderson (Victoria, Lib.): Mr. Speaker, there have been discussions among the parties and I believe you would find unanimous consent for the following motion. I move:

That Bill S-25, an act to amend the act of incorporation of The General Synod of the Anglican Church of Canada, be deemed to have been read a second time, referred to a committee and reported to the House without amendment, concurred in at the report stage, read a third time and passed.

The Speaker: Does the hon. member for Victoria have the unanimous consent of the House to propose this motion?

Some hon. members: Agreed.

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

Some hon. members: Agreed.

(Motion agreed to, bill read the second time, considered in committee, reported, concurred in, read the third time and passed)

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MESSAGE FROM THE SENATE

The Speaker: I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed certain bills, to which the concurrence of this House is desired.

GOVERNMENT ORDERS

[English]

BUDGET IMPLEMENTATION ACT, 2005

The House resumed consideration of the motion that Bill C-43, an act to implement certain provisions of the budget tabled in Parliament on February 23, 2005, be read the second time and referred to a committee, and of the motion that this question be now put.

Government Orders

Hon. Karen Redman (Kitchener Centre, Lib.): Mr. Speaker, I rise on a point of order. Discussions have taken place between all parties concerning the vote just requested on the previous question motion from the member for Saint John to second reading of Bill C-43. I believe you would find unanimous consent for the following order. I move:

That the motion from the member for Saint John, that this question be now put, on second reading of Bill C-43 be deemed carried on division.

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

Some hon. members: Agreed.

(Motion agreed to)

● (1515)

Hon. Karen Redman: Mr. Speaker, discussions have also taken place regarding Bill C-43 and I believe you would find unanimous consent for the following order. I move:

That a recorded division be deemed requested on the main motion for second reading of Bill C-43 and deferred to later this day at the end of government orders.

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

Some hon. members: Agreed.

(Division on motion deemed requested and deferred)

* * *

[*Translation*]

ACT TO AUTHORIZE THE MINISTER OF FINANCE TO MAKE CERTAIN PAYMENTS

The House resumed consideration of the motion that Bill C-48, an act to authorize the Minister of Finance to make certain payments, be read the second time and referred to a committee; and of the motion that this question be now put.

Mr. Réal Lapierre (Lévis—Bellechasse, BQ): Mr. Speaker, Bill C-48 is in fact nothing more than a manifestation of the NDP's grievances with the federal budget, on the pretext, among other things, that it did not consider the social measures it contains to be equal to Canadians' needs. It then went on to hold out the possibility of an alliance with the Bloc Québécois and the Conservative Party if the budget were not reworked to their satisfaction.

Given that ultimatum, and the precarious status of the Liberal Party, a scenario was concocted in order to satisfy the NDP's demands by enhancing the scope of Bill C-43. This agreement in principle translates into reinvestments in the order of a total \$4.5 billion over two years for social housing, education, the environment, international aid and protection of seniors' pensions. As well, the Liberals would temporarily step back from corporate tax breaks.

Now there is a fine wish list.

I have my doubts. Unfortunately, I do not believe it. It is a fact that it would be a very good thing to improve the sectors I have referred to. Everything we can get out of the government, we will take. But wait.

Why, assuming that they were sincere, did they not just amend the budget implementation bill, namely Bill C-43? Why have another

bill? How can they commit themselves to two different things at the same time? Have my hon. friends developed the gift of ubiquity?

First, specific measures are established through the passage of Bill C-43, and corporations enjoy a substantial tax cut. Then a contradictory measure is proposed that can only sow dissatisfaction in the ranks of manufacturers—dissatisfaction that can lead, as we well know, to the withdrawal of funding from the party in power. That is the risk that they do not want to run. Bill C-48 does not meet the NDP's demand that the tax cuts for business be cancelled. Bill C-48 is conditional on the government running surpluses. Conditional—therefore without any real significance.

Even the leader of the NDP acknowledged in this House that the simple act of not making those tax cuts could create a surplus and therefore prevent it all from happening.

They try to take us to 2008 to justify keeping this measure in the original budget. The Minister of Finance himself offered this interpretation to the leader of the New Democratic Party in answer to a question in this House. What lovely evasion! What sleight of hand!

The government does not want any amendments to its budget because that would confirm a measure that is unpopular with an elite that has a long reach and is very powerful.

Let us look at other provisions in the extra budget. There is an additional \$900 million for the environment. That could be interesting. Unfortunately, this melody is playing in a minor mode. Despite the importance of the sectors that were identified, namely public transit and energy efficiency, this additional money will not produce convincing results. The gist of it is bad.

The famous Project Green, announced last April 13, is like Swiss cheese. The polluter—the oil and gas industry—is paid through subsidies, while the government still refuses to encourage people to use public transit by making the cost of their passes tax deductible.

And yet these people are doing something concrete for the environment. The people responsible for half the greenhouse gas emissions should logically be forced to come up with an effort proportional to the damage that they do. Instead, the financial burden is shifted to the taxpayer.

● (1520)

If we extrapolate, the cost of a bus pass has just trebled.

And on top of that, this budget provision on the environment infringes on areas under the jurisdiction of the provinces and Quebec, such as public transit. Whatever works.

Quebec's greenhouse gas emission profile differs significantly from that of the other provinces. Why would it be penalized for being cleaner? It should instead be congratulated and encouraged and get its fair share of the tax base provided for implementing the Kyoto accord in order to improve its performance.

Government Orders

Under the circumstances, Quebec should have the funds to enable it to choose what best suits its plans for the future. The approach should be territorial, as the Bloc has already suggested in this House. Otherwise, the government should grant full financial compensation.

Holes in cheese give it some style, but do not improve its flavour. In other words, I prefer Swiss cheese to Project Green. We can take pleasure in the fact that some low income earners will perhaps be able to improve the energy capacity of their homes. Maybe, we will see.

In the area of social housing, the government is in a sorry state. It consistently remains far below the level of the needs and therefore the expectations of social groups. While the official budget made no provision in this vital area, the government is now offering \$1.6 billion for two years. Investment would certainly be welcome.

The Bloc, however, is calling for a progressive investment over three years, in order to reach an acceptable peak of nearly \$2 billion a year. The demand is realistic and necessary. The urgency of the situation has been amply demonstrated by the growth in need since this government took office.

The amounts conceded to the NDP must not be the subject of electoral blackmail, but rather serve the most disadvantaged.

Housing responsibilities and the corresponding budgets must be sent to Quebec as quickly as possible.

If we look at the proposal on education and post-secondary education, we can see yet again that it is open to blackmail. It is all the more unacceptable because we, along with the Government of Quebec, are calling for federal funding for education to be 25% of spending. The political agreement with the NDP is unsatisfactory, because the \$188 million Quebec might receive is paltry compared with the \$12.2 it spends.

The federal government's commitment to international assistance remains clearly inadequate. While assistance in any amount is welcome, an additional \$500 million will not change the fate of the planet. We absolutely need a long term plan to achieve the international target of 0.7% of GDP by 2015. It is outrageous for a rich country like Canada to claim not to be able to achieve the minimum before 2033.

Obviously, it cannot be any other way with the 8% annual increase proposed by the government. That is a disgrace. We are proposing an increase of 12% per year for three years and 15% per year after that, up to 2015. If the NDP is prepared to settle for \$500 million, so be it, but I am not.

So, what does Bill C-48 do for my own riding?

Cull producers will continue to suffer because of the underfunding with respect to the mad cow issue. Only fair compensation could have made things better for them. The problem is still there for beef producers.

• (1525)

Would there be any possibility of providing recovery assistance to our shipyard, which, hon. members should know, is a major economic engine for my riding? There is nothing in the budget or

Bill C-48. Canada would have much to gain, however, from a real shipbuilding policy.

Was the Summer Career Placement program in my riding designed on the basis of real needs, and is the funding allocated adequate? Certainly not, since an indefensible cut was made to the program.

Is there anything for the tourism and leisure industry, which is a path for the future? No.

Has the funding earmarked for the community sector, which is essential in our area like in any other, been increased? Again, no.

So, to Bill C-48 I humbly say, no, thank you.

Mr. Pierre Paquette (Joliette, BQ): Mr. Speaker, I would like to begin by congratulating my colleague on his excellent and very clear speech on Bills C-43 and C-48.

I would like to have some comments from him on this virtually ingrained reflex of the federal government—particularly when it is Liberal—to want to interfere in areas that are under the jurisdiction of Quebec.

They want us to think—and this has gone on for decades, more than a century I would say even—that the federal government knows more about public administration than Quebec's elected representatives.

Mr. Réal Lapierre: Mr. Speaker, I want to thank my colleague for his comments, which give me an opportunity to point out that among some of the specific, recognized areas in Quebec, we have highly rated child care centres. We are in the process of developing wind energy, a resource previously underestimated across the country.

We have no regrets about our own hydroelectric development. Our aerospace industry is on the cutting edge and our agricultural sector is second to none.

Thus, every political party in Quebec—and as far as I know at least two are federalist—are calling for complete independence in every one of our jurisdictions. These days especially, I highly doubt we have to take any lessons from the federal government on how to run our own affairs.

[English]

Mr. Bill Siksay (Burnaby—Douglas, NDP): Mr. Speaker, during the hon. member's speech he mentioned the summer career placement program and made a very good point about the importance of that program. It is very important to people in my riding where, every summer, students find employment and every summer, community agencies institute important programs. It is something on which the community depends.

In my riding the program took a 10% cut while in other ridings it took a 50% to 60% cut. This is something that came up, as far as I know, after the budget and it is something we need to correct because it is a very important program.

It has been an important program in rural areas to help stop rural depopulation. It was a way of bringing students back to communities for the summer. It was a very important part of maintaining populations in those communities.

Government Orders

I just want to ask the member what initiatives he might be prepared to take to work on that issue now that we know the problems with it.

• (1530)

[*Translation*]

Mr. Réal Lapierre: Mr. Speaker, I thank my colleague for his question. I had the misfortune of experiencing a 30% plus cut in the program in question. Yesterday I was informed that a correction would be made in order to somewhat restore the amount to the level allocated last year. The fact remains that despite any corrections, my riding is still receiving less for this program than it did last year.

I totally agree that this program should be improved for our students in the regions. This is an issue to some extent in my riding as well. Young people go away for school all year and when they come home to their village, we do not have the money we need to provide them with a source of income or a way to eventually enter the labour market in their own region.

[*English*]

Hon. Bryon Wilfert (Parliamentary Secretary to the Minister of the Environment, Lib.): Mr. Speaker, it is a pleasure to rise on Bill C-48, particularly given the fact that the government has had eight balanced budgets or better. Canada is the only G-7 state paying off its national debt. We have been able to do that because of good fiscal management. That is what has characterized the government and its ability to invest in the social priorities of Canadians.

Clearly the budget Bill C-48 is important in terms of ensuring that the social foundations which are key to Canada's identity are enhanced. They are enhanced in Bill C-48. This is a natural extension of the initiatives the government has pursued over the last few years. It is clear that the priorities of Canadians are to ensure that we have affordable housing, post-secondary education, a good environment and foreign aid. That is what the budget in particular and the bill deal with.

We are investing in a way that ensures we do not in any way affect the financial gains that we have made as a nation over the years. We will never go back into a deficit. That has been a commitment of the government. At the same time, it is because we have managed well that we are able to make these important investments for Canadian families, cities and communities. That is extremely important in terms of the fiscal foundation.

The government is committed to spending \$4.6 billion on these investments which will be financed through fiscal reserves that are in excess of \$2 billion in 2005-06 and in 2006-07. A guarantee of \$4 billion over these two years will be committed to pay down the national debt. This is extremely important. We are the envy of the western world. We are the envy of those whose major concern is how to deal with balancing the books. In our case, we have the ability not only to pay down the debt but also to make these important investments.

One of the areas is affordable housing. The bill proposes \$1.6 billion for affordable housing. It is very important to note that this is not tied to matching funds from the provinces. It also includes aboriginal housing. This builds on government investments totalling \$2 billion in the homeless and affordable housing over recent years.

In 1999 the government launched the three year national homelessness initiative. A key element of this was the supporting communities partnership initiative which provided \$305 million for local community groups to offer support services and facilities for the homeless.

Budget 2003 provided a three year extension of that initiative at \$135 million. Furthermore, budget 2001 announced \$680 million over five years for the affordable housing initiative to help stimulate the creation of more affordable units. Bilateral cost sharing agreements were subsequently signed with all 13 jurisdictions in Canada. A top-up of \$320 million over five years was announced in budget 2003, bringing the total federal investment in affordable housing to \$1 billion over six years.

The government continued to do more in budget 2003. It announced a three year renewal of the government's housing renovation programs at a cost of \$128 million a year.

In addition, the government currently spends \$1.9 billion per year in support of existing social housing units. Who could be against that? It is an investment for Canadians. Clearly when members look at themselves in the mirror, they will realize that this is important for Canadians as a foundation. Social housing has played an important role in Canada. I cannot believe anyone would contemplate voting against it.

The bill also provides \$1.5 billion to increase accessibility to post-secondary education. We have heard a lot in the House about the needs of students. Although the Government of Canada does not deal with the issue of tuition, it can, and in the bill does, assist students who come out of university having acquired significant debts, particularly low income families. As well there is training money to supplement labour market agreements.

• (1535)

Since balancing the budget, the government has provided significant new funding in support of post-secondary education through increased transfer support to provinces and territories and increased direct support to students and universities. We are ensuring that future generations will be able to come out of university in much better financial shape. I cannot believe that anyone in the House would not support assistance for students.

The government continues to transfer support for post-secondary education through the Canada social transfer, a block transfer to provinces and territories. Each province and territory is responsible for allocating federal support according to its respective priorities within that jurisdiction regarding post-secondary education and other social programs.

Government Orders

Overall, the Canada social transfer will provide \$15.5 billion in 2005-06 and more than \$8 billion in legislated cash levels and \$7 billion in tax points. In addition, the Government of Canada provides about \$5 billion annually in direct support for post-secondary education, and among other things, helps families save for their children's education.

When we look at that, we really wonder how anyone could not support that kind of assistance for students anywhere in this country. I would be really surprised to see any member stand up and have the audacity to say that he or she cannot support students. Why would members not support students? Why would they not be investing in our future?

When it comes to the environment, the government has been a leader. The Minister of the Environment, along with the Minister of Natural Resources and the Minister of Industry, unveiled the most aggressive climate change plan in the G-7.

An hon. member: In the world.

Mr. Bryon Wilfert: In the G-7 and in the world. We have a plan for Canadians to deal with the issue of climate change.

There are some in the House, unfortunately, who do not believe the ice age occurred and they do not believe that climate change is a problem. We on this side are realistic. We know there is a problem. We know that Canada must take an active leadership role. This country and the Minister of the Environment are doing that.

Bill C-48 proposes a further \$900 million for further environmental measures focusing primarily on public transit and a low income energy retrofit program. This investment builds on the government's continued focus on the environment, including the measures contained in budget 2005, which is the greenest budget in Canadian history.

Who could vote against the greenest budget in Canadian history? If members really believe in climate change, if they really believe that the environment is important to Canadians, they will make a difference tonight when they vote for Bill C-48. And if they do not, any rhetoric I hear on that side is simply that.

In the budget there is \$1 billion over five years for the clean fund, the climate fund. This is very important. It will encourage cost-effective projects that reduce greenhouse gas emissions. This is very important. We have the fiscal instruments to move forward on climate change.

There is \$250 million in the budget to create a partnership fund for projects that are best achieved through cooperation between the federal government and the provincial and territorial governments. We will work in partnership. Again, who could argue against working in partnership?

In the budget there is \$225 million over five years to quadruple the number of homes retrofitted under the EnerGuide for houses retrofit incentive program.

There is \$200 million over five years to further stimulate the use of wind power. We talk about alternate energy sources. Again, here is an opportunity for members to stand in their places tonight and vote for it.

I could go on highlighting how important Bill C-48 is, but I know hon. members and all Canadians know it is important. Tonight we will demonstrate that leadership.

• (1540)

Mr. Randy Kamp (Pitt Meadows—Maple Ridge—Mission, CPC): Mr. Speaker, the hon. member has me a bit confused and I hope he can help me out.

He has gone on about how important the things in Bill C-48 are, but they did not show up in Bill C-43 when the government had the first crack at it. This really makes me question how sincere the government is in these so-called priorities. It looks as if the government is buying the votes of the NDP.

We all saw the agreement on TV. It looked like they borrowed a Sharpie from somebody, found a blank page and scribbled out these things on a napkin. These do not look like real priorities to me. I would like to see the plans for them. If they are so important, why were they not in the original budget that the Liberals thought was so good that they said it could not be cherry-picked?

I am confused about another thing too. The corporate tax cuts are not reflected in Bill C-48 as far as I can tell from my reading of the legislation. My recollection is that this agreement between the Liberals and the NDP committed to removing certain corporate tax cuts. I am not sure if this is in Bill C-48 or whether it is going to be done separately or is the government pulling the wool over the NDP's eyes? I would like some clarification on that too.

Hon. Bryon Wilfert: Mr. Speaker, the party across the way originally supported the budget. I assume at that time the hon. member supported more money for the environment, which is in Bill C-43 and Bill C-48. I assume at the time the member across the way supported more money for affordable housing. I assume he supported assistance for Canadians in terms of affordable housing, which was very important. We announced that. It is an enhancement within a strong fiscal framework. I am surprised that the member's party would say that it would support Bill C-43 tonight, but not to enhancing it, making something even better.

We said from the beginning in the House that the government was prepared to work with other parties to ensure that we had good government for Canadians. We worked with the NDP and now have a budget which Canadians support even more so because it is fiscally responsible and is a good investment.

Government Orders

If the hon. member is going to stand up tonight and say that he supports the environment so he will vote for Bill C-43, then I applaud him. However I presume the member is then going to stand up on Bill C-48 and say that he cannot support it because it has another \$900 million for public transit, for wind power, et cetera. The member cannot have it both ways. He cannot support one part of the budget but not the other part, because obviously the government would fall.

I hope the member will reflect and realize that if he really supports these good investments, he will have to support them across the board. We are committed both in terms of small and medium tax cuts, which is in Bill C-43. The minister has made it very clear in the legislation dealing with corporate taxes.

Mr. Jim Abbott (Kootenay—Columbia, CPC): Mr. Speaker, my Liberal friend seems to get his lexicon a bit mixed up. He keeps on talking about investments instead of expenditures, an additional \$4 billion of expenditures.

He also seems to have picked up the NDP disease. Those members do not realize that corporate taxes are not paid by corporations. Corporate taxes are paid by the corporation's customers.

The member seems to know a bit about business. Surely to goodness he would not think that telling the NDP that the government is not going to be going ahead with the corporate tax reductions is a good move. The member, particularly coming from Ontario, knows it will cost thousands of jobs if we do not get those corporate tax reductions. How can he possibly vote for Bill C-48?

• (1545)

Hon. Bryon Wilfert: Mr. Speaker, let me make it very clear. The government supports and continues to support tax reductions. We had the largest personal income tax cuts in Canadian history of \$100 billion over five years. I heard a member over there earlier talk about 10 years, but it is five years.

Bill C-43 includes tax cuts for small and medium business. If the member's party votes against Bill C-48, then those reductions will not be there. On the corporate side, the member well knows that he will have an opportunity after this evening to continue to support the government when legislation is introduced on the corporate tax side.

If the member wants to support tax cuts generally, he has to vote for both Bill C-43 and Bill C-48. If the opportunity arises, he will be able to deal with the corporate issue.

Mr. Peter Van Loan (York—Simcoe, CPC): Mr. Speaker, my constituents have told me not to vote for the NDP budget because they said that the Liberals are corrupt, they are ruining the country's finances, which this bill is proof of, and that in the process they are putting Canada's unity at risk with the damage they have done to the federalist cause in Quebec.

When one looks at the bill, on the face of it, it is \$4.6 billion. We hear the Liberals sometimes say that it is only \$4.6 billion. That means \$205 for every voter. That is the cost of the agreement to buy the support of the leader of the NDP.

However it is only part of the bigger spending spree that we have seen in recent weeks.

Bill C-48, this NDP budget, is part of a larger fiscal framework but it is really a spending and pre-electoral vote buying project by the Liberal government. It has announced \$25 billion since April 21.

What does that money mean for each voter? It means that the cost for each voter is \$1,114. That is the cost for each vote they are trying to buy with this spending spree. However, guess what? That cost also comes from those voters. In fact, if we were to take the whole population of the country, that cost is \$757.50 per person.

Therefore it is no surprise that the people in York—Simcoe do not like this budget. For a typical family of four, with the husband and wife both working, what is their share of the Liberal pre-election spending spree? It is \$3,030 which has to come from somewhere and that is from that family. They cannot afford \$3,030 of their money to prop up a corrupt Liberal government.

For years now, spending has been out of control up here in Ottawa. Program spending has been going up over 10% a year. Ask my constituents if they have enjoyed 10% more in services from the federal government. I have yet to meet a single constituent who tells me that he or she has. They are not getting more services but all along the public service continues to grow and the spending continues to grow.

Bill C-48, the NDP budget—if I can paraphrase the comments of the hon. member for Newmarket—Aurora today for her comfort—is not a complex bill. In fact it could have been written on the head of a pin without using special equipment. It is but a few sentences long and about only chunks of money that will be thrown at target areas.

That is too often the way the Liberal government works. It takes a chunk of money, identifies it and throws it somewhere. There is no plan and no details. I know we would find a more detailed financial breakdown on a McDonald's menu than we have in Bill C-48. A grocery bill has a more detailed financial plan and breakdown than we find in Bill C-48.

The substantive part of the bill is about four sentences long and about seven or eight figures get stated. That is not a plan. That is simple, straightforward vote buying. It is \$4.6 billion out the window and overall, in this whole \$25 billion spending spree, \$3,030 from each family in my community that they have to find a way to pay. Those are their tax dollars.

What do they really want? My constituents tell me that they want a chance to achieve their dreams. What would \$3,030 mean for each of them, if it were in their pockets, to achieve their dreams? Having \$3,030 less while the government tries to tell them what their dreams are and tries to force its solutions on them is not what they had in mind. They had other plans for that \$3,030. They had plans to pay down their mortgage, to pay for some long overdue car repairs, to put the kids in hockey for another year or buy a couple of new bicycles as the kids get older. That is why \$3,030 lost to them means a lot.

What they want is the opportunity to spend that \$3,030 on the things that are important for them. Why are they losing that \$3,030? It is because a deal was made with the leader of the New Democratic Party to prop up a government that is corrupt, that is desperate and that is willing to do anything to win. What they want to see is an end to this government waste.

Government Orders

•(1550)

My constituents are not unique. All Canadians want to see this. None of this is here. There is just a new bunch of more government waste. This is a typical government solution: identify the money, throw it at the target but have no plan for what to do with it. To me the worst example of how government waste happens is when there is a chunk of money looking for something to do.

Let the people of Canada and the people of York—Simcoe choose how they want to spend their \$3,030.

Housing is supposed to be a priority in this bill. Well, \$3,030 would go a long way for each family in my constituency to help deal with their housing challenges; \$3,030 would go a long way to help pay down the mortgage; \$3,030 would go a long way to help pay their rent, because that is what the Liberals are taking from them in spending priorities elsewhere that they cannot spend on their housing.

What could \$3,030 do for training and post-secondary education? If each family could have that money they could put it away and save for their children's education and for the future. People could go through an entire community college program for \$3,030 in tuition. If that was their dream, if that is what they wanted to do, to make a brighter future for their families, is that not what they should be allowed to do. Instead the leader of the New Democratic Party is taking that money from them, along with the Prime Minister, to prop up a government and make it look like they are doing something for Canadians. In fact they are really taking from Canadians.

We want to see Canadians achieve their dreams.

Another priority, supposedly, in Bill C-48 is the environment. My constituents in York—Simcoe want to see money spent on the environment in their community to clean up Lake Simcoe. For years and years the federal Liberal government has stubbornly refused to part with any money to support cleanup and environmental improvements to Lake Simcoe. It will do it for the rest of the Great Lakes but it will not allow any money for Lake Simcoe which is the centre of the Great Lakes basin.

Tens of thousands rely on Lake Simcoe for their clean drinking water. It is a critical part of their environment. The government talks about helping the environment and yet stubbornly refuses to allow that money to be spent right here in Canada, right in York-Simcoe where people have real priorities. Those are the priorities that we find the people of York—Simcoe want when they want to see spending on things like the environment.

I ask how I can in good conscience, knowing the dreams, hopes and aspirations of a typical family in York—Simcoe, support the waste of money, the confiscatory taxation, the fact that this NPD-Liberal budget means \$3,030 out of the pockets of every family in my constituency?

I see some Liberals over there smiling but they should know that \$3,030 is not a small amount of money to the hardworking families in York—Simcoe. It is a serious amount of money. It takes a lot to earn \$3,030 and to have that taken away from them is taking away the freedom to achieve their dreams, the freedom to build a brighter future for themselves and their children, the freedom to pay off the

mortgage and the freedom to save for their future and their education. It is taking away from them the opportunities to do that.

I have a high regard for the typical family in York—Simcoe. The people in that community do not believe the government owes them a living. They do not believe anyone owes them a living. They just want the freedom and the opportunity to go out and work to achieve their dreams. They just want someone to allow them to keep a little more in their pockets for the hard work and toil they do. They want the opportunity to make a better life and have a brighter future for their families. The spending plan of the Liberal government in Bill C-48 leaves them \$3,030 further behind in achieving those dreams.

•(1555)

Mr. Andrew Scheer (Regina—Qu'Appelle, CPC): Mr. Speaker, I congratulate my hon. colleague on an excellent summation of why anyone who works hard for his or her paycheque should be concerned with the amount of money the government takes out of their pockets and about the NDP deficit spending amendment to the budget.

We in Saskatchewan have seen what Liberal programs mean. We have heard the huge announcements of spending, the billion dollar promises to help with BSE and the money to help with drought. We have heard that it will put more money into CAIS and more money into loan loss programs or any number of things.

However, not only does the money never get to the farm gate or any of the people who need the money, but oftentimes the forms are not even available for months and are often not even available for people who need the money to even apply for it.

We have heard many ministers say that we had better get the budget passed because all this money is on the hook for that and yet we know that there is a long way between a Liberal announcement of dollars for a program and anyone ever actually getting any money out of it.

Would the member agree with me that directly putting money back into a taxpayer's pocket immediately in the form of a rebate is better than some vague promise that we have heard for 12 years that consistently never actually gets to the people who need it?

Mr. Peter Van Loan: Mr. Speaker, I know how hard the hon. member works for his constituents which is why he understands the challenges they face.

He understands that with every solution that comes from government something gets lost along the way. I might call it, lightly, postage and handling. The government gets us to send in the money. It takes off two-thirds, half or whatever for postage, handling, bureaucracy and processing. Then, when something dribbles back in the form of a program, in the form of a payment or a subsidy, it is a fraction of the hard-earned tax dollars that were originally sent by the people.

Government Orders

When we are talking about simple things that are not complex, where people want to achieve and pursue their own dreams, it is often better for the government to let people have the freedom to do that, instead of the government saying that it will do it for us and then telling us to send the money to the government and it will decide what is best for us and what our priorities are. It is a fundamental principle of who gets to choose what future they want and what their priorities are for their families.

The people in my community are probably no different from the one's in the Speaker's community or that of the hon. member. They want the freedom to make those choices themselves.

Mr. Jim Abbott (Kootenay—Columbia, CPC): Mr. Speaker, I would ask the member if he heard the same thing I did from the Parliamentary Secretary to the Minister of the Environment who just spoke before him. I thought I heard the parliamentary secretary say that the Liberals would not do the tax rollback and then that they would. I was a little confused about it. It strikes me that either they have a deal with the NDP that they will roll it back or they do not.

I am a little confused. I wonder if the member could help clarify that for me.

• (1600)

Mr. Peter Van Loan: Mr. Speaker, I regret but I cannot clarify that because I think it is like so many things that the government does. It says one thing to one group of people and says the opposite to another group of people. That is one of the sad things about democracy and government in this day and age since the Liberals have been in office.

People can no longer have confidence in their political leadership. No longer can they listen to their government and count on what it says as being the truth. That is something that corrodes the process of democracy.

It does not matter what the Liberals have promised or what they have said, when they are putting forward the amount of spending talked about here, \$25 billion, \$3,030 for each family, it is academic what is promised. The possibility of any tax relief is eliminated as the government sucks up that amount of money and takes it into its own coffers to put into programs.

There can be no future, no hope for tax relief for working families if Bill C-48 and the Liberal program proceeds.

[*Translation*]

Mr. Pierre Paquette (Joliette, BQ): Mr. Speaker, it is a great pleasure for me to take part in the debate on Bill C-48, which sets out the agreement between the Liberal Party of Canada and the NDP.

This is an opportunity for me to condemn a two-part hoax. First, the leader of the NDP thinks he won points for the agreement set out in this bill. Second, the Liberal Party of Canada, through the current Prime Minister and with the help of the leader of the NDP, is inferring that this bill improves the budget, known as Bill C-43, which was totally unacceptable to the NDP and to us when we first debated and voted on it. We voted against it, as everyone knows.

Unfortunately for the Liberals, only the NDP truly believes that this agreement will do something for Canadians and Quebecers. I saw the embarrassment of some NDP candidates in Quebec as result

of this agreement. They had a great deal of difficulty understanding why, in exchange for so little, the leader of the NDP agreed to support a government that, clearly, according to witness after witness before the Gomery commission, appears to be led by a corrupt party.

Obviously the leader of the NDP and his MPs will say that they obtained \$4.6 billion for social housing and the environment, among other things. It is all just smoke and mirrors. I will have the opportunity to easily demonstrate this.

I want to come back to the fact that the Liberal Party of Canada and the federal Liberal government specialize in this kind of hoax. Its other specialty, obviously, is believing that taxpayers' money belongs to both the federal government and the Liberal Party of Canada.

That said, I want to come back to this series of hoaxes. Unfortunately, I have just a few minutes, so I will not be able to name them all.

The 25th anniversary of the 1980 Quebec referendum on sovereignty- association is approaching. Pierre Elliott Trudeau, the Liberal Party leader who campaigned for the no side said, in the Paul Sauvé Arena “—we are willing to lay our seats in the House on the line—”.

With what result? A unilateral constitutional agreement that Quebec is not party to and has never signed, despite the fact that both the Liberal Party of Quebec and the Parti Québécois have formed the Quebec government. It caused a constitutional crisis that has yet to be resolved.

In 1995, in response to a question on sovereignty and a partnership with Canada put to him while he was campaigning for the no camp, Jean Chrétien declared his love for us, “We love you, stay with us”. I do not think he convinced very many people. He was nonetheless confronted with a very close vote on referendum night.

What came out of this great declaration of love by Jean Chrétien and the rest of Canada? The clarity legislation. While this does not make any difference, attempts have been made and continue to be made to convince Quebecers that they are not the masters of their own destiny. That is another federal Liberal hoax.

During the election campaigns of 1997, 2000 and 2003, we were promised a massive overhaul of the EI system. Each time, the elephant gave birth to a mouse. I clearly recall that, in 2000, the member for Bourassa travelled to Jonquière, where the steelworkers were furious. Before this audience, the Liberals made the promise to carry out this reform if they voted for them. The steelworkers did not believe a word they said; they are clever, they realized it was a hoax. As it turns out, the Liberals did not do a thing.

Government Orders

They did the same thing in 2003. They carried out a mini-reform, adding \$300 million to the program, when the surplus in the employment insurance fund was \$46 billion. That money was diverted to pay back the federal government's debt. In fact, my colleague from Chambly—Borduas questioned the minister on that earlier. The minister recognized that this was a very complex issue. Why would it be so complex? The Liberals, who have been promising reforms since 1997, should know how long it takes to examine an issue. Committees have made recommendation upon recommendation. One more hoax.

I am sorry to say that the Liberal Party of Canada attracts primarily billionaires, be it as leader or as Minister of Human Resources and Skills Development. I hope that, unlike the Prime Minister, the minister is not building her fortune on tax havens.

•(1605)

I can guarantee that I will conduct an inquiry into this matter.

During the last election campaign, at the leadership debate in French, the Prime Minister made a public promise to overhaul EI to make it accessible to the unemployed by reducing the number of qualifying hours. Nothing happened.

I could mention the foundations used to hide the surpluses. I could mention the equalization program, which was unilaterally amended, amendments that have cost Quebec dearly. I could mention the fiscal imbalance that only the federal Liberals, in Canada and Quebec, deny. I could mention supply management, which the government boasts about defending, while it lets in modified milk products from all over the world, thereby jeopardizing this supply management system.

I could also mention Kyoto. Major international commitments are being made, but there is no action plan to ensure that we will achieve the objectives we have committed to. What is more, this is going to hurt Quebec.

Today, we heard another hoax. Yesterday, it was announced that a \$750,000 trust fund had been set up. On the one hand, we have learned today that this trust does exist, but that it does not contain \$750,000. On the other hand, this amount represents a very small percentage of the dirty money taken by the Liberal Party of Canada. This trust fund is just an empty piggy bank. It is a small empty pig created, once again, to try to deceive Quebeckers and Canadians.

Today, there was yet another hoax in the shape of Bill C-48. It implies that the government is going to improve Bill C-43, the Budget Implementation Act, 2005, which was tabled by the Minister of Finance in February. The leader of the NDP must have been surprised when he realized that his agreement with the Prime Minister and leader of the Liberal Party was not attached in amendment to the budget, but was instead a separate piece of legislation marked Bill C-48. This means he will have to vote in favour of Bill C-43, although he voted against it at first reading.

I must say, moreover, that the only party that has been consistent since the start of this budget debate is the Bloc Québécois. Quebeckers know that. We were opposed to the budget from the start, we still are, and we will be tomorrow. The little amendments brought in with Bill C-48 will not convince us otherwise.

In fact, when one reads the bill, one can see as I have said that it is nothing but smoke and mirrors. I will therefore read an excerpt from Bill C-48.

Subject to subsection (3),...in respect of the fiscal year 2005-2006—

This paragraph says that all payments made by the Minister of Finance may not exceed \$4.5 billion over two years. So:

subject to subsection (3), ... in respect of the fiscal year 2005-2006—

The same thing for 2006-07.

the Minister of Finance may... make payments out of the Consolidated Revenue Fund up to the amount that is the difference between the amount that would, but for those payments, be the annual surplus...and \$2 billion.

This means that above \$2 billion, if there is a surplus, the Minister of Finance will be authorized to use this surplus to comply with the agreement with the NDP. Well, last February, the Minister of Finance was telling us that there was no leeway and he had gone as far as he could go. Suddenly, he finds money. Over the last few weeks, he has discovered \$22 billion for promises. This is much more, by the way, than what the leader of the NDP obtained. And why \$22 billion? Because the government is under pressure to have an election. I must say that this has paid off much better for Canadians and Quebeckers. Half of this amount is going to Ontario. These are not election promises? It is totally unacceptable.

Earlier I described a bit the federal Liberals' propensity for hoaxes. The only thing that the government can do therefore—and knowing this, it will surely do it—is spend money all over so that there will not be a surplus if it does not want to comply with its agreement. And that will be completely consistent with the bill.

The leader of the NDP failed, therefore, to obtain any guarantees at all regarding this \$4.5 billion. It also states in the bill that the maximum is \$4.5 billion. For each point, it is the same thing.

Bill C-48 does not guarantee any improvements to social housing, absolutely no correction of the fiscal imbalance, and no improvements insofar as the Kyoto protocol is concerned. In view of its mandate to advance the interests of Quebec, the Bloc Québécois therefore has no other choice, in all logic, than to vote against Bill C-48, as it will also vote against Bill C-43. Thus it will demonstrate both its disagreement with and its lack of confidence in this government, which does not deserve to govern the country any longer.

•(1610)

Hon. Roy Cullen (Parliamentary Secretary to the Minister of Public Safety and Emergency Preparedness, Lib.): Mr. Speaker, I think the hon. member for Joliette left out some very important aspects of the 2005 budget.

[*English*]

I would agree with him that the Bloc has been very consistent in the sense that members are consistent in their desire to break up this country and for the country not to work. They are very consistent in objecting to budget 2005 and every single budget before that because they do not want Canada to work.

Government Orders

I think there are facts that he omitted in his remarks. Maybe if he would go back to the budget he could remind himself of this later. The fact is that this budget builds on seven very successful budgets contributing budgetary surpluses. In fact, this is the eighth balanced budget with a surplus.

We delivered the largest tax cut in Canadian history, \$100 billion, in the year 2000. We have low inflation. We have low interest rates so that many Canadians are able to purchase a home when otherwise they could not. We have relatively low unemployment. It is below 7%. Of course we could always do better. We have been paying down our debt to levels that are surpassing all the industrialized countries of the world. We are below 40%. We started at some 75% debt to GDP.

We have been managing the country's finances in a very fiscally responsible way. That is why we have surpluses from which we can devote more resources to things like moving portions of the gas tax to municipalities like the city of Toronto, so we can invest more in public transit and more in fighting crime.

Perhaps the member forgot. Or maybe he has not read the budget in full. Maybe he just decided this as a member of the Bloc who does not want this country to work at all and he forgot to read the budget.

My question is a very simple one. I wonder if the member for Joliette actually has gone through the budget to examine some of its very positive aspects.

[*Translation*]

Mr. Pierre Paquette: Mr. Speaker, it is pitiful to hear such arrogance and disregard for our party, which is a democratic expression of a significant part of the population. The latest polls show that roughly 54% of Quebecers would vote for the Bloc Québécois.

Does wanting to correct the fiscal imbalance prove we are against Canada? If so, does that mean Canada only functions as long as there is a fiscal imbalance? Does this also mean that all the other provinces, like Quebec, have to experience financial difficulties in order for Canada to function?

Is an accessible employment insurance system that provides adequate coverage a bad thing for Canada? If so, does that mean that if the people who receive employment insurance benefits in British Columbia, Ontario and the Atlantic provinces received an adequate salary replacement rate, this would be detrimental to Canada?

Is a plan with teeth for the Kyoto protocol that is fair to Quebec a threat to Canada?

If that is what it means to live in Canada, then it is time for us to get out.

What I was saying concerned Bill C-43. Now, what is the government doing with C-48. It contains no stable funding for health, education or the fight against poverty. In addition there is nothing for employment insurance, not even a reference. In the case of the Kyoto protocol, this poor plan favoured by the west and the major oil companies will cost Quebec more.

We therefore oppose C-43 and C-48. If Quebec were a sovereign country, this sort of aberration would not need to be debated.

However, while we are here, we will defend not only the interests of Quebec and Quebecers, but the interests of Canadian workers as well. They oppose the fiscal imbalance. They support a real employment insurance system and they want the Kyoto protocol to work.

• (1615)

[*English*]

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Mr. Speaker, although I probably disagree with the Bloc on many items, one thing I would agree with is the fact that the Bloc has supported a national shipbuilding policy for many years.

I would like to give the member the opportunity to stand on behalf of his party and tell me why the Liberals have been so reluctant to support shipyards like Victoria, the Davie yard in Lévis, Quebec, Marystown and, for that matter, Halifax.

[*Translation*]

Mr. Pierre Paquette: Mr. Speaker, the member is quite right. For a long time, the Bloc Québécois has been calling for a policy on shipbuilding.

We note that Canada Steamship Lines—owned by the Prime Minister's sons—has its ships built in Korea. In the current negotiations, in the free trade agreement with the Scandinavian countries, specifically Norway, there is no concern for keeping some shipbuilding here. There is cause for concern.

The same problems are to be found in the textile, clothing and aerospace industries. There are a number of industries here in Ottawa that do not seem to be in this government's good graces and are being left to their own devices.

I conclude by saying that assistance with legal costs, for example, in the matter of softwood lumber, is minimal and will not be available until the end of the year. In the meantime, a number of businesses will have time to go bankrupt.

[*English*]

Ms. Libby Davies (Vancouver East, NDP): Mr. Speaker, I am very pleased to have the opportunity to rise in the House today to speak in support of Bill C-48. It is a significant bill that vastly improves the budget, Bill C-43, which is also before the House.

I am very pleased to say that the bill was the result of participation, discussion and an agreement between the Liberals and the NDP. When we look at the aspects and the specifics of the bill, we can begin to see the significance of these investments. Over a two year period we are talking about a significant investment of \$4.5 billion in areas that are really critical to the quality of life for people in the country, and I am proud of that.

Members of the NDP and our leader, the member for Toronto—Danforth, came to this minority Parliament with a real sense of priority about what we had to do and accomplish. We came here with a mission that our job was to fight for those things, the bread and butter issues like housing, help for students and education, help for our municipalities and to ensure that our environment would not be destroyed for future generations. We came here with a strong sense of mission about what it was that we needed to accomplish.

Government Orders

I am proud that we saw the opportunity to significantly improve the budget, to make it more progressive and to zero in on the kinds of investments that were needed for Canadians. The fact that there is now an additional amount of \$1.6 billion for affordable housing is very important. I know that the minister responsible for housing is probably very happy that the money is now in the budget. We have been saying for years that we want to see a national housing strategy, that we want to see the federal government get back into the housing program and that homelessness in the country is a national disaster and crisis. It is not something that people make on their own, it is because of a lack of supply of affordable housing.

We were very disappointed that there were no new provisions for affordable housing, other than a small amount that was earmarked within the aboriginal community, in Bill C-43. The NDP, in working through this agreement, was able to secure this amount of amount of money over two years to ensure that there would be a federal supply of housing dollars and to ensure that it would not be based wait on provincial matching funds. This is a very important aspect.

I know that there are activists across the country, from the National Housing and Homelessness Network, the Canadian Housing and Renewal Association and the Co-operative Housing Federation of Canada who see this measure as something very significant and important.

We have a need for social housing and for cooperative housing in the country. I just heard the member from the Bloc pan over Bill C-48. I want to tell the member that housing coalition in Quebec, FRAPRU, was very happy to see the amendment. It was happy to see Bill C-48 and the \$1.6 billion for affordable housing. I know it has been making its point of view known to the Bloc members, that it is very disappointed that the Bloc will not support this housing investment.

When it comes to other areas, another significant investment is in post-secondary education. What is really important is that the investment of \$1.5 billion will go to the students. That is very clear in the agreement and the bill. How many budgets have we seen where supposedly there was assistance provided for post-secondary education to improve accessibility, but in actual fact the debt load of students was increased? Again, this is a significant investment as a result of the bill. It will mean that money and funds actually will get to our students, students who have suffered under enormous debt loads. Why? Because of high tuition. Why? Because federal transfers have dried up for post-secondary education.

●(1620)

An important precedent has been set. A federal transfer has been dedicated to post-secondary education. We have not seen something like this for many years. That \$1.5 billion is not contingent on provincial matching funds. It is real money and it will assist students in our country. We hope it will assist in reducing their tuition.

A lot of work needs to be done in implementing that proposal, and we recognize that. We have to start at the beginning. We have to start with step one, and this legislation provides these solid investments.

Other elements of the bill include \$900 million for the environment, specifically a 1¢ increase over the next two years, and the gas tax transfer. The leader of the NDP, the member for

Toronto—Danforth, has led the way both as president of the Federation of Canadian Municipalities and now as our leader. He has pushed solidly and has campaigned to have a significant investment for municipalities. He has been pushing the Prime Minister to deliver on his commitment on the gas tax for infrastructure and municipalities.

As part of the agreement and as part of the bill, it is important that there be an increase in the transfer of the gas tax. This will help our municipalities deal with their horrendous costs around public transit and infrastructure. Large urban centres as well as smaller communities in rural Canada are struggling with infrastructure costs and they cannot keep up with them. It is important for money to be in the bill that is directed toward helping those communities, whether they are small communities or large urban centres, to meet the fundamentals that move people around a city and that hold the infrastructure together in a smaller community.

These things are important for our environment. All of us are concerned about increasing smog days. We are concerned about the increasing rate of asthma in our children. We are concerned about increasing visits to hospitals because of asthma. These things are a direct result of climate change and of a lack of action to implement Kyoto. This is one specific measure in the bill that would deliver priority dollars where they need to go to help meet that commitment.

By no means is this the full picture. By no means is this a perfect budget. We would love to do more. Given the first budget and the addition of Bill C-48, we believe this is a much more progressive budget. It is based on fiscal responsibility. It is based on sound financial accounting. It will not result in a deficit. These things are affordable. They will be paid for through the contingency surplus. It is a very sound plan.

The last element of the bill is the \$500 million increase to foreign aid. This is consistent with Canada's commitment to accelerate progress toward the international target of 0.07% of the gross national income being invested in overseas development. This is a special element of the bill. The three leaders of the opposition parties signed a joint letter to the Prime Minister urging the Government of Canada to live up to its international commitments and responsibilities to meet the target of 0.07% of GNI so Canada would be doing its best to meet its obligations in the international community.

Many time we have seen the commitments of the Liberal government fail. We have seen the government come up short on where it needs to be. This element of Bill C-48 is very important because it accelerates the progress that we are making to meet that goal.

I think Canadians believe we have an obligation and a responsibility to meet our commitments here at home. Our commitment is to ensure that people are not homeless on the street at night. Our commitment is to ensure that we take care of our environment. Our commitment is to ensure that we take care of our students. I think people equally believe that we have to meet our international commitments and the agreement does that.

Royal Assent

•(1625)

I am very proud to stand here today to speak in favour of this bill and to give credit to the leader of our party for taking the initiative, for coming here to this place and working hard, for getting the job done for Canadians and for delivering on the commitments he made.

Hon. Larry Bagnell (Parliamentary Secretary to the Minister of Natural Resources, Lib.): Mr. Speaker, before I start I would like to pay tribute to Elder Pearl Keenan, Senator Roach and John Bailey who are in Ottawa today.

I would like to commend the member on her speech. It was an excellent outline of the additions to the budget. I commend her for voting for the things that are important to her and to her party. What is sad about the configuration of Parliament right now is that another party, which was elected primarily to vote for those types of things, will not vote for them, at least a large number of them will not.

All members of the Bloc Québécois are going to have to look into their hearts and search their souls when they vote against lowering tuition rates for students, when they vote against affordable housing, when they vote against more money for foreign affairs, when they vote against more gas tax money to improve the environment, all things that they were elected to support. They have joined a right wing government that at least honestly says it is not in agreement with those expenditures. The party that campaigned on those types of things will vote against them.

In particular, the one area I would like the member to comment on is this. I am glad she will be supporting the increased funds for aboriginal people. We have started round tables, from the historic national round table, in the different areas where aboriginal people will need funds. There is money in the budget for aboriginal people for health and training. That party has decided to support aboriginal people and once again the Bloc Québécois has not.

Ms. Libby Davies: Mr. Speaker, the hon. member's question really reflects a very important issue, and that is, what is this minority Parliament about? Some of us came here willing to work within the minority Parliament setting and to get the best we could out of it. This bill is a demonstration of that. It is very unfortunate that for other parties the desire to go into an election has superceded everything else, and that has been true for the Bloc and the Conservatives.

We came here to work. Obviously other parties have other goals. It is political opportunism and their desire to have an election almost at any cost is quite breathtaking. People in our communities are telling us that they want to see these investments. They want to see this work. We are prepared to sit down and work that out and make it work. It is unfortunate that other members of the House do not want to do that.

Mr. Loyola Hearn (St. John's South—Mount Pearl, CPC): Mr. Speaker, first, let me congratulate the member on a very good speech, but also for playing a part in getting this funding from the government. The topics she has raised, on which they intend to spend the money, are laudable indeed.

However I ask her this. In light of the fact that a number of members of her party, as late as today, have said that they do not trust the government at all, in light of the fact that the government did not

put any money in the budget to cover the very topics which she had to fight to get, in light of the fact that they got their money through a meeting in a hotel room, on the promise of \$4.6 billion to buy 19 votes to prop up a government that should be kicked out, in light of the fact that none of this money will ever go to them if the surplus is less than \$2 billion and in light of the fact that agreements and promises have to be made with groups, does she think the government will be in place long enough or does she trust it to deliver what her party has asked for, and hope it can?

•(1630)

Ms. Libby Davies: Mr. Speaker, there are a number of questions there. First, on the financial side, anyone who has read any of the forecasts could answer quite clearly that there will be a much greater surplus than what is anticipated in the budget, so these budgetary expenditures in 2005-06 and 2006-07 are totally solid.

The member raises an important question though. Who does one trust? How do we trust someone? We are adults. We come to this place hopefully with some sense of intelligence. We sit down with people and we negotiate something, we work through an agreement and then we proceed in good faith. I agree that something could go off the rails. That is why when we make an agreement, the procedures are worked out about how it will be done and what will the terms of that be.

There is no perfection in those guarantees for sure. We are all human beings and we all belong to political parties. However, at the end of the day, somebody somewhere has to sit down and have some sense of good faith about a genuine process to work something out and then live with that in terms of making it—

ROYAL ASSENT

[English]

The Deputy Speaker: Order, please. I have the honour to inform the House that a communication has been received as follows:

Mr. Speaker:

I have the honour to inform you that the Honourable Morris Fish, Puisne Judge of the Supreme Court of Canada, in his capacity as Deputy Governor General, signified royal assent by written declaration to the bills listed in the schedule to this letter on the 19th day of May, 2005, at 4:05 p.m.

Yours sincerely,

Barbara Uteck

Secretary to the Governor General

The schedule indicates that royal assent was given to: Bill C-10, an act to amend the Criminal Code (mental disorder) and to make consequential amendments to other acts—Chapter No. 22; Bill C-15, an act to amend the Migratory Birds Convention Act, 1994 and the Canadian Environmental Protection Act, 1999—Chapter No. 23; Bill C-40, an act to amend the Canada Grain Act and the Canada Transportation Act, Chapter No. 24; Bill C-13, an act to amend the Criminal Code, the DNA Identification Act and the National Defence Act, Chapter No. 25; and Bill S-25, an act to amend the act of incorporation of The General Synod of the Anglican Church of Canada.

Government Orders

It is my duty pursuant to Standing Order 38 to inform the House that the question to be raised tonight at the time of adjournment is as follows: the hon. member for Pitt Meadows—Maple Ridge—Mission, Fisheries.

GOVERNMENT ORDERS

• (1635)

[*English*]

AN ACT TO AUTHORIZE THE MINISTER OF FINANCE TO MAKE CERTAIN PAYMENTS

The House resumed consideration of the motion that Bill C-48, an act to authorize the Minister of Finance to make certain payments, be read the second time and referred to a committee, and of the motion that this question be now put.

Mr. Ed Komarnicki (Souris—Moose Mountain, CPC): Mr. Speaker, I fully believe the gaze of history is upon us. Our country is undergoing the stress of change. Bill C-48 is a symptom of what has gone wrong in politics and with this government.

Bill C-48 was born out of a sheer desire to hang on and cling to power, that pure desire for the sake of power alone. It is about being prepared to do what one has to do to cling to power. It is pathetic, really. It is not so much what is in the bill and it is not exactly what the NDP thinks is in the bill: NDP members have been duped.

What is more important is that whatever the negotiators would have required would be in that bill because they are prepared to sell principle to simply stay in power. The principle and what is in it are not so important to them.

The time has come for this government to be defeated. It shall fall and it must fall today or in the next short while. It has used every rule in the book to stay in power.

Let us look at the first budget bill, the precursor of Bill C-48. The finance minister said:

—this budget was not designed for election purposes. I am sure that it will stand the test of an election if that comes about, but what I was doing was listening to the clear voices of Canadians...

He put together a budget that he said encompassed comprehensively everything that he felt should be there and nothing more. He said:

When we vote on the budget we cannot cherry-pick one thing we like and one thing we do not like. We have to take the package together.

Just a few short weeks ago the finance minister warned that opposition to the budget could spark a financial crisis if one tried to play politics with a money bill. He said:

You can't go on stripping away the budget, piece by piece...If you engage in that exercise, it is an absolute, sure formula for the creation of a deficit.

He stood up in the House and he spoke on the throne speech and said "sound financial management" is very important. He said:

This is not just good economic management. It is good common sense. It creates the discipline of pay as you go, not spend as you like.

That is what he said and that is what the government's principle was, but what have the Liberals done? Since that time we have seen

\$40 billion and \$30 billion, \$70 billion for health—good—and also for the equalization payments, the Atlantic Accord, \$2 billion, \$830 million only after they were forced to do that by the opposition. Then they tried to make political hay out of that. For Ontario we saw \$5.75 billion and then rent breaks for airports at \$8 billion.

We have a finance minister who said that it is not really new money, that it is just new announcements. If we add them up since February 23, we are at \$23 billion. What has happened to being fiscally responsible? What has happened to the statement that we do not touch the budget? It has gone down the tubes.

Then the finance minister said, "But really, when we look at what was announced in the budget, the \$4.6 billion, plus the new announcements, that is \$9 billion or \$10 billion". That is \$9 billion or \$10 billion since February 23 and this is from a minister who said that we should not tweak the budget, who said that we should not change any part of the budget. Where are we now?

When the farmers were in a crisis in Saskatchewan, Manitoba and western Canada, this government could not find any money to help. Where were the farmers when this new deal was negotiated? Where was the money for them? The government said there was no money for them.

Some of the farmers are going through the greatest crisis of their lives. My learned friend from Alberta indicated that there were four suicides in Saskatchewan. They have the pressure of bankers, the pressure of suppliers and the pressure of not being able to get the crop in the ground. There is no money. There is no way to do it. But if the Liberals can cling to power they will pay whatever they pay to cling to it without any principle.

The minister went on to say, in the fiscal responsibility part of his speech, "It ensures that the decisions we make today do not become the debts our children will have to bear". He said the government would "keep the federal books solidly in the black" and continue to set aside reserves.

What has happened to that? What have we come to?

Let us look at another point. This particular party attempted to have a motion of no confidence put on the floor and the government took away the supply days to ensure that it could not happen. It used every rule in the book to prevent it from happening and plugged up the House with legislation from committee.

• (1640)

The Liberals filibustered their own bill. They did everything in their power to prevent a confidence motion. They were running from the ability of Parliament and the people to decide whether they should stay in power. What is worse, as they were doing this, they were spending money, making announcements and attempting to buy votes.

Government Orders

If there was ever a time when there was a clear issue of confidence raised, it was when there was an indirect motion. At that point there was an obligation on the government to put its own issue of confidence before the House at the earliest opportunity. It failed to do so. It was either last week or Monday of this week and the Liberals chose not to do it. They postponed it to today. I think that constitutionally they lost the right to govern. At the first opportunity this motion should have been brought to the House, but they continued because it did not suit the whims or the desires of the Prime Minister.

What kind of country do we have? What kind of democracy do we have when it is the Prime Minister's convenience and not the constitutional law of the land that governs?

We have passed that point. During that time moneys have been spent on the Liberals flying back and forth throughout Canada, using taxpayers' money and using government jets, making announcements of millions in Regina, millions in Edmonton and millions in New Brunswick and Ontario, while we are past that constitutional point and the government should no longer be governing.

The responsible thing to do would have been to have the Liberals bring the motion before the House on Monday. What do they do instead? They try to influence people, to buy them through money, power or position, and in some fashion cling to power.

There is something wrong in politics. There is something wrong when we come to this place. There is something wrong when we use every available ruse. It is worse than what happened in the sponsorship scandal in Quebec. That was done under the cover of darkness. That was done with another set of books. What is happening here is happening in broad daylight and it is wrong. Sooner or later, the government will go down.

That is why I will not support Bill C-48. It was born in duplicity. It was born in the wrong place. We cannot support that.

We saw the leader of the NDP go fishing one day and ask if there was some chance that the budget could be changed, yes or no. The finance minister said:

The principles of the budget are the principles of the budget and we stand firmly by those principles. If there are technical issues to raise...[we will] hear them.

Since when is \$4.6 billion a technical issue? And \$3,000 for a family of four? What has happened to principle? It was sold out for the simple purpose of hanging on to power at all costs. That is wrong.

The price will be paid when the people of this country have a chance to pass judgment. It will not be Gomery but the people of the country who pass judgment and the sooner that happens the better.

That same leader of the New Democratic Party said:

Mr. Speaker, it is a little hard to determine if that was a yes or a no. Our frustration with trying to work with the Liberal government is growing day by day. Putting aside the issue of corruption....

How can that leader support a government that he believes is birthed in corruption for the simple purpose of gaining some money? It does not matter if one gets paid \$4 billion or \$2 billion or \$1. One should not sell out one's principles for that. Since when has the NDP

come up with the deal he thinks he has? When the NDP asked for this favour, the finance minister said:

Mr. Speaker, that is really like asking whether I would be prepared to buy a pig in a poke. Quite frankly, no minister of finance, acting responsibly, would answer that type of question.

Maybe he is not prepared to buy a pig in a poke, but the NDP was certainly prepared to buy a pig in a poke. Let us have a look at Bill C-48 and see what the government actually promised to get this deal. It states that "the Minister of Finance may, in respect of the fiscal year 2005-06, make payments out of the Consolidated Revenue Fund" provided there is a \$2 billion surplus. The Minister of Finance "may", in 2006-07, make a payment if there is a surplus of \$2 billion.

A paragraph in the bill states:

The payments made under subsections 1(1) and (2) shall not exceed in the aggregate \$4.5 billion.

The government did not say that the NDP deal will get \$4.5 billion; it said if the money is there it might happen, but it will never be more than \$4.5 billion, so no guarantee. In fact, let us look at the budget bill agreement. I have 10 seconds left and I have not even started yet.

• (1645)

Hon. Karen Redman (Kitchener Centre, Lib.): Mr. Speaker, discussions have taken place between all parties with respect to the present debate on Bill C-48 and I believe you would find consent for the following motion. I move:

That at the conclusion of the present debate on the second reading stage of Bill C-48, but no later than 5:30 p.m. this day, the motion from the member for Scarborough Centre concerning that the question be now put on second reading of Bill C-48 be deemed carried on division,

And that the main motion for second reading of Bill C-48 be deemed put, a recorded division requested and deferred to the end of government orders this day, just after the vote on Bill C-43.

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

Some hon. members: Agreed.

(Motion agreed to)

Hon. Roy Cullen (Parliamentary Secretary to the Minister of Public Safety and Emergency Preparedness, Lib.): Mr. Speaker, I think I will be talking to my friend Bernie Collins. Maybe he could get into the next election because I am sure that he understands budgetary matters a lot better than the member opposite.

Of course, we all know what happened. The Conservative Party initially supported our budget because it is a good budget. However, as evidence came out at the Gomery inquiry day by day, little bits here and little bits there, evidence presented by people who are under investigation, people who have been charged, contradictory evidence, evidence refuted the very next day, the Conservatives saw the polls and thought, wow, this is looking good for our party so maybe we will not support the budget after all.

Government Orders

Our government understands that Canadians do not want an election now and that is when we built an alliance with the NDP. We built on the seven great budgets preceding an eighth consecutive budgetary surplus; 3% annual growth almost every year; low unemployment, lower than 7%, more to do but almost setting a record; and low interest rates. Canadians can now buy homes where they otherwise could not. We paid down debt such that it is down to less than 40% debt to GDP from a high of 75% or thereabouts. That is saving Canadians every year over \$3 billion in debt service payments. We delivered the largest tax cut in Canadian history in the year 2000 of \$100 billion.

With all respect, I do not think the member for Souris—Moose Mountain actually has flipped through the budget because I think he has missed a lot of very important points, including the fact that this budget is the eighth consecutive surplus budget and it far exceeds the performance of all the industrialized countries in the world.

I wonder if the member would commit to the House today to go back and actually read the budget and then come back and revise his comments accordingly.

Mr. Ed Komarnicki: Mr. Speaker, I can assure the hon. member I will be back. Bernie Collins will not be back and neither will that member. What is more, I would ask the member to find out which particular bill we are speaking to. It is Bill C-48 which is the cooked up deal that was done in a hotel room and not the previous bill. The member is confused, but if he wants to debate the previous bill, that was an hour ago.

The bill before us now does not even set out what the objectives are for the \$4.5 billion. It simply says:

The Governor in Council may specify the particular purposes for which payments referred to in subsection (1) may be made....

We had something like that in the gun registry. It was supposed to be \$2 million and it ended up, according to accounts we have, being almost \$2 billion. It is not a question that we want to throw money around.

The government wanted to fix the problem in Davis Inlet so it moved a whole community at a cost of \$400,000 per person. What happened? The problem followed the people. We need to have a plan. We cannot just throw money and buy votes. At least the Liberals did this much, they did not promise a lot. They said if, maybe and whatever.

What does concern me is what is in Bill C-48. It states:

For the purposes of this Act, the Governor in Council may... authorize a minister to

(e) incorporate a corporation any shares or memberships of which, on incorporation, would be held by, on behalf of or in trust for the Crown; or

(f) acquire shares or memberships of a corporation that, on acquisition, would be held by, on behalf of or in trust for the Crown.

That is like setting up the sponsorship scandal all over again.

The Auditor General said that only the tip of the iceberg has been talked about. She said that another \$850 million has not been investigated. Set up a corporation for this government and do it arm's length from the Auditor General and let us see what happens. This bill is half-baked. It was cooked up in the middle of the night to buy votes and stay in power at all costs, and that is wrong.

• (1650)

Hon. Roy Cullen: Mr. Speaker, it is a pity that my friend Bernie Collins will not be running because I am sure he would do very well against the member.

Knowing what is in budget and what went on with respect to Bill C-43 and Bill C-48, it is obvious that he has not studied the matter very carefully.

He raised a very serious issue having to do with farmers in Canada. I represent an urban riding but it is very important that we have a very strong agricultural sector in Canada. The one thing I find quite interesting is that the government has actually supported farmers in Canada with billions and billions of dollars. I am troubled by the fact that this does not seem to be having any impact.

I wonder if the member could comment on how that money could be better deployed.

Mr. Ed Komarnicki: Mr. Speaker, it would be better deployed if it did not go through a program started by the government where 50% or better is lost in administration. Farmers in Saskatchewan have waited over a year for a response. When they do get a response the government is asking for more information that is already there. That is the kind of program we have.

If we go back to the previous bill, Bill C-43, the finance minister himself said that the government could not take away the corporate tax cuts. He stated, "If the gentleman has a serious proposition, please bring it forward and I will give it the consideration it deserves".

I point out, however, that changes in the corporate taxation are intended to assure jobs, jobs, jobs, and that they stay in Canada. The agreement that was made in the dead of night talks about both parties agreeing to take steps to eliminate those cuts but they are not in Bill C-48. That, plus the workers' protection fund of \$100 million, is missing. What happened to it?

It is born in confusion, it is born in duplicity and it will die when the election takes place.

Mr. Gurmant Grewal (Newton—North Delta, CPC): Mr. Speaker, I am pleased to rise today on behalf of the constituents of Newton—North Delta to participate in the debate on Bill C-48, an act to authorize the Minister of Finance to make certain payments.

The proposed legislation would enact the \$4.6 billion deal struck by the Liberal government with the NDP to make payments in 2005-06 and 2006-07 from surplus moneys exceeding \$2 billion to fund environmental initiatives, including public transit and an energy efficient retrofit program for low income housing; training programs and enhanced access to post-secondary education to benefit, among others, aboriginal Canadians; affordable housing, including housing for aboriginal Canadians; and foreign aid.

Government Orders

I am opposed to Bill C-48 for a couple of reasons. First, I oppose the bill for the politics behind it. This is a \$4.6 billion deal using taxpayers money to keep a corrupt party afloat in government.

The Liberals and the NDP have joined together and written a fiscal plan on the back of an envelope. The only motivation behind the deal is an attempt for political survival by the desperate and corrupt Liberal government. This is a recipe for economic disaster.

Second, it takes government spending to a new dangerous level. There are any number of worthy ways in which to spend taxpayers' hard-earned money, some under federal jurisdiction, some under provincial jurisdiction and some under municipal jurisdiction.

The government cannot seem to decide what its priorities should be and as a result is throwing money around regardless of jurisdiction. This is not in the best interest of Canadians and must be strongly opposed by all those who wish to preserve the fiscal integrity of the federal government.

Even before this budget side deal, the government was ramping up spending. I have said it before and I will say it again. This year's budget demonstrates that tax and spend Liberals are back with a vengeance. If there was any doubt about the truth of this statement, it has been washed away by the Liberal-NDP budget and the tidal wave of new spending announcements that cabinet ministers have been making on a daily basis for the last month.

A Prime Minister who made his reputation by taking tough fiscal decisions, whether by choice or, more likely, as a result of pressure from the reform party and later the Canadian Alliance, has now revealed his true colours.

He is a tax and spend Liberal, the likes of whom this country has not seen since the darkest days of Liberal excesses in the 1970s and early 1980s. It was runaway spending under Prime Minister Trudeau that took this country to the brink of bankruptcy. At the rate the government is spending taxpayer money, Canadians will again find themselves in the poor house.

Last year the finance minister promised to demonstrate unequivocally the principles of financial responsibility and integrity. He promised Canadians to better control spending, which is another broken promise by the government, another promise made but again not kept, even before the budget side deal and the billions in additional spending promises of the last month the government was proposing.

Last year the finance minister projected program spending at \$148 billion for 2004-05 but he ended up going \$10 billion over the budget. As a result, in the last fiscal year we witnessed a spending increase of \$17 billion over the previous year. So much for controlling spending. At 12%, this is the largest single spending increase in over 20 years and the fourth largest in the last four decades.

•(1655)

Since 2000, program spending soared by 44% and judging from what we have witnessed in recent weeks, Canadians should hang onto their seats because they have not seen anything yet. I could almost forgive this runaway spending if there was some demon-

strable evidence that Canadians' lives were improving as a result, but that is not the case.

My constituents in Newton—North Delta are at pains to see how all this spending has made any difference. Despite billions of dollars being spent, child poverty continues to grow, health care further deteriorates, roads and bridges remain congested, public transit cries for funding, and there continues to be a strong demand for good, well paying jobs. After all of the government's spending, hospital waiting lines will continue to get worse, students will continue to plunge deeper into debt, and our soldiers will be stretched as thinly as ever.

People in my riding depend upon Surrey Memorial Hospital for their health care. Our community is fast outgrowing its hospital in the community. The hospital, built in the 1970s to accommodate 50,000 patients a year, now handles between 70,000 and 72,000 patients annually and has the busiest emergency ward in western Canada. Surrey Memorial Hospital's facilities now cope with the demands placed upon it by our community's soaring population. There have been recurring complaints about waiting times, a lack of beds, insufficient staff, sanitary conditions, and questionable procedures at the hospital's crowded emergency room.

The root cause of the problems we now face goes back to the Prime Minister and the cuts he made to the CHST in the mid-1990s when he was finance minister. These cuts left successive B.C. governments to find extra billions of dollars for health care. The new money for health care in this year's budget will not provide Surrey Memorial Hospital with the money it needs and of course there is nothing in Bill C-48 to help that.

The health care agreement, which the Prime Minister hyped as a fix for a generation, will only allow B.C. to increase health expenditures by 3% annually over the next six years. Not only will this amount not fix health care, it will not even cover the rising costs resulting from inflation and population growth, while the dollar figure spread out over such an extended period amounts to little more than a band-aid solution to our critically ill health care system.

Bill C-48 is heavy on the public purse but light on details. It commits to hundreds of millions of dollars under broad areas without any concrete plans as to how that money would be spent. The Liberal-NDP deal, which is reflected in this bill, has been denounced by business groups, particularly the small businesses that favour allocating this federal surplus to debt reduction and tax relief over additional spending.

Government Orders

This bill is a reflection of the new federal budget, an NDP budget, one that the Liberals had amended after they said it could not be done. The Liberals are willing to spend billions of taxpayers' dollars to fund their addiction to power. This is a direct result of the loss of their moral authority to govern. Not only should this bill not be passed, but the finance minister should resign for tabling it. Clearly, the NDP leader has more influence on the budgetary framework than the Prime Minister's own finance minister.

A Conservative government believes that responsible exploration, development, conservation and renewal of our environment is vital to our continued growth. The Conservative Party also believes that all Canadians should have a reasonable opportunity to own their own homes and have access to safe and affordable housing. The Conservative Party believes in greater accessibility to education by eliminating as many barriers to post-secondary education as possible.

• (1700)

The Conservative Party is committed to strengthening Canada's record in foreign aid. A Conservative government would reduce business taxes. Reducing taxes would encourage foreign and domestic businesses to invest in Canada. I believe that a Conservative government could manage the finances better than this budget. Therefore, I will oppose it because I cannot support it.

Hon. Larry Bagnell (Parliamentary Secretary to the Minister of Natural Resources, Lib.): Mr. Speaker, the Conservatives are going to have a difficult decision to make in a few minutes. They have had difficulties so far. They first said they were supporting this budget and then they said they were going to vote against it which resulted in a good deal with the NDP. Now they are going to vote for the budget.

Those members are going to have to look in the mirror. They claim to be fiscally responsible and yet they will be voting against the most fiscally responsible government in the G-8 with the best record in the G-8, and the only balanced budget in the G-8. The government is providing the largest tax cuts in Canadian history. Can those members really stand true to their values and vote against that?

The few remaining progressives in that party are the ones who are going to have the most difficult decision to make. They are going to have to look at their future. This is going to be the largest watched budget vote in Canadian history. They are going to have to look at their future, not just in the short term but in the long term for the country.

Are the progressives in that party going to vote against the largest foreign aid package in history and against affordable housing? Can they truly vote against literacy? Can the progressives really vote against the largest environmental budget in Canadian history? Can they vote against health care, which is the first concern of Canadians? Can they vote against the advances for aboriginal people? Can they vote against renewable energy? Can the progressives vote against the northern strategy? Can they vote against the 8,000 soldiers and increases for the military? Most important, can they search their souls when they vote tonight and put Canada first or are they going to set the stage for the next referendum that could break up this country?

Every member of the Conservative Party should think carefully about the future of Canada. I ask them this evening to vote for Canada.

• (1705)

Mr. Gurmant Grewal: Mr. Speaker, this NDP-Liberal budget is not helping my community. Hospitals in my community are not being taken care of. Waiting lines will continue. There is a shortage of beds, doctors and nurses. That cannot be fixed by this budget. Students are not getting any benefits from this budget. Their spiraling debt will continue and their tuition fees will continue to increase.

This political budget agreed to by the Liberals and the NDP was simply agreed to in order to save the government's face and help it cling to power. The bill is a reflection of the new federal NDP budget, one the Liberals have amended after they said it could not be amended. The government's record definitely speaks for itself. Taxes are high and small businesses oppose this budget.

I am confident in opposing this budget because it does not help people back in my constituency. It does not provide any relief to communities where more jobs could be created, where infrastructure development could be strong, and where health care, education and the environment could be taken care of.

On the other hand, a Conservative government would reduce business taxes. By reducing business taxes we would be encouraging foreign and domestic businesses to invest in Canada thereby strengthening the economy. This would also mean better jobs for Canadian workers.

Lower business taxes mean greater returns for pension plan members, for their RRSPs, for mutual funds, and for a few common shares. Using that money would strengthen Canada's economy not for political payoffs but for investing back in the communities. I will have to vote against this budget until everything is amended.

Hon. Roy Cullen (Parliamentary Secretary to the Minister of Public Safety and Emergency Preparedness, Lib.): Mr. Speaker, I am surprised to see the member for Newton—North Delta in the House. I thought he would be getting briefed on his diplomatic posting.

In his speech he talked about the \$41 billion that the government has committed to the health care system and said that it is not showing any results in terms of waiting times. I had a chat the other evening with the health minister in Ontario who said he was starting to see a reduction in those times. That is what this is all about. It takes time. I hope he persists in his province of British Columbia.

Mr. Gurmant Grewal: Mr. Speaker, I believe that the hon. member who made the previous remarks has not listened to the audio recording of the chief of staff of the Prime Minister's Office.

Government Orders

With respect to this budget, as I have said, it is not helping my constituency, my constituents or the infrastructure development for small businesses to create jobs. It is not helping to get homes and accommodation for the homeless. It is not helping to alleviate poverty. It is not helping to fix the health care system for Surrey Memorial Hospital or Delta Hospital. This budget is not doing anything to give relief to my constituents. Therefore, I will be voting against this budget.

• (1710)

[*Translation*]

Mr. Pablo Rodriguez: Mr. Speaker, I rise on a point of order. I would like to seek the unanimous consent of this House to table a report by the Standing Committee on Official Languages, which received the unanimous approval of all members of the committee.

The Acting Speaker (Mr. Marcel Proulx): The House has heard the hon. member's request. Does the House give its unanimous consent to return to presenting reports from committees under the heading of routine proceedings to allow him to table his report?

Some hon. members: Agreed.

ROUTINE PROCEEDINGS

[*Translation*]

COMMITTEES OF THE HOUSE

OFFICIAL LANGUAGES

Mr. Pablo Rodriguez (Honoré-Mercier, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the second report of the Standing Committee on Official Languages. Pursuant to Standing Order 108(3)(f), the committee has carried out a study on bilingualism and official language use in the federal public service and agreed, on Thursday, May 18, 2005, to report its findings and recommendations to the House.

GOVERNMENT ORDERS

[*English*]

AN ACT TO AUTHORIZE THE MINISTER OF FINANCE TO MAKE CERTAIN PAYMENTS

The House resumed consideration of the motion that Bill C-48, an act to authorize the Minister of Finance to make certain payments, be read the second time and referred to a committee, and of the motion that this question be now put.

Mr. Jeff Watson (Essex, CPC): Mr. Speaker, I am very pleased to debate Bill C-48. I believe that a member on the other side of the House once called it the people's budget. I am going to talk about the budget that hurts people. That is why Conservatives, including myself, will actually be opposing Bill C-48. It hurts seniors. It hurts farmers. It hurts auto workers. It hurts our children, because ruining our nation's finances will be stuck with our children. Runaway spending is not what this country needs.

Since betrayal is the story of the week on the Hill, I want to talk about some very important people, the people of Essex, people who

were left out of the budget both by the Liberals and the NDP. One would think if the Prime Minister was desperate to maintain his slipping grip on power, a better deal might have been struck. He was ripe for the picking. Perhaps the deal was made in a sweaty back room in a hotel somewhere and the air was thick, I am not sure, but there are a lot of things missing from the budget, things that harm communities.

For example, there is no new border infrastructure money for the Windsor-Detroit corridor. After allocating maybe \$150 million some two and a half years ago, there is about \$50 million left in the fund. The very first project allocated under that spending was a very simple pedestrian overpass: ramp up, ramp up, go over the street, ramp down, ramp down. That was agreed to two and a half years ago. It has been a year and a half in design and redesign. Now it comes out with wind turbines and a little swamp bog on the front lawn of a high school that is off the side of that street. The saddest thing is that the simple project has not been built.

The thing that is important is putting pavement between Windsor and Detroit. That is going to cost some money. There is no money in the budget for that. There is no money in Bill C-48 for that. There are trucking companies and owner-operators in our communities whose livelihoods depend on getting this solved. It is clearly not a priority for the government. It is going to take more than \$50 million to solve it.

In fact, a third crossing may cost some \$300 million to \$400 million. Hundreds of millions of dollars more will be required for roads that will connect to a third crossing from Highway 401. The Liberal solution is \$50 million. That is shameful. It says that the Liberals did not make a very strong commitment to the region of Essex and Windsor. The NDP had the opportunity to get that with a Prime Minister eager to consolidate his slipping grip on power. There are two NDP members of Parliament in Windsor and they received nothing for the community. It is clear that both the NDP and the Liberals care nothing about Essex and Windsor.

Maybe judgment gets clouded when people cut back room deals, I do not know, but there is no help for farmers in Essex County in this budget.

I rose in the House in February and called on the government for assistance for grain and oilseed producers who are facing foreclosure on their farms. There are 1,200 grain and oilseed producers in Essex County alone. Many of them are facing foreclosure this spring. The CFIP cheques according to the government are rolling in, but for those who actually got some cheques, they were for \$100 or \$200. That is not enough to cover the cost of fuel to run the combine across the field let alone pay down a short term operating loan that the bank is calling in on them.

As a result, farmers are trading in their equity. One producer told me he has cashed in his RRSPs to hold off the bank, desperately hoping that he is going to make it through the spring. He is not going to make it through the spring. He will not make it through the summer. His farm is done. There is no help for farmers.

Government Orders

When the NDP members had the Prime Minister on the ropes and were going to cut a deal in the back room, they should have thought about Tommy Douglas and the CCF out on the Prairies who said they loved the farmers, but the NDP did nothing for our farmers. Bill C-43 fails our farmers. Bill C-48 fails our farmers as well. The New Democratic Party budget has left farmers to fend for themselves. How apropos for a week of betrayal on the Hill.

• (1715)

I do not know about the stale air in the back room where the leader was cutting a deal with the Prime Minister, but the NDP also forgot to help those Canadian seniors who collect U.S. social security. The New Democrat member for Windsor—Tecumseh and I petitioned the Liberal finance minister to include a rollback of an onerous 70% tax hike that was foisted on Canadian seniors collecting U.S. social security as the basis of their retirement income. We lobbied that this would be a line item in the Liberal budget.

As was expected, the Liberal government refused. It has been fighting against these Canadian seniors for eight long years. Many of the seniors have been dying off. The government has taken the wait and die attitude. That is how the government treats Canadian seniors.

Many of these seniors were forced from their homes. Do we want to talk about housing? They were forced from their homes. They were living in homes and now they cannot afford homes. All the affordable housing in the world will not compensate dead Canadians. These seniors were forced from their homes precisely at a time when the Prime Minister as Liberal finance minister was registering ships in Barbados in order to only pay 2% tax in Canada.

These seniors have been waiting eight years for justice. The New Democrat members from Windsor—Tecumseh and Windsor West have talked about this issue in the House, but when it came time to prop up the government with an NDP budget, they did nothing for these seniors. Let the record show that the New Democratic Party sold out Canadian seniors who collect U.S. social security.

I know that Buzz Hargrove was in the negotiations behind closed doors. Here is the real kicker on Bill C-48. I have heard a lot of talk here about auto policy and helping auto workers. Interestingly enough there is no help for auto workers and their families in this NDP budget.

I am Parliament's first auto worker ever elected and not from the New Democrats or the CCF. I spent three and a half years at the Pillette Road truck assembly plant before it closed and two and a half years at Windsor assembly living in constant anxiety about job security. The global market is even more fiercely competitive.

The Liberal government says that it does not care how many jobs go overseas, but we in the Conservative party actually do care. International competition from cheaper foreign labour markets and a higher Canadian dollar have put the squeeze on our automakers here in Canada.

The New Democratic Party has deep-sixed tax relief for large corporations like automakers. It would have increased their productivity and their competitiveness. It would have allowed automakers to not only fulfill their collective bargaining agreements but still turn a profit and do it here in Canada, preserving Canadian

jobs and Canadian families and allowing them to survive. That would have been a win-win situation.

Coupled with its last supply day motion on an outrageous job killing mandatory fuel efficiency regulation, it is clear that the New Democratic Party wants to drive auto jobs out of Ontario and over to China. The 9% unemployment rate in the Essex-Windsor region is not good enough. The New Democrats want it to be 12% or 13% the way they are forcing auto jobs out of here.

The New Democratic Party did not get an auto policy. It left crushing high corporate taxes to kill auto jobs. The New Democratic budget did not fight for tax relief for hardworking Canadian auto families.

I recall for years the New Democrats bemoaning the Liberal government for doing nothing about reinvesting the \$45 billion EI surplus in workers. When I look at Bill C-48, where is the \$45 billion EI surplus reinvestment that the New Democrats thought was so important? Nowhere.

The 5,500 people I worked with on the line at DaimlerChrysler and their families deserve a better budget than this New Democratic budget. It is an NDP budget that hurts workers.

Finally, this NDP budget hurts families. Governments should be designing budgets to encourage strong families. On the child care initiative, \$1 billion a year is what the government says and \$10 billion a year is what the CAW says. Where is that going to come from? It is a hidden agenda of \$9 billion per year when the government is promising \$25 billion. That is going to mean program cutbacks or it is going to mean deficits and debt, a return to red ink. That hurts Canadian families.

This NDP budget is financially ruinous. It hurts communities in Windsor-Essex. It hurts farmers in Essex County. It hurts seniors, auto workers and families. As a result I cannot in good conscience support Bill C-48. I will oppose it tonight, proudly on behalf of those people in Essex who deserve a fair shake.

• (1720)

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Mr. Speaker, after listening to that drivel for so long, I have to remind Conservative Party members that they are the ones who voted against every single farm assistance program from 1993 to 1997, every single one.

I would also like to remind Conservative members, who have been up talking about palliative care and everything else and what a shame there is not enough, that they voted against my assistance bill that would have given people time off from their work for six months to a year while collecting EI to look after their dying loved ones. The Conservatives voted against that. Shame on them.

Government Orders

The Conservatives stand up and say they will spend more money on day care. They say they will spend more money on the military. They say they will spend more on the environment. The way they are talking, we would be bankrupt by 6 o'clock tonight.

That is all I have to say to that member. I wish him good luck in whatever he does.

Mr. Jeff Watson: Mr. Speaker, the answer is quite simple. When we defeat Bill C-48 tonight and bring down the government, I will be happy to match our platform against anybody's on behalf of auto workers, on behalf of the environment and on behalf of farmers.

I have been fighting for farmers in the House. I have not heard the hon. member over there fighting for farmers, but I have certainly been doing it. We will be glad to go to bat for our farmers.

Hon. Roy Cullen (Parliamentary Secretary to the Minister of Public Safety and Emergency Preparedness, Lib.): Mr. Speaker, the member for Essex mentioned Barbados. I wonder if he was actually in Barbados when there was a huge announcement in Windsor agreeing to phase two of the Windsor-Detroit infrastructure, a commitment of roughly \$285 million to invest in that infrastructure.

I wonder if he was absent when the government announced \$433 million for the Canada Border Services Agency to put more customs officers in Windsor, and the 25% challenge, where we have agreed to increase the throughput of traffic across the Ambassador Bridge in Windsor-Detroit.

I wonder if he was in Barbados when those announcements were made.

Mr. Jeff Watson: Mr. Speaker, I was actually on top of the Cleary International Centre watching the announcement being made.

That \$150 million was allocated some time ago. The hon. member is now talking about finally committing to those projects some two and a half years later. Let us look at the Liberal record on that.

The pedestrian overpass, the simplest project, is not even done yet. It just got tendered three weeks ago, after a year and a half of design changes. That is the easiest one, and it does nothing to add pavement between Windsor and Detroit, I might remind the hon. member. It will cost \$300 million to \$400 million for a third crossing and hundreds of millions of dollars for roads to connect from our highway system to that crossing. All the Liberals have left in the border infrastructure fund in federal dollars is \$50 million. That is sad.

The Liberals do not consider Essex-Windsor a priority. I do, and a Conservative budget would do a whole lot better than that.

• (1725)

Hon. Shawn Murphy (Parliamentary Secretary to the Minister of Fisheries and Oceans, Lib.): Mr. Speaker, Canadians are being treated to quite a spectacle here tonight. When Bill C-43 was introduced back in February, most Canadians embraced that budget, but the first Canadian to embrace it was the Leader of the Opposition.

For some reason, either he did a poll or he got a piece of evidence, he came back and told the House and all Canadians three things. First, he told them that regardless of how favourable Canadians

thought the budget was, he would vote against the budget. The second thing he told the House was that regardless of what Canadians thought of the Bloc Québécois, he would enter into a deal with the Bloc Québécois. Third, he told the House and all Canadians that regardless of whether or not Canadians wanted an election, he would use every trick in the book to call an election.

Yesterday, the spectacle that Canadians were treated to was that now he would support Bill C-43. My question to the hon. member is why? Can he explain to Canadians why he changed his mind?

Mr. Jeff Watson: Mr. Speaker, I am beginning to think the hon. member was in that sweaty hotel room when the NDP cut Bill C-48. We are on debate on Bill C-48. I am not sure where the hon. member has been all this time.

Let me just say something very quickly. On Bill C-48, the leader of the Conservative Party was very clear. In fact he was standing in my riding when he made an announcement that because of the deal with the devil—and we all know who that is, the leader of the fourth party in the House—he said he would come back to caucus and recommend we put the government out of its misery. That was because of Bill C-48. I do not see any inconsistency in that. Quite frankly, it would be really nice if we did put the Liberals out of their misery tonight.

[*Translation*]

Mr. Louis Plamondon (Bas-Richelieu—Nicolet—Bécancour, BQ): Mr. Speaker, I am surprised to hear the Liberal members speak of the Bloc Québécois, every time they rise, as if there were nothing in the world worse than us. They ought instead to be examining why the Bloc Québécois is in this House. It is because every time Quebec has trusted the Liberals, its trust has been betrayed. Quebec will never again be able to trust Liberal MPs. This is why the people of Quebec elect Bloc Québécois MPs.

I could give a few quick examples of this. In 1980, the Liberals said "If you vote no to the referendum, that will be a yes to change, a change that will be in line with Quebec's historic claims."

Instead, they patriated the Constitution without Quebec's consent. One of the founding peoples was left out. We were treated to the sight of Quebec Liberal MPs celebrating the exclusion of Quebec with the Queen of England in front of the parliament buildings. That is why we do not trust Liberal MPs and why Quebecers vote Bloc Québécois.

Another example: the promises relating to the helicopters. The Liberals promised to abolish this program, and then when they got in power, abolished it but six months later bought some more expensive ones.

The same thing happened with the GST. The Liberals have always sung one tune before an election, while campaigning, and another once they get in power.

Then there is employment insurance and the promise the Liberals have just made to the NDP. I find the NDP quite naive in signing an agreement when we know that Liberals respect nothing. The agreement they have signed, moreover, will apply only if there is a surplus.

Government Orders

I have only a few seconds left, so I will close by saying that we will vote with pride against this budget, because it in no way represents the interests of Quebec.

(Motion that this question be now put deemed carried on division.)

* * *

BUDGET IMPLEMENTATION ACT, 2005

The House resumed consideration of the motion that Bill C-43, an act to implement certain provisions of the budget tabled in Parliament on February 23, 2005, be read the second time and referred to a committee.

The Acting Speaker (Mr. Marcel Proulx): It being 5:30 p.m., pursuant to order made Monday, May 16, 2005, the House will now proceed to the taking of the deferred recorded division on the motion at second reading stage of Bill C-43.

Call in the members.

● (1755)

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

(Division No. 90)

YEAS

Members

Abbott
Alcock
Ambrose
Anderson (Victoria)
Angus
Bagnell
Bakopanos
Batters
Bélanger
Bennett
Bevilacqua
Blaikie
Boivin
Boshcoff
Bradshaw
Brisson
Brown (Oakville)
Bulte
Cadman
Carr
Carroll
Casson
Chamberlain
Chatters
Christopherson
Comartin
Cotler
Cullen (Skeena—Bulkley Valley)
Cummins
D'Amours
Day
DeVillers
Dhalla
Dosanjh
Drouin
Duncan
Efford
Epp
Finley
Fletcher
Fontana
Frulla
Gallant

Ablonczy
Allison
Anders
Anderson (Cypress Hills—Grasslands)
Augustine
Bains
Barnes
Beaumier
Bell
Benoit
Bezan
Blondin-Andrew
Bonin
Boudria
Breitkreuz
Broadbent
Brown (Leeds—Grenville)
Byrne
Cannis
Carrie
Casey
Catterall
Chan
Chong
Coderre
Comuzzi
Crowder
Cullen (Etobicoke North)
Cuzner
Davies
Desjarlais
Devolin
Dion
Doyle
Dryden
Easter
Emerson
Eyking
Fitzpatrick
Folco
Forseth
Fry
Galloway

Godbout
Godin
Goodale
Gouk
Grewal (Newton—North Delta)
Guarnieri
Hanger
Harris
Hearn
Hill
Holland
Ianno
Jean
Johnston
Kadis
Karetak-Lindell
Keddy (South Shore—St. Margaret's)
Khan
Komarnicki
Lapierre (Outremont)
Lauzon
LeBlanc
Longfield
Lunn
MacAulay
MacKenzie
Malhi
Mark
Martin (Esquimalt—Juan de Fuca)
Martin (LaSalle—Émard)
Masse
McCallum
McGuinity
McKay (Scarborough—Guildwood)
McTeague
Merrifield
Mills
Mitchell
Moore (Fundy Royal)
Myers
Nicholson
O'Connor
Oda
Pacetti
Paradis
Petry
Peterson
Phinney
Poilievre
Prentice
Proulx
Ratansi
Regan
Reynolds
Ritz
Rodriguez
Saada
Savoy
Scheer
Schmidt (Kelowna—Lake Country)
Sgro
Silva
Simms
Smith (Pontiac)
Solberg
St. Amand
Steckle
Strahl
Szabo
Temelkovski
Thompson (New Brunswick Southwest)
Tilson
Tonks
Trost
Ur
Valley
Vellacott
Wappel
Wasylycia-Leis
White
Williams
Yelich

Godfrey
Goldring
Goodyear
Graham
Grewal (Fleetwood—Port Kells)
Guergis
Harper
Harrison
Hiebert
Hinton
Hubbard
Jaffer
Jennings
Julian
Kamp (Pitt Meadows—Maple Ridge—Mission)
Karygiannis
Kenney (Calgary Southeast)
Kilgour
Kramp (Prince Edward—Hastings)
Lastewka
Layton
Lee
Lukiwski
Lunney
MacKay (Central Nova)
Macklin
Maloney
Marleau
Martin (Winnipeg Centre)
Martin (Sault Ste. Marie)
Matthews
McDonough
McGuire
McLellan
Menzies
Miller
Minna
Moore (Port Moody—Westwood—Port Coquitlam)
Murphy
Neville
O'Brien
Obhrai
Owen
Pallister
Parrish
Penson
Pettigrew
Pickard (Chatham-Kent—Essex)
Powers
Preston
Rajotte
Redman
Reid
Richardson
Robillard
Rota
Savage
Scarpaleggia
Schellenberger
Scott
Siksay
Simard (Saint Boniface)
Skelton
Smith (Kildonan—St. Paul)
Sorenson
St. Denis
Stoffer
Stronach
Telegdi
Thibault (West Nova)
Thompson (Wild Rose)
Toews
Torsney
Tweed
Valeri
Van Loan
Volpe
Warawa
Watson
Wilfert
Wrzesnewskyj
Zed- — 250

Private Members' Business

Day	Demers
Deschamps	Desrochers
Devolin	Doyle
Duceppe	Duncan
Epp	Faille
Finley	Fitzpatrick
Fletcher	Forseth
Gagnon (Québec)	Gagnon (Saint-Maurice—Champlain)
Gagnon (Jonquière—Alma)	Gallant
Gaudet	Gauthier
Goldring	Goodyear
Gouk	Grewal (Newton—North Delta)
Grewal (Fleetwood—Port Kells)	Guay
Guergis	Guimond
Hanger	Harper
Harris	Harrison
Hearn	Hiebert
Hill	Hinton
Jaffer	Jean
Johnston	Kamp (Pitt Meadows—Maple Ridge—Mission)
Keddy (South Shore—St. Margaret's)	Kenney (Calgary Southeast)
Kilgour	Komarnicki
Kotto	Kramp (Prince Edward—Hastings)
Laframboise	Lalonde
Lapierre (Lévis—Bellechasse)	Lauzon
Lavallée	Lemay
Lessard	Lévesque
Loubier	Lukiwski
Lunn	Lunney
MacKay (Central Nova)	MacKenzie
Marceau	Mark
Ménard (Hochelaga)	Ménard (Marc-Aurèle-Fortin)
Menzies	Merrifield
Miller	Mills
Moore (Port Moody—Westwood—Port Coquitlam)	
Moore (Fundy Royal)	
Nicholson	O'Connor
Obhrai	Oda
Pallister	Paquette
Penson	Perron
Picard (Drummond)	Plamondon
Poillievre	Poirier-Rivard
Prentice	Preston
Rajotte	Reid
Reynolds	Richardson
Ritz	Roy
Sauvageau	Scheer
Schellenberger	Schmidt (Kelowna—Lake Country)
Simard (Beauport—Limoulu)	Skelton
Smith (Kildonan—St. Paul)	Solberg
Sorenson	St-Hilaire
Strahl	Thibault (Rimouski-Neigette—Témiscouata—Les
Basques)	
Thompson (New Brunswick Southwest)	Thompson (Wild Rose)
Tilson	Toews
Trost	Tweed
Van Loan	Vellacott
Vincent	Warawa
Watson	White
Williams	Yelich— 152

PAIRED

Members

Adams Stinson— 2

● (1810)

And the result of the vote having been announced : (Yeas: 152; Nays: 152)

The Speaker: I don't know why hon. members keep doing this to me. The Clerk has announced that there is an equality of votes for and against the motion. In these circumstances, it is the duty of the Speaker to break the tie.

[Translation]

The Speaker's vote is not based on his or her political affiliation, but rather on parliamentary traditions, customs and usages. I will

therefore vote in accordance with parliamentary procedure, as I have done in the past.

[English]

The House tonight has been unable to reach a decision by majority vote. Parliamentary precedents are clear: the Speaker should vote, whenever possible, for continuation of debate on a question that cannot be decided by the House.

On May 4, 2005 I voted in favour of second reading and reference to committee of a private member's bill sponsored by an opposition member. At that time, I was guided by precisely the same procedural principles as I am following tonight, though my decision has arguably more momentous consequences.

Therefore, at this stage in the debate on this bill, since the House cannot make a decision, I cast my vote for second reading of Bill C-48 and its reference to the finance committee to allow the House time for further debate so that it can make its own decision at some future time.

[Translation]

I declare the motion carried. Consequently, this bill is referred to the Standing Committee on Finance.

(Bill read the second time and referred to a committee)

Right Hon. Paul Martin: Mr. Speaker, this was a tight vote, but the House has confirmed its confidence in the government.

[English]

The government respects the fact that the margin of tonight's vote was very narrow. That is an understatement. We must move forward now in a spirit of cooperation. In turn, we ask the opposition to join with us in a renewed effort to make this Parliament work for the people of Canada.

Hon. Stephen Harper: Mr. Speaker, I believe it would be appropriate for me to respond to that. I would obviously observe as well that the House has been extremely divided tonight. I think that too is an understatement. It reflects some of the deep passions on these and a number of issues throughout this country.

I always assure the Prime Minister, the Speaker and the Canadian public that a great deal of effort has gone into creating an opposition here that is united, vigorous and determined at all times to provide Her Majesty with a loyal opposition and a potential replacement for the government. We, of course, continue and will continue to do that.

● (1815)

The Speaker: It being 6:19 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]

AGE OF CONSENT**Mrs. Nina Grewal (Fleetwood—Port Kells, CPC) moved:**

Private Members' Business

That, in the opinion of the House, the government should restrict sexual activity between adolescents and adults by amending the Criminal Code to change the age of consent from 14 to 16 years of age.

She said: Mr. Speaker, it gives me great pleasure to rise today on behalf of the constituents of Fleetwood—Port Kells to lead off the debate on my Motion No. 221, which seeks to amend section 150.1 of the Criminal Code to change the age of sexual consent from 14 to 16 years of age.

Currently, the age of consensual sex in Canada is set at 14 years of age. This is below the international norm of 16 years of age, and significantly out of line with the international convention on the rights of the child's recommendation of 18 years of age.

While I do not think consensual sex among teens should not be illegal, steps must be taken to prohibit sexual relations between adults and young people under 16 years of age. As it stands now, there is nothing in the Criminal Code about the age of the partners of children aged 14 to 18. So, in effect, adults can have sex with anyone 14 or older as long as they are not in a position of power or authority.

Recent reports in the media of adults engaging in sexual acts with 14 year old children confirm that people are taking advantage of the law.

Earlier this year a 40 year old man, who had sex with a 14 year old mentally handicapped girl, was acquitted of sexual assault. With the legal age of consent for sex at 14 years of age, the Crown had to prove beyond a reasonable doubt that the girl did not consent to have sex with the older man and it was unable to do that.

One of the reasons why I became involved in elected politics was to fight for the protection of our children. Raising the age of consent is an important step that must be taken by government for it will give law enforcement officials another tool with which to pursue adults who prey upon our children.

Canada has a long history of prohibiting sexual intercourse with young females, regardless of consent. From 1892 to 1988 sexual intercourse outside of marriage with females under 14 years of age, and for those under 16 years of age and of previously chaste character, was illegal.

The maximum penalty upon conviction for sexual intercourse with a female under 14 years of age was life imprisonment. The maximum penalty for sexual intercourse with a female under 16 years of age was five years imprisonment. The law made no reference to young males.

Amendments to the Criminal Code in 1988 repealed unlawful intercourse and seduction offences and in their place created new offences called sexual interference and invitation to sexual touching that now prohibit adults from engaging in virtually any kind of sexual contact with either boys or girls under the age of 14, irrespective of consent.

The offence of sexual exploitation also makes it an offence for an adult to have any such contact with boys and girls over 14 years of age but under 18 years of age where a relationship of trust or authority exists between the adult and the child.

Since 1988 there have been repeated attempts by MPs to increase the age of consent. For example, in April 2002 the Canadian Alliance introduced a supply day motion for debate that called upon the government to raise the age of sexual consent to at least 16 years of age in order to give underaged children greater legal protection from sexual predators and child pornographers.

The government refused to support the motion and it went down to defeat by a vote of 163 to 62. The justice minister at the time, Mr. Martin Cauchon, said the Liberal government could not support the motion because consultation was needed. Besides this motion, there have been many private members' bills introduced and debated, including one by the member for Calgary Northeast in the 35th, 36th and 37th Parliaments, and another by the member for Wild Rose in both the second and third sessions of the 37th Parliament.

In this very session of Parliament we have been debating Bill C-2 with its proposed amendments to the Criminal Code aimed at enhancing the protection of children from sexual predators, pedophiles and pornographers, but noticeably absent from that bill, as I noted in my speech at second reading, is any proposal to raise the age of consent. The government apparently lacks the political will to make this vitally important change.

● (1820)

In 1982 former Prime Minister Chrétien, then justice minister, told the *Toronto Star*:

Children are innocent victims of vicious people. They cannot protect themselves and we have to protect them. I hate the thought of these people abusing people who are too young to realize in what it is they are participating.

If only his government and the one here today had shown the same sort of single-minded determination to protect children.

There is no question that sexual exploitation is a real and serious risk for children and youth in Canada. Our country's low age of consent for sexual intercourse is putting our children at risk. There are many reports of an increase in the number of youth being sexually exploited. With our lax laws, Canada is becoming a sex tourism destination for Americans and other foreigners as demonstrated by a Texas man who allegedly lured a 14 year old boy to an Ottawa hotel room last month.

Canada is listed on the Internet as an international source for sex with children and youth. The current age of consent leaves children and teenagers open to becoming targets of Internet sex scams, pornographers, pedophiles and sexual abuse.

Private Members' Business

About one-third of the child luring cases in Canada involve Americans trolling the Internet for sexual prey, according to a national tip line for web-based child sexual exploitation. In the last two years, cybertip.ca has had 20 tips on child luring cases that were later investigated by police. Of those, 32% of the suspects were American and 58% were Canadian. By the end of 2004 there were 75 web related child luring cases before the courts according to the Department of Justice.

Most of the tips reported to cybertip.ca since 2002 involve 13 and 14 year old girls. While it is difficult to document the reasons for the trend, one reason may be Canada's low age of consent laws. It is well known among police investigators that pedophiles use chat rooms to share secrets. Websites, for example, list the age of consent laws by country to facilitate sex tourism. Raising the age of consent to be more consistent with other western industrialized countries would discourage sex tourism. Having an older age would send a message internationally that children in Canada are not available for sex.

Having the age of consent set at 14 also makes it easy for predators to recruit young people into the sex trade without facing any repercussions or without initially committing any offence. Once the youth are entrenched in the relationship, they are then convinced or coerced into engaging in illegal activity.

Recruiters consciously choose to form consensual relationships with youth over the age of consent but as young as possible in order to make it easy to gain a hold on them. Raising the age of consent would assist in the prosecution of adults who buy sex from young children because the adults could be charged with sexual assault and it would not be necessary to prove that there was negotiation for money or other consideration.

In B.C.'s lower mainland we are all too familiar with the problem of prostitution. Studies have found that 70% to 80% of Canadian prostitutes entered the trade as children. There are literally hundreds of prostitutes under 17 years of age currently working Vancouver streets. The recruitment process for the sex trade in Canada preys on young girls and boys, and specifically targets those who are at the current age of consent.

According to the Children of the Street Society, the majority of parents who call asking for help have children who are 14 years old and are being recruited into the trade. They argue that if the police had the ability to pick up girls or boys, regardless of their consent, and return them to their family or take them to a safe house, then many youth would be saved from entering the sex trade.

It is no use looking at the age of consent from the perspective of the advantaged, critically thinking, well protected 14 year olds. Asking them if they want Big Brother to interfere in whom they are sexually active with at 14 is folly indeed.

• (1825)

If one were to ask them if they thought 50-year-old men should be able to target 14-year-old runaways for sex, give them AIDS or other diseases or get them pregnant, one might get a different response.

There is widespread consensus that 14 is simply too young for the age of consent. Child psychologists agree that children younger than 16 lack the maturity and development to make good judgments and are unlikely to recognize the manipulative nature of pedophiles.

The results of dozens of studies show the effects of adult sexual contact with children. There is a 21% higher risk of clinical depression, a 21% greater chance of suicide, a 20% increase in post-traumatic stress disorder and a 14% jump in extreme promiscuity and involvement in prostitution.

Studies have also shown that between the ages of 13 to 15 years children are at the highest risk of sexual exploitation. However, despite all this evidence, the government continues to argue that youth are mature and sophisticated enough to ward off the advances of pedophiles and predators.

It is vitally important that we do not confuse physical maturation with psychological maturation. The "age of majority" is a term used by lawyers to describe the time in life after which a person is legally no longer considered a child. In essence, it is an arbitrary time when a child becomes an adult in the eyes of the law.

Why is it that we as a society feel children are ill-prepared to drive, drink, vote, marry, drop out of school or even watch violent movies but feel they are totally ready to decide for themselves with whom they should have sex? This makes no sense.

Raising the age of sexual consent would put us more in line with other western nations. In Denmark, France and Sweden the age of consent is 15. In Australia, Finland, Germany, Holland, Israel, New Zealand, Norway and the United Kingdom it is 16.

In Virginia, like many other American states, the age of consent is 18. Adults having sex with 13 year olds to 15 year olds may be found guilty of felony "carnal knowledge" and face up to 10 years in jail and steep fines. Adults having sex with minors aged 16 to 18 may be guilty of "contributing to the delinquency of a minor", a misdemeanour that can carry jail time and a fine.

It is time for the Canadian government to follow the lead of other western governments and prohibit adults from having sex with children under the age of 16.

Some argue that raising the age of consent from 14 to 16 would criminalize sex between teens close in age. This was the argument used by the Secretary of State for Children and Youth a couple of years ago in the House. She said that young people worry that they would become criminals if the age were raised. She stated:

They want to know they would have not only protection from predators but from a system that could unduly confine or prosecute them. They do not want to be doubly victimized by both the predator and those proposing to protect them.

Private Members' Business

In a similar vein, the Parliamentary Secretary to the Minister of Citizenship and Immigration, the member for Vancouver Centre, writes on her website:

Raising the age of consent from 14 to 16 would place unprecedented limits on the freedom of young persons. It should be noted that raising the age of consent to 16 would criminalize sexual activity between adolescents that is now legal. Such an amendment could allow a 16 year old to be prosecuted for virtually any sexual contact with a 15 year old boyfriend or girlfriend. Instead of criminalizing the sexual activities of consenting teenagers who are of a similar age, the Liberal government has focused on protecting our children from sexual predators.

This is sheer nonsense and borders on fearmongering. There is an easy solution to the concern of raising the age of consent. Too often young girls think they have found their Prince Charming. They are young and everything is beautiful. They cannot see the big picture. The government's refusal to budge on the age of consent further demonstrates how out of step the Liberals are with the values of Canadians.

● (1830)

As parliamentarians we need to act now before more innocent lives are ruined. Motion No. 221 proposes an amendment to the Criminal Code that is consistent with the recommendations of all provincial governments and various stakeholder groups, including Beyond Borders, the Canadian Police Association and REAL Women of Canada.

Parliament now has the opportunity to send a direct and clear message to Canadians that it will no longer stand for the potential abuse of innocent 14 year old children by perverted 40-year-olds.

I call upon my fellow members to support this initiative and give our children the protection they deserve.

● (1835)

Mr. Jim Abbott (Kootenay—Columbia, CPC): Mr. Speaker, I congratulate my colleague from Fleetwood—Port Kells for bringing forward the motion. It is a motion that is desperately overdue. It is a motion that should have been in effect for years. It is a motion that, as she has already said, is something that is reflected in so many other countries.

I guess it is always difficult to get into the mind of a Liberal. However, because this is a serious debate, I will try to stay away from partisanship when I make that comment.

I wonder if my colleague has any idea at all what possible justification there could be for the Liberals dragging their feet on this, with it being such an important social issue.

Mrs. Nina Grewal: Mr. Speaker, children are our future and their protection is not only a moral responsibility but it is securing our future.

My main concern is that adults should not have sexual activity with children. They are taking advantage of our law and our children are being exploited. They are not big enough to drive. They are not big enough to vote. They are not big enough to drink. Why are they big enough to make such an important decision in their lives?

As parliamentarians we should act now before any innocent lives are ruined.

Hon. Keith Martin (Parliamentary Secretary to the Minister of National Defence, Lib.): Mr. Speaker, I know we share a

common interest in protecting our children, particularly from sexual predators. Certainly in this country we have seen too many cases where children are exploited. We do not agree with the member's motion but we do agree with the intent, which is to protect young children from sexual exploitation by those who are much older.

The problem that she voices, in terms of raising the age in the manner she proposes, is that it could criminalize other teenagers who are just slightly older than the age of which she speaks, and for better or for worse, young children are having sexual intercourse too young in too many cases.

Perhaps the better way to do this is to invest in more resources to educate children in terms of their sexual health and the options they have, of putting off sexual activity until later and if they are going to engage in sexual activity to make sure that it is done in a safe way.

Second, on the issue of those vile creatures who are pedophiles who prey upon innocent children, perhaps she could recommend ways in which we could identify these people better, penalize them more and, frankly, keep them in jail longer and protect society. In doing the initial assessment on them once they are convicted of engaging in pedophilia, perhaps there could be checks and balances to ensure that when they are released they are not at risk of reoffending.

At the end of the day I think she would agree that our number one priority is to protect innocent children from sexual predation by adults.

Would the member have some thoughts on how we can ensure that pedophiles, who are sexual predators, are not released if they are deemed to be a danger to society?

Mrs. Nina Grewal: Mr. Speaker, I cannot imagine how any parent or any sensible person here could vote against my motion. In 1988 repeated attempts were made by MPs to move motions concerning the age of consent. They had introduced a supply day motion but the government defeated it. I think some leadership should be taken on this.

A child is a child. Fourteen-year-olds are not big enough to make such an important decision. They cannot vote nor can they drive so why would they be able to make such an important decision in their lives?

● (1840)

[*Translation*]

Mr. Richard Marceau (Charlesbourg—Haute-Saint-Charles, BQ): Mr. Speaker, let me say first that it is an honour to speak to this bill, especially since you are in the chair. We have an opportunity to work together on another committee. I must say that, up to now, it has been very pleasant, although the situation has at times been tense for reasons that escape you and me.

Private Members' Business

To begin, I would like to make two preliminary remarks and eight comments, which I hope will provide food for thought. My first preliminary remark is as follows. It is somewhat odd to be speaking to this topic, the age of consent. These days, in the Standing Committee on Justice, Human Rights, Public Safety and Emergency Preparedness, one of the topics we are discussing is Bill C-2, which also concerns the age of consent and the sexual exploitation of children.

We are having this debate for Bill C-2. I think that it should take place in that context and not now, in this House. I believe it is a bit of a duplication of the resources and efforts of parliamentarians. The member could easily have introduced his bill as amendments during discussion of Bill C-2.

The second preliminary remark is as follows. It is something to see a party wanting to toughen the Young Offenders Act and the application of the Criminal Code as it pertains to young people, thus reducing the age of criminal liability, on the one hand, and raising the age of consent, on the other. In my opinion, it makes no sense. I realize the Conservative Party is not necessarily known for the logic of its positions, but this is a flagrant lack of rigour on a matter of considerable sensitivity.

In the Bloc Québécois we oppose Motion M-221, and Bill C-313, which propose to raise the legal age of consent in sexual relations from 14 to 16 years.

I have to say right off that our position in the Bloc in no way means we would like, support or promote sexual relations between young adolescents. Far from it. We do, however, believe that this is not the right approach.

I shall now proceed to my comments. First, sexual exploitation of children under 18 is already illegal, and consent is not a valid defence. That is already the case.

My second point is that, by raising the legal age of consent, we would be jumping on the bandwagon of sexual repression. Many sexually abused youth have reported that the huge industry of prostitution is, unfortunately, created and fostered by the absence of a healthy sexual climate and of adequate sexual education.

The third point that is important to make is that a higher age of consent would in fact criminalize sexual activity between peers. This means that persons below the age of consent would be prohibited from consenting to engage in sexual relations, regardless of the age of their partners. For instance, such an amendment would enable the courts to try a 16-year old for having sexual contact of any kind with his 15-year old girlfriend.

My fourth point about the age of consent is that raising it does not really solve anything, because there are adults who want to have sexual relations with children. If adult predators are the problem, they should be dealt with directly. Perhaps we ought to assess how evidence is collected and presented and what the role of the courts should be in protecting children. We have to ask ourselves the following question. How can we protect children against abuse through exploitation when the abusers flout the law?

Even setting the age of consent at 25 would not eliminate abuse. The only way to protect adolescents is by educating and empowering them.

The legislation should be based on the activity engaged in, not the age of those involved. Age does not matter, if abuse and exploitation are illegal and criminal.

• (1845)

The problem lies not with the legislation, but with its application. If current federal legislation against exploitation is difficult to enforce, then it has to be changed. That is what we are doing with Bill C-2.

Increasing the age of sexual consent could have the perverse effect of introducing some young people to the justice system. There are many lawyers in this House and others watching us. The justice system is complicated and cumbersome. People involved in it often pay a personal, psychological and moral toll. It is not something we would want for our young people.

Increasing the age of sexual consent also prevents young people from making decisions for themselves. I find that the age of consent is often used as an excuse to limit access to sexual education and contraceptives.

In closing, I want to reiterate the following. We are absolutely against the exploitation of children. I introduced Bill C-303 to impose tougher sentencing on anyone found guilty of sexual offences involving a minor, whether related to pornography, pedophilia, or the sexual exploitation of children. Bill C-303 will provide for minimum sentences, mandatory prison sentences, for the people who exploit these children who are the future of our society and who are so dear to our hearts.

I have already mentioned in this House and I will repeat it again today, my Bill C-303 to impose tougher sentences on those found guilty of sexual offences involving minors, will be presented as an amendment to Bill C-2 at the Standing Committee on Justice, Human Rights, Public Safety and Emergency Preparedness. We will discuss it on the Tuesday when we come back from our break.

I can guarantee that the next time Bill C-2 comes before this House, it will include minimal sentences for sexual predators who attack our children. It will be a major improvement in law in general and also in the protection of our children who are, as I was saying, vulnerable persons. These young people deserve the protection of all the members in this honourable House.

[English]

Hon. Paul Harold Macklin (Parliamentary Secretary to the Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I welcome the opportunity to participate in today's debate on Motion No. 221, which proposes to restrict sexual activity between adolescents and adults by amending the Criminal Code to raise the age of consent to sexual activity from 14 to 16 years of age.

Private Members' Business

The apparent goal of the motion is laudable, namely, to better protect youth against sexual abuse and exploitation, but I do not support the means chosen to achieve this goal. The protection of our youth against sexual abuse and exploitation is very important. It is, however, equally important to ensure that whatever we do to achieve the objective, we get it right.

Unfortunately, the motion does not get it right. Before I discuss the motion, I think it is important to remind hon. members about what the existing age of consent criminal laws are.

Currently, the age of consent to sexual activity is 18 years of age where the relationship is exploitative, such as where it involves prostitution, pornography, or where there is a relationship of trust, authority or dependency. Where none of these exploitative circumstances exist, the age of consent is 14 years. However, it is important to be clear about this: any non-consensual sexual activity, regardless of age, is a sexual assault.

It is important to recall that these laws apply to all forms of sexual activity, from sexual touching to sexual intercourse. Accordingly, all sexual activity below the age of consent is prohibited.

Motion No. 221 proposes to raise the age of consent from 14 to 16 years, presumably to address the exploitative type of conduct. Yet it does not propose, and this is very important, the creation of any exception, such as, for example, for youth who engage in consensual sexual activity with peers.

There are many views about when and at what age it is appropriate for young persons to engage in sexual activity, but the fact of the matter is that young persons do engage in sexual activity and they do so at perhaps a younger age than some may think.

On May 3 of this year, Statistics Canada's *The Daily* reported that by age 14 or 15 about 13% of Canadian adolescents have had sexual intercourse. The percentage was almost the same for boys and girls, 12% and 13% respectively. From this, one might presume that youth are engaging in other or lesser forms of sexual activity at an even earlier age.

Under Motion No. 221, it would be okay for two 16 year olds to engage in sexual activity, but it would not be okay for a 15 year old and a 16 year old to kiss. If we consider how Motion No. 221 might impact on these youth, it seems pretty clear that it would criminalize at least 13% of Canadian youth and probably more. Is this how we protect our youth? By making them young offenders? And just who are we protecting them from in these circumstances?

This is why I do not support Motion No. 221. I prefer instead the government's broader and more effective response to this very issue. This response is found in Bill C-2, an act to amend the Criminal Code (protection of children and other vulnerable persons) and the Canada Evidence Act.

Bill C-2, which is currently before the justice committee, proposes to create a new category of prohibited sexual exploitation of a young person who is over the age of consent for sexual activity, that is, who is at least 14 years of age or older and under 18 years.

● (1850)

Under this new offence, the courts will be directed to infer that a relationship with a young person is exploitative of that young person by looking to the nature and circumstances of that relationship. The bill directs the court to consider specific indicators of that exploitation, including the age of the young person, any difference in age between the young person and the other person, the evolution of that relationship, and the degree of control or influence asserted over that young person.

The bill provides a clear direction to the courts to infer that the relationship is exploitative of the young person after examining the nature and the circumstances of the relationship and the youth himself or herself.

In other words, Bill C-2 recognizes that chronological age is not the only indicator of vulnerability. Instead, it recognizes that the particular circumstances of some youth, including 16 year olds and 17 year olds, may put them at greater risk of being exploited. It recognizes that the way in which a relationship develops can also be an indicator of exploitation.

For example, Bill C-2 will apply to better protect youth who are lured over the Internet by persons who would prey on their vulnerability. Such encounters usually occur secretly and quickly. Bill C-2 says to the courts: take this into account in the evolution of the relationship as an indicator of exploitation.

Bill C-2 provides increased protection to all youths between ages 14 and 18 and not just the 14 year olds and 15 years olds, as Motion No. 221 proposes.

Bill C-2 also focuses the law's attention on the wrongdoer instead of on whether the young person ostensibly consented to that conduct. Bill C-2 says in fact that young persons cannot legally consent to be sexually exploited.

Motion No. 221 seeks to restrict sexual activity between adolescents and adults. In contrast, Bill C-2 seeks to protect youth against sexual exploitation by any person who would prey on the young person's vulnerability, whether that person is considerably older than the young person or close in age.

As I said at the outset, while I can appreciate the apparent underlying rationale of Motion No. 221, I cannot support it. It falls far short of achieving the objective and at the expense of those whom it seeks to protect.

I agree with Bill C-2's response to this issue. I respectfully submit that Bill C-2 gets it right. This motion does not.

● (1855)

Mr. Jim Abbott (Kootenay—Columbia, CPC): Mr. Speaker, I am interested in speaking to Motion No. 221, which states:

That, in the opinion of the House, the government should restrict sexual activity between adolescents and adults by amending the Criminal Code to change the age of consent from 14 to 16 years of age.

Private Members' Business

The motion, sponsored by my colleague from Fleetwood—Port Kells, is a very important for the protection of Canada's young people. Canada's justice minister has legislation relating to issues like the age of sexual consent currently in the parliamentary system, Bill C-2. However, his legislation does not protect a very vulnerable category of young people between 14 and 16 years of age. As has been noted by my colleague from Fleetwood—Port Kells, the federal Liberals are prepared to leave the 14 and 16 year olds within the grasp of sexual predators.

The member has commented that young people at these ages can easily become targets of pornographers, pedophiles and Internet sex scams and that those children's parents are horrified to learn that Canadian law fails to provide them with legal recourse.

As member of Parliament for Kootenay—Columbia, my interest in speaking to Motion No. 221 relates to a polygamist sect in an area called Bountiful within my constituency. I have always made my position clear publicly and privately that I do not support the practice of polygamy and I am fully supportive of the current laws against the practice of polygamy.

However, there is a concern on the part of the attorney general of the province of British Columbia, who is responsible for prosecutions within our province, that the current law on polygamy would not withstand a charter challenge. It is important for Canadians to respect the laws of our great nation and realize that whether people live in Coquitlam or Creston, Burnaby or Bountiful, that all residents in Canada must have laws applied equally.

Further, laws must be made for all Canadians and for the good of all Canadians. Laws for exceptions invariably create unintended consequences. If all Canadians must be equal, then all laws for Canadians must be equal and the enforcement of the law must be equal.

It is important that children across Canada are protected between the ages of 14 and 16 and this includes the colony of Bountiful. I note that women representing the Bountiful community have called on the government to raise the age of consent from 14 to 16. To be clear, a law that could be applied in Bountiful must also be equally applied in Burnaby.

As stated by the member for Fleetwood—Port Kells, young people at 14 years of age do not have the maturity to make responsible decisions in regard to sexual activities with adults. In most democratic jurisdictions that include the United Kingdom, Australia, most American states and European countries, adults are prohibited from having sexual relations with children less than 16 or even 17 years of age. However, in Canada, a child may legally consent to sex with an adult when they reach age 14. Our laws excuse criminal responsibility where the victim is as young as 12 if the adult believes the child to be 14.

In this case, despite persistent calls from provincial attorneys general and premiers, child advocacy groups, police and countless other organizations, including the Conservative Party of Canada, successive Liberal ministers of justice continue to resist the proposal to raise Canada's age of sexual consent.

I restate, in the judgment of the Attorney General of the province of B.C., the polygamy law that people wish applied in the

polygamist colony of Bountiful is unenforceable because of Canada's Charter of Rights and Freedoms.

Until the polygamy law is enforceable, it is imperative that we do what we can to protect those between the ages of 14 and 16. Neither the existing Canadian law nor the proposals in Bill C-2 effectively address the sexual exploitation of children under the age of 16 by adults. By raising the age of consent, the law can truly protect children. This motion is not the answer, but may be a small part of working toward ensuring the protection of 14 and 16 year olds.

It is distressing that the federal government is not supportive of the motion, not only because of the Bountiful issue, but because it is the right thing to do. The clear message to society is that all adult sexual activity with vulnerable youngsters will not be tolerated.

ROUTINE PROCEEDINGS

• (1900)

[English]

COMMITTEES OF THE HOUSE

PUBLIC ACCOUNTS

Hon. Raymond Simard (Parliamentary Secretary to the Deputy Leader of the Government in the House of Commons, Minister responsible for Official Languages and Minister responsible for Democratic Reform, Lib.): Mr. Speaker, discussions have taken place between all parties concerning tonight's debate on the motion to concur in the second report of the Standing Committee on Public Accounts. I believe you would find consent for the following motion. I move:

That the debate on the motion by the member for Edmonton—St. Albert, and the amendment by the member for Kitchener Centre be deemed to have taken place, all questions put, recorded divisions requested and deferred to the end of government orders on Wednesday, June 1, 2005.

The Acting Speaker (Mr. Marcel Proulx): 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)

PRIVATE MEMBERS' BUSINESS

[English]

AGE OF CONSENT

The House resumed consideration of the motion.

Mr. Derek Lee (Scarborough—Rouge River, Lib.): Mr. Speaker, it is important to note that we are debating a motion tonight as opposed to a bill. It is simpler to deal with the motion. It is more flexible in terms of House procedures. While adoption of the motion would not directly bring about a change in the law, it is intended to influence the evolution of the law.

Private Members' Business

The object of the motion is to protect young people believed to be vulnerable. I think most people in the House regard young Canadians as sometimes vulnerable in some contexts. As I see it, the difficulty in this area perhaps began back in 1988. In the remarks by the mover of the motion, she referred to the reforms in 1988 of the definitions used to proscribe and prohibit sexual assault, or rape as we called it in the old days, and other sexual assaults.

At that time, the sexual assaults were bundled into one definition of sexual assault. The definition does not distinguish between matters such as sexual touching, which could be a sexual assault in some contexts, and other more aggressive sexual assaults. If one is looking at a spectrum, sexual intercourse by rape. As a result of that, when it comes to defining sexual conduct and what is prohibited, because of the bundled definition in the Criminal Code, we are forced to use the big basket definition rather than an individual one.

When we talk about sexual assault or activity, we are not referring only to sexual intercourse. Because of the definitions within the Criminal Code, we are forced to deal with the full bundle of sexual activity that is described by the term "sexual assault". That should be kept in mind as I make my remarks and as other members debate this. We are talking about sexual touching as well as other sexual conduct.

That makes it sometimes difficult because some Canadians have certain views of some types of sexual activity and different views on other types of sexual activity. For example, a game of spin the bottle by 15 year olds, might garner a reaction from some Canadians a certain way but not others. Yet the motion includes all the above.

When I look at our young people, I am concerned because I am not sure I can make a distinction between a 15-year-old and a 16-year-old or a 16-year-old and a 17-year-old. The motion recommends that we remove the ability to provide consent, therefore, create a prohibition on all sexual activity for anyone 14 or 15 years of age, even if the 15-year-old associates with a 16-year-old. This is a conceptual problem but a real problem. We are in a sense remaking the Criminal Code, reaching down into the conduct between two young people and criminalizing it in effect by changing the definitions.

While I respect the objective, I have concerns about how it is done. The Criminal Code has been evolving, but there is now a recognition that there is a problem related to the luring of young people into situations, the inducement coming not from the boyfriend or girlfriend but from adults.

•(1905)

That is sometimes happening on the Internet now, where there is much freer communication between people and their desktop computers and, as members around here know, even with Black-Berries. There is a lot of communicating. If that communicating involves the luring of a young person by an adult, a 15 year old or 14 year old young person, Canadians find that quite objectionable. I do too. I think every member in the House finds it objectionable.

I want to commend to the House the approach taken by Bill C-2. My colleague on this side of the House has described the bill. The bill takes a different approach. It certainly is there to protect our children, but it focuses on the persons who attempt to induce the

sexual conduct, who attempt to induce the vulnerable. That bill is currently before the justice committee. It proposes the creation of a new prohibition against sexual exploitation of a young person between the ages of 14 and 18.

We should note that the current motion deals with the category of ages 14 and 15. The new Criminal Code bill deals with ages 14 to 18, the full range of underage persons who might be lured into sexual exploitation.

With the new prohibition, the focus is on the wrongful conduct or behaviour of the accused person, the person doing the luring. Just as when there is a sexual assault case between adults, the proscribed conduct is not with the young person, the victim, but with the person who engages in the luring. The consent of the young person is actually not relevant here. The person does not have to consent or not consent. What we have happening, in the typical case I have mentioned, is an adult person seducing the younger one.

Under Bill C-2, a court could infer that a sexual relationship with a young person is exploitative of the young person, and therefore prohibited, by considering the nature of the relationship and the circumstances surrounding it. One consideration is the age difference between the youth and the accused person. Next is the evolution of the relationship. For example, did it develop quickly? Did it develop over the Internet? Where did that relationship evolve? Last is the degree of control or influence exercised over the young person by the accused.

In other words, Bill C-2 includes a list of factors, not just chronological age. I think that most reasonable people will acknowledge that factors like these will be a better indicator of a young person's vulnerability. That is a key difference between what the motion recommends and what Bill C-2 is intending to define in this Criminal Code amendment.

As I understand it, that bill is before committee now and it is anticipated that it could be back into the House very shortly at report stage, within days, and that will allow the House and Canadians to have a better look at it.

In the meantime, we are discussing this motion. As I say, it is a bona fide initiative intended to regularize an area where we have seen some difficulty.

In dealing with Bill C-2 again, with the broader consideration of all of the indicia of exploitation, we recognize that some youth may be vulnerable to being exploited, not only by persons who are much older but in some cases even by their peers. Again, the vulnerable person might be vulnerable in many contexts: by age, by maturity or in terms of other factors. Bill C-2 will take those factors into account.

I have already pointed out that the bill deals with the age group of 14 to 17 years, whereas the motion does not.

•(1910)

I acknowledge the importance of this debate. It is important that Canadians understand some of these differences as we attempt to address this area of concern. I believe that the bill before Parliament will. There will be more debate on it later.

Adjournment Proceedings

I congratulate the member for taking up the issue in private members' business.

Mr. Mark Warawa (Langley, CPC): Mr. Speaker, it is an honour to speak on Motion No. 221 proposed by my colleague, the member for Fleetwood—Port Kells.

The member from Fleetwood—Port Kells is one of our hardest-working members. I want to acknowledge that in this House and thank her for her hard work and for sticking up for our children.

The justice minister spoke to our justice committee today. He said that the protection of the most vulnerable, our children, is one of his highest priorities. He shared with us about his daughter; actually I believe it has been three times that he has shared that same story. He looks at justice and protecting children and he applies it to his own daughter.

I can identify with that. I believe he is a man of compassion and wants to protect our children, but I am puzzled as to why it is just words and why we are not seeing some action.

To be specific, let me look at my children. I have five children and one grandchild. My children are grown now, but I look at them and ask myself if 14 year olds have the cognitive skills to be able to decide to give consent to sexual relations. Are they mature enough?

No, they are not. That is what we are hearing from the professionals. They do not realize the consequences of their decisions. It could be a sexually transmitted disease. It could be pregnancy. It could be long term problems that are associated with that decision, and it is about building a relationship. Does a 14 year old have those skills? The experts are telling us no.

We have heard from the Federation of Canadian Municipalities, which represents municipalities across Canada. It has said to raise the age of consent. It says that 14 is way too young. We have heard from police chiefs and we have heard from the experts. They are saying to raise the age of consent.

At the justice committee about a month ago, we had some of the experts dealing with Bill C-2. One of the primary reasons they were there was to show us how we compare to other countries in the world. Canada has one of the lowest ages of consent.

The member for Fleetwood—Port Kells is right on the mark. She is saying what Canadians want and what the experts are saying. She is saying what the Federation of Canadian Municipalities is saying. The vast majority of Canadians are asking why this government would resist raising the age of consent. It is beyond understanding.

Should a 14 year old have relations with a 40 year old, a 50 year old or a 60 year old? That is legal in Canada if he or she gives consent. We have even heard of an example where a 12 year old told the adult that she was 14, so therefore it was okay. She was only 12. It is not okay. This government has to protect our children and it is not doing that.

Fourteen year olds cannot buy cigarettes. Children have to wait until they are 16 to get a driver's licence. They cannot drink alcohol. But this government says it is okay for them to give consent. A 14 year old does not have the maturity to make that decision.

The most vulnerable in every Canadian community are our children. They are our future. If we do not protect them from abuse, we are falling down in our responsibility. Our fundamental responsibility is to protect our children.

A week ago I saw pictures. They were horrible pictures. They were pictures of child pornography. They were disgusting. That is what adults do. They will look after children, take them out for a pizza and video games, build the relationship, show them pornographic pictures and groom them for their consent.

● (1915)

That is absolutely wrong. We are not protecting our children. A 14 year old can be manipulated. Why are we not raising the age to 16? As I have said before, the experts are telling us to raise the age. Why the resistance?

Today the justice minister said that we do not want to have a restriction on teenagers experimenting. That is not what we are talking about. There can be built into that a difference in age of two years or five years so that if there were a relationship between a 16 year old and, if there were a two year spread, an 18 year old, it would be a 16 year old and an 18 year old. If it were a five year spread, it would be a 16 year old and a 21 year old. We are not talking about criminalizing teenage relationships. We are talking about the terrible abuse of our children.

We have people from other countries coming to Canada. Why? It is because they want to have a relationship with our children. Canada is one of the most lenient countries and the age of consent is one of the lowest, which is why we have a child pornography problem and why our children are being abused.

When will we protect our children? When will the government get serious? The hon. member for Fleetwood—Port Kells is right on the mark and we need to listen to her.

● (1920)

The Acting Speaker (Mr. Marcel Proulx): The time provided for the consideration of private members' business is now expired and the order is dropped to the bottom of the order of precedence on the Order Paper.

ADJOURNMENT PROCEEDINGS

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

[English]

FISHERIES

Mr. Randy Kamp (Pitt Meadows—Maple Ridge—Mission, CPC): Mr. Speaker, on March 23 and again on March 24, I asked the Minister of Fisheries and Oceans about his plans to ensure the survival of the Fraser River sockeye and, in particular, whether he was going to implement the recommendations contained in the recent report of the standing committee. I appreciate the opportunity to follow up on those matters.

Adjournment Proceedings

Let me begin by reminding the minister that the second report of the Standing Committee on Fisheries and Oceans tabled on March 22 of this year requested a written response within 60 days indicating his intention with respect to the unanimous recommendations. The final paragraph of that report read:

If such a commitment is not forthcoming, or if it appears that in spite of a commitment, no serious attempt is being made to implement the recommendations, the committee will use all possible means to convince the Government of Canada to conduct a judicial inquiry into the Fraser River sockeye fishery, and that the focus of this inquiry be on enforcement and other issues relating to how the fishery was managed in 2004.

I know the minister will appreciate my reminding him that as of May 21, those 60 days will have come and gone and that so far we have not seen a response. Let me say that this lack of response inspires no confidence that there will be adequate enforcement in the 2005 Fraser River sockeye fishery.

The minister has been questioned repeatedly in the 60 days, not only in regard to the recommendations of the standing committee but also on those of the 2004 post season review by former B.C. chief justice, Bryan Williams. Both reports highlighted the need for increased enforcement.

In response, the minister has made promises of reform and spoken of forthcoming changes. He has even released his so-called blueprint to move forward with changes to the Pacific fishery but has yet to validate any of the 12 specific recommendations of this committee.

A quick look is all that is needed to see that the minister's April 14 blueprint is large on generalities and very short on details, but on the subject of enforcement, the minister sounds quite decisive. In the minister's speech that day he promised:

...let me be clear, I am committed to taking steps to improve compliance levels and strengthen enforcement in the region this season.

However, contrary to that statement, the only plans that have been announced for this season call for a reduction in enforcement officers in the Pacific region. Internal DFO documents reveal that a decrease in regional enforcement officers is in the works, beginning with six this year, nine the following year and six in the third year.

DFO managers have talked about there being more officers on the Fraser River this summer, but how can this be? Where will they come from? They say that they will move officers from other parts of the region, but how is this possible? In light of the announced reductions, is that not just robbing Peter to pay Paul, as popular a concept as that may be these days?

While the minister's blueprint mentions reform in a number of contexts, virtually no policy changes were announced for 2005 and it is far too late for them to be announced for this season. It is also too late for education or any other model of enforcement that is proactive or based on compliance to affect this season's sockeye.

The only thing that 2005 Fraser River sockeye can ask the minister for at this late stage is an increase in enforcement.

Will the minister finally admit that he could have done much more to alleviate the collapse of the 2004 season and will he act immediately to increase enforcement for the 2005 season in order to prevent a repeat of that catastrophe? Or, will it take a judicial inquiry and another lost season in order for that to occur?

Hon. Shawn Murphy (Parliamentary Secretary to the Minister of Fisheries and Oceans, Lib.): Mr. Speaker, on behalf of the Minister of Fisheries and Oceans, I appreciate the opportunity to say a few words on what I consider to be a very important issue. I also appreciate the member's concern for the future of the Pacific salmon. It is a concern that the minister and I share wholeheartedly.

In fact the member and I had the opportunity last December to travel to British Columbia. We spent three days in Vancouver hearing witnesses on this issue, in particular the collapse of the Fraser River salmon run during 2004. We heard from the many stakeholders involved. I certainly do not want to understate the seriousness of the situation. It is a very serious situation.

The committee came back to Ottawa and we spent quite a bit of time, probably 12 to 14 meetings, preparing a unanimous report. As the member stated, that has been in the minister's hands for close to a couple of months. I know that the minister appreciates the effort that went into the report and that he does value the advice of the committee. I am sure the member opposite joins me in looking forward to seeing how the minister and the department address our recommendations, which I repeat were unanimous.

I am pleased to report that the minister and the department are working on a number of fronts to address this situation and have been doing so for quite some time. As the member has quite rightly pointed out, a repeat of this situation will not be tolerated at all. This is a top priority with the department and with the minister. He has visited British Columbia seven or eight times in the last year and a half. He has certainly taken this issue as a number one priority.

On December 17 he did release the wild salmon policy. That policy is an accumulation of years of scientific research and broad consultations with the stakeholders, including the first nations, the public and commercial fishers. It provides a conservation based framework of concrete actions to restore and maintain healthy and diverse salmon populations in the years to come. Further consultations are ongoing. The final document ought to be released by May 31 of this year. It will report on a number of issues.

Our committee report is not the only report that was involved in this. There was the Pierce-McRae report, but perhaps most important, since our report was tabled in this House, we had the report of Mr. Justice Bryan Williams. He also heard extensive evidence on the whole issue. I will not go into detail but he basically made the same recommendations that we made. There is a lot of paper written on this issue and hopefully the issue will be addressed this year.

Again I want to state that this is not a simple problem and there is no one simple answer. There were a number of factors involved in the problems with the 2004 run, such as poor environmental conditions, warm water, concerns about unauthorized harvest. Again there is another concern about the accuracy of some of the reporting methodologies. These are issues that are being looked at.

Adjournment Proceedings

I believe we are going to see some changes this summer following the policy that is to be released. The number of initiatives and reports currently in the works are giving the minister and DFO much food for thought in determining how west coast fishers can move forward in the future. My learned friend is wrong. There is—

• (1925)

The Acting Speaker (Mr. Marcel Proulx): The hon. member for Pitt Meadows—Maple Ridge—Mission.

Mr. Randy Kamp: Mr. Speaker, I agree that it is not a simple problem, that it is somewhat complex and there is not going to be an easy answer to solve all of the problems. I think that the hon. member is also concerned about coming up with a solution. I do not think he is interested in politicizing this.

It seems to me that part of the solution is to address the issue of enforcement. If the question is whether compliance is taking place, he knows that we did not hear any evidence that would lead us to believe that we could answer yes to that. There is a compliance problem. If people are not complying, then we need to find a way to encourage them to comply. That involves enforcement.

The member can understand why those of us who live along the Fraser River would be concerned that there does not seem to be a solution in place for this year.

• (1930)

Hon. Shawn Murphy: Mr. Speaker, as I said before, these concerns are being taken very seriously by the minister and the department. A number of reports are on his desk. There is the report of the Standing Committee on Fisheries and Oceans, the Pearse-McRae report, and the report from the first nations. Most recently we received the report from Mr. Justice Williams. These initiatives, along with the significant progress already under way on the west coast, are giving the minister and his department a lot to consider as they plan for the future of the west coast fishery.

I agree with the member opposite that there has to be more enforcement and more science. Most important, there has to be more dialogue between the different stakeholders on the Fraser River.

We look forward to working closely with all members of the House to ensure a bright future for our Pacific fisheries.

[*Translation*]

The Acting Speaker (Mr. Marcel Proulx): The motion to adjourn the House is now deemed to have been adopted. The House stands adjourned until tomorrow at 10 a.m. pursuant to Standing Order 24(1).

(The House adjourned at 7:31 p.m.)

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