



CANADA

House of Commons Debates

VOLUME 141 • NUMBER 149 • 1st SESSION • 39th PARLIAMENT

OFFICIAL REPORT
(HANSARD)

Tuesday, May 8, 2007

—
Speaker: The Honourable Peter Milliken

CONTENTS

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

Also available on the Parliament of Canada Web Site at the following address:

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

HOUSE OF COMMONS

Tuesday, May 8, 2007

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

• (1005)

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, pursuant to Standing Order 36(8) I have the honour to table, in both official languages, the government's response to five petitions.

* * *

CANADA ELECTIONS ACT

Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC) moved for leave to introduce Bill C-54, An Act to amend the Canada Elections Act (accountability with respect to loans).

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

* * *

INTERPARLIAMENTARY DELEGATIONS

Hon. Mauril Bélanger (Ottawa—Vanier, Lib.): Mr. Speaker, pursuant to Standing Order 34(1) I have the honour to present to the House, in both official languages, the report of the Canadian Parliamentary Delegation of the Canada-Africa Parliamentary Association respecting its participation in the sixth ordinary session of the Pan-African Parliament held in Midrand, South Africa on November 13 and 14, 2006.

* * *

CANADA POST CORPORATION ACT

Mr. Paul Zed (Saint John, Lib.) moved for leave to introduce Bill C-440, An Act to amend the Canada Post Corporation Act (mail free of postage to members of the Canadian Forces).

He said: Mr. Speaker, I rise today to introduce a very important piece of legislation entitled, an Act to amend the Canada Post Corporation Act (mail free of postage to members of the Canadian Forces). This legislation would amend the Canada Post Corporation

Act to allow mail to be sent free of postage to and from a member of the Canadian Forces serving outside of Canada.

This bill was inspired by Saint John resident Mrs. June Dobson, whose nephew, Master Corporal Stephen Maher, is serving in Afghanistan. Mrs. Dobson's brother has passed away and she holds Master Corporal Maher close to her heart and writes to him two or three times a week. Recently one of those letters was returned because it was 6¢ short of postage.

It is for that reason I am introducing this bill. It is free to send mail to one's member of Parliament. It would make sense that it should be free to send mail to our brave men and women who are putting their lives in danger for all of us.

I would hope all hon. members would support June's bill.

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

* * *

PETITIONS

PROPOSED NATIONAL PARK

Mr. Alex Atamanenko (British Columbia Southern Interior, NDP): Mr. Speaker, I have two petitions to present. The first is a petition put forward by the Grassland Park Review Coalition in Oliver, Osoyoos and Keremeos in my area. The petitioners are opposed to the formation of the national park in the south Okanagan and lower Similkameen. They urge the Government of Canada to cooperate with the Government of British Columbia to support a land resource management plan instead.

This is part of over 6,000 signatures collected by this group provincially.

TERMINATOR SEED TECHNOLOGY

Mr. Alex Atamanenko (British Columbia Southern Interior, NDP): Mr. Speaker, the second petition is on terminator seed technology. I have received over 1,000 letters in my office, which I have personally answered, from people who are opposed to terminator seed technology. The petitioners urge Parliament to enshrine in legislation a permanent national ban on terminator technology, in other words, genetic use restriction technologies, to ensure that these are never planted, field tested, or patented for commercialization in Canada.

S. O. 52

ELECTORAL REFORM

Ms. Catherine Bell (Vancouver Island North, NDP): Mr. Speaker, I have one petition to present this morning regarding electoral reform. It is from hundreds of members of my riding of Vancouver Island North who still want to see full consultation across this country on the issue of electoral reform. They will not give up and neither will I until there is a full discussion and debate across this country on the issue of electoral reform.

[*Translation*]

SUMMER CAREER PLACEMENT PROGRAM

Ms. Christiane Gagnon (Québec, BQ): Mr. Speaker, I am tabling today two petitions signed by a total of 1,848 people. These petitioners are denouncing the \$55 million in cuts to Summer Career Placement projects. As we know, wage subsidies used to be provided to businesses that employed young people over the summer. This way, various cultural and social organizations could hire young people and provide them with work experience.

We know that Summer Career Placement has also changed how it manages its budgets, with catastrophic results for a riding like that of Québec, because we have many students attending Laval University and many cultural and community organizations in the riding of Québec.

• (1010)

MARRIAGE

Ms. Christiane Gagnon (Québec, BQ): Mr. Speaker, I would like to table another petition. It concerns the definition of marriage and was signed by 541 people. These petitioners call upon Parliament to reopen the issue of marriage and to repeal or amend the Marriage for Civil Purposes Act.

IMMIGRATION

Ms. Christiane Gagnon (Québec, BQ): Mr. Speaker, I have another petition to present, the theme of which is “Welcome the Stranger: Becoming Neighbours”. This is an initiative of Citizens for Public Justice. These petitioners ask, among other things, that the barriers preventing refugees from reaching Canada be lifted, that the number of refugees that Canada accepts be significantly increased and that the immigration process for reuniting refugees and their families be sped up.

[*English*]

MARRIAGE

Mr. Maurice Vellacott (Saskatoon—Wanuskewin, CPC): Mr. Speaker, I have the privilege to table a petition in the French language from Quebec petitioners on the matter of marriage. The petitioners ask Parliament to reopen the question of marriage in Parliament. They ask that Parliament abrogate or amend the law on civil marriage and defend and promote marriage as the union between a man and a woman to the exclusion of all other persons. It is an honour to represent these good French speaking Quebec petitioners on this important issue of marriage.

FALUN GONG PRACTITIONERS

Ms. Denise Savoie (Victoria, NDP): Mr. Speaker, I am pleased to table a petition signed by hundreds of my constituents. The petitioners urge the Canadian government and Parliament to help

stop atrocities against Falun Gong practitioners in China. They ask that the Canadian government make a public statement and pass a motion in the House to condemn the communist regime for committing these crimes against humanity, urge again that the Chinese regime end the persecution of Falun Gong and release all Falun Gong practitioners immediately.

They also ask that the government take active measures to help stop the killing and organ harvesting of Falun Gong practitioners and discourage Canadians from travelling to China for organ transplants.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, I ask that all questions be allowed to stand.

The Speaker: Is it agreed?

Some hon. members: Agreed.

* * *

REQUEST FOR EMERGENCY DEBATE

FOREIGN TAKEOVER OF CANADIAN INDUSTRIES

The Speaker: The Chair has received an application for an emergency debate from the hon. member for Toronto—Danforth. I will be pleased to hear his submissions on this point now.

Hon. Jack Layton (Toronto—Danforth, NDP): Mr. Speaker, as per Standing Order 52, the New Democratic Party requests that the House of Commons hold an emergency debate today on the foreign takeover of Canadian industries. The issue is of immediate importance to the national economy and the well-being of working people across Canada. We hope that you will look favourably on this request.

[*Translation*]

Canada is losing its economic gems. Canadian interests, whether small, medium or large, are being taken over by foreign interests. Alcan seems to be next on the list, going for \$33 billion. Yesterday, Van Houtte was sold to American interests for \$600 million. Such transactions may please shareholders, but all this does not bode well for Canada's economy, and thus for the families of Canadian workers. It is urgent that we have a debate here, in this House, to take up this issue of the utmost importance, I would even say of vital strategic importance, as the livelihoods of families are at stake.

[*English*]

We do not have in place the kinds of protections, the kinds of regulations and the kind of decision making that would allow us to ensure that whenever there is a foreign takeover of a Canadian business, Canadian jobs are put as a priority, that investment in the country is put as a priority.

Business of Supply

In fact, it is to the contrary. I have visited plants where foreign takeovers have simply resulted in contracts that would otherwise have been performed by the workers in those plants who, in some cases, have been there for many years being shipped elsewhere to other companies that the multinational owns, either in the United States or far beyond across the seas where the jobs get created. Gradually industry in Canada is winding down to the point where we have a crisis of 250,000 jobs lost in our manufacturing sector.

At some point we have to recognize that we are in an urgent situation and that the House of Commons needs to debate the best possible ideas about how this crisis can be addressed.

Mr. Speaker, I hope that you will look favourably on this request for an emergency debate.

•(1015)

SPEAKER'S RULING

The Speaker: The Chair has considered the matter. The hon. member of course sent his notice, and I have heard his submissions here in the House today.

As he says, at some point this must be addressed as a subject for debate in the House, but I am not sure that, based on everything I have heard, the request meets the exigencies of the Standing Orders at this moment. Accordingly, for the moment, I will decline the request and will see what develops.

GOVERNMENT ORDERS

[*Translation*]

BUSINESS OF SUPPLY

OPPOSITION MOTION—GASOLINE PRICES

Mr. Pierre Paquette (Joliette, BQ) moved:

That, in the opinion of the House, the government should move an amendment to the Competition Act so that the Commissioner of Competition have the power to initiate investigations of the price of gas and the role of refining margins in the determination of the said price.

He said: Mr. Speaker, I believe that this debate affects all Canadians. Directly or indirectly, we are all gas consumers. The vehicles we use, whether cars or buses, run on gas or petroleum products. Consumers are also affected indirectly because what we buy is often transported by truck. This is therefore an extremely important debate.

As was mentioned, the motion asks:

That, in the opinion of the House, the government should move an amendment to the Competition Act so that the Commissioner of Competition have the power to initiate investigations of the price of gas and the role of refining margins in the determination of the said price.

The government is fond of saying that prices at the pump are determined by market forces.

Mr. Speaker, before I go on, I would like to say that I will be sharing my time with the member for Trois-Rivières. I believe that you already guessed as much.

The government and the big oil companies have often said that the price consumers pay is determined solely by market forces, which in

turn are affected by international economic factors more than anything else.

This is a simplistic argument. Everyone knows that international events play a role in determining gas prices at the pump, but other factors also come into play. Moreover, if countries everywhere, and especially industrialized nations, were to exercise more self-discipline in terms of supply and use, we could easily exert greater control over this factor.

It is a poor, incomplete argument that lets the government shirk its responsibility to ensure that consumers and the public get their money's worth.

A second thing often mentioned is taxes. It is often the industry that brings this up. I remember hearing Carol Montreuil say during an interview on TVA on May 3 that the average profit per litre was around 2¢, while the government takes close to 40¢ per litre in taxes.

Obviously there are a number of issues raised in the statement of Mr. Montreuil, who, I would remind the House, is a spokesperson for the Canadian Petroleum Products Institute. First, the 2¢ he is referring to probably represents the retailer's margin. This margin usually varies between 3.5¢ and 6¢ per litre.

We can see that this is not a very big part of the significant variations that have been seen in the price of gas. I doubt that this 2¢ refers to the refining margins, which are much more problematic. This is why the motion specifically identifies the role of refining margins in determining the price at the pump as a factor that could explain this variation. I will come back to this later. However, what is interesting about the role of taxes is that someone who has been closely following the evolution of the gasoline market, especially in Quebec, in the greater Montreal area, sent me the calculations he did after hearing Mr. Montreuil's comments. I want to share them because I think they bring up an interesting question. There is no answer, but the question reflects the relevance of our motion.

He says:

Take the federal government, for example. There is the 10¢ excise tax and the 6% GST, which adds up to an average revenue of 16¢ per litre.

That is 16¢ per litre in federal taxes.

Approximately 30 billion litres are sold in Canada, netting the federal government \$4.8 billion.

That means \$4.8 billion in federal gas tax revenues. I will go on.

Taken together, Shell Canada and Esso recorded profits of \$4.74 billion.

That is about the same amount collected in federal gas taxes. Combined profits of \$4.74 billion is exactly what the federal government brings in. He asks the following question.

How can the government amass \$4.8 billion by collecting 16¢ on every litre sold in Canada—

Business of Supply

He noted that Shell Canada, with its 45% share of the refining industry, refines 1.8 million barrels a day and makes just two cents per litre but generates the same amount of revenue as the federal government. Something does not add up here if the federal government makes \$4.8 billion with its 16¢ per litre while the two oil companies I mentioned, Shell and Esso, who make up 45% of the refining market, make as much as the federal government two cents per litre at a time.

● (1020)

So they ask themselves the question. Are they in fact perhaps making more than 2¢ per litre? That is the question we are seeking to answer in our motion. We want to find ways to get answers to the questions that people are asking themselves, that we are asking ourselves—extremely legitimate questions.

The major problem is that the Competition Act is not as stringent as it needs to be for the investigations that the commissioner might conduct to produce results. On the government side, they will tell us that there have been six investigations and that no one has ever been able to prove collusion. We are not saying there is collusion; we simply want the Competition Bureau to have the means to carry out these investigations, and that is what we are proposing in this motion.

Obviously, this is not the only solution, nor the only partial solution, that is needed. There will be others, and I know that the member for Trois-Rivières will be amending my motion shortly to include the petroleum monitoring agency and also to move to amend the act to decriminalize the anti-competitive pricing practices. That is, that the criminal offences attached to investigations into price-fixing—in particular, gasoline pricing, but it would apply to all prices—be eliminated, and be made civil issues instead.

I would like to come back to the refinery margins. As I said, the retailer's margin is 3.5¢ to 6¢ per litre. We think that this margin is relatively reasonable, and it has been stable over time. On the other hand, refinery margins have risen from an average of 6¢ or 7¢, which they were from 1998 to 2003, to the present average of 26¢ per litre.

How can we explain the refinery margin having risen so high, when the average in recent years, in the late 1990s and early part of this century, ranged back and forth between 6¢ and 8¢? According to the Association québécoise des indépendants du pétrole, at a 6¢ per litre profit to refineries, the oil companies are already making very attractive profits.

In the current situation, the five biggest oil companies control 90% of the refining market and are making excess profits of about 20¢ a litre. That amounts to \$10 for every 50-litre fill-up we get. That means that wealth is being transferred from the public, from consumers, to the oil industry, which is already heavily favoured by this government, in terms of the tax system and the environment. We will have an opportunity to come back to this. As a result, we wonder about the reason for this excessive 26¢ margin. Obviously I am talking about an average for the 2006-07 year.

Recently, I heard Mr. Montreuil say again that in February the refinery margin was 0¢. Of course, he chose the worst month. However, based on the average, which is the indicator of the real situation, the margin is 26¢. Last year, it was about 19¢ or 20¢. So it

has risen steadily. In our view, not only do we have to ask questions, but we must also be in a position to get some answers.

Obviously, refining operations are distributed regionally, as we have heard. For example, in the Montreal area, Petro-Canada and Shell do the refining. In the Quebec City area, it is Ultramar. In New Brunswick, Irving does it and in Nova Scotia, I believe it is Esso. Refining is currently experiencing an undercapacity. Is that intentional or not? These questions must be asked. Why is it that oil companies do not have any reserves and when disaster strikes, for instance, the price increases, but comes back down very little? Also, why is it that they cannot seem to plan ahead for the construction holidays, even though they always occur at the same time every year? These things can be anticipated, although, as we all know, a few days before the construction holidays or any other holiday, the price goes up.

The Competition Act therefore needs to be amended, first of all, to give the commissioner the authority to launch investigations, as needed. The commissioner must also be able to request that documents be submitted as evidence, which is currently not the case. The Competition Bureau needs to have real powers in order to properly complete the necessary investigations and to provide us with answers to our entirely legitimate questions.

Once again, I would like to say that we have no evidence of collusion. That is a fact. Perhaps there is no collusion at all. It would be in the best interests of the major oil companies, I think, for the Competition Act to be more rigorous in order to bring greater transparency to the situation and, by answering our questions, to dispel any doubts.

I therefore urge all members here in this House to vote in favour of this Bloc Québécois motion.

● (1025)

[English]

Ms. Catherine Bell (Vancouver Island North, NDP): Mr. Speaker, I come from a rural area. Many people in my riding have been asking me about rising gas prices. They see the price of a barrel of oil go up, and the price of gas at the pump goes up right away. We are paying almost \$1.30 a litre for gas in my area. However, when the price of a barrel of oil goes down, nothing happens at the pumps.

People in my riding are outraged. Could the member tell me what other steps the government could take to make sure the consumer is protected at the gas pumps?

[Translation]

Mr. Pierre Paquette: Mr. Speaker, that is a very good question. It is as interesting as the hon. member for Roberval—Lac-Saint-Jean.

Everyone agrees on the Competition Act. The government says that the price at the pump is the responsibility of the provinces and Quebec, but that is just another excuse. Profits are not made at the pump; they are made at the refinery.

We want to know why the refining margin has gone, as I have already mentioned, from 8¢ or 9¢ to 26¢ in the past few years.

As I said, price setting needs to be transferred from the criminal section of the Competition Act—where it is now—to the civil part of the act because the burden of proof is lower in a civil case.

Business of Supply

Furthermore, as far as the Competition Act is concerned, a petroleum monitoring agency needs to be created in order to monitor what is going on and to be able to provide information to the public. Consumers would know exactly what is happening and under what conditions things are happening. It seems to me that with these two items, we would have the means to discipline the major oil companies in relation to setting the price at the pump.

Obviously this would not solve all the problems. The real solution to this problem is to cut our dependence on oil and gas, which is what we should be doing in Canada and Quebec.

Hon. Dan McTeague (Pickering—Scarborough East, Lib.): Mr. Speaker, I want to thank the hon. member for bringing forward this motion and the two amendments. A number of the proposed recommendations were presented by my party in 1998.

If possible, I would like the hon. member to explain the net impact this has had not just in the regions in Quebec, but in every region in Canada and North America. So many refineries have closed. In fact, of the 44 refineries that existed in 1986, when the Conservative government pointed out the shortcomings in the competition legislation, there are just 13 remaining.

What is the true impact? The hon. member indicated that there is a refining margin of 26¢. Clearly this has an impact. Could he explain this further? Going from 44 refineries to 13 is a fundamental source of the problem.

• (1030)

Mr. Pierre Paquette: Mr. Speaker, I thank the member for his question. One has to wonder why Canadian oil companies—and U.S. companies, too—have closed so many refineries.

I understand very well that they wanted to streamline operations in order to increase productivity. When supply more or less matches demand and there are extraordinary circumstances—an international event, or hurricane Katrina, or an ice storm—they do not have the necessary reserves to absorb the rise in prices and so prices skyrocket. I do not understand why the oil companies do not have these reserves that would enable them to weather the storm.

Perhaps the federal government should force them to establish such reserves—or perhaps the government should do so itself—to avoid this type of situation. One has to wonder if this is what the oil companies were hoping for. It may not necessarily be collusion but not producing enough at the refinery creates an artificial shortage or artificial pressure on prices. We must take a closer look. The purpose of the motion is to shed light on the issue and to find the means to decrease the supply-side pressure toward price increases, while ensuring the availability of gas when needed.

I will close by saying that heavy demand during periods such as the Easter and Christmas holidays and the construction holidays are not unpredictable. These events occur at the same time every year. How is it that prices magically increase?

Ms. Paule Brunelle (Trois-Rivières, BQ): Mr. Speaker, I am very pleased to rise today to speak to this motion, because the price of gas affects our entire economy, the entire population and, above all, many workers, who, in order to earn a living, must constantly contend with very high gas prices. The price is skyrocketing, the refining margin is three times too high and oil company profits are

truly obscene. The price at the regular pump was \$1.15, on average, last week in Quebec City, and \$1.17 in Trois-Rivières on May 7. The average refining margin reached a record high at 23¢. That is three times too high, as the hon. member for Joliette was saying, when we know that a profit of 5¢ to 7¢ is enough for the oil companies to earn a reasonable profit on refining.

The price of petroleum products could remain high over the summer, especially since the cost of crude oil continues to rise. Who is pocketing the profits in the end? It is the oil companies, of which there are only six major companies. There are six major oil companies in Canada, and together, they earned a record profit of nearly \$12 billion in 2006, an increase of 25% over 2005. It was unbelievable, but that record profit of 2005 was 70% higher than in 2004. It is becoming apparent that the oil and gas sector really needs to be controlled. The entire economy is threatened by the increase in the cost of this very strategic resource. We in the Bloc Québécois believe it is possible, at least in part, to avoid increases in prices for gasoline and other petroleum products.

Clearly the rising price of petroleum products has many consequences in our day-to-day lives. For example, in the case of taxis—to give just one example—they cannot change their fares every day according to the gas prices. With vacations coming up, how will our low- and middle-income families cope with this rise in the cost of gas? It increases the cost of all goods, since obviously the rise in transportation costs will be passed on to consumers through increased product prices. In my riding, the Kruger company, in an industry that is already in trouble, will have more problems transporting its wood chips. We think of our truck drivers, whose incomes are constantly dropping. They will have to put in longer hours to make ends meet, and that will lead to higher risks of accidents. Their profits are already very low and they will have something to say about this to the members of this House.

And certainly the increases in the price of gasoline are very harmful to the government, which itself is a very large consumer of gas.

Four main factors explain this rise: the price of crude oil, of course; the refining margin; taxes; and the retail margin.

When we talk about the retail margin, this is the difference between the price paid by retailers to buy their gas and the price they sell it for. Taxes, even though we often find them high, barely fluctuate and in our opinion do not explain the variations in the price of gas since most of these taxes are fixed. Certainly the price of crude oil is set internationally. It is hard to do anything to control this price, but there remain certain factors on which we can have an influence. While supply can still meet demand, it nevertheless has an effect on the rise in prices. Increasingly we see that oil prices are negotiated on the stock market. They are very sensitive to speculation, like any other commodity.

Business of Supply

Professor Antoine Ayoub was talking in this connection about the new players, that is the pension funds, that have got into the oil speculation market and that have more influence on the market. We see that, by basing themselves on a number of uncertainties, which my colleague from Joliette talked about, such as the Iraq invasion and the resumption of Iraqi exports, which are always threatening to become problematic, they manage to make the price rise artificially by about US\$15 per barrel.

• (1035)

This brings us to the key point of this motion, which has to do with refining.

In North America, companies have significantly streamlined refining activities since 1990. Obviously, to cut costs, they have closed a number of refineries, thus increasing use of their production capacity.

The gap between supply and demand has narrowed, with the result that the smallest climatic or technical problem upsets the balance between these two factors and leads to an increase in prices. The smallest increase in demand for gas sends prices up, as we can see on long weekends and holidays, as though refineries had no way of anticipating this. Why could they not have built up reserves? Any businessperson knows that during peak times, there should be a little more merchandise to sell, to be sure to meet the needs of customers. This remains very hard to understand.

If the government had not stubbornly refused to follow up on the recommendation to create a petroleum monitoring agency, it would have been better able to understand the market and see the crisis coming. We think a petroleum monitoring agency could prevent this situation by sounding the alarm, and propose solutions.

The Bloc Québécois is suggesting that the Competition Act be given more teeth to examine the role of refining margins in the determination of prices. A reasonable refining margin is in the range of 4¢ to 7¢ per litre, as mentioned earlier. In March and April it was more than 15¢ per litre. Last week, it was about 23¢ per litre, four times the reasonable margin. The industry must be disciplined, the Competition Act must be strengthened, the Competition Bureau must be able to investigate and must have real powers of investigation, which it does not have right now, and a petroleum monitoring agency should be established.

Furthermore, this was a recommendation made by the Standing Committee on Industry, Science and Technology in November 2003. We wonder what the government is waiting for to take action.

As I only have one minute left, I will move the following amendment. I move, seconded by the member for Argenteuil—Papineau—Mirabel, the following amendment:

That the motion be amended by adding after the words “said prices” the following: and that the government also move to amend the Act to decriminalize the anti-competitive pricing practices and treat them as reviewable under the abuse of dominance provision and furthermore, the government should create a petroleum monitoring agency such as the one proposed by the Bloc Québécois and recommended in the Fifth Report of the Standing Committee on Industry, Science and Technology presented in this House on November 7, 2003”.

• (1040)

The Deputy Speaker: I assume that the hon. member has the consent of the mover to put this amendment forward.

Mr. Pierre Paquette: Naturally.

The Deputy Speaker: The amendment moved by the hon. member for Trois-Rivières is therefore in order.

The debate is on the amendment. The hon. member for Victoria.

Ms. Denise Savoie (Victoria, NDP): Mr. Speaker, I thank my colleague for her comments this morning.

It is clear that the taxpayers have to be protected against sudden prices increases, especially given the financial results of oil companies for the first quarter of this year: Imperial Oil, \$774 million, and EnCana, \$497 million. Taxpayers do need protection, because the big oil companies are making incredibly big profits.

At the same time, it is clear to us, in this House, that the consumption of petroleum products in this country has to be curbed.

What strategy could my colleague suggest to the government to protect in the long term the Canadian people, and the environment also? For the time being, it is clear that the Conservative government is prepared to do neither; it does not want to protect the taxpayers, and it is not prepared to act to reduce greenhouse gas emissions in absolute terms.

Ms. Paule Brunelle: Mr. Speaker, I thank the hon. member for her question. She is, of course, giving me the opportunity to talk about an issue that I care about, namely the environment. Obviously, we have to try to reduce our dependency on oil. In order to do so, any measure that would provide more energy efficient vehicles would be welcome. We know that some technological advances have been made in Quebec regarding the electric vehicle. So, if there was less pressure from the automobile industry, we could use this type of vehicles. That would solve part of the problem. It would be one option.

The issue is particularly problematic in Quebec, because we must import all of our oil. Therefore, it is really important to rely on alternative energies and reduce our energy consumption. We must also promote public awareness and continue to educate the public, so that we can truly have a clean environment. In this regard, the Conservative government is definitely showing a lot of flaws and no real political will.

However, one thing that we notice and that is encouraging is that the public is developing what could be called a “green” attitude. Public pressure will certainly come into play and appropriate solutions will be found.

• (1045)

Ms. Louise Thibault (Rimouski-Neigette—Témiscouata—Les Basques, Ind.): Mr. Speaker, the hon. member for Trois-Rivières has provided concrete examples of the problems experienced by people in various areas. I wonder if she could comment on the whole issue of location, and particularly the regions, where many people live off industries such as agriculture and forestry. Until affordable renewable energies are found, people living in regions will remain very dependent on gas, fuel and oil. I am not saying that we are worse off than others, because everyone is affected.

Business of Supply

It is the same thing with the tourism industry, which is hurt by these drastic increases. As the member for Joliette mentioned, every year, of course, these increases always seem to coincide with the summer holidays. Last year, we talked about this issue in June, and this year we are doing so in May.

I wonder if the hon. member could comment on the whole issue of location.

Ms. Paule Brunelle: Mr. Speaker, I thank my colleague for her question.

It is obvious that land occupancy is a major issue. If we want to keep our regions from emptying out and our large downtown areas from becoming increasingly polluted, we must develop the land. We must be able to develop our natural resources.

In my riding, in particular, there are many businesses, including large paper mills. These excessive fuel costs really represent an enormous problem. Companies have to travel farther and farther for lumber, at increasingly higher cost. In addition, after so many years, the softwood lumber agreement led to the collapse and closure of many companies. It also obliged our companies to leave a billion dollars on the table. As a result, there has been a drop in profit margins, which has led to mass layoffs.

Yes, indeed, this whole question of gas is crucial to our economy.

[*English*]

Mr. Colin Carrie (Parliamentary Secretary to the Minister of Industry, CPC): Mr. Speaker, I will be splitting my time with the hon. member for Langley.

I am pleased to rise today to take part in the debate on the opposition motion with respect to gasoline prices.

I have heard the comments of my colleagues during their speeches. Both as a member of Parliament and as a consumer, I too share their concerns about high prices, whether for gasoline or any other product.

I certainly understand the impact of high gasoline prices on individuals and businesses, particularly small businesses. No one wants to pay any more than they have to for anything.

The matter we have before us today, however, is whether the proposal put forward by the Bloc is appropriate.

I understand the reaction of Canadian consumers to recent price increases. They are frustrated and they are angry. They are looking to the government to do something to stop the increases in gasoline prices. The frustration goes even further when average Canadians hear of a petroleum company's announcement of record profits.

However, gasoline prices are a complex issue. Many different factors come into play in determining the price Canadian consumers pay at the pump. Some of these factors are international, national, regional and even local in nature. As we have seen the last couple of years, events halfway around the world can impact the price of gasoline right here in Canada.

The question we have to ask is whether the Bloc's motion will actually accomplish anything. I submit that it would not.

In the Canadian economy businesses are generally free to set their own prices, dictated by market forces. Sometimes prices go up; sometimes they go down. The setting of prices is dictated by the market forces of supply and demand. For example, rising prices are often an indication of low inventory.

The Bloc's motion seeks to amend the Competition Act to give the Competition Bureau the power to initiate investigations into the price of gas. The Competition Bureau has already investigated the price of gas numerous times since 1990. While I know some of this has already been discussed, I believe the following bears repeating.

The Competition Act ensures that Canada has a competitive marketplace and that all Canadians enjoy the benefits of competitive prices and product choices, including a convenient and ample supply of quality products that respond to consumers' preferences.

When it comes to high prices, the Competition Bureau will be concerned only when they are the result of anti-competitive conduct contrary to the Competition Act.

The Competition Act includes provisions against price fixing, price maintenance, and abusive behaviour by a dominant firm resulting in the lessening of competition. The act applies to gasoline and other petroleum product markets as well as every other sector in the Canadian economy.

Pursuant to the Competition Act, if the Commissioner of Competition has reason to believe that an offence has been committed or that a company has abused its dominant position in a market, the commissioner can either refer matters for prosecution or seek a remedial order by the Competition Tribunal respectively.

Over the years the Competition Bureau has been very active in matters relating to gasoline and other petroleum products, including prosecution and merger reviews. In addition, the bureau has commissioned expert reports on an array of issues related to the sector. Documents related to these activities are available on the bureau's website. I would encourage all hon. members to go to the bureau's website and see for themselves.

When examinations of the petroleum industry yielded evidence of conduct contrary to the act, the bureau has initiated enforcement action. Since 1972, 13 inquiries relating to gasoline or heating oil prices have led to trials. Eight of these cases concluded with convictions.

Since 1990 the Competition Bureau has conducted six major investigations related to the gasoline industry. In each case it found no evidence to suggest that periodic price increases resulted from a national conspiracy to limit competition in gasoline supply or from abusive behaviour by dominant firms in the market. Instead, market forces such as supply and demand, and rising crude oil prices were found to have caused the price increases.

Last year the Competition Bureau concluded its examination of high gasoline prices following hurricane Katrina. The bureau found no evidence of a national conspiracy to fix gasoline prices. The dramatic reduction in supply resulting from severe damage to the North American refining capacity caused the spike in gasoline prices.

Business of Supply

It is also important to mention that the Competition Bureau monitors gasoline prices to ensure that they are the result of market forces and not the result of anti-competitive acts which would be contrary to the act.

Gasoline prices across Canada have risen lately due to increases in the world price of crude oil, the major cost component in a litre of gasoline, as well as low inventories. Nothing in what I have just reviewed indicates that there is any need to amend the Competition Act.

In considering this motion, I urge all hon. members to recall that the Competition Bureau exists to promote and maintain competition in all sectors of the economy, including the petroleum industry by educating businesses and consumers, promoting compliance with the Competition Act and taking enforcement action when necessary.

In conclusion, increases in gasoline prices resulting from anti-competitive behaviour are already dealt with through existing provisions in the Competition Act. Therefore, I see no need for this motion.

• (1050)

[*Translation*]

Mr. Michel Gauthier (Roberval—Lac-Saint-Jean, BQ): Mr. Speaker, the easiest approach to the gas issue is to do what previous governments did and what the present government is doing, which is nothing. It is simple. There is competition in the gas sector. Six big companies are constantly getting richer, and the prices rise at the same time, at the same intersection, in the same way, quite by chance. In Montreal, there are four companies at the same intersection. It is curious. Between 10 o'clock and 10:15, the prices all go up at the same time by the same amount. And they tell us there is competition. When certain products are on special at Provigo, they are not necessarily on special at Métro, because there is real competition. At a given time, the price of other items falls. That is how it works.

The gas companies tell us—and this is what my question will be about—that if the price of gas goes up, it is because things are not going well in the world. It is strange that things never go well around the Saint-Jean-Baptiste holiday, just before Christmas holidays and just before the start of summer vacation, the construction holidays.

If there is no need for closer monitoring of the gas companies in terms of competition, how does he explain that when the world price of crude increases and the price of a litre of gas should go up by 2¢, 3¢ or 4¢, it goes up by 20¢, 25¢ or 30¢? Why do events in the Middle East influence the profit margins of Shell, Exxon, Imperial, etc., here in Canada? The fact is that the world price of crude is only a pretext. We need a monitoring agency. I ask the member why he does not see the need for one.

• (1055)

[*English*]

Mr. Colin Carrie: Mr. Speaker, I thank the hon. member for his question and for giving me the opportunity to clarify things a little bit.

When we are looking at the absolute price of gasoline, it is not just as he said, one event around the world. We have to take in events in

combination, internationally, nationally and locally. We are looking at issues of supply and demand, the market.

What is really curious in this debate though is why Bloc Québécois members are supporting Bill C-288. If their issue is the price of gasoline, they are supporting a bill that would cause a 60% increase in the cost of a litre of gas. I find this quite hypocritical. If today we are going to be debating and standing up for consumers, saying consumers are paying too much for gas, why would the official position of the Bloc Québécois be to support a bill that known economists say would dramatically raise the price per litre? It could be \$1.60. It could be up to \$2.00 per litre of gas. I see that the whole motion that the Bloc brought forward is very hypocritical.

Hon. Dan McTeague (Pickering—Scarborough East, Lib.): Mr. Speaker, the hon. member talked about hypocrisy. He is a member of a party that has proposed changes in its own act which will in effect have the effect of raising gasoline prices.

Let us not go back that far. Let us go back to what his leader said in 2004. He ran in the campaign in the riding of Oshawa. I know him very well. He is a decent individual. The Prime Minister made it very clear at the time that he was going to drop the GST on gasoline prices as they went above 85¢ a litre. That hon. member and his party know that they broke a campaign promise.

Since the hon. member has so much faith in the Competition Act, how does he reconcile a Competition Act written in 1986 by McMillan Binch Mendelsohn representing Imperial Oil? Is it any wonder that it has never been able to find any evidence of conspiracy or collusion? Has the hon. member taken the time to look as to whether anybody has even made a request to look at conspiracy or collusion?

He knows full well that we have four dominant players who do not compete against each other right across the country. The price of wholesale gasoline is in fact 3¢ a litre this morning in Oshawa, higher than it is in the United States. How can that member stand up and say there is nothing wrong? With his arguments, he is ripping off his own constituents. He should explain himself now.

Mr. Colin Carrie: Mr. Speaker, as the hon. member did bring up, we did mention that we would be reducing the GST and we did reduce the GST from 7% down to 6%.

I find it ironic again that the Liberal Party would bring forward this issue when in fact when it was in government, it did absolutely nothing on this entire issue. If we are looking at the Liberal Party position right now, I have some interesting quotes and some statements made by the leader right now of the Liberal Party—

The Deputy Speaker: Order, please. Resuming debate.

The hon. Parliamentary Secretary to the Minister of the Environment.

Mr. Mark Warawa (Parliamentary Secretary to the Minister of the Environment, CPC): Mr. Speaker, I would like to thank my colleague, the member for Oshawa, for his hard work on the environment. He is doing a great job.

Business of Supply

I am pleased to rise in the House to participate in today's debate. The price of gasoline is a serious issue and an issue of great concern to Canadians from coast to coast. But it is much more than a cost issue. As Parliamentary Secretary to the Minister of the Environment, I see how the government is balancing environmental protection and economic prosperity.

As Canadians, we want a safe and healthy environment, one that contributes to our well-being and quality of life. Canadians care about the environment. They expect government to lead in acting to protect the environment. At the same time, they want a government that balances environmental protection while ensuring a successful economy. The record of the other parties in achieving that balance is miserable.

Let me turn for a moment to the record of the other parties in this House on the cost of gasoline to Canadian consumers. On August 24, 2005, the *Montreal Gazette* published the following:

Canadians and many of his own colleagues might be cringing when they see the price at the pumps these days, but high gas prices are actually good for Canada in the medium and long term, said [the] federal Environment Minister.

That person is now the leader of the Liberal Party.

An hon. member: Unbelievable.

Mr. Mark Warawa: It is unbelievable.

Of course, then there is the deputy Liberal leader who, during the leadership debate, called for a form of carbon tax that would push up the price of gasoline. Just a couple of months ago, the Liberals were praising a \$100 billion carbon tax, which again would have increased the price of gasoline.

Then there is the Liberal member for Ajax—Pickering who was quoted in the September 11, 2005, *Toronto Star* as having said, “A lot of analysts say gas at \$1.50 a litre is well within sight”. Then there are the Bloc members who have signed on to supporting the Liberal carbon tax plan, Bill C-288.

The costs of this so-called environmental plan were independently analyzed by some of Canada's leading economists and experts, people like Don Drummond and Mark Jaccard. Don Drummond was a former senior public servant under the previous Liberal government and is now a vice-president of the TD Bank and Mark Jaccard is another well-respected expert on environmental issues. What did they find? They found that under the Liberal plan, backed by their buddies in the Bloc, Canadians stand to lose 275,000 jobs. That is terrible. Also, under the Liberal plan, the price of gasoline would increase a whopping 60%.

I am from the Vancouver area, the riding of Langley, and the price out there right now is \$1.269. If we add 60% on to that, it is over \$1.90 a litre. That is what the Liberals want and that is what the Bloc wants. I guess that \$1.50 a litre predicted by the member for Ajax—Pickering just was not enough tax on the backs of Canadians and families and businesses. That plan from the Liberals and the Bloc does not get it done on the environment or the economy.

Let us talk about the actions that our government is taking, not only to improve the environment but also the economy. For example, our government is taking a number of actions to reduce pollution from the transportation sector. These actions would not only reduce

our greenhouse emissions but would also have economic benefits for Canadians.

The government is also assisting small communities and large cities by investing \$33 billion in infrastructure, including public transit. The tax credit for public transit passes, first introduced in budget 2006, is being extended to initiate fare products, such as electronic fare cards and weekly passes.

All these resources are designed with one goal in mind; and that is, to help Canadians make better and more environmentally responsible decisions.

Renewable fuels are cleaner fuels that reduce air pollution and lower greenhouse gas emissions. The government recently announced its intention to develop a regulation requiring a 5% average renewable content by volume, such as ethanol, a Canadian gasoline, by 2010. Renewable fuel production is a new market opportunity for farmers and the rural communities.

• (1100)

Budget 2006 included \$365 million to assist farmers in realizing opportunities through agricultural bioproducts, including renewable fuels. To meet the requirements of the proposed regulations, over 2 billion litres of renewable fuel will be required, creating tremendous business opportunities for Canadian renewable fuel and agriculture producers.

Budget 2007 invests up to \$2 billion in support of renewable fuel production in Canada to help meet those requirements, including up to \$1.5 billion for an operating incentive, and \$500 million for next generation renewable fuels.

Support under the program to individual companies will be capped to ensure that the benefits are provided to a wide range of participants in the sector, not just the large oil producing companies. That is fair.

Budget 2007 also makes \$500 million over seven years available to Sustainable Development Technology Canada to invest in the private sector in establishing large scale facilities for the production of next generation renewable fuels. Next generation renewable fuels produced from agricultural and wood waste products, such as wheat straw, cornstalk, wood residue and switchgrass, have the potential to generate even greater environmental benefits than the traditional renewable fuels.

Canada is well positioned to become a world leader in the development and commercialization of next generation fuels. For example, the Ottawa based Iogen is one of Canada's leading biotechnology firms. It operates the world's only demonstration scale facility to convert biomass to cellulose ethanol using enzyme technology. I encourage a visit to that wonderful facility.

Business of Supply

Transportation is one of the largest sources of air pollution and greenhouse gases in Canada. Cars, trucks, trains and planes all add to air pollution and they account for over one-quarter of all greenhouse gases and air pollutant emissions in Canada. For the first time, the Government of Canada will regulate cars and light trucks to ensure they use fuel more efficiently. Our standard will be based on a stringent North American standard. We will work hard with the United States to pursue a clean auto pact that will create an environmentally ambitious North American standard for cars and light duty trucks.

We will make air pollution rules for vehicles and engines that are sources of smog, like motorcycles, personal watercraft, snowmobiles and all-terrain vehicles, and align them with world leading standards. We will also continue to take action to reduce emissions from the rail, marine and aviation sectors and we will work with our U.S. neighbours to administer these regulations as efficiently as possible.

Those are all great things that the government is doing to balance the environment and the economy. Unlike the Bloc members, who have done absolutely nothing but complain in this place for years and have nothing to show for it, it is this government that is getting it done for Canadians and the environment.

• (1105)

[*Translation*]

Mr. Robert Carrier (Alfred-Pellan, BQ): Mr. Speaker, I listened intently to the speech of my colleague from Langley and I feel that he does not understand the purpose of the motion that has been introduced today. The motion ensures that the free market can operate in our current system of free enterprise.

The party in office is a great believer in the free market, but members of the public feel they are being held hostage by the oil companies. As my colleague from Roberval—Lac-Saint-Jean pointed out earlier, when prices increase disproportionately, or in different ways, all the businesses at an intersection increase prices by the same amount. Thus, people do not feel that they live in a free market economy.

That is the purpose of our motion today. It is not because we find that the price is too high. Perhaps a high price is quite justified and really reflects the market value. The problem is, we feel we are hostages to the price imposed by companies.

Thus, the purpose of the motion is so that the government will at least ensure the normal operation of the free market in the country.

[*English*]

Mr. Mark Warawa: Mr. Speaker, the member said that the goal of the motion was to deal with the price of gas.

Canadians are very concerned when they go to the pumps and see the high gas prices. However, the reality is that the Bloc members are trying to present themselves as being concerned about the high price of gas. The Competition Bureau already has the power to do what the member is asking so why would members of the Bloc be trying to act like they care about high gas prices? The fact is that it is the Bloc that supports dramatically higher gas prices through a carbon tax under the Liberal plan, which would mean billions of dollars in new carbon taxes and sending billions of dollars outside of Canada?

The Liberal plan is a bad plan and it would not reduce greenhouse gas emissions. It would permit unlimited dumping of carbon into our atmosphere.

The Bloc members are trying to present themselves as caring about high gas prices but that is not the truth. The truth is that they want higher gas prices than we are already looking at. They would like to see gas prices at \$2 a litre, which is not what Canadians want. Canadians want a cleaner environment and they want gas prices under control.

• (1110)

Hon. Dan McTeague (Pickering—Scarborough East, Lib.): Mr. Speaker, the hon. member is citing issues dealing with the environment, which we could have a debate on, but I want the hon. member to deal with the reality in his own province.

The British Columbia commission of inquiry into gasoline in 1996 pointed out several deficiencies with the Competition Act, the Competition Act and the Competition Bureau in which the member and his party clearly have so much confidence. I do not know if the hon. member realizes this but in 2002-03 the Competition Bureau agreed that amendments were necessary for the Competition Act to become more effective.

However, in his own province and given that I have had several calls from radio stations and from constituents in his region, would he not want to at least learn a little about the process to understand that what we are asking for is no less than what has been recommended by a number of bodies, including the previous commissioners and, more important, two bills that came before this House to allow that price discrimination and predatory pricing be found under civil provisions? Therefore, we could stop them before they happen as opposed to the criminal provision, which is impossible to prove.

I would point out to the hon. member that several of his colleagues, many of them from Ontario, agree with this position, as have many of his provincial counterparts. If he would just focus for a moment on the motion, could he actually tell us whether he agrees with his own findings in his own province or will he expatiate in a whole different area that has nothing to do with the resulting concerns that his constituents have with respect to the regional prices of gas?

On that point, if I could, whether it is new, clean technology or whether it is burgeoning technology from different areas, the same deficient structure in the Competition Act continues to exist. It does not matter whether it is ethanol or hydrogen. If the same companies rely on the same faulty document, the Competition Act, the hon. member will need to explain to constituents, beyond all the rhetoric, why it is that they never had an opportunity, when given the opportunity, to change that act. Will he do that now?

The Deputy Speaker: He does not have any time left to do it.

The hon. Parliamentary Secretary to the Minister of the Environment.

Mr. Mark Warawa: Mr. Speaker, the hon. member knows very well that the Competition Bureau has conducted six investigations since 1990. He also knows that the Competition Bureau already has the power under the Competition Act to investigate.

Business of Supply

The reason we are here today is to debate the price of gas and he knows full well that under the Liberal plan there would be dramatic increases in gas prices.

Hon. Scott Brison (Kings—Hants, Lib.): Mr. Speaker, it is a pleasure to speak to the motion today.

Our Liberal government supported measures to increase transparency in international and domestic gas pricing and the Liberal Party will support any measure to increase transparency in international and domestic gas pricing.

I will be splitting my time today with the hon. member for Pickering—Scarborough East. I want to commend him for his expertise on this file and his commitment to fairer and more transparent gas pricing and better value for Canadian consumers. He has worked diligently on this for a number of years and I think he would be, within the House of Commons, the leading expert on this file. I think members from all parties listen intently to him when he speaks to this issue and we look forward to hearing from him in a few minutes.

We support any measures that will lead to greater transparency in gas pricing. The motion proposes to strengthen the Competition Act to allow for investigations into gas prices, specifically their relationship to the refining margin and corporate profits.

The fact is that back in October 2004, the Liberal government tabled Bill C-19, which included amendments to the Competition Act. The proposed changes would have strengthened Canada's competition framework to the benefit of both consumers and businesses. The amendments would have benefited consumers by providing authority for the Commissioner of Competition to seek restitution for consumer loss resulting from false or misleading representations. The bill introduced a general administrative monetary penalty provision for abuse of dominance in any industry. It would have removed the airline specific provision from the act to return it to a law of general application, increased the level of administrative monitoring penalties for deceptive marketing practices and, most important, decriminalized the pricing provisions such that the Competition Bureau could act more effectively.

Beyond that, in October 2004 the previous Liberal government went significantly further to ensure better pricing for Canadian consumers. We introduced a plan that would address both short term and long term measures to help Canadians deal with higher energy costs and that would provide direct financial assistance and energy cost benefits to more than three million low income seniors and low income families with children. We introduced the EnerGuide program to help families lower their future household heating costs. Our plan made more and better pricing information available to consumers while taking legislative steps, as I described earlier, to deter anti-competitive practices. The plan fast-tracked money from municipalities for public transit.

The Liberal government took a comprehensive approach to provide timely short term relief but also helped lay out the groundwork for meaningful and long term benefits through greater efficiency and conservation. What we proposed was not only good for the environment in terms of reducing consumption but also good for Canadian consumers by reducing their monthly costs. Our proposals would help make homes and buildings more energy

efficient as a key measure for helping Canadians offset higher pricing for energy and to reduce their costs.

Incentives that were provided would have helped Canadians save energy and money and reduce greenhouse gas emissions that were contributing and contribute to climate change. They were part of project green, the Government of Canada's action plan to help build a more sustainable environment.

In fact, all the measures we provided, whether it was the energy cost benefit of \$565 million to be paid out to 3.1 million low income families and seniors to help them address higher energy costs, or the changes to the Competition Act through Bill C-19, would have made a significant difference in terms of reducing the disproportionate impact of higher energy costs on all things but particularly on low income Canadians.

We invested \$800 million over a period of two years in public transit infrastructure. We also provided greater transparency in the pricing and competition oversight model.

In November 2005, Bill C-66, the Energy Costs Assistance Measures Act, further strengthened transparency in the energy market with a \$15 million investment in the Office of Energy Price Information to monitor energy price fluctuations and to provide clear ongoing information to Canadians. We provided another \$13 million to allow the Department of Industry to take further steps to deter anti-competitive practices, including strengthening the Competition Bureau and the Competition Act.

● (1115)

The fact is that what is proposed in this motion by our colleagues in the Bloc was actually done by the previous Liberal government, both in terms of strengthening the Competition Act, and improving the degree to which the government can act to reduce anti-competitive policies, and by helping all Canadian consumers, but particularly low income Canadian consumers, to reduce their energy costs and to deal with higher energy costs and at the same time reduce greenhouse gas emissions.

In fact, the Liberal government was doing this. The Bloc helped defeat that government. It helped to elect and continues to support a Conservative government that has actually reduced and eliminated most of these programs that were benefiting Canadian consumers, reducing their energy costs and at the same time protecting the environment.

When we were actually strengthening the Competition Act such that the Competition Bureau would have the ability to act when it needed to, the current government, as we have heard from the Parliamentary Secretary to the Minister of Industry, does not see this as being necessary and believes that the Competition Act and the Competition Bureau are functioning exactly as they ought to. He does not see any need for changes.

Business of Supply

We saw the need for changes. In fact, the member for Pickering—Scarborough East helped lead the charge. The member helped us develop and build the case and the policy prescriptives required to strengthen the Competition Act and the ability of the Competition Bureau to act. It was that Liberal member who actually helped our Liberal government develop the policies to make this happen, but it is the Conservative government that refuses to act.

Respectfully I say to my colleagues in the Bloc that I support this motion, but our government had done this. It was the support of the Bloc to defeat that government and to elect and support the Conservative government that actually denied Canadians the opportunity to have more transparent pricing for gasoline for consumers and, at the same time, to have important measures that can reduce consumption and protect the environment.

I think it is important that we work together as parliamentarians, particularly in a day and age when minority parliaments seem to be more the habit than the exception, on areas where there is a common interest and that we do not simply reduce our deliberations to narrow partisanship. When there are policies of each other's that we can support, when we are in government or in opposition, I think we have to take our partisan blinders off from time to time and work together to advance policies.

Once again, I am saying that it was the Liberal government in October of 2004 and through to November of 2005 that had introduced policies which would have accomplished exactly what the Bloc seeks to accomplish in the motion today. We support this motion because we do believe that it is the right direction, but it is important to recognize that we actually had done this as a government in terms of introducing the policies to the House of Commons to move forward with this.

I would hope that when we return to Liberal government the Bloc will support these initiatives as we move forward to build a more competitive, more open, fairer and more transparent regulatory structure around gas pricing, but also to build a cleaner, greener environment by helping Canadians reduce their energy needs and reduce greenhouse gas emissions at the same time.

• (1120)

Mr. Brian Masse (Windsor West, NDP): Mr. Speaker, I agree with the member for Kings—Hants that the member for Pickering—Scarborough East has been a strong advocate for accountability and has brought this issue forward several times, not only in the House of Commons but also in the industry committee.

Unfortunately, I think that is where the member and I part. On many of the statements the member made after that, I think it is important to note that it was the voters of Canada who decided to remove the Liberal Party from office at that time. I would hope that the Liberals would get over that. The member just spent about five minutes running down the Bloc and then said that we have to work together. I think today's motion is one where we could work together.

I want to correct the record. I would like the member for Kings—Hants to tell us why his government did not act on a recommendation from the report of the Standing Committee on Industry, Science and Technology on gasoline prices in Canada when the Liberals had a majority at that time. They had a majority government and in subsequent years they had support from other members in the House

for a move to create a petroleum monitoring agency, something that his members on that committee voted for.

With a majority and then a subsequent minority, the Liberals could have had that developed and it would be operating and active right now. If the Liberals did everything on this subject and had all the right answers, where is that monitoring agency? Why is it not actually functioning right now?

Back in 2003, the member's majority government was part of a recommendation that was to produce that end result, with the committee working together at that time. Interestingly, it was only Alliance Party of Canada that opposed it. The Conservative Party actually supported it. That is part of today's motion. Once again, that monitoring agency idea is something that is interesting to observe, because it seems that the Alliance component has taken over the Conservative component, and they were actually in support. In fact, I think the member for Kings—Hants might have been a Conservative at that time. It was before he crossed the floor to the Liberals.

I would like to know why that agency is not up and running today. That is what is going to protect consumers. That is really what we are talking about: protecting consumers.

• (1125)

Hon. Scott Brison: Mr. Speaker, I would like to correct the record. I was never a Conservative. I was a Progressive Conservative. I think the hon. member was drawing attention to some of the cleavages between the former Progressive Conservative Party and the current Reform-Alliance-Conservative Party, and I think he was right to do so, but I am glad to have the opportunity to correct the record.

Once again, I draw the member's attention to the changes to the Competition Bureau proposed in the Liberal government's legislation, Bill C-19, in the fall of 2004, which addressed these issues. The Liberal government did act.

The member also mentioned the results of the last election. He said that Canadians voted, and of course we accept the results of the last election, but I hope the member's constituents understand that his NDP helped to defeat a government that introduced national early learning and child care, a policy that ostensibly the NDP members believe in but voted against, thus defeating a government that was implementing it. Beyond that, it was a government that believed in the Kyoto accord and in fact had taken action to move toward respecting the Kyoto commitments. Beyond that, it was moving further. It was defeated by that party to elect the most neo-conservative government in the history of Canada, a government that is opposed not only to Kyoto but to national child care.

In fact, I think the member has to answer to his constituents and to his NDP base across Canada and explain why, on everything from law and order and justice issues to the environment and issues around early learning and child care, he has elected and supported and continues to support a neo-conservative, republican-esque government that is opposed to the basic values of the NDP.

Mr. David Tilson (Dufferin—Caledon, CPC): Mr. Speaker, the member has spent a great deal of time talking about all the things that the Liberal government has done in the past. I suppose that is what he is paid to do: to tell that to the public.

Business of Supply

However, my riding is the riding of Dufferin—Caledon. In that riding, just as an example, every summer, and it will happen this summer, we go to the pumps on the weekends and the prices go up. Then, when we come south, the prices are higher than they were, and no one understands that.

I understand that there have been committees that have studied this. There have been committees in the provinces. I know that the province of Ontario has undertaken committees. There have been committees here in this place that have studied this topic.

Yet the problem continues. I have a question for the member, who says he is going to support the motion. On the whole issue of the high prices, including those that occur during highly volatile incidents like Katrina and that sort of thing, is that contrary to the Competition Act?

The Deputy Speaker: The member for Kings—Hants, briefly.

Hon. Scott Brison: In fact, Mr. Speaker, the hon. member identifies a real flaw in the Competition Act and the reason why we need to act to change it. As a provincial MPP in Ontario, he was part of a party and a government that supported some of the types of measures proposed by the previous Liberal government and in fact largely designed by the member for Pickering—Scarborough East. What the member identifies is an incapacity for the Competition Bureau to act under the current Competition Act. In fact, the decriminalization of some of these practices makes it possible for the Competition Bureau to take action.

The member raised some of the issues as well as the questions he is asked by consumers and constituents in the summer. If he wants to be able to answer those questions substantively, he ought to support this kind of motion and these kinds of measures. He would be able to tell constituents that in fact the policies he votes for and supports on the floor of the House of Commons will lead to a Competition Act and a Competition Bureau that—

• (1130)

The Deputy Speaker: Resuming debate.

Before I recognize the hon. member for Pickering—Scarborough East, I would say to the hon. member for Kings—Hants by way of speaking to the whole House that I cannot give members an indication of whether their time is expiring if they never look at the Chair. I know it can be tough, but nevertheless, I say that for members.

The hon. member for Pickering—Scarborough East.

Hon. Dan McTeague (Pickering—Scarborough East, Lib.): Mr. Speaker, I will maintain my vigilance and keep a watchful eye every minute or so.

[*Translation*]

I would like first to thank those who moved this motion. It must be noted that this motion, which we heard yesterday, would simply allow the commissioner to conduct a review and to initiate investigations.

It must also be noted that he already has this power for civil law issues. However, in cases related to criminal law, the commissioner does not have that right, except for a group of six people or as a result of a departmental directive.

[*English*]

Therefore, what the Bloc has proposed would not have worked necessarily. It is, in part, already there.

What makes the motion acceptable from my party's perspective is the fact that it includes two very important provisions, which my party has worked on for almost ten years now, both in turning the pricing provisions of price discrimination and predatory pricing where they belong, under civil opprobrium as opposed criminal sanction.

I think hon. members in the House should be aware of the fact that where there are criminal sanctions, whether that be in price discrimination, predatory pricing, conspiracy or collusion, and I alluded a little earlier to the member for Oshawa, who is the parliamentary secretary, is it any wonder that over the years egregious examples of conspiracy, particularly in this industry, have never been proven.

I know most of us in this chamber have read section 45 of the Act, which deals with conspiracy. To get a conviction, one has to prove the tests of undueness. In every section undueness basically serves as a tremendous barrier of proof. One has to prove intent. One has to prove that the damage to the economy is so substantial or that the dominants are so substantial that it would bring about basically the failure of the Canadian economy.

I have said this tongue in cheek before, but the only way we would get a conviction in the oil industry, for instance, would be to have the chairman of Imperial Oil swear an affidavit before the Supreme Court of Canada that it was engaging in conspiracy. This is clearly not the case.

In your time here as a member of Parliament, Mr. Speaker, you have seen the number of refineries go from 44 down to 14 or 13 even. In fact, in Toronto region, we have absolutely no refineries left.

I heard the hon. parliamentary secretary talk about ample supply. I do not know where the parliamentary secretary for industry was, but for a month and a half Canadians paid on average 8¢ a litre more because of a refinery out at Nanticoke.

We are running our supply situation at such a fragile point today that we are experiencing difficulties which are having tremendous impacts on not only ordinary Canadian consumers, but also on the economy in general. Our interest rates did not go down this month. We would have expected that to happen, but it did not because of the cost of gasoline, which is artificially high in Canada.

It is clear to me, and I think to everyone here, that the way in which we wound up from so many players down to so few players was a combination of two factors: first, the creation of PetroCan years ago shut down a number of potential players in which independents could provide supply; and second, was stopping that policy, reversing it, throwing it back into the private sector only to have further mergers, such as the one we saw with Texaco having its assets taken up by Imperial Oil, Gulf and so on.

What this points to is a very dangerous oligopoly in the downstream, that is to say in the provision, the refining of product. That has happened under the watchful eye of a Competition Act, which I have tried to change several times.

Business of Supply

The Competition Act, written in 1986 and which Peter C. Newman referred to as the only time in Canadian history when an act was written by the very people it was meant to police, has now seen an unfortunate outcome, but a very predictable one. It definitely needs amendment. That is one of the reasons I agree with the Bloc's motion. It agrees with what we have been trying to do for ten years.

A handful of players not only control the price, but they can also control supply and also control, to a large extent, the pump price we pay from region to region within one-tenth of a cent a litre.

I will give an illustration of this. Last week we heard that the price of crude had come down, but that refining costs had gone up. I had no problems with understanding the arguments. Even if I were to accept those, I would have to continue to ask myself why all last week throughout Canada Canadian consumers paid on average 5¢ to 6¢ a litre wholesale more than the United States. At the same time our hard-pressed refineries, under the previous agreements to share product with the United States, FTA, NAFTA, were selling gasoline 6¢ cheaper to the United States than they were receiving in Canada.

Those are the so-called mystery cents. Those are the facts that underlie and underscore the need to amend the Competition Act. It was not this member of Parliament, who was slightly before his own time. It was not the Liberal Party that sort of invented these things. The facts remain that the public policy forum, the Competition Bureau itself, among all the changes that need to take place, came up with three under formerly Bill C-19.

One was the general application for airlines. I will discuss that in just a moment. The second was turning pricing provisions from criminal to civil. The third one was about the need for an independent monitoring watchdog. Why do we need that? Simply put, Natural Resources Canada, which is the be all and end all in terms of pricing, relies on some companies like M.J. Ervin and Associates. Mr. Ervin is a great man. I met him before, but the companies he serves are in fact the oil industry. We have the proverbial fox monitoring the chicken coup.

•(1135)

I do not speak so disparagingly of a company trying to make business. I just do not believe it is fair for a country that has seen its consumers invest so heavily over the years in terms of providing energy self-sufficiency and building these refineries with taxpayer money to see these things suddenly decline and see prices in Canada, a nation blessed with an abundance of technology, of resources and ability, suddenly paying more than the United States when there is a crisis.

We talked about Hurricane Katrina. No wonder the Competition Bureau cannot find anti-competitive act if it hit it on the head. For seven, to nine, to ten weeks during that period of time, we were paying 10¢ a litre more in Canada than the United States, where the problem existed. I have no difficulty in telling people that we should be paying international prices for crude and for gasoline, but, for goodness sakes, 10¢ a litre more? Are we crazy?

The bureau thought so little of that and said that it did not matter that we paid the 10¢ because it found no question of anti-competitive behaviour. What it did not say is that it could not find the anti-competitive behaviour that allowed a handful of companies to charge

those kind of prices, which would not be acceptable in any other industry across the country.

I have had many discussions on this. We have worked on this over the years. We know what the solutions are. The Bloc motion simply crystallizes the very minimum, with which even I think some members in the industry agree. However, in the public, people like Wanda Hollis in Hamilton, Ontario, are leading the gas boycott. There is a perception, a belief, that what they are doing is stopping the companies from taking advantage of consumers. I wish great power to them to do that, but until we get the Competition Act correct, we will wind up with investigations that are predictably useless and predictably unnecessary.

I am getting tired of hearing from the media and others, who do not want to look at this, say that we will constantly wind up in the same pickle we are in. We will have an inquiry, but we will not find conspiracy.

Let it be perfectly clear. The Liberal Party and the industry critic, the member for Kings—Hants, do not believe that conspiracy needs to exist in an environment where we have regional to regional monopolies, in which Imperial Oil in Toronto sets the price. The wholesale price for gasoline at 4 o'clock in Toronto was 66.7¢ a litre, down from 67.8¢ the day before. The other three major companies simply followed that same price.

There is no incentive to break that monopoly. In fact, that price is 3¢ a litre above wholesale prices for the same gasoline we sell to the United States. We are only doing it to ourselves. We need a transparent, objective body to look at these prices and say whether consumers are getting a fair break or not. It is very simple to do.

Platts, Bloomberg Oil Buyer's Guide knows what the Canadian dollar is exchanged for every day and looks at the wholesale prices of gas in the United in the New York market, for example. We have a fair idea about what we are talking.

On that price, yesterday at the wholesale, it cost 3¢ to 4¢ a litre for a refiner to turn crude into gasoline. In fact, yesterday the mark-up was about 21¢ a litre, which is never explained anywhere. The media also has to help us here too. I do not want to hear what the price of crude is. I do not put crude in my gas tank, but I do put gasoline in that tank. I want to know what the price is, whether that is ethanol or a new product that comes out.

The reality is the blueprint of the Competition Act. It was written in a way that is deliberately flawed, which enhances monopolies, which has destroyed a lot of the ability for us to have competitive pricing in Canada. Parliament must act decisively and quickly with no more name calling or pointing fingers saying "they should have" or "they should not have". Let us deal with the specifics.

Today Canadians are being ripped off. They deserve an answer and they deserve a decisive response by the government and Parliament. I am prepared to support any initiative that goes in that direction.

Business of Supply

• (1140)

Mr. Colin Carrie (Parliamentary Secretary to the Minister of Industry, CPC): Mr. Speaker, my colleague from Pickering—Scarborough East indicated that under the conspiracy provision of the Competition Act, we needed to show damage to the economy and an abuse. I think he has his provisions confused. The conspiracy provision of the act requires the showing of an undue lessening of competition, not damage to the economy. The abuse provision is a completely separate section dealing with monopolization. I am glad I am able to clarify that.

I am curious to know where the member is getting his actual prices. He has said that we are paying a lot more in Canada. If we look at the retail price in Canada, excluding taxes, on April 17, we were 2¢ less than in the States. The same goes for a week later when we were less. In this past week we were up a little, but consistently we are very competitive.

Today's debate is basically about the gas prices. Could the member stand up and state the Liberal's policy on this? His leader has said that high prices are fine. I could quote his leader from numerous publications saying that high prices are a good thing. Where does the Liberal Party stand on this? Is it for higher prices or not?

Hon. Dan McTeague: Mr. Speaker, I do not know where he got his information from, but if he wishes to look at part V and part VI, they are both found under criminal provisions. Perhaps he would like to stop wordsmithing and understand the act. Maybe if he would read it, he would understand what he was saying, rather than asking questions that make no sense.

We have looked at all aspects of the criminal provisions in cases of conspiracy. It is very clear some are egregious and we should leave them criminal and some we ought to make civil. However, we have to find a better balance.

The member of Parliament is saying that the Competition Act works fine because we have had six inquiries, in which there is obvious need for change, as demonstrated by the bureau back in 2002. Perhaps there has been a change in leadership or perhaps it has been muzzled by the current leadership in the country. However, the reality for all of us is that the act no longer functions for the purpose in which it was intended.

We do not need more concentration. We need more competition. His constituents know that because I get a lot of calls from them and a lot of them have been hurt by the practices of this industry. We are in fact paying 3¢ more in taxes, on average 6¢ more, and the oil industry will recognize that.

Take the CPPI. It will say we have to pay more in Canada because it is worried about the Americans buying our gasoline products. Therefore, it is okay to charge Canadians an extra 20¢ a gallon. Rather than the hon. member asking cute questions, he should be focusing on how to protect his constituents and ensuring that small independents get a fair crack.

As to the question on the future, I thought I made it clear three times. Gasoline prices are the reflection of an act of a document that no longer works to serve the interests of Canadians. I explained to him, and I think made it very clear, that whether it is ethanol or any

other product we could substitute, if the same structure exists, then we will continue to see higher prices in a nation that is blessed with an abundance of resources.

Mr. David Tilson (Dufferin—Caledon, CPC): Mr. Speaker, I know the member worked on this topic when he was on this side of the House, and I respect his knowledge.

It is my understanding that the Competition Bureau, through the powers given it in the Competition Act, can investigate all factors that make up the per litre price of gasoline and that includes refinery margins. If there is any evidence or suspicion of anti-competitive behaviour or collusion, it can investigate it. However, from my understanding, to date no evidence has been presented.

Since 1990, and this has been stated by other members in the House, the Competition Bureau has conducted six major investigations into allegations of collusion in the gasoline industry and has consistently found no evidence of a national conspiracy.

Looking at all this information, it would seem to me that the Competition Bureau already has the powers that are being suggested through this motion. Is this motion redundant?

• (1145)

Hon. Dan McTeague: Mr. Speaker, the hon. member will know, from his days in the provincial legislature, that Doug Galt and Joe Tascona, and many of his colleagues, supported four square the proposals I had made to make changes to the Competition Act and they were not surprised that the Competition Bureau was not able to find any questions of conspiracy.

The threshold of determination of evidence and to determine an anti-competitive act under the criminal provisions is too high. The member and his Conservative colleagues from the province of Ontario would agree with me. I am not interested in putting these people in jail. I am interested in stopping their practice of putting small independents out of business and continuing to shut down refineries and important critical strategic facilities, thus allowing them to raise prices in a hair trigger-fashion the moment there is talk of some disruption around the world.

We are more vulnerable in Canada than other places, as I explained, such as Katrina and so many other instances. Even today the wholesale price of gasoline is higher in Canada than the United States. When we strip away the same gasoline, we strip away the taxes.

The hon. member knows full well that the price of gasoline today is now controlled by a handful of people who do not compete against each other. I want to make it clear for the member. When the Prime Minister ran in 2004, he said he would drop the GST after 85¢ a litre. That means, in effect, a savings at \$1.10 average across Canada of 5¢ a litre, not the one penny proposed under the GST.

We need to deal with this. The time for reform has passed. The fact that it did not happen means we are paying \$1.10 today. That is unfair. The hon. member should be on board, as he was when he was the provincial member in Ontario.

Business of Supply

Mr. Brian Masse (Windsor West, NDP): Mr. Speaker, it is a pleasure to talk about this issue and the Bloc motion, as amended. It is something I brought forth to the Bloc, with regard to having a watchdog agency, something which has been around since 1999, then reintroduced in 2003, the concept specifically through an industry committee report, a committee in which I participated.

This is very important. What we are talking about here is not necessarily the price of gasoline. It is about public policy and whether or not we should have public policy involved in this industry to some degree. That is something that is not foreign to this country nor to the United States and other countries abroad. There is some form of public policy that either protects consumers or works to advance the industry and protects consumers.

In Canada there are four provinces that have monitoring agencies that regulate the price of gasoline. They have decided to look for more stable markets in order that they do not have the wild fluctuations in prices. They would prefer as consumers to have some stability. Nothing is more frustrating to people than having to fill their gas tanks on the way to work and finding out that the price of gasoline has suddenly gone up 5% or 10%. There is nothing they can do about it. That type of speculation in that environment is something people want to have addressed to a certain capacity. That is why four provinces have chosen a model that includes public policy for that.

It is also not foreign to this debate here in the House of Commons. It is not even foreign to the federal government. The minister's own briefing book, of which I have a copy here, talks about the Competition Act and the challenges the Competition Bureau faces. The Minister of Industry received secret advice, something I have acquired through the Access to Information Act, that basically outlines the Competition Act and some of the challenges.

The government spokespeople today have been saying that there is nothing wrong with this, but that is not what the minister's advice has been. The minister's advice quite clearly identifies that the act is based upon an analysis done in 1969.

I asked a question in the House of Commons the other day. I noted that the Woodstock festival took place back in 1969. The Competition Act comes from an era of about 40 years ago which created the body and the logic and the analysis all based upon that. There have been some changes to the Competition Act since that time, but there are still problems with it. That has been identified in the advice to the minister and his own briefing book.

It talks about the fact that there could be a leadership role to protect consumers if it was in their interest to do so. It also says there should be a pursuit of legislative initiatives related to identity theft, as well as other issues that consumers are raising. It also talked about the global economy and the bureau not having the proper resources to do the job.

That is the advice the minister was given over a year ago. He was told that the bureau does not have enough money, that the world is changing and that the bureau does not have the resources to pursue what it should be pursuing for consumers. It goes on in terms of noting some of the problems it faces and some of the things that can be changed. It is important that public policy be involved.

Mr. Speaker, before I go on to the next section, I would like to advise you that I will be splitting my time with the member for London—Fanshawe. I appreciate the pages who were so helpful in that matter with props. It looked like an old Bob Dylan commercial when they had the signs out there for me.

I want to return to this debate and public policy. The United States has what is called the petroleum reserve. The Americans have an agency that is dedicated toward preserving a certain number of barrels of oil for the actual market and for strategic reserves.

It is important to note that in 2006, the Americans put in money into the oil reserve, around \$18.6 billion, to ensure that it functions properly for national security. President Bush has drawn on that to try to lower the price of gasoline. He has used that as an instrument to lower gasoline prices, something that has happened a number of times in recent years. He also rolled out a public policy for that.

The New Democratic Party has been calling for some form of public policy. That is why we believe the petroleum monitoring agency is the first step we could take to make sure there is accountability for consumers.

• (1150)

This industry has billions of dollars in profits. Recently the quarterly amounts came out with Imperial Oil at \$774 million, Petro-Canada at \$560 million and EnCana at \$497 million.

We are asking whether or not Canadians are paying a fair price at the pump. A petroleum monitoring agency gives the independent analysis and voice that is necessary. MJ Ervin & Associates accumulates the data and basically is the voice for the industry. I am not here to say that it does a bad job, but I can say it has a different perspective in terms of analyzing the data, reporting it to the public and rolling out new initiatives on accounting for that. It is different from having an actual agency that does that. That was something we agreed to in 2003. The industry, science and technology committee almost had unanimous support for such an agency. To this date we have not seen that come forward. That is why we would like to see that part of the proponent brought forth.

It has been interesting that when we look at the high commodity prices that we have right now, people automatically assume we are going to see the higher price of gasoline and a reduction in use. That has not been the case in Canada. The most recent information from Statistics Canada is when it did a yearly review in 2006. It talked about retail gasoline consumption. It noted that with the price of gasoline going up “the only concession drivers made to higher prices was to switch from premium to regular grade gasoline in each year”.

Consumers have decided that they cannot afford some of the higher prices. That is why we have been talking about the prosperity gap in Canada. Ordinary citizens are watching their wallets being squeezed day in and day out, but at the same time they have not seen their income rise to levels that are appropriate for their daily needs.

Business of Supply

We are supportive of reducing the dependency on gasoline as a product. It is a very important part of our public policy. For example, for a number of years I have been pushing for a green car strategy. At the same time we know there is a public vacuum and that with the increase in gasoline prices, consumers are going to abandon products that are cleaner and greener.

If we put them on the market but we over price them and allow the profit margin to continue to expand exponentially without questioning it, people will make choices that probably will not be very good. We will continue to have the growth of gasoline products at the lower end of the spectrum in emission standards and quality, at the expense of some of the higher brands, the ones we want to promote to citizens because they are cleaner and greener technologies. There cannot be this vacuum.

The member for Ajax—Pickering noted that the inflation rate is going up significantly. The consumer price index right now is skyrocketing. Consumers paid 2.3% more in March for their goods and services in the most recent data that is available. It was largely due to a strong increase in gasoline prices throughout the country. What ends up happening is that with the rise in inflation rates, people abandon the cleaner technologies that are available.

What is important in this motion is to create the needed elements for gas pricing that is going to be based around the Competition Bureau, making sure the refining margins are part of the public policy debate. The refining margins are very important. We have seen literally the dissolution of them over a number of years.

The most recent case is the Oakville refinery. This is an interesting case. Instead of Petro-Canada investing in this country in terms of the Oakville refinery, it decided to abandon it. When it was abandoned the company decided to import gasoline product from Esso. Recently there was a fire at its Sarnia refinery, and prices not only skyrocketed at Esso stations, but also at Petro-Canada because they are tied in with vertical integration. There is no competition. There does not have to be collusion; the fact is that this country has a lack of refining capacity and we depend upon a few key players in the market. With that type of a system we have to ask ourselves if we have the right public policy.

● (1155)

The industry, science and technology committee recently did a study on the manufacturing industry. We laid out recommendations to help the manufacturing industry. Gasoline prices have been hurting that industry. Energy prices have been putting us at a lower competitive level. There are rising export prices and the rise in the value of the Canadian dollar. Research and development in this country by the oil and gas industry is less than 1%. The industry is doing research and development everywhere else but here. That has to change.

The New Democratic Party is calling for a public inquiry. We will start by supporting the motion before us today. Hopefully we will see some fairness for consumers at the end of the day.

Hon. Dan McTeague (Pickering—Scarborough East, Lib.): Mr. Speaker, the hon. member for Windsor West has shown commitment to this issue, one of the most fundamental issues for Canadian consumers. He certainly brings not only a wealth of experience on this particular file, but also an understanding of where

we need to focus. I am glad to see that the New Democratic Party has taken this position.

The idea of collusion and conspiracy is an issue that has long since left us. We need to deal now with the dominant situation from region to region.

In terms of impact on his community, I wonder how he has been able to manage some of the issues that have surrounded the proposal of an independent petroleum monitoring agency, which I believe he made, and one which we made many years before. Would he do as the Ontario government and the Canadian government have done which is to compare Toronto with Buffalo where there is no refinery, or compare it just along the canal or along the border? Would he want to see something more extensive?

Mr. Brian Masse: Mr. Speaker, absolutely we would want to see something more extensive.

We need not only a short term analysis and monitoring, but also a long term analysis and monitoring. The monitoring agency could have the capacity to make some recommendations in terms of what we needed to do to bring better stability. That is the goal.

There are issues that we have not gone into in terms of speculation in this industry on the Chicago and New York stock markets. The member was quite right to note that there is often public discussion about the price of a barrel of crude oil, but not the actual refining aspect of it to any degree. We should start looking at that.

Most important, we need an extensive model and one that is going to report annually back to Parliament. People want that. It would also be helpful to the industry. It would know that the public was watching to make sure it was accountable. That would include everything on what the industry was doing, as well as what other markets were doing, such as in the United States and Europe.

● (1200)

Mr. Colin Carrie (Parliamentary Secretary to the Minister of Industry, CPC): Mr. Speaker, I listen to the Liberals, the NDP and the Bloc saying that they want lower prices for consumers and they want some stability. They are all standing together to support Bill C-288, which we know is going to raise the price of gasoline at least 60¢ per litre. Those members are saying they are really for consumers and they want to keep prices low, but the leader of the Liberal Party has been saying that Canadians and many of his own colleagues might cringe when they see the price at the pumps these days, but high gas prices are actually good for Canada in the medium and long term.

Does my NDP colleague agree with the leader of the Liberal Party? They seem to agree on a lot of things, such as Bill C-288. Does he agree that high gas prices are good for Canada in the medium and long term?

Mr. Brian Masse: Mr. Speaker, the parliamentary secretary is trying to twist the argument.

This is what the current Prime Minister said in the House when he was in opposition:

Business of Supply

Mr. Speaker, the Prime Minister will know that across the country Canadians are struggling with record gas prices. Canadian businesses are being hurt. Canadian consumers are burdened with the difficulties this is causing, but the government itself is rolling in record gas tax revenue.

Members of the Conservative Party accused the then Liberal government of the day of being the real beneficiaries of high gasoline prices. That is why they promised to freeze the price at 85¢. The Conservatives never delivered on their promise. If we are going to hear that message day in and day out from members of the Conservative Party, they should remember that they were the ones who said they would freeze it at 85¢.

There is a phone book full of promises that the Conservatives made as they questioned the Liberal government of the day. The Conservatives never acted on their promises. They are the ones rolling in cash right now. If the Conservatives are really interested in returning money to consumers, why do they not give it up and let them have it back today? The government could do that though an order in council. The Conservatives do not have to stand up and say the same things that the Liberals said in the past. If they wanted to, they could actually deliver on the promises they made to Canadians.

Mrs. Irene Mathysen (London—Fanshawe, NDP): Mr. Speaker, I would like to thank the member for Windsor West for sharing his time with me.

The rising price of gasoline is causing great concern to hard-working Canadians. New Democrats believe ordinary Canadians are being cheated at the gas pump every time they fill up their cars. It is unfair for working and middle-class families to be gouged at the pump while big oil companies continue to reap record profits. Many people have no choice but to drive to work. The record prices we are seeing today have become a significant pay cut to their families.

An independent watchdog needs to be set up to monitor prices and help protect against future gouging.

Today, Canadians find themselves trying to cope with uncontrolled rising gas prices because the Liberals and Conservatives consistently refused to act when gas prices spiked in the past.

For instance, a motion tabled in the House April 2005 would have created a petroleum monitoring agency. This motion was defeated when Conservatives and Liberals voted against the NDP and Bloc's efforts to implement the agency.

Federal legislation was also put forth by my colleague, the member for Windsor West, to create a petroleum monitoring agency. A similar bill was brought forward by NDP MLA John Horgan to regulate prices on a provincial level in B.C.

The Conservatives and Liberals have consistently supported the big corporations, whether they are banks, polluters or, in this case, oil companies. It is time to put fairness back into the way we behave so that there is money in the pocketbooks of consumers.

While consumers are paying sky-high prices, oil companies are making sky-high profits. As my colleague mentioned, the first quarter profits include the following: Imperial Oil/Esso, \$774 million; Petro-Canada, \$580 million; Encana, \$497 million. All the while, gas prices continue to rise all across the country. They spiked earlier this week, with a high of \$1.23 per litre in British Columbia.

Just like the phone and cable companies, oil companies and energy producers should have to justify and defend cost increases.

The Competition Bureau has already held hearings and nothing happened. In total, the Competition Bureau has held six major investigations into gas prices since 1990 and found that nothing that violated the Competition Act was present in any of those investigations.

This motion today calls for an inquiry which actually would help consumers and would limit what is happening.

The Competition Bureau has limited powers to investigate and compel evidence to be brought forward and in fact the bureau, by its own mandate, must keep major portions of the findings secret. We want Canadians to hear from the people who sell us gas and working families want to know why gas prices spike and what the industry thinks we can do about it.

On average, a public inquiry runs on a budget of about \$10 million. But after six investigations by the Competition Bureau, we still have no solid answers to the very real problem of rising gasoline prices. Ordinary Canadians expect more. Every month or two prices spike, sometimes to totally unreasonable levels. Consumers are seeing patterns, and we need to get to the bottom of this.

The House of Commons Standing Committee on Industry, Science and Technology has already held hearings and recommended, in November 2003, that a petroleum gas price monitoring agency be established.

That is just what New Democrats are calling for today. We need a gas price monitoring agency. That is the reason the NDP proposed to amend the Bloc motion to include the creation of a petroleum monitoring agency.

The oil and gas sector in Canada is dominated by big business. Due to rising oil and gas prices, the industry has become one of the most profitable sectors in the economy, with record profits for each of the last four years. With those record profits, we see an increase in power and influence. Even with these record profits, the industry has one of the worst records with regard to investment in research and development, with among the lowest as a percentage of revenue or as a percentage of profits of any industry.

Still, the industry receives special tax breaks for capital cost allowances that the Conservatives would phase out over the next eight years. That would be eight years of more tax breaks at the expense of Canadians. The industry receives close to \$2 billion a year in subsidies from the federal government.

Business of Supply

•(1205)

The \$2 billion could be used to fund an affordable housing program in this country. It could relieve poverty among Inuit communities across the north. The \$2 billion could be used to create a department for Status of Women Canada. The \$2 billion could create enough affordable child care spaces in Ontario. The \$2 billion dollars could be used to create a better stand of living for our seniors by initiating a national home care plan which would allow seniors to stay in their homes and communities and out of long term care facilities.

I am sorry I have digressed, but the scope of this misspending is just breathtaking.

As many in the House know, the oil and gas industry grew as part of government policy. At a time of low oil prices, extremely low royalty rates were established for the highest cost production in the oil sands, the much higher oil prices that led to enormous investment and development in production on a scale unseen in this sector. It has also led to an enormous environmental degradation and the generation of pollution.

The oil sands sector is the largest greenhouse gas emission source in the country and it also consumes vast amounts of clean water.

The time has come to eliminate the absurd royalty regime and establish what is fair. It is time to eliminate subsidies for this profitable industry. It is time to create the incentives for the industry to reduce its emissions and invest in greener technology and fuels of the future.

Rising gas prices hurt hard-working Canadians and their pocket-books. It is unfair for big oil companies to continue to make record profits while they squeeze consumers at the pumps.

Some people may ask: are not high gas prices an incentive to use public transit? Why would environmentalists want to make gas cheaper and increase consumption?

Transit is the key to reducing gas consumption. We are in favour of increased funding and infrastructure for public transit, but we will not take the approach that increased profits for big oil and gas companies are acceptable. It punishes working and rural families who sometimes do not have any other option but to use a car. These companies should be focusing on providing efficient fuels instead of gouging consumers.

The Conservatives and the Liberals are not protecting consumers. Rather they are letting the big oil companies reap a profit off the backs of hard-working Canadians. Big oil and gas get a billion dollar subsidy from government and all the time they are making record profits. It is simply not acceptable.

I would like to point out that when in opposition the Conservatives called on the federal government to cut taxes on gasoline. Yet, now they are in government and they flip-flop and refuse to implement their own suggestion.

It is very clear that what is necessary is an independent watchdog on gas prices to help protect against future gouging by the big gas and oil companies.

As I mentioned, the NDP proposed such legislation in 2004 and reintroduced it last spring. We could have had an independent watchdog already. This can work. Gas prices in P.E.I. are regulated by the provincial government and are generally lower than in the rest of Canada. Prices change only once a month.

In addition to introducing positive choices for Canadian consumers, the NDP wants to provide incentives for auto manufacturers to produce fuel efficient vehicles and for consumers to buy environmentally friendly cars.

Tax incentives should also be given to researchers to fund new fuel technologies and reduce our dependence on fossil fuels like gasoline. We need to do this as well as provide incentives for manufacturers to produce, and consumers to buy, more fuel efficient cars.

This is the approach that we should and can take. Someone should be on the side of the environment and someone should be on the side of hard-working Canadians.

•(1210)

Mr. Colin Carrie (Parliamentary Secretary to the Minister of Industry, CPC): Mr. Speaker, again I find it unbelievable that we see the NDP members actually standing up saying they want to fight for consumers, that they want to fight for lower gas prices.

The member stated throughout her speech that the NDP appears to have lost confidence in the Canadian market economy. We know that the NDP is on the record supporting the Liberal bill, Bill C-288, which we know, and the economists have put forward, will raise gasoline prices by about 60%.

Therefore, in Canada right now today we are looking at increased prices that could be close to \$2 per litre. If we did what the NDP wants today, that is what Canadian consumers would be up against. It is surprising to me because I wonder who actually does the NDP think it is fooling. I would like the member to clarify where the NDP long term approach is going to be.

The leader of the Liberal Party said, "High gas prices are actually good for Canada in the medium and long term". He said that in the *Calgary Herald*, August 24, 2005. We know that the NDP is standing with the Liberal Party and supporting Bill C-288 which we know is going to raise gas prices even further.

I want the member to clarify because I asked her NDP colleague this question previously. Does the member agree with her friend, the leader of the Liberal Party, that higher gas prices are good for Canada in the medium and long term? Could she state that on the record?

Mrs. Irene Mathysen: Mr. Speaker, I find it quite astounding that we hear all of this baffle-gab. The Conservatives know full well that they could lower gas prices right now by simply dropping the GST.

In terms of where the New Democrats stand, we stand with Canadians. We stand with Canadian families, hard-working consumers, and we want to narrow the affordability gap.

Business of Supply

Just last week we heard that Canadians are being squeezed, that 600,000 families in Ontario cannot manage and are struggling. We have a government that is not listening to Canadian families. It is certainly listening to the oil companies and their friends in the oil patch, but not listening to Canadians who are trying to manage and raise families in light of these incredible and ridiculous gas prices.

I would like to remind the member what his leader said on May 12, 2004. It is so long ago and yet it is strange how it only feels like a couple of years. He said:

Mr. Speaker, the Prime Minister will know that across the country Canadians are struggling with record gas prices. Canadian businesses are being hurt. Canadian consumers are burdened with the difficulties this is causing, but the government itself is rolling in record gas tax revenue.

The member has talked about hurting the Canadian economy. Other than the absolute irreconcilable cost of energy, what could hurt Canadians and the economy more?

• (1215)

Mr. Ken Boshcoff (Thunder Bay—Rainy River, Lib.): Mr. Speaker, the Prime Minister is on record as stating that after 85¢ a litre the GST would be dropped. That came out loud and clear many times during the campaign. Many candidates in this chamber and members of Parliament said it often and in fact threw it in people's faces.

The other campaign promise which the Prime Minister is known to have misled Canadians very seriously on is the double taxation on the excise portion. Does the hon. member recall any of these statements by the Prime Minister and whether she believes he was saying them in jest, in campaign irony or was he serious in the very least?

Mrs. Irene Mathysen: Mr. Speaker, in fact, I recall the promise that after 85¢ per litre there would be no more GST. I just heard some members in the Conservative caucus say that they did not get elected on that promise. That is weaseling out. I am sorry, I cannot accept that.

We heard a lot of promises from the Conservatives. They promised to support women and communities. They promised to provide child care and a lot of other things. We have seen none of that and clearly consumers in Canada are paying the price for that.

[*Translation*]

Mr. Michel Guimond (Montmorency—Charlevoix—Haute-Côte-Nord, BQ): Mr. Speaker, I would like to say first of all that I will be splitting my time with the hon. member for Shefford, who is the Bloc's deputy critic for industry. I want to thank him for letting me speak first because we had planned it the other way around.

It is my pleasure to rise today on this Bloc motion regarding a matter of vital concern to our economy: the surge in the price of gasoline. I can say, and it is probably true for all of us, that when we attend events on the weekend in our ridings or happen to bump into people in shopping centres or variety stores or even when getting a fill-up, we are often recognized by our constituents.

I do not know whether others have noticed, although it can hardly be missed these days and has been going on for far too long, but people are complaining about the sharp increase in the price of petroleum products. The government seems to take it for granted that

absolutely nothing can be done and the free market should simply be allowed to work the way the oil companies want.

We are going to have a holiday in May. In Quebec, the holiday on the third Monday in May is called the Fête nationale des patriotes. Elsewhere in Canada it is Victoria Day, and it used to be called the Fête de Dollard. The third Monday in May is a holiday, and today I would like to make a prediction: just before this long weekend starts, the price of gasoline will go up.

In Quebec, construction workers have a holiday the last two weeks of July. Many working people, and not just in construction, take their holidays at this time.

The weather is usually nice, although there are no assurances, and people take their holidays. They go all over Quebec and sometimes even drive to other Canadian provinces or the United States. People also take advantage of this period to go camping. So there is a lot of travel. Why, then, just before big vacation periods like this or the big summer holidays, does the price of gasoline always go up?

The government is trying to tell us that it is just chance or the free market. This is not the first time, however, that the government has shown its strong attachment or affection for the oil companies. Who benefits and who pays? In the end, it is honest citizens who pay for this, ordinary people who often have to use their cars to travel.

There is always public transit, of course, in the major centres. Unfortunately, in my riding in the Côte-de-Beaupré area, there is some public transit but the schedule does not necessarily suit everyone. It is the same story in Charlevoix and the upper north shore, where there is no public transit. People have to use their cars, therefore, in order to travel.

People in the regions have an additional problem. Major hospital centres offer specialized medical services, but to see a doctor in Quebec City, people from Forestville, in my riding, or La Malbaie have to travel. The same is true in other regions such as the Lower St. Lawrence, the Gaspé peninsula and Abitibi, where people need a vehicle to get around and to travel to larger centres for treatment, services or specialized medical consultations. They have no choice.

• (1220)

Another group affected by rising gas prices includes people who need a car for work. I am thinking about people who work hard and put in long hours for a miserable wage, sometimes earning \$1.22 an hour. I am also thinking about taxi drivers and employees of small private trucking companies who have had to cope with the huge increase in the price of diesel. It used to be that there was always a large gap between the cost of diesel and the cost of regular or super gas, but now that difference is much smaller. In fact, the prices are almost the same.

Business of Supply

When trucking costs go up, producers and processors tend to pass the higher gas prices on to consumers. There is a common thread running through all the examples I have given: ordinary Canadians are still paying the tab and the big oil companies are still profiting from these gas price increases.

Before, we were told that there was instability in this or that oil producing country or that such increases were expected. Apparently, the gas people put in their cars on their way home today was processed over 60 days ago. So how is it that this morning, prices rose almost instantly even though refiners paid for today's gas 60 days ago?

These examples are proof of a major con job on the part of the oil companies. I want to be clear: when I say these things about oil companies, I am not blaming retailers or the people who operate stations for big companies, such as Petro-Canada, Shell and Esso. When people fill up, they might tell the attendant that this is crazy and ask why the price of gas just went up 10¢, but the price increase does not mean that the retailer is making more money. Some gas stations that also have mechanic shops have decided to get rid of their gas pumps because there is no money in it.

Rising profits do not trickle down to gas station owners; they line the pockets of big oil companies, which rake in huge profits on refining. Apparently, refining margins were supposed to be on the order of five to seven cents, but we have seen profits as high as 23¢. It seems to me that I read somewhere that big oil companies have been making as much as 27¢ a litre on refining.

I see that I have less than a minute remaining, so I will conclude by saying that this government, which takes so much pride in saying that it listens to taxpayers, must accept its responsibilities. I urge citizens living in Conservative ridings to ask their members of Parliament how they plan to vote on the Bloc Québécois' opposition motion and what they really intend to do to stop oil companies from getting rich at the expense of taxpayers who have had enough of rising gas prices.

• (1225)

[English]

Mr. Colin Carrie (Parliamentary Secretary to the Minister of Industry, CPC): Mr. Speaker, at the end of the member's speech we heard the grandstanding and the feigned outrage at gas prices.

I would like to ask the member to actually come clean with the people of Quebec and the people of Canada about what his real purpose is here today. What we are doing today is debating an irresponsible motion. If the Bloc had done its homework on this motion, it would have seen that the Competition Bureau already has the power to do what the motion asks.

We could be spending time in this House debating more important things, things that Canadians want to hear about, but no. The Bloc Québécois has brought forth a motion that the Competition Bureau already has the power to enforce.

What is the Bloc's agenda here? Let us look at the Bloc Québécois proposal for dealing with soaring oil prices, in its own words from its platform. It actually says that the Bloc would levy a surtax on oil company profits and increase the corporate income tax paid by oil companies by \$500 million. Where does the hon. member think that

will go? If that tax is put in, the consumers will be paying more taxes.

On top of that, on the environment the Bloc Québécois believes what the leader of the Liberal Party says. I want the member to come clean on the record on whether he agrees with the leader of the Liberal Party that high gas prices are actually good for Canada in the medium and long term because that is what he is saying today in the House. If he could come clean with the Canadian public, I would really appreciate it.

[Translation]

Mr. Michel Guimond: Mr. Speaker, I know that the tactic or strategy of the Conservatives consists in constantly saying that the Competition Bureau does investigations. This week, answering a question asked by the Bloc, the Minister of Natural Resources said that there had been many investigations to check if there was collusion between oil companies.

Mr. Speaker, please explain something for me. There are very busy commercial streets in your riding. At some intersections, it is not rare to see four gas stations: one Esso, one Petro-Canada, one Shell and one from another company. How come when one station raises its price by 5¢ a litre, it only takes a few minutes for the other three to do the same? Is this real competition?

The guy who sells refrigerators or furniture in your area does not raise its prices when his competitor does. If he wants to remain in business, he must keep his prices as low as possible to convince you to buy in his store. Why do the four gas stations raise their prices at the same time? That shows that there is collusion. Those companies all sleep together. In fact, refining is done by only one company for a whole region. In Quebec, one company does the refining, in the Maritimes it is another one and in Ontario, there are others too.

So, to give a specific answer to the hon. member, I will say that we need a real petroleum monitoring agency that has teeth and is able to take action.

• (1230)

The Acting Speaker (Mr. Royal Galipeau): I want to mention to the hon. member for Pickering—Scarborough-East that there are 30 seconds left for the question and 30 seconds left for the answer.

Hon. Dan McTeague (Pickering—Scarborough East, Lib.): Mr. Speaker, I know the member is quite aware of the situation, but instead of saying "collusion", perhaps he might explain specifically to this House the importance of the amendment that we proposed to the Bloc Québécois to make prices subject to civil penalties. What positive impact would this have on creating other competitive advantages at the refinery level? Does he expect that more people would join this industry to provide oil to our country?

Business of Supply

The Acting Speaker (Mr. Royal Galipeau): The hon. member for Montmorency—Charlevoix—Haute-Côte-Nord has only 20 seconds to answer.

Mr. Michel Guimond: Mr. Speaker, I know that my colleague from Pickering—Scarborough East has been interested in this issue for a number of years. However, when he was in government, it was difficult to know which side his bread was buttered on. It was difficult to—

The Acting Speaker (Mr. Royal Galipeau): The hon. member for Shefford.

Mr. Robert Vincent (Shefford, BQ): Mr. Speaker, the people in my riding are asking themselves some serious questions. A year ago, a barrel of oil was worth \$73, and gas sold for \$1.06 at the pump in Quebec. Today, gas sells for \$1.15, while the price of a barrel of oil is much lower, at \$61. If a barrel was worth \$73 a year ago, how is it that a year later, when it is \$61 a barrel, we are paying more for a litre of gas? The difference lies in the refining margin. While a reasonable refining margin is 4¢ to 7¢ a litre, last March and April it was over 15¢ a litre. As well, it climbed to 23¢ a litre last week, four times the reasonable margin.

There are four factors that can explain the rise in gas prices: the price of crude oil, the refining margin, taxes and the retail margin. The latter varies from 3.5¢ to 6¢ a litre, depending on the region. Apart from that, the retail margin is stable.

Some will say that this is because of taxes, but taxes are also stable: the excise tax is 10% and the GST is 6.5%. The same is true at the provincial level. Taxes are not what make oil prices fluctuate.

Refining, on the other hand, is a different story. To reduce their costs, the oil companies have closed a number of refineries, and as a result have been able to increase their production capacity. The gap between supply and demand has narrowed, and so the slightest weather-related or technical problem leads to a price increase to maintain the balance between those two factors.

As my colleague from Montmorency—Charlevoix—Haute-Côte-Nord said, long weekends and vacations are not unforeseen events. And yet the oil companies do not seem to be able to prepare for them. One would think they were unaware that such events will occur and the price will fluctuate. And yet every year, and every time there is a vacation period or statutory holiday, we see their prices go up.

Can we imagine a small businessperson failing to keep any inventory in the lead-up to Christmas, and then claiming scarcity to raise prices? He or she could do just that; that is what we are experiencing, and yet it is the oil companies doing it. Because they sell an essential product and there is little competition, they make off with it all, while we depend on them.

We can conclude that the inability of the refining industry to overcome the slightest hitch is responsible for recent increases. Is that situation intentional or not? We do not know, because the Competition Bureau does not have the tools that would enable it to carry out a serious, complete investigation; and that is the reason for our motion today.

One thing is certain, however: the structure of the oil industry encourages precipitous price increases and provides the opportunity

for abuse. That is why it must be monitored. In Halifax, Esso refines for all the companies; in New Brunswick, it is Irving; in Quebec City, it is Ultramar; and in Montreal, it is Petro-Canada and Shell. The refineries have all cut their gasoline supplies, and in so doing have caused the price to climb about a month earlier than usual.

However, the oil industry is making huge profits. Some may say that the oil companies are not making money, but let us look at the profits they are making. Petro-Canada made a net profit of \$590 billion in the first quarter, which is twice as much as the \$206 billion it posted last year. It doubled its profits in a year. ExxonMobil took in an enormous net profit of \$9.3 billion for the first three months of 2007 alone, which is a 10% increase over the same period last year. However, its sales were down 2% because the market price of oil went down. As I was saying earlier, the price per barrel of oil went from \$73 to \$61.

How was ExxonMobil able to exceed the record profit of \$39.5 billion it posted in 2006? Thanks, in large part, to its refining margin which increased substantially. If the price per barrel of oil goes down, the oil companies lose a bit of money. They then increase the refining price in order to more than compensate for any loss.

• (1235)

The gas crises may be a result of lack of competition in the oil industry. The three largest refiner-marketers have 75% of the market share. The five largest represent 90% of the market. The net profits combined of the six major integrated oil companies in Canada, Imperial Oil, Shell Canada, Husky Energy, Petro-Canada, EnCana and Suncor, reached \$12 billion in 2006. In three years, they doubled their profits. It is incredible. The net profits of the entire oil industry have gone from \$17 billion in 2003 to \$20 billion in 2004 and \$35 billion in 2006. That is a 100% increase. After all that, they complain when we want to take back a bit of that money. Give me a break!

Furthermore, the oil companies that are investing in tar sands development in Alberta—the representative of the governing party and especially the Parliamentary Secretary to the Minister of Industry were wondering about that—can deduct 100% of their investments from their income from the first year onwards. They can invest a dollar and deduct it the same year. It does not cost them much; things are going all right for them; life is beautiful.

A recent study prepared by the Canadian Association of Petroleum Producers did a three-year projection of the impact of all the tax breaks given to oil companies. I am talking about breaks, but we could call them gifts. In 2005 they paid \$5.1 billion in taxes; in 2008 they will pay \$2.3 billion. The income tax they pay has been cut in half. These are tax breaks from this government. We have to get our feet back on the ground. This is a federal income tax reduction of 54%. I would like all the citizens of Quebec to receive such tax reductions, not just the oil companies. The Bloc Québécois has often criticized these tax breaks for oil companies, but no one has made a move. It is time to do so now.

Business of Supply

There are proposed measures for disciplining the industry. First of all the Competition Act must be strengthened. I am going to target the Parliamentary Secretary to the Minister of Industry again. Because he misunderstood, I am going to explain to him so that he understands. The Competition Bureau cannot conduct an investigation on its own initiative; it must receive a complaint or a request from the Minister of Industry, who will doubtless be asleep again, since has been asleep at the switch all this time.

The Competition Bureau is sorely lacking in powers when it conducts a general review of the industry: it cannot summon witnesses. How can it operate? The bureau cannot even summon people as witnesses to find out whether there is any collusion. That is not right. It cannot ensure their protection so as to get them to talk. They cannot even be summoned, they cannot even be protected so that they will tell the truth. And then we are told that the Competition Bureau can do its work. Somebody should wake up. There is something missing here.

Without these tools, it is almost impossible to prove collusion or any other anti-competitive practices. And even when competitors reach an agreement, the burden of proving collusion is on the Competition Bureau. Imagine that! This is a long way from burden of proof reversal. But that is what is being asked for.

We must reinforce the Competition Act by giving real powers to the Competition Bureau.

Near the end of its mandate, the Liberal government introduced Bill C-66, which was for the most part inspired by a comprehensive plan tabled one month earlier. That bill died on the order paper. Why? Because, once again, the Conservatives did nothing.

When Konrad von Finckenstein, the competition commissioner, appeared in front of the Standing Committee on Industry, Science and Technology on May 5, 2003, he identified the following shortcomings in the Competition Act:

—while the bureau's mandate includes the very important role of being investigator and advocate for competition, the current legislation does not provide the bureau with the authority to conduct an industry study.

It seems to me that it would be preferable to have a study on the overall situation carried out by an independent body that would have authority, that would be able to summon witnesses and gather information. It should also have the power to protect confidential information that someone is not necessarily going to want to share, but which would be vital in order to reach a conclusion based on the real facts.

Hence, the motion from the Bloc:

That, in the opinion of the House, the government should move an amendment to the Competition Act so that the Commissioner of Competition have the power to initiate investigations of the price of gas and the role of refining margins in the determination of the said price.

• (1240)

[*English*]

Mr. Colin Carrie (Parliamentary Secretary to the Minister of Industry, CPC): Mr. Speaker, I want to clarify that the Competition Bureau can initiate its own inquiries. Last year it initiated over 75 cases. In the price-fixing case last year on fine paper it prosecuted successfully for \$32 million.

The member stands and feigns outrage as if the Bloc Québécois wants to keep gas prices down for the people of Quebec and Canada. The Bloc's environmental platform is to increase the price of

gasoline by least 60¢ per litre, which means that today Canadians would be paying between \$1.60 and \$2 per litre for gasoline.

The Bloc's platform says that it would increase corporate income taxes paid by oil companies by \$500 million. We know this. That is what the Bloc Québécois stands for. Who would pay for that? The consumers would be the ones paying for these expensive policies of the Bloc Québécois.

I have been trying to get the Bloc to come clean and let the people of Quebec and all Canadians know where that party actually stands on gas prices.

We know that the leader of the Liberal Party is on the record saying that high gas prices are actually good for Canada in the medium and long term. We know that the Bloc Québécois has an environmental program that will increase the price of gasoline per litre. We know that in the Bloc's platform it wants to increase levies on oil companies by a half a billion dollars.

Will the member do the right thing and stand up and tell us whether he agrees with the leader of the Liberal Party on higher gas prices for Canadians, or will he just stand there and pretend that he is fighting for the consumers of Canada?

[*Translation*]

Mr. Robert Vincent: Mr. Speaker, the Conservatives are still playing the fearmongering game. They say, "If we do that, prices will go up and, again, it will be the consumers who will have to pay". This is just fearmongering to protect oil companies. The member says that the Competition Bureau has all the powers. That is strange. I will remind him of what the then competition commissioner, Konrad von Finckenstein, said when he appeared before the Standing Committee on Industry, Science and Technology on May 5, 2003. Here is what he said about the flaws he saw in the Competition Act. I am not inventing this. It did not come out of nowhere. He appeared before the committee and said:

—while the bureau's mandate includes the very important role of being investigator and advocate for competition, the current legislation does not provide the bureau with the authority to conduct an industry study.

Is this clear enough? I am not inventing this. That is what the competition commissioner said when he appeared before the committee. He further said:

It seems to me that it would be preferable to have a study on the overall situation carried out by an independent body that would have authority, that would be able to summon witnesses and gather information. It should also have the power to protect confidential information that someone is not necessarily going to want to share, but which would be vital in order to reach a conclusion based on the real facts.

It seems pretty clear to me. I think the witness who told us that is very credible. He knows what he is talking about. And yet the member just told us that the Competition Bureau has all the powers. I do not believe this is the case. It is lacking certain powers. The motion is aimed at correcting that so it has more powers to shed some light on what is going on with the price of gas.

Business of Supply

• (1245)

[English]

Mr. Ken Boshcoff (Thunder Bay—Rainy River, Lib.): Mr. Speaker, it has been pointed out that the Competition Bureau has the authority to do all these investigations and yet when many of the regions and small communities in Canada have made overtures when they have seen the huge price differentials between the outlying regions and the large centres, the Competition Bureau simply pays lip service. It comes back saying that there is no collusion and that there has not been any gouging. However, people who live in areas such as northwestern Ontario, and I am sure your own region, can see it very vividly every day.

In support of the motion, I am asking you if you have any record of any effective work done by the Competition Bureau that has actually achieved some exposure of this gouging?

The Acting Speaker (Mr. Royal Galipeau): The hon. member for Thunder Bay—Rainy River, when addressing the House, should refer to a member in the third person through the Speaker.

[Translation]

There are 12 seconds remaining for the answer.

Mr. Robert Vincent: Mr. Speaker, the Competition Bureau is indeed doing a very good job with the tools it has right now. It is unable to determine if there has been a collusion. By giving more tools to the Competition Bureau—

The Acting Speaker (Mr. Royal Galipeau): Resuming debate. The hon. Minister of Industry.

Hon. Maxime Bernier (Minister of Industry, CPC): Mr. Speaker, I am pleased today to speak to the motion from the Bloc Québécois.

Mr. Speaker, I must inform you that I will share my time with the member for Lotbinière—Chutes-de-la-Chaudière.

I am well aware of the concerns about the price of gasoline expressed by Canadians, Quebecers and the people of Beauce. Canadians work hard to earn a living. They work hard to have a healthy economy. The high price of gasoline is a financial pressure felt by all Canadians.

People must know that the price of gasoline is determined by the market, by the free market, and as far as we can see, the price of gasoline reflects at this time the changes in market conditions such as the increase in the price of a barrel, but mostly the low reserves in North America.

The increase in the demand combined with supply problems—yes, there are indeed supply problems—due to the maintenance of some North American refineries and even due to fires in some refineries in Canada and in the United States are partly to blame for the decline in the reserves.

We know very well that the Bloc members do not want to let the market work. As usual, they want government intervention. The Bloc members should know by now that controlling the economy, as Ronald Reagan said in one of his famous speeches, ultimately means controlling people and controlling Canadians. This government is in favour of the free market and prices in the petroleum industry that reflect market conditions. In contrast to the Bloc member, who

would like a controlled economy, we are opposed to any socialist intervention in this sector.

The Commissioner of Competition is not responsible for determining how much profit companies will make. Companies are free to set their own prices in light of demand and their costs of production. Business people in this country work very hard to earn a living and make a profit. We have a capitalist system. Profits are healthy and generate further economic development. Businesspeople deserve to reap the fruits of their labour.

The spirit of the Competition Act is to maintain and promote competition in Canada. We want an efficient economy that is able to adapt to globalization. The Competition Act exists as well to ensure that small and medium-sized businesses participate fully in the development of the Canadian economy. It is also important to remember that the act does not apply to only one sector of the economy. It does not apply just to the oil industry. The Competition Act is there to stimulate market forces. Prices in all markets go up—certainly they go up sometimes—but they also go down.

Over the last few months, the price of gasoline went down at the pumps. Now we are seeing it go up, but in a few months, market forces should bring it down again because of a number of factors, some of which are predictable and some not.

Even though prices sometimes increase, I believe it is preferable to allow market forces to play their role rather than to increase state control of the economy. Sometimes, some companies may exhibit anti-competitive behaviour. It is important to keep that in mind. It is also important to have a Competition Act that works to eliminate that type of behaviour in Canada. That is the point where the Competition Bureau must intervene: when a company, regardless of its area of activity, acts in an anti-competitive way.

As Minister of Industry, I am convinced that the Competition Bureau will intervene very quickly if there is any suspicion that a company is not obeying the law. It has done so in the past and it will do so in the future. Competition Bureau investigations have led to 13 prosecutions relating to the price of gas and heating oil and there have been eight convictions.

I can assure you that the Competition Bureau follows the activities of the oil and gas industry very closely. It analyzes all the data available in Canada, in the United States and elsewhere in the world. In addition, it has carried out six major inquiries into the oil and gas industry.

• (1250)

It has made public reports on its investigations and it has never found any evidence that an increase in the price of gas could be attributed to any national conspiracy on the part of the oil companies. It has never found any evidence of collusion between the oil companies in terms of price fixing.

Business of Supply

By introducing motions such as this one, the Bloc is only demonstrating once again that it is useless here in Ottawa. I really wonder what led the members of the Bloc Québécois to launch this debate in the House this week. If I may be permitted a guess, we know that war is being waged within the sovereigntist camp since the crushing defeat of the Parti Québécois, on March 26. Not a single day goes by without more news of the battle between the leader of the Bloc Québécois and André Boisclair, the leader of the Parti Québécois.

By introducing this useless motion this week, the leader of the Bloc Québécois wants to distract the attention of the media who have been interested in this dispute in the sovereigntist camp for several days already. However, there is at least one positive aspect to this business; the leader of the Bloc Québécois appears to have finally understood that he is useless in the House of Commons and that the Bloc Québécois is useless in Ottawa. So now he wants to move to Quebec City. The leader of the Bloc is jockeying with his friends to take over the leadership of the Parti Québécois. During this time, the leader of the Bloc Québécois in the House is doing everything within his power to succeed him.

The fact is that Bloc members are not concerned about the price of gasoline this week; they simply want to deflect attention. The Bloc has been in a state of crisis since March 26. Sovereigntist supporters are calling on the party to pack up. Meanwhile, the member for Repentigny here states in the media and outside the House that he is bored in Ottawa. Clearly more and more Bloc members are wondering why they are in Ottawa. They are realizing that they have not managed in any way to influence government policy over the past 15 years. They are recognizing their impotence.

Before I conclude, I must point out the Bloc's inconsistency in the matter of gasoline prices. I would point out that Bloc members unconditionally supported Bill C-288, introduced by the Liberal member for Honoré-Mercier. Should the bill become law, as the Bloc wants, the price of gasoline would skyrocket. A number of analysts have said the price would vary between \$1.60 and \$2.00 a litre.

The members of the Bloc Québécois then have the gall to say that they defend the interests of Quebeckers in this House. Increasingly, Quebeckers are realizing that the Bloc members promote their own interests first, ahead of those of Quebeckers. I would add that Quebeckers are lining up behind our Prime Minister in increasing numbers because they can see that our party best defends the interests of Quebeckers in this House. Among other things, our government has put an end to the fiscal imbalance, has acknowledged that Quebeckers form a nation within a united Canada and has lowered income tax, which we will continue to do.

These are specific actions, not empty words. Action is what Quebeckers and Canadians want.

• (1255)

Hon. Dan McTeague (Pickering—Scarborough East, Lib.): Mr. Speaker, I find it sad that the Minister of Industry used only half of the time allotted to him to talk about the gasoline crisis that many consumers are going through.

Since he became a minister—we have seen this in telecommunications and other areas—prices have increased every time he has

relied on market forces. I also rely on them, but I see that there are no solutions.

[*English*]

Does the hon. minister agree? I have heard these speeches before, even from my own ministers of industry, and they finally realized they were wrong. The Competition Bureau said in 2002-03 that as a minimum it had no difficulty with pricing provisions going from a criminal to a civil burden, particularly for predatory pricing and price discrimination, which is what got us into this problem to begin with.

Prices have gone up. Does the minister take the time consider what the price of gas will be tomorrow?

On the two propositions made by my colleagues and by the NDP, would he at least agree with the wisdom of the previous competition's leadership and agree to those changes to ensure that Canadians have transparency as opposed to simply relying on what he calls market forces and allowing whoever it is to set the prices? The fact is that there is a 3¢ difference between us and the United States, ex tax. Will the minister act today to protect the interests of consumers? Or are we going to hear more lip service and the same line from the same department?

[*Translation*]

Hon. Maxime Bernier: Mr. Speaker, I would like to take this opportunity to explain why the price of gasoline is at this level today in Canada. Quite simply, it is because of the famous law of supply and demand.

Currently, United States gasoline inventories, that is supply, are at their lowest level in 10 years. In May 2007, they were at around 190 million barrels, while in May 2006, they were at 210 million barrels. Thus, we see that inventories are extremely low, something we have not seen in 10 years. Consequently, Americans and Canadians have to rebuild their inventories.

Demand is also very high, and we will see this in the coming months. Why is the inventory so low? Because it is being depleted, since there have been some fires in refineries. Moreover, very old refineries in the United States require regular maintenance, which forces production shutdowns. The inventory that is being sold is the inventory the Americans have. It is being depleted and we see that it is at its lowest level.

Inventories are currently being rebuilt. Since the capitalist system has always worked well, to ensure that supply and demand are balanced, when there is a shortage, prices increase, and when supply is very high, prices decrease.

I can assure members that in the next few weeks, oil prices will go down again, as we have seen in the past. This situation is only temporary, since there is global competition for oil.

Mr. Robert Carrier (Alfred-Pellan, BQ): Mr. Speaker, I take some offence with the Minister of Industry taking half the allotted time to reject the democratically expressed will of the people in choosing their representatives.

Business of Supply

This does not surprise me however. Controlling the gas prices through a more rigorous body is in keeping with the objective of the people, who believe it is unfair for them to be taken hostage by big oil companies and to see no competition at all. We are being denied the benefits of the free market, and this is what we would like to change with our motion, at last. We believe in the free market, and not in the control by corporations.

• (1300)

Hon. Maxime Bernier: Mr. Speaker, I would like to note, for the benefit of my honourable colleague, that socialist decisions do not work. History has shown that controlling prices and the economy is in fact a way of controlling human beings. I believe in the men and women of this country, in the free market and in individual freedom.

That is why having yet another body to control people or the economy would not be useful. The Competition Bureau is already doing its work very well. It has proven so in the past through actions which have been beneficial for everyone. I am confident that its future actions will be just as beneficial.

Mr. Jacques Gourde (Parliamentary Secretary to the Minister of Natural Resources, CPC): Mr. Speaker, I am pleased to have the opportunity to take part in this debate. There are few issues that Canadians care about as much as the price of gas, except, perhaps, the weather. Whether it is at the office or at the local eatery, everyone talks about it. Everyone has a theory on why the price of gas is so high. Governments are blamed, both Canadian and foreign, and oil companies are also accused.

Canadians are entitled to ask themselves questions and to be upset. After all, these high prices hit everyone of us where it hurts the most, that is in our wallet.

The new Government of Canada is committed to helping Canadians reduce their gas consumption, and thus save money and protect the environment. We think it is possible to achieve real progress regarding the environment, without jeopardizing our growth.

However, that is not the Bloc Québécois' way of doing things. It cannot do anything constructive. In fact, the Bloc Québécois voted for a plan that will increase gas prices, a plan that will add to the tax burden of Canadian families. According to leading economists, the Liberal plan would trigger a 50% increase in hydro costs. As for the costs of heating homes with natural gas, they would basically double from what they are right now.

However, the debate must go beyond laying blame and throwing accusations. Increasingly, Canadians have the desire and the determination to act individually to fight price increases, and our government is helping them make informed energy choices.

The public is receptive. In a survey conducted last fall, three out of four respondents said they were very or quite interested in receiving information on how to reduce their energy consumption at home or on the road. We can do many things to reduce the impact of the price increase. The government is also taking many initiatives, and this is what I want to stress today.

The price of gas is not the only factor that has an impact on our energy costs; there is also the way we drive. The government has published on the Internet a whole range of useful tips on buying,

driving and maintaining a vehicle, tips that can help Canadians save money and gas while reducing greenhouse gas emissions. These tips include respecting the speed limit since driving at 100 kilometres an hour instead of 120 kilometres an hour increases fuel efficiency by 20%; planning one's travel; using public transit as much as possible; avoiding idling; and ensuring that tires are properly inflated.

Our energy efficiency programs help people save energy and reduce their costs as well as their greenhouse gas emissions. These programs can also reduce air pollution and make Canadian businesses and industries more competitive. They also contribute to the safety and reliability of our energy network by reducing the demand for energy.

Our energy efficiency programs target all sectors of our economy: real estate, industry, transportation and people. They are based on partnerships, which means that we get more value for the money invested by the federal government when we work with other partners. These programs also provide tools and networks to which the provinces, territories and public utilities can add value or which they can use to meet the objectives of their own regional energy efficiency programs.

We are using various approaches to offer our energy efficiency programs to Canadians. Our information programs advise energy consumers about the benefits of energy efficiency and renewable energy. They help people familiarize themselves with and accept the technologies and related practices, which leads to their use. Our voluntary action programs support efforts made by individuals to consume energy more efficiently by inviting flagship businesses in the private sector to show leadership and by encouraging them to set and meet energy efficiency targets.

• (1305)

We are using regulations that set minimum performance standards in order to eliminate less energy efficient products from the market. Through better management of our fleet and strategic purchasing that draws on green energy, we are teaching by example and showing Canadians that we can demonstrate leadership on the energy efficiency front. Significant improvements in energy efficiency in all sectors of the economy are directly attributable to our programs.

Canada has more products subject to the Energy Efficiency Regulations than any other country. The last amendment to those regulations alone is expected to enable consumers to achieve net benefits totalling \$47 million by the year 2010. Refrigerators that need only 25% of the energy consumed by a refrigerator in the 1970s are currently available on the market.

We support the construction of new ethanol production facilities, and this calls for major financial commitments by the private sector. This initiative will assist in expanding the production and use of ethanol fuel in Canada.

Business of Supply

We are working with industry so that it can improve the energy performance of its activities, under the Canadian Industry Program for Energy Conservation, a unique industry-government partnership.

One day, that performance will play a key role in the concrete measures to be taken by the Government of Canada to ensure that we all enjoy clean air, uncontaminated land, clean water and clean energy. Concrete results lie at the heart of what our government is committed to delivering.

It is important that Canadians conserve energy by improving energy efficiency in everything they do, whether in operating a business, driving a car or building a house. Improved energy performance makes absolute sense in both economic and environmental terms.

Energy conservation and performance are important components of any realistic and effective Canadian solution for reducing greenhouse gas emissions in a sensible way for all Canadians. To accomplish this, we must coordinate our efforts. All levels of government, whether federal, provincial or municipal, must be involved, and industry and communities must fall into step.

Although we know where the limits to our powers lie, we also know that by working together we can achieve much greater success than by working alone, each of us in our own corner. I hope that the House will agree with me that a new era of cooperation between the federal and provincial governments on natural resource policies will provide Canadians with unprecedented prosperity.

The development of new technologies is one of the primary areas where we can join forces. Innovative and ground-breaking technologies are the key to Canada's future when it comes to natural resources. The natural resources industry is a high tech industry, and it is Canada's technologies and know-how that have made Canadian business so competitive on the world market. The truth of this can be seen in the resource exploitation technologies that Canada supplies to the rest of the world.

• (1310)

[English]

Mr. John Cannis (Scarborough Centre, Lib.): Mr. Speaker, I have a very simple question for the parliamentary secretary.

Today we are talking about outrageous prices and the fact that the oil and gas companies are gouging and ripping off Canadians. Given that during the most recent campaign the new Conservative Party promised to uphold the Kelowna accord, the Atlantic accord, the income trust file and the Canada Ontario infrastructure deal, all of which it reneged on, I have one simple question.

The Conservatives also made a commitment during the campaign that if gasoline prices went out of control, they would eliminate the GST on anything above 85¢ per litre.

Could the Conservatives at least hold to that promise simply because today gasoline prices have risen an average of 40¢ per litre since the new government took over, which is \$1.60 per gallon, gouging beyond words? These oil and gas companies, in my view and on behalf of my constituents, are not acting as good corporate citizens, unfortunately, but that is a different story.

Would the Conservatives at least keep one of the promises they made during the campaign which is that no GST would be charged on gas above 85¢ per litre? Will they at least keep that one promise?

[Translation]

Mr. Jacques Gourde: Mr. Speaker, I will be happy to answer the question asked by my hon. friend.

The proof is also in the new technologies that have been developed to use resources in a more efficient and a more environmentally friendly way. For example, green coal technologies will allow Canada to fully mine its immense coal reserves. Finally, everything that relates to alternative energy sources is proof of what I say.

Our government recently announced that it will adopt regulations requiring that by 2010 gas sold in Canada contain 5% renewable fuel, such as ethanol. More than 2 billion litres of renewable fuel will be added to the Canadian gas reserve to meet the new requirement. Our strategy is based not only on the increased use of renewable energy in our transport industry, but also on the domestic production of those fuels, the impact on our agriculture sector, and even on the potential of forest residues for the production of fuel for transportation.

Our government is taking concrete measures on several fronts to address the rising price of energy. While the Bloc and the other opposition parties are making proposals that would cause a dramatic increase in gas prices, our government is acting to protect our environment and our economy.

Ms. Denise Savoie (Victoria, NDP): Mr. Speaker, today, we are talking about the price of gas and the member answered a question by speaking about energy efficiency programs. That could be an excellent answer if they were true energy programs. However, they are not. What the Conservative government gave Canadians were symbolic measures. For example, we hear about intensity targets for the exploitation of tar sands, we hear about increased ethanol use, we hear about an agricultural subsidy. The Conservative government has started talking with the Americans about doubling our oil exports to the United States.

When will the Conservative government introduce a real energy policy to clean energy and make it affordable for all Canadians?

• (1315)

Mr. Jacques Gourde: Mr. Speaker, I am happy to reply to my colleague. Our balanced approach for producing new fuels will help the fuel industry become more competitive. Prices will thus be allowed to decrease. A balanced approach is very important to secure the energy resources of Canada.

Business of Supply

Mr. Mario Laframboise (Argenteuil—Papineau—Mirabel, BQ): Mr. Speaker, I am pleased to speak to the motion from the Bloc Québécois. I will share my time with the member for La Pointe-de-l'Île, with whom I am very pleased to work.

The motion reads as follows:

That, in the opinion of the House, the government should move an amendment to the Competition Act so that the Commissioner of Competition have the power to initiate investigations of the price of gas and the role of refining margins in the determination of the said price.

An amendment was also added to create a price monitoring agency.

I am particularly pleased to have this opportunity to speak since I heard the member for Lotbinière—Chutes-de-la-Chaudière, the Parliamentary Secretary to the Minister of Natural Resources, explain to us the position of his government. He is telling us that consumers must change their driving habits, refrain from idling their cars, inflate their tires properly and stay within speed limits. We have even been told about a program to change refrigerators and about the need for municipalities to do their share. That is anything but answering the question raised today by the Bloc Québécois with its motion about controlling the price of gasoline.

Last week, the refining margin of oil companies was 23¢ a litre, that is four times the reasonable margin. It has always been calculated—this has never been challenged by experts—that, to make a reasonable profit, refineries should take between 4¢ and 7¢ a litre. This is the international standard. It has been recognized and no one has ever challenged that amount. However, in March and April of last year, their margin was 15¢ a litre. Thus, theoretically, it was twice the reasonable profit that they should have taken for refining. Once again, last week, it was 23¢ a litre.

Thus, it is not surprising that declared profits and shareholders' dividends are constantly going up. For the eight big oil companies doing business in Canada, we are talking about \$12 billion in profits, profits as high as the surplus of the Government of Canada. This is the reality. They are no longer playing in the small leagues. The government has chosen to favour a class of citizens, shareholders of big oil companies, at the expense of consumers. This is the hard reality, and it is what the Bloc Québécois wants to stop. Through all kinds of measures, the government is encouraging oil companies to rake in profits in a totally irresponsible way. It is profit at any cost, at the expense of consumers.

I am quite astounded that the Parliamentary Secretary to the Minister of Natural Resources would tell us that consumers must change their driving habits. I agree, but perhaps companies should change their habits of making profits at the expense of consumers. The federal government has a role to play there.

There were investigations by the Competition Bureau in the past even though the current commissioner and her predecessors in recent years have all told us repeatedly that they could not investigate. In response to the questions they were asked, the companies said that there was no collusion. No one believes that anymore as gas prices go up almost automatically on the eve of every long weekend or summer vacation. Nobody is fooled by what is going on in the industry.

What we are saying today is that oil companies are acting irresponsibly with regard to refining margins in Canada. Refining is done regionally. Refineries located across Canada have downsized. These industries do the refining for their own competitors regionally. In fact, there is no competition. It is not like the supermarket system that can guarantee real competition by lowering prices to attract clients. That is how things work in the food industry, but not in the oil industry, and certainly not in the refining industry. Depending on the region, companies buy their oil from their competitor's refinery. Why? Because the number of refineries has been reduced in Canada. Competition has been tightened to the point where it has led to scarcity. Refineries became scarce, so now oil has become scarce.

• (1320)

That allows all companies to raise their prices at the same time and also to increase their profit margin on refining. That is where the problem lies.

The Parliamentary Secretary to the Minister of Natural Resources has a problem if he does not see it. Maybe he also has problems with other issues and we could discuss it in due time, but he certainly has a problem if he does not understand how refining works. It is true that provinces are responsible for prices at the pump, but the federal government, through the Competition Act has the responsibility to ensure that there is no unfair competition and no collusion in refining. That is federal jurisdiction.

In simple terms, the Bloc motion asks, and I read it again:

That, in the opinion of the House, the government should move an amendment to the Competition Act so that the Commissioner of Competition have the power to initiate investigations of the price of gas and the role of refining margins in the determination of the said price.

That is what we are asking the House to do. I cannot understand why the Conservatives do not support this proposal from the Bloc. It is in the interests of society as a whole that we be able to shed light on the unfair profits that end up in the pockets of the few shareholders of oil companies and, quite often, in the pockets of company presidents, who pay themselves generous bonuses at the end of the year because profits have increased. That is totally irresponsible when companies' profits increase every year and when we see, as we did last week, that profits and refining margins have increased fourfold, by 23¢ a litre.

These are not made-up figures, but statistics that are available and are monitored by experts. Last week, all the companies took a refining margin of 23¢ a litre, four times the usual profit margin of 4¢ to 7¢. In March and April, they were taking 15¢ a litre on average, twice the usual margin. It is not right that the companies should be able to play with these values. They took 15¢ on average in March and April and 23¢ last week. This represents an increase of 8¢ per litre of gas, and the only explanation for such a jump is that the companies took advantage of the shortage of refineries and supply to create artificial inflation.

This is what the Bloc Québécois wants to investigate. It wants to toughen the Competition Act to ensure that there is no collusion between these companies. If these investigations prove that there is no collusion, then at least we will have gotten to the bottom of things.

There is a problem when the Commissioner of Competition tells us that she does not have the authority to get to the bottom of things. It is difficult for me to understand some things, particularly that the Parliamentary Secretary to the Minister of Natural Resources, the member for Lotbinière—Chutes-de-la-Chaudière, would say that there is no question of controlling gas prices and that all he is going to do is tell consumers to change how they drive or buy new refrigerators to combat the energy crisis in another way, or tell the municipalities to do their part.

Of course, everyone will have to do their part, but the oil companies should maybe start by doing their part and being completely transparent, explaining why the prices at the pump go up on the same day all across Quebec. In Montreal, four different companies at an intersection raise their prices at the pump at the same time on the same day. We want to try to find out why.

I see that I have only a minute left, so I will conclude by saying that the Bloc Québécois is clearly the only party in this House that cares about the interests of the public, of Quebecers. In the federal government's jurisdiction, we are trying to show this government, the Parliamentary Secretary to the Minister of Natural Resources, the Minister of Natural Resources and all the ministers, including the ones from Quebec, that they do have the power to act in some respects. Once again, the Bloc Québécois has made a good suggestion, and we hope it will receive unanimous approval in this House.

• (1325)

[English]

Mr. Brian Fitzpatrick (Prince Albert, CPC): Mr. Speaker, the 20th century showed the total failure of socialism and big government as a way of dealing with market problems. The crowd of people who still believe that today is getting very small.

Almost every former communist country has rejected that whole notion, but lo and behold, we still have an entity, the Bloc, that clings to these ideas. France has rejected it and has put Sarkozy in power. There has been a presidential election. People with those archaic ideas have been relegated to the back of the bus.

I have a question for the member. He is proposing to create another government bureaucracy. I would remind him of what Ronald Reagan said about government departments, which was that the closest thing to eternity on this earth is a government department.

The Bloc's proposal is to create more government and have the taxpayers dig down deeper to deal with it without any real argument about how this would affect the market or straighten things out. That is the Bloc's solution. Has the member costed out this bureaucracy that he is proposing? Can he give the House an idea of how much more government the Bloc wants taxpayers in the country to pay for?

[Translation]

Mr. Mario Laframboise: Mr. Speaker, it always makes me smile when a Conservative member stands up to accuse the Bloc Québécois of socialism. The antithesis is predatory and greedy capitalism, which the member represents only too well.

I want to say that we are not asking for the creation of another level of government. We are only asking that the commissioner of

Business of Supply

competition be given the authority to initiate investigations on the price of gas and on the increase in refining margins.

The commissioner's position already exists. The competition bureau also exists. All we want is legislation to give it the real power to get to the bottom of this, to ensure that oil companies are not making unreasonable profits at the expense of consumers. This would be a society that is managed in a healthy way, where Quebecers and Bloc Québécois members want to live.

[English]

Ms. Penny Priddy (Surrey North, NDP): Mr. Speaker, I am going to try to bring this issue right down to the folks who live in my riding of Surrey North. In Surrey North, we have many people who drive taxicabs and many who do long haul trucking. How does my colleague think this will affect those particular people who already are having trouble keeping their rigs or cabs on the road? How is this going to make a difference in their lives?

[Translation]

Mr. Mario Laframboise: Mr. Speaker, I thank my colleague for her excellent question.

When we want to provide the evidence, as we are doing today, that the refining price has increased by 7¢ a litre in the last week compared to March and April, we can imagine the burden on truckers and taxi drivers who cannot raise their prices. The Conservatives should figure out, at some point, how the business system works in Canada. The taxi driver cannot raise his fare one week and lower it the next. It does not work like that. There are fare control boards. The same goes for trucking. Since rates are pre-set, they cannot be changed constantly or when the refining price goes up.

For all these reasons, the Bloc Québécois motion must be unanimously passed by this House.

Mr. Jacques Gourde (Parliamentary Secretary to the Minister of Natural Resources, CPC): The Liberal Party supports an increase in gas prices. On August 24, 2005, the leader of the official opposition said that an increase in gas prices would benefit Canada in the middle and long term.

My question is for the hon. member. Does the Bloc support an increase in gas prices? The Bloc must answer today. Is it yes or no?

• (1330)

Mr. Mario Laframboise: Mr. Speaker, the parliamentary secretary will never cease to amaze me.

What the Bloc Québécois is doing is fighting against an increase in gas prices. That means that we do not support such an increase. As for the members of the Liberal Party, they will have to pay the political price of the decisions they have made in the past.

Ms. Francine Lalonde (La Pointe-de-l'Île, BQ): Mr. Speaker, I am pleased to take part in this debate. I remind my colleagues who may not know this that oil companies, except Ultramar of Quebec, are in my riding.

Business of Supply

Citizens know the difference between oil companies and the price they have to pay to drive, to earn a living, such as taxi drivers and truckers, or simply to drive their children to daycare, to school or to the hockey game.

I want to repeat the motion because it seems to me that this is important for my colleagues opposite, in government.

That, in the opinion of the House, the government should move an amendment to the Competition Act so that the Commissioner of Competition have the power to initiate investigations of the price of gas and the role of refining margins in the determination of the said price.

Could this result in lower prices? It is possible that, realizing that prices are unfair or higher than the outcome of a market mechanism, governments will be able to act. However, this must be determined. That is what the motion says.

Otherwise, we are being told that nothing can be done. However, this is difficult to accept, because prices are skyrocketing. Refining margins are three times too high and, consequently, profits of oil companies are indecent.

Last week, the price at the pump for regular gas was, on average, \$1.15 in Quebec and the average refining margin reached 23¢ a litre, a record. That is three times too much when we know—there have been debates on this subject—that a profit of 5¢ to 7¢ is enough for the oil companies to make a reasonable refining profit.

The price of oil products is likely, in any case, to remain high throughout the summer, especially because crude oil is continuing to rise in price for other reasons that we know, given that it is an exchange. It is the oil companies that are filling their pockets. They earned record profits of almost \$12 billion in 2006. That is a lot of money. It is an increase of 25% over 2005 and 70% compared to 2004.

Is there collusion? It is impossible to say, but there is a real need to give the Commissioner of Competition the power to investigate on her own initiative, without waiting for complaints from the public. Indeed, that is what the Bloc wants—and I hope the House also wants that—because the oil sector needs to be controlled. It is a sector that we cannot feel sorry for. It is an industry that has made investments, but in light of the enormous profits, we have to ask questions and we need the means to obtain answers.

Yes, the Bloc believes that it is possible, in part at least, to limit the increases in the price of gas and other petroleum products. What has happened in the past few years, with the record profits by the oil companies, is that there has been a transfer of wealth. There are people who are broke and who need gas to earn their living. They are the ones who are being forced to deprive themselves further, to change their buying habits, perhaps even the way they feed their families, because the price of gas is rising and we believe it is increasing unfairly. It is important to investigate that.

All those politicians, the men and women in politics who say they want to act on behalf of families, young people, the needy, should want to know whether this mind-boggling price increase is justified or not.

•(1335)

This is extremely important.

The Bloc is asking for the support of the House concerning this measure that affects everyone. We know that Quebec is not an oil producer; other provinces are. Since Quebec imports all the oil it uses, it is obvious that higher prices are making it poorer. This price increase means that in terms of exports, we had a surplus in 2005 and a deficit of \$7 billion in 2006. We went from a trade surplus to a deficit of \$7 billion. That is exactly the amount of the increase in the price of oil for the same year, an increase of \$7 billion.

This is important, because it means not only that this increase in the price of oil is having an impact on everyone's wallet but that it is affecting the little man most. It is not only affecting the average person's pocket book, but it is also affecting the entire economy for a variety of reasons. Since companies are having to buy more oil, there is a significant difference between the previous trade surplus and the current deficit of \$7 billion.

In fact, last year, every Quebecker—we know that the averages are wrong, especially in this sector—consumed \$1,000 more than he produced. Oil is making us poor. What do we want? We want to redistribute resources—and wealth in a way—so that the oil sector stops impoverishing society. Imposition of a surtax of \$500 million on the profits of the oil companies would be one way of doing so. They are certainly capable of paying it. The accelerated capital cost allowance for tar sands must also be stopped when the price of crude goes beyond a threshold of somewhere between \$40 and \$50.

The government announced this measure, but it does not intend to implement it for three years, while oil production from the tar sands continues to grow. This involves making changes to the tax system applicable to natural resources that enables the oil companies to reduce their payments by another \$250 million a year, and having them pay for environmental damage.

This is the bare minimum. We have just learned from the federal government's latest statement that the government will favour the oil companies. The focus on oil in this country is costing the little people a lot and is making some provinces richer, but quite clearly it is impoverishing Quebec, whose trade surplus fell by the same amount as gas prices rose.

Since I only have a minute left, I will add that I hope that the Bloc will have the support of the House to at least shed some light on this issue. There is not a member in this House who cannot wish to shed some light on this content or this explanation of the oil companies' price rises, especially in the refining margin, which is three times higher than it should be.

•(1340)

[English]

Mr. Laurie Hawn (Edmonton Centre, CPC): Mr. Speaker, I listened with interest to my colleague's comments. Since they were directed at Alberta, I would like to make a couple of comments and ask her a couple of questions.

Business of Supply

First, she talks about a transfer of wealth. She is right, it is about a transfer of wealth. It is about the fact that 16% of every manufacturing job in the province of Ontario depends on the oil patch in Alberta. I know she does not care about that in the province of Quebec, but it is also about transfer of wealth in terms of the equalization payments that go to Quebec that are funded by, in very large part, the oil patch in Alberta and taxpayers in Alberta. We do not mind that. I certainly do not mind that as an Albertan.

However, I would like to ask her a question. People talk about unfair increases in the price of gas. Under the Liberal plan for Kyoto, it would go to \$1.60 or \$2.00 a litre. I am sure she would find that unfair. But what is fair? People say this is an unfair rise or that it is an unreasonable profit. I would like to know from the member what is, then, a fair rise in gas prices, depending on market fluctuations, and what is a reasonable profit for the oil companies? I suspect the answer to that would be zero, but I would like to ask the hon. member that question.

[*Translation*]

Ms. Francine Lalonde: Mr. Speaker, I thank my colleague opposite for the qualities he attributes to me. I also thank him for his important question.

In countries where people are very concerned about the environment, trying seriously to meet the Kyoto objectives—and meeting them—the price of gasoline is indeed high. However, there it is not the oil companies that pocket the difference at \$1.18 a litre or \$2.50 a litre in some countries. This amount is tax money, which goes toward achieving environmental objectives or to help people in greatest need manage with the cost of living.

I would like to take this opportunity to say that another colleague opposite mentioned the fact that the policies of certain countries, like the Nordic countries, make the government and individuals poorer. It is not true that they hurt the economy. Let us take a look at Sweden, Denmark, Holland and Belgium. These countries are among the richest. These countries treat the environment with respect and enjoy the best social and working conditions. It is possible to have an economy that is regulated but not totally controlled and in the hands of the government. I am talking about an economy with internal rules to keep the most powerful players from doing what they want without impunity. That is the problem here, and these powerful players have become ever more powerful.

[*English*]

Mr. Ken Boshcoff (Thunder Bay—Rainy River, Lib.): Mr. Speaker, there is currently much concern in the national community of organizations and groups of individuals who want to stage protests against oil companies. There is a big concern, though, that if there is a boycott of one service station or another that we may actually inflict some serious damage on an independent franchise or someone who really cannot afford to take the hit as opposed to a corporate store or a corporate outlet. Of course, we do not want to cause damage to individuals. The goal here is to expose the deception of the Prime Minister and also the collusion of the oil companies.

[*Translation*]

Ms. Francine Lalonde: Mr. Speaker, I thank the member for his question.

I think the member understands that our motion is intended to ensure that the public, which at the moment is overwhelmed by increases it does not understand and can only try to fight, will know that someone is minding the store, that the commissioner is ensuring there is no abuse or fraud and that the commissioner is also ensuring that the price of gasoline might not be set in collusion at an inflated level. And I mean might. The public has to know that someone is minding the store and that we are not allowing the most powerful players to do whatever they like without saying anything, except to say that it is good for the economy.

● (1345)

[*English*]

Hon. Judy Sgro (York West, Lib.): Mr. Speaker, I will be splitting my time with the member for Madawaska—Restigouche.

I am pleased to participate in this extremely important debate this afternoon on a motion that reads:

That, in the opinion of the House, the government should move an amendment to the Competition Act so that the Commissioner of Competition has the power to initiate investigations of the price of gas and the role of refining margins in the determination of the said price.

I will begin my remarks by reminding hon. members about the current role of the Competition Bureau and of its present mandate. The Competition Act contains regulations that ensure Canadians are treated fairly in the marketplace and that corporations in positions of market dominance do not abuse their status to the detriment of consumers.

The Competition Bureau is an independent law enforcement agency responsible for the administration of the Competition Act, which includes provisions against price fixing, price maintenance and abusive behaviour by a dominant firm, resulting in a lessening of competition. The Competition Bureau's role is to protect competition in the marketplace so that Canadians can benefit from competitive prices, product choice and quality service. All of its provisions apply to gasoline and other petroleum products.

Each year the bureau receives numerous complaints about gasoline prices, I am sure, from many Canadians. Complaints are examined to determine whether the provisions of the Competition Act have been violated.

We hear over and over again that the Competition Bureau has conducted, since 1990, six major investigations into allegations of collusion in the gasoline industry and that it has consistently found no evidence to suggest that periodic price increases resulted from a conspiracy to limit competition in gasoline supply.

However, collusion is not the issue. Enhancing competition at the refinery level clearly is.

We need to acknowledge that the Competition Bureau has serious limitations. It does not possess up to the minute information on all developments in the worldwide petroleum industry and it is not the bureau's mandate to conduct ongoing economic research and analysis of developments in the petroleum sector of the economy.

Today's motion calls on the government to amend the "Competition Act so that the Commissioner of Competition would have the power to initiate investigations into the price of gas and the role of refining margins in the determination of the said price".

Business of Supply

I would like to be very clear for everybody watching at home that the federal government does not control the price or the distribution of most goods and services sold in Canada, including gasoline, something that somehow or other people always seem to think is totally in the government's hands to control.

Where prices are not regulated, they are determined by market forces. I understand that all of us as Canadians are seeing gasoline prices rise and that people are upset at what they see as unfair prices and taxes at the pump.

Gasoline pricing is one of the most talked about and studied consumer related issues in Canada and probably the one that is most hated when people pay \$100 to fill up their cars. Just last week this issue was raised to me at a local meeting of the North Islington seniors. Seniors are part of our community who immediately feel the impact of these increases in costs, as well as other families struggling on low fixed incomes. Seniors who are on very limited fixed incomes simply cannot afford to pay the astronomically high prices that we have seen lately. Just putting gas in the car to get to their appointments is creating a hardship on their lives.

● (1350)

High gas prices affect all Canadians. From the trucking industry that delivers food to our grocery stores, to low income families trying to make ends meet, rising gas prices are creating strains on budgets across the country.

It is not just the rising price of gasoline that is affecting my constituents in my riding of York West. The price of natural gas, which has almost doubled since last year, will continue to hit senior citizens and others living on fixed incomes much harder this coming winter.

The Ontario Energy Board has approved a 19% increase in natural gas prices to reflect the rising cost to distributors. With this increase, rates will have risen 45% since October of 1999. That translates to about \$430 more a year per residential customer. Seniors on pensions and low income families, those living on fixed incomes, simply cannot afford another \$400 or \$500 to keep warm this winter.

When the Liberal government was in power, twice it introduced energy rebate programs when the energy costs got to an all time high.

The volatility of gasoline prices and recent high fuel prices continue to generate discussion about market fairness and the competitive nature of the retail gasoline market in Canada. The Liberal government understood the majority of the pump price of gasoline comes from the price of crude oil, a globally traded commodity. The Liberal government acted to diversify our fuel supply. Some examples include the fact that we supported initiatives that would diversify Canada's fuel supply, such as Alberta's oil sands, Hibernia in Newfoundland and Labrador and Nova Scotia's Terra Nova.

We worked toward increasing performance standards for vehicles to make them more fuel efficient. We invested money in green fuel research and used fiscal policy to promote the development of green energy.

We also developed EnerGuide to promote energy efficiency in homes and places of business, which was a very popular program among many people in Canada. Sadly, this program fell victim to the minority Conservative government's radical cuts.

The Liberal Party is certainly sympathetic to consumers paying high prices for gasoline and our record shows this. We support any measure that increases transparency in the international and domestic markets for gasoline.

This motion proposes to strengthen the Competition Act to allow for investigations into gasoline prices and, specifically, their relationship to the refining margin and corporate profits. Therefore, I am pleased to support it today.

On October 6, 2005, the Liberal Party introduced measures to strengthen transparency in the energy market. As part of Bill C-66, \$13 million was set aside to give Canada's Competition Bureau more powers and to strengthen the Competition Act in response to high energy costs. I would like to acknowledge the work of my colleague from Pickering—Scarborough East. In the years that I have been here this is an issue that he has championed all of those years to try to get changes.

This would have given Canada's Competition Bureau more powers and would have strengthened the Competition Act. Bill C-66 also committed \$15 million to establish an office of energy price information to monitor energy price fluctuations and provide clear current information to Canadians. However, Bill C-66 was one of the first casualties of the minority Conservative government when it took power.

The Conservative government has flip-flopped on this issue since the first days of the minority Conservative government. The Prime Minister had pledged to Canadians that a Conservative government would eliminate the GST on gas entirely if prices escalated above 85¢ per litre and is now renegeing on that commitment. It is another broken promise.

If that is not bad enough, after long advocating tax relief for motorists, the Prime Minister has told Canadians that they will need to get used to gas prices being this high. High gas prices are not the only thing Canadians will need to get used to under the government. The list includes sarcasm, arrogance, hypocrisy, flip-flops, contradictions and more broken promises.

● (1355)

Mr. Colin Carrie (Parliamentary Secretary to the Minister of Industry, CPC): Mr. Speaker, I would like to congratulate the member on reading her very well-crafted speech this afternoon but Canadians want to know where the Liberals stand on gas prices, which is why the motion was brought forward today.

We need to look at the Liberal record. On October 13, 2006, a Liberal from Toronto Rosedale, a former NDP premier and a former leadership candidate for the Liberals, said:

Consistently high fuel costs is the only way to keep pressure on the auto industry to be more innovative and fuel-efficient.

The environment minister at that time and now the leader of the Liberal Party said that high gas prices were actually good for Canada in the medium and long term.

Canadians want the Liberals to come clean. They are supporting Bill C-288, a bill that leading Canadian economists have said will raise the price of gas to \$1.60 to \$2 per litre. If the Liberals had their way, today Canadians would be paying \$1.60 to \$2 per litre.

I am asking the member today to come clean. Does she support her leader and the former leadership candidate? Does she want higher gasoline prices for all Canadians, yes or no?

Hon. Judy Sgro: Mr. Speaker, the real issue is trying to get some amendments to the Competition Act. Some of those went through the industry committee but, unfortunately, were lost at committee. However, getting some amendments to the Competition Act would give it more meat in its ability to deal with issues around the refineries and ensure they are competitive.

I would remind members that gas has gone up 25¢ under the present government's watch and I have not heard the government say that it is interested or concerned at all with helping seniors and other people on fixed incomes cope with the high cost of gas this coming winter.

Mr. Dean Del Mastro (Peterborough, CPC): Mr. Speaker, we just heard the hon. member say that gas has gone up 25¢ a litre under our watch. We know that is fundamentally not true. In fact, gas prices since Hurricane Katrina have been hovering in and around \$1 a litre and, in fact, have gone down significantly since that date and the member knows it.

The member was asked a specific question but she did not answer it. It has been documented that Bill C-288 would drive the price of gasoline up to as much as \$2 a litre. Does the member support Canadians paying as much as \$2 a litre for gasoline because that is what her leader would have Canadians paying for gas?

Hon. Judy Sgro: Mr. Speaker, what I would like to see us all do in the House is work toward finding a way to resolve this issue. My colleague from Pickering—Scarborough East has worked on this issue for 10 years. It is an important issue for all of us. Frankly, we should not be having this as a partisan debate. The Bloc introduced the motion and it is a good motion to get a discussion on the table.

I would like to know what the government's plan is to deal with the increasing prices. This is a question of what the government will do, not what the rest of us will do. I am more than happy to work in a non-partisan manner on an issue that is of critical importance to all Canadians.

Hon. Dan McTeague (Pickering—Scarborough East, Lib.): Mr. Speaker, the hon. member has cited a number of important points. It is interesting to hear some of the comments coming from the Conservative benches and, indeed, other members of Parliament who spend a considerable amount of time picking my brain to get my perspective on this industry. They know full well that we are on

the right track in amending the Competition Act and they know full well that the price will continue to go up no matter what happens as long as they consistently take the position that there is nothing wrong with the Competition Act.

Could the hon. member tell us what impact that has had for her seniors in the riding and what that will mean for them this coming winter? How will they manage to make ends meet? Does the member know why the government will not act?

Hon. Judy Sgro: Mr. Speaker, again I would ask for all of us to work together to find a solution to this problem. It does not matter if we live in Toronto, in Vancouver or in rural parts of the country, everyone will pay a much higher price. We need to get this issue under control. I would again ask that the government show us exactly what it is prepared to do to resolve this issue.

STATEMENTS BY MEMBERS

• (1400)

[English]

AGE OF CONSENT

Mr. Maurice Vellacott (Saskatoon—Wanuskewin, CPC): Mr. Speaker, Friday, May 4 was a great day for Canada. The House of Commons passed important legislation that will protect potential victims of sexual assault by increasing the age at which youths can consent to sexual activity. This will better protect them against sexual exploitation by adult predators.

The Conservative government provided the leadership necessary to pass this legislation after many years of stalling by previous governments.

As adopted by the House of Commons, the age of protection legislation proposes to raise the age at which youth can consent to sexual activity from 14 years of age to 16.

This measure, which is supported by grieving parents and police forces, provides much needed protection for children victimized by sexual predators. We are giving our police officers a tool they need to combat this victimization of teenagers.

The age of protection bill marks an important step forward in strengthening our child protection laws and brings Canada's age of consent into conformity with that of many other like-minded countries.

We urge the Senate to give speedy passage to Bill C-22.

* * *

CANADIAN HUMAN RIGHTS MUSEUM

Hon. Anita Neville (Winnipeg South Centre, Lib.): Mr. Speaker, Manitobans recently have been celebrating the commitment to the opening of the Canadian Human Rights Museum in Winnipeg. This museum will be a place for Canadians to share their stories and to feature human rights challenges of the past and the present.

Statements by Members

It will feature exhibits that focus on the inequities suffered by Canada's first nations peoples, the horror of the Holocaust, women's struggles for equality, francophone rights, the Japanese internment, and the genocides of the 20th and 21st centuries, to name a few.

The dream of the late Israel Asper, the museum came about because of seven years of hard work by Manitobans from all levels of government, all political parties and all walks of life.

Development and capital funds were committed by the previous Liberal government and culminated in the announcement of operating funds in the past weeks.

Members know that human rights are not a selective exercise. In promoting the museum, we must remember that human rights are inclusive and should not be undermined at home or abroad. This museum will be an icon to the protection of human rights and—

The Speaker: The hon. member for Drummond.

* * *

[Translation]

AEROSPACE INDUSTRY

Ms. Pauline Picard (Drummond, BQ): Mr. Speaker, the Minister of Industry has been using various Quebec weeklies to defend the indefensible.

The Conservative minister is trying to convince Quebecers that he is depriving them of millions of dollars in economic spinoffs for their own good and that he wants to strengthen Quebec's aerospace industry by not supporting it.

The truth is that he is taking over \$800 million in tax dollars away from our people to buy helicopters from an American company and asking that company to ensure \$540 million in economic spinoffs for Quebec. The rest of the economic spinoffs, about \$3 billion, will go to companies in western Canada.

The truth is that the people of Quebec will lose \$260 million to western provinces. What is more, this is a Conservative, a Quebecer, who is using his power against Quebec and boasting about it. That is why Bloc Québécois members will continue to stand up for Quebec's interests.

* * *

[English]

ASIAN HERITAGE MONTH

Ms. Denise Savoie (Victoria, NDP): Mr. Speaker, I rise in honour of Asian Heritage Month, which is recognized across Canada during the month of May.

My riding is fortunate to be home to several distinct Asian communities. Their histories extend as far back as the late 1850s, when Chinese miners first arrived in Victoria for the gold rush. They soon formed what became the oldest Chinatown in Canada. Just as the gold rush was pivotal to the creation of B.C. as a province, the Chinese who came to Victoria at that time, and their descendants, have played a defining role in our history.

Many other Asian immigrants followed the Chinese, including those from South Asia, Japan, Vietnam, Korea and the Philippines.

Despite frequently having to contend with racism, they have established strong and thriving communities in Victoria.

We are grateful for and enriched by their contributions. We look forward to celebrating this month with them.

* * *

THE SENATE

Mr. Rob Anders (Calgary West, CPC): Mr. Speaker, 17 years ago I watched my father vote in Canada's first Senate election. It brought him joy to cast a ballot in that pivot of history.

I have been in Bert Brown's living room, the place where Bert and his wife Alice held the first meeting to promote a triple E Senate all those decades ago. I remember working on democratic reform as one of my earliest files as a parliamentarian. Bert and I worked on the elected Senate action team. We put the heat on Senator Andy Thompson for being an absentee senator, to the point where his colleagues castigated him and he was forced from the upper chamber.

Bert has fought for an elected Senate since the 1980s, and finally after all these years we have a Prime Minister promoting a bill to wholly elect the upper chamber. I was proud to see Bert Brown in our caucus meeting last week. It brings profound meaning to the long struggle over these many years together. I remember him carving the triple E in his neighbour's field north of Calgary in Kathryn, Alberta.

He is a prairie populist who has proved that persistence prevails. I welcome a man of conviction, Alberta's ambassador, Bert Brown.

* * *

●(1405)

HEALTH

Hon. Raymond Chan (Richmond, Lib.): Mr. Speaker, is the Prime Minister delusional? He made a promise to Canadians to establish medical wait time guarantees for five priority areas and has failed to deliver on it, yet shockingly he has declared the wait time guarantees mission complete.

The failures continue, as the so-called guarantees are double the current queues and triple the doctor-recommended wait times. For example, B.C. is getting \$76.4 million for a cancer radiation therapy guarantee. That is double the current wait time of four weeks and is six weeks longer than the doctor-recommended wait time.

The government must address the shortage of doctors and nurses, because setting benchmarks is meaningless unless the resource capacity to deliver the goals in terms of health care professionals and infrastructure is provided.

When will the Prime Minister stop deceiving Canadians and address the root problems in our health care system?

*Statements by Members***WORLD HEALTH ORGANIZATION**

Mr. Richard Harris (Cariboo—Prince George, CPC): Mr. Speaker, for a number of years parliamentarians from all parties have given support for Taiwan to have observer status with meaningful participation in the World Health Organization.

Recently, Taiwan's President Chen formally applied to the director-general of the WHO for membership in that organization. Taiwan believes that it has a major role to play in the prevention of the spread of diseases such as SARS and AIDS and in the promotion of global health safety, to the benefit of all the countries of our world.

I urge all members of this House to continue their support for Taiwan in its bid for WHO observer status and to continue their support as Taiwan pursues its goal of membership in the World Health Organization.

* * *

[*Translation*]

RED CROSS AND RED CRESCENT

Mr. Claude Bachand (Saint-Jean, BQ): Mr. Speaker, today is World Red Cross and Red Crescent Day.

The Red Cross has been helping people since 1896. The organization seeks to improve the lives of vulnerable people by mobilizing the power of humanity anytime, anywhere, here at home and around the world.

Guided by the fundamental principle of neutrality, the International Committee of the Red Cross goes to war-torn regions and conflict zones to promote and reinforce universal humanitarian laws and principles. The ICRC's humanitarian missions are therefore very important, but they are also often dangerous.

Over the past decade, 162 Red Cross workers, including two Canadians, have been killed in the line of duty. But as Jean Pictet said in 1979, "For the Red Cross there is no just war and no unjust war, there are only victims in need of help."

* * *

GILLES VILLENEUVE

Mr. Luc Harvey (Louis-Hébert, CPC): Mr. Speaker, on May 8, 1982, during the second day of qualifications at the Zolder Grand Prix, in Belgium, Gilles Villeneuve left us. On that day, this Formula 1 pioneer in Canada was trying to beat Didier Pironi's time.

We lost a friend and a role model.

Gilles Villeneuve was our pride, because he showed, throughout his exceptional career, that he was an outstanding champion, and an unforgettable Formula 1 figure. Gilles Villeneuve showed that he was the stuff of champions during his very first race, in 1967. His sole objective was to take the top spot on the podium.

This is why I hope the House of Commons will remember this great Canadian, who remains a most prominent figure in Quebec and in Canada.

● (1410)

COURT CHALLENGES PROGRAM

Mr. Jean-Claude D'Amours (Madawaska—Restigouche, Lib.): Mr. Speaker, this morning, francophones and minorities in Canada were faced with a Conservative government that has no respect for the committees of this House, and even less for all the minorities in this country.

This morning, witnesses were to appear before the Standing Committee on Official Languages, which was undertaking its study of the court challenges program and its impact on minorities. Mere minutes before the meeting was to begin, the Conservative members unilaterally decided to cancel the meeting and, as a result, to send home witnesses who had gone through the trouble of travelling hundreds of kilometres to come and explain the merits of the program.

While the Conservative members did vote for a review of the court challenges program, it has become obvious today that the Prime Minister, his ministers and his members of Parliament are oblivious to the work we on the committee have to do, not for them, the Conservatives, but for the people of this country.

We have here a government that is asking us to believe what it says. But we have had yet another opportunity today to see the true colours of this Conservative government which does not pay any attention to the minorities, to the people. This government has no respect for the people of Canada. It should start showing us some respect.

* * *

[*English*]

NATIONAL NURSING WEEK

Mr. Steven Fletcher (Charleswood—St. James—Assiniboia, CPC): Mr. Speaker, May 7 to 13 is National Nursing Week in Canada. This year's theme, "Think You Know Nursing? Take A Closer Look", calls on Canadians to challenge their perceptions of the role of nurses in our health care system.

Nurses are at the heart of our health care system. Nurses are leaders, innovators and pioneers in all areas of the economy, from research and the military to technology and advocacy. Nurses' knowledge and skills contribute to the well-being of individuals, groups and communities in a variety of settings.

Daily they can be found working in emergency rooms, intensive care units, visiting new mothers at home, teaching in community centres, or providing end of life care. Nurses are a critical component of inter-professional teams of health care specialists.

This week, please join with me in recognizing and honouring the invaluable contribution that nurses make to our health care system and the health of citizens in communities across Canada.

*Statements by Members***THE ECONOMY**

Ms. Penny Priddy (Surrey North, NDP): Mr. Speaker, the NDP is working to remind the Conservatives and Liberals that there is a growing prosperity gap in Canada.

My constituents tell me every day that they are having a hard time making ends meet, and too many people in Surrey North are having trouble making ends meet because they have recently lost their jobs. The Conservatives and Liberals were silent when 700 Air Canada maintenance workers lost their jobs in the Lower Mainland. The Conservatives abandoned mill workers with the softwood lumber sellout and invested nothing in their budget to fight the pine beetle. Last fall the government even cut workplace skills programs.

It is clear that the Conservatives and Liberals do not understand the needs of everyday people.

We need sectoral strategies for keeping jobs in Canada. We need the government to play a leadership role in preventing job losses and in helping unemployed Canadians find new work. We need a real action plan to close the prosperity gap.

I am proud to be an NDP MP from Surrey North and I am proud to be a member of the only party that works to make life more affordable for Canadians.

* * *

VE DAY

Mr. Rodger Cuzner (Cape Breton—Canso, Lib.): Mr. Speaker, today, May 8, is the anniversary of victory in Europe. Sixty-two years ago, Germany's unconditional surrender was announced. In an hour of victory tempered by sorrow, the war in Europe was over.

Today we honour those who made the supreme sacrifice and we honour the veterans of Canada.

From the San Francisco conference that founded the United Nations, Prime Minister Mackenzie King addressed the nation. He said:

—our fighting forces have written glorious pages of history for which Canada will remain forever in their debt...

—you have helped to rid the world of a great scourge. For all time it will be yours to claim a share in the triumph of right...you, one and all, are entitled to be numbered among the benefactors of mankind.

Today we recommit ourselves to that remembrance, knowing that the love of honour never grows old. For the sacrifice of Canadians in that terrible war, we shall forever be grateful, and we shall forever remember.

* * *

[Translation]

CORPORAL BENOÎT CHEVALIER

Mr. Robert Bouchard (Chicoutimi—Le Fjord, BQ): Mr. Speaker, last Sunday, Corporal Benoît Chevalier died in a plane crash in the Sinai Desert in Egypt. He was part of a contingent of 28 Canadian soldiers on a peacekeeping mission. The 25-year-old from Macamic, in the Abitibi region, had been a radar controller with 3 Wing Bagotville since July 2003. Colonel Pierre Ruel of 3 Wing Bagotville said that the young man was a radar controller without equal and was involved in the military community and social life of

Bagotville. In addition to tributes from the commanding officer, Corporal Chevalier received a number of others from his friends and family, who remembered him as a likeable, dynamic person who was always up for an adventure.

The Bloc Québécois would like to extend its sincere condolences to the family, colleagues and friends of Corporal Benoît Chevalier at this very difficult time.

* * *

● (1415)

[English]

RED CROSS AND RED CRESCENT

Hon. Keith Martin (Esquimalt—Juan de Fuca, Lib.): Mr. Speaker, today we honour the International Red Cross and Red Crescent Movement, the largest humanitarian network in the world, comprising 185 member national societies and over 100 million volunteers.

By coordinating partnerships between governments, NGOs and the private sector, the movement saves lives and reducing suffering in communities devastated by war, disease and disaster.

From Canada to the Congo and Iraq to Afghanistan, the movement rehabilitates the disabled, visits detainees, restores family links, provides essential health care and promotes humanitarian law. From reducing measles deaths by 75% in Africa to combating malaria, the movement has saved millions of lives.

On behalf of the Liberal Party, I salute Dr. Pierre Duplessis, the secretary general of the Canadian Red Cross, and the extraordinary volunteers, here in Canada and around the world, who help the dispossessed. They are true heroes.

* * *

MARINE ENVIRONMENT

Mr. James Moore (Port Moody—Westwood—Port Coquitlam, CPC): Mr. Speaker, I am proud to inform the House that today our government announced the enactment of new and enhanced marine regulations. The new national regulations demonstrate our government's zero tolerance toward the discharge of pollutants, garbage and sewage in our coastal waters and inlets.

The new regulations apply to all boats in all waters in Canada and will help eliminate the deliberate, negligent, or accidental discharge of waste and toxins from ships into the marine environment.

This is a major step forward in our efforts to ensure that Canadians have clean water, and that our oceans and lakes are protected. Under our Conservative government, Canada is becoming a leader in the prevention of marine pollution.

The village of Belcarra in my riding has spent over 10 years calling on Ottawa to ban the dumping of sewage and chemicals into our coastal waters.

Our Conservative government has taken action. From Bedwell Bay to Burrard Inlet, Indian Arm, all the waters surrounding my community and all our coastal waters in Canada, we are going to keep our coasts clean and preserve the beauty of our environment.

ORAL QUESTIONS

[Translation]

FINANCE

Hon. Stéphane Dion (Leader of the Opposition, Lib.): Mr. Speaker, on behalf of Canadian workers and families who work very hard to earn a living, I am asking the Prime Minister to bring the Minister of Finance back to his senses and ask him to stop penalizing Canadian companies that want to strengthen their position in the global economy and expand abroad and that are asking him to put a stop to this ill-conceived policy and make interest deductible once again.

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, under this Minister of Finance, Canada has the lowest unemployment rate I have ever seen in my life. That is proof that the Minister of Finance is doing a good job. He has indicated that he will soon announce the details of this policy to ensure that major corporations pay their share of taxes in this country.

[English]

Hon. Stéphane Dion (Leader of the Opposition, Lib.): Mr. Speaker, the overwhelming majority of experts and business leaders asked the Prime Minister to say that to his Minister of Finance.

Allan Lanthier said, “The single most misguided policy I have seen out of Ottawa in 35 years”.

Nancy Hughes-Anthony said, “It’s a real step in the wrong direction”.

The chief executive of the Ontario Teachers' Pension Plan said, “I cannot believe any sensible person would do this”.

Will the Prime Minister stop working for Wall Street and abandon this harmful policy right now?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, it is interesting that the only taxes the Leader of the Opposition ever complains about are taxes on big business.

The Minister of Finance announced the framework in the budget. He will shortly be announcing the details of that policy.

Let me assure the Leader of the Opposition and all members of the House that the Minister of Finance will continue to make sure that Canadian industry is competitive, as it is, and at the same time make sure that all companies, including big companies, pay their fair share of tax in this country.

•(1420)

Hon. Stéphane Dion (Leader of the Opposition, Lib.): Yes, Mr. Speaker, it is a matter of fair share. American, Japanese and European companies benefit from interest deductibility.

Oral Questions

Why is the Prime Minister giving the green light to foreigners taking over companies in Canada and the red light to Canadian companies trying to win abroad?

Why does the Prime Minister not understand that in penalizing Canadian companies, he is hurting Canadian jobs, families and workers?

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, in the budget we said that we would crack down on corporations that use tax havens. We said we would improve information agreements with other countries. We said we would provide more resources to the Canada Revenue Agency to strengthen its audit and enforcement activities.

I hear from the Leader of the Opposition today that he is against those steps. In 2005 when he was revenue critic, the finance critic for the Liberals said this:

I am committed to ensuring a level playing field for all Canadians, and that is why I take the issue of tax havens seriously.

He just—

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

Mr. Michael Ignatieff (Etobicoke—Lakeshore, Lib.): Mr. Speaker, in budget 2007 the minister announced measures that almost everybody believes might cripple Canada's capacity to compete and grow overseas.

Faced with an uproar, he has now backed down and claims he was only trying to address questionable tax havens. This is just unbelievable incompetence.

When will the minister admit that he has made a \$1 billion mistake and start helping Canadian businesses actually succeed in the global marketplace?

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, I would invite the member opposite to read page 223 of the budget and he will see that we have targeted tax havens. That is precisely the target that we have, just as it was the target on income trusts.

We on this side of the House believe in tax fairness. Ordinary Canadians work almost six months of the year and get their T-4 slips, and have to pay their full share of taxes. So should Canadian corporations, no matter how they operate. No double dipping; no tax havens.

Mr. Michael Ignatieff (Etobicoke—Lakeshore, Lib.): Mr. Speaker, what I do not understand is the minister has already admitted publicly he is going to have to change what is in the budget. Why does he not come out and say so?

[Translation]

This government is doing nothing to prevent foreign takeovers of Canadian companies. The CEO of Manulife Financial has said that if takeovers continue at this rate, we will wake up one morning and realize that our country has lost control of its business activity.

Will the minister take action and do something to counter this threat?

Oral Questions

[English]

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, again, the member opposite ought to have a look at the facts. We have one large Canadian corporation right now in negotiations to acquire a very large United Kingdom company. Is the member opposite saying that we should interfere in that transaction, when major Canadian corporations are making acquisitions abroad?

Does he realize that the level of activity by Canadian corporations abroad far exceeds what is happening the other way around? Does he want us to impose restrictions that are not reciprocal with other countries in the world? Is that what he suggests as a remedy in the Canadian corporate world for competitiveness? I think not.

* * *

[Translation]

THE ENVIRONMENT

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, today we have proof that the government's so-called green plan was tailor made for the oil companies. An Environment Canada document reveals that the oil sands sector will be able to continue to increase its air pollution emissions, while all other industrial sectors will have to work to reduce them.

How can the Prime Minister justify this exemption, which, in fact, is a privilege he is granting exclusively to his friends in the oil sector?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, for the first time in our history, the federal government is going to establish mandatory fixed targets for the reduction of air pollution in Canada. This will include not only other companies, but also companies in the oil sands sector. I would like to point out that there are no exemptions for companies in the energy sector, although I must say, the leader of the Bloc Québécois is looking rather full of energy today.

● (1425)

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, I would like him to follow my example and be more energetic when it comes to the oil companies.

He is asking the pulp and paper and manufacturing sectors to make an effort, while he proposes intensity targets that favour the oil companies. Does he realize that he is once again helping the poor Alberta oil companies to the detriment of the manufacturing sector, particularly in Quebec?

Hon. John Baird (Minister of the Environment, CPC): Mr. Speaker, that is not at all the case. For the first time in the history of Canada, we have the highest targets in the world, targets to reduce air pollution by 50%. This is the first time that a government has been willing to tackle this serious problem for the health of Canadians.

Mr. Bernard Bigras (Rosemont—La Petite-Patrie, BQ): Mr. Speaker, at an information session, the department's officials were unable to justify this preferential treatment for tar sands and stated that it was a political decision. A Sierra Club representative said, "There are no technological reasons...this government is trying to defend an oil industry that just wants to continue polluting. That is favouritism".

Can the Minister of the Environment explain why the tar sands is the only industrial sector that will be able to continue increasing its emissions of air pollutants?

Hon. John Baird (Minister of the Environment, CPC): Mr. Speaker, that is not at all the case. We are prepared to take action to reduce air pollution. All major industries in Canada are covered by our regulatory plan. That is mandatory. With our plan, we will reduce tar sands pollution by 50%, if we do not follow in the Liberal Party footsteps and if we do not adopt the same policy. That is good news for those who wish to reduce air pollution and it is good news for all Canadians.

Mr. Bernard Bigras (Rosemont—La Petite-Patrie, BQ): Mr. Speaker, it is evident today that the plan is just playing to the gallery. It requires that all sectors contribute, with the exception of oil companies and tar sands developments. They are still being allowed to deduct accelerated depreciation and, rather than having fixed targets, they are being offered intensity targets.

Can the government deny that the oil companies are so pleased with the plan that they might as well have written it themselves?

[English]

Hon. John Baird (Minister of the Environment, CPC): No, Mr. Speaker.

* * *

[Translation]

CORPORATE TAKEOVERS

Hon. Jack Layton (Toronto—Danforth, NDP): Mr. Speaker, our economic gems are being sold to foreign interests and the government is ignoring the issue. In every sector, businesses of various sizes are sold or taken over: Abitibi, Labatt, Dofasco, Ipsco, Seagram, The Bay, even the Montreal Canadiens are now owned by American interests.

Then there is Van Houtte and the imminent takeover of Alcan, by Alcoa. Our country is losing everything. When will the Prime Minister act to protect Canada?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, if there is such a takeover, a statutory review will be conducted to see if there is a net benefit to Canada. Of course, this government intends to assume its responsibilities.

[English]

Hon. Jack Layton (Toronto—Danforth, NDP): Mr. Speaker, the fact is the rules in place are not adequate to protect Canadian jobs when these foreign takeovers take place. I invite the Prime Minister to come down and meet some of the workers at the factories that have been closed because of precisely this sort of practice.

When we start looking at the companies that are disappearing, one would think the Prime Minister would take some notice. Instead, the Conservatives are looking the other way, and people are losing their jobs.

Will the Prime Minister finally stand up for Canada, put his foot down, use the rules he has to put the brakes on this and bring new rules forward that will protect Canadian jobs and Canadian communities for once?

Oral Questions

•(1430)

Hon. Jim Flaherty (Minister of Finance, CPC): I know, Mr. Speaker, that the member may be obsessed about a newspaper headline here and a newspaper headline there.

The fact is in the last quarter of 2006 Canadian companies continued to exhibit a strong appetite for foreign companies, acquiring 456 purchases valued at \$70 billion, mainly in the United States. What we are seeing is expansion by Canadian based companies abroad. Yes, there are some transactions within Canada. Yes, we have the rules in the Investment Canada Act, which we will follow.

* * *

FINANCE

Hon. John McCallum (Markham—Unionville, Lib.): Mr. Speaker, the last budget, with interest deductibility, just succeeded in killing that appetite.

I will quote from the budget. The budget proposes to “eliminate the deductibility of interest incurred to invest in business operations abroad”. I know he is trying to rewrite history, but the budget bans not just double-dip deductibility, not just tax haven deductibility but all deductibility.

The minister is so out of his depth. Does he know the difference between tax double-dip and the double-dip ice cream cone one picks up at the Dairy Queen?

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, I want to congratulate the member opposite for two reasons. One is that he has now decided to support our policy against tax havens. He said last night, “When the finance minister says that we should go after abuses by tax havens and double-dipping, we agree”. Finally, he has agreed and I congratulate him on that observation.

Hon. John McCallum (Markham—Unionville, Lib.): Mr. Speaker, let us use simple words: ban deductibility, bad; stem abuses, good. Because he is out of his depth, he proposed bad in his budget, but he has now spent some time on it and will hopefully cancel the bad and get on with the good, all of which is a total reversal and exactly what the Liberal leader has told him for weeks. Or do I need to take him through it one more time?

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, I have to congratulate the member opposite again, but this is not quite on the same subject. This is on his allegation yesterday about Alcoa and trying to relate that to taxing.

He gets the award given to him by the *Financial Post*, “The silliest line of the day on this is the Liberal finance critic’s claim that the anti-tax haven initiative was responsible for opening the gates for Alcoa”.

Congratulations on the silliest line of Monday.

Hon. Scott Brison (Kings—Hants, Lib.): Mr. Speaker, in today’s *Globe and Mail*, a spokesperson for the industry minister said, “he’s not concerned about foreign takeovers of leading Canadian companies”. Well, Canadians are concerned. They are concerned about losing corporate emblems like Alcan or even Bell Canada.

Does the minister agree with his friends at the Montreal Economic Institute that Canada should get rid of foreign ownership restrictions on Canadian telco altogether, yes or no?

Hon. Maxime Bernier (Minister of Industry, CPC): Mr. Speaker, I agree with the House that we have very good legislation. The Investment Canada Act is in charge of all these kinds of takeovers by foreign ownership and foreign investment in our country. It is very important to specify to the member that we have provisions and we will ensure that each investment in Canada will favour all Canadians.

Hon. Scott Brison (Kings—Hants, Lib.): Mr. Speaker, the minister will not tell parliamentarians in the House where he stands on this, but on February 23 in New York, the minister said, “If you remove foreign ownership restrictions, it will be good for competition”.

Wall Street was listening and soon thereafter American private equity giant KKR was helping lead a takeover bid for Bell Canada.

Before the minister gets rid of foreign ownership limits altogether, will he commit to a full public review of this policy? Does the minister really want to be the minister responsible for taking the Canada out of Bell Canada?

•(1435)

[Translation]

Hon. Maxime Bernier (Minister of Industry, CPC): Mr. Speaker, I am the Minister of Industry and, as such, I am in charge of all industrial sectors in Canada. Foreign investments are important and, to this effect, we must have a very clear vision. In Canada, we have laws on foreign investments, and these laws apply and are indeed in effect. Moreover, all company takeovers must comply with this legislation.

* * *

GASOLINE PRICES

Ms. Paule Brunelle (Trois-Rivières, BQ): Mr. Speaker, this government supports the oil companies, grants them favours and lets them make huge profits on the back of the consumer. A 5¢ to 7¢ refining margin is reasonable. A 27¢ margin is abuse. The price at the pump is under Quebec’s jurisdiction, as we know, but the refining margin involves the Competition Act, which is under federal jurisdiction.

Will the government acknowledge that the refining margin is under its jurisdiction? Is it prepared to acknowledge this and act accordingly?

Hon. Maxime Bernier (Minister of Industry, CPC): Mr. Speaker, once again, when talking about refining margins, members should get their facts straight. In Canada, the margin is currently 22¢, whereas in the United States, it is 25.4¢. The margin here in Canada is better for consumers. This is important. We can see today that the Bloc is useless in Ottawa, because its motion serves no purpose.

Oral Questions

Why is the Bloc presenting this motion? Because, it wants to deflect debate at the moment. There is quarrelling within the sovereigntist movement. The leader of the Bloc Québécois would like to be the leader of the Parti Québécois, because he thinks he is useless—

The Speaker: The hon. member for Trois-Rivières.

Ms. Paule Brunelle (Trois-Rivières, BQ): Mr. Speaker, when members vote in the House, all members count.

With every 50 litres of gasoline, the consumer sends \$10 in excess profits to the major oil companies. The former competition commissioner stated that he lacked the powers to investigate the price of gasoline.

By refusing to give more powers to the Competition Bureau, is the government not confirming its intention to protect the oil companies to the detriment of consumers?

Hon. Maxime Bernier (Minister of Industry, CPC): Mr. Speaker, that is not true. The Competition Bureau has all the powers it needs to act. It has done so in the past and will do so in the future. The Competition Bureau has conducted over six studies into allegations of collusion in Canada's oil and gas sector and concluded in each case that the price reflected market forces.

The Bloc Québécois does not believe in the free market, it does not consider the price competitive and in keeping with global gasoline prices, but those are the facts. Finally, the Bloc Québécois is showing us once again that, on the important matters, it does not know the issues or the facts.

* * *

SAINT-HUBERT AIRPORT

Mrs. Carole Lavallée (Saint-Bruno—Saint-Hubert, BQ): Mr. Speaker, although this government can find enough money to purchase tanks on the sly, the Minister of the Economic Development Agency of Canada for the Regions of Quebec told this House yesterday that he could not find \$70 million to upgrade the Saint-Hubert airport and save 300 jobs.

How is it that the government can so easily find millions of dollars to secretly buy military weapons, yet cannot find money to create jobs in Quebec?

Hon. Jean-Pierre Blackburn (Minister of Labour and Minister of the Economic Development Agency of Canada for the Regions of Quebec, CPC): Mr. Speaker, this is the same member who said yesterday in this House that Pratt & Whitney was going to lay off 300 people or at least that 300 people would lose their jobs if the company did not stay in Saint-Hubert.

Yesterday, officials at Pratt & Whitney denied what the Bloc Québécois and the member had said. We are going to continue working with officials at Pratt & Whitney to try and find ways of resolving this issue.

Mrs. Carole Lavallée (Saint-Bruno—Saint-Hubert, BQ): Mr. Speaker, because of this government's inconsistency and inaction, Plattsburgh will benefit from the creation of 300 jobs and enjoy the spinoffs from the \$350 million paid by minister Fortier to Pratt & Whitney. What with Domtar, Abitibi Consol, Alcan and Van Houtte, that will be just about enough.

Do you know many governments that fund campaigns to create jobs in other countries? Is this Canada's new economic policy?

Hon. Jean-Pierre Blackburn (Minister of Labour and Minister of the Economic Development Agency of Canada for the Regions of Quebec, CPC): Mr. Speaker, the member would like us to stop funding all the projects in her riding.

For the information of this House, in the past year, CED has approved 89 projects in Montérégie worth \$20 million. This has generated \$46 million in investment in this riding. If we gave \$70 million to a single project, there would be nothing left for the rest.

However, the regional economic development department is interested in supporting companies, and we are going to work with officials to try and identify solutions.

* * *

● (1440)

AFGHANISTAN

Hon. Denis Coderre (Bourassa, Lib.): Mr. Speaker, this Conservative government, these wannabe Republicans, want so badly to take after their head office that the chaos and embarrassment they have caused all over Canada will lead us straight into a situation similar to the one in Iraq if the Prime Minister does not shoulder his responsibilities as the nation's leader.

Since our international reputation has already been tarnished by the Afghan detainee scandal, is the Prime Minister prepared to change his new agreement in order to prevent any parallel processes arising and to ensure that it respects the Geneva convention to the letter, especially when it comes to investigations?

[English]

Hon. Peter MacKay (Minister of Foreign Affairs and Minister of the Atlantic Canada Opportunities Agency, CPC): Mr. Speaker, the hon. member knows and members in the House are aware that this enhanced agreement has received much applause internationally. NATO is looking at this arrangement as one that fits the bill. This is very much aimed at protecting detainees. When Canadian detainees are turned over, there are now mechanisms in place, which we are putting through the official channels right now.

The member opposite is fully aware that Canada now has a much better arrangement than the one that his government had in place when he was in office.

Hon. Denis Coderre (Bourassa, Lib.): Not enough, Mr. Speaker. The lack of transparency of the Conservative Bush-style government raises a lot of questions.

Why does the defence minister remain chained to his chair? He cannot even stand up without permission.

While our troops are fighting to promote democracy in Afghanistan, the Conservative government is making a mockery of democracy at home by concealing and distorting the truth at every opportunity.

Oral Questions

How many reports have been swept under the rug? How many eye witness accounts can be discounted before the government finally admits it is wrong and fires that useless and muzzled Minister of National Defence?

Hon. Peter MacKay (Minister of Foreign Affairs and Minister of the Atlantic Canada Opportunities Agency, CPC): Mr. Speaker, what has been distorted and completely torqued has been the comments by the member opposite. He stands up and now pretends to be the great defender of democracy. He has put more misinformation about the subject matter of detainees before the House in the last two weeks than anyone could imagine.

What is very curious is his position now in the House. Last week, when he was in Oslo, Norway at a NATO meeting, he said, "I was part of a government when at first we decided to go to Kabul and then we went to Kandahar, but now we support our government on that mission". He was talking about supporting this government. What happened to that?

Hon. Lucienne Robillard (Westmount—Ville-Marie, Lib.): That was a good quote, Mr. Speaker.

[*Translation*]

Last week, the Minister of Foreign Affairs met with—

Some hon. members: Oh, oh!

The Speaker: Order, please. We need to have some order.

The hon. member for Westmount—Ville-Marie.

Hon. Lucienne Robillard: Mr. Speaker, last week, the Minister of Foreign Affairs met with his NATO counterparts. He must have discussed our mission in Afghanistan. The bad management of this mission is just one of the reasons Canadians no longer have confidence in their government.

Did the Minister of Foreign Affairs inform his counterparts that Canada's mission in Kandahar will end in 2009, and that it is time for our allies to start getting ready?

[*English*]

Hon. Peter MacKay (Minister of Foreign Affairs and Minister of the Atlantic Canada Opportunities Agency, CPC): Mr. Speaker, I do not know why this would come as a revelation to the member opposite, but I suspect that people such as the secretary general of NATO do read papers internationally. They would be well aware of the Parliament of Canada's pronouncement that the mission itself will run its course.

For the member opposite to stand in the House and to somehow suggest that this government is undermining the mission when each and every day members opposite get up and cast aspersions upon the mission, she should be ashamed of herself.

Hon. Lucienne Robillard (Westmount—Ville-Marie, Lib.): Mr. Speaker, that is a new way to do foreign affairs policy in the government, to read the paper.

Canada's combat mission in Kandahar ends in February 2009 and the Minister of Foreign Affairs has the responsibility to inform our allies that they must be ready.

Has the government been in any discussion with NATO concerning the end date of the combat mission? Can the Prime

Minister confirm that he is now negotiating with our allies concerning the rotation of our troops?

• (1445)

Hon. Peter MacKay (Minister of Foreign Affairs and Minister of the Atlantic Canada Opportunities Agency, CPC): Mr. Speaker, perhaps unlike the government when she was a member of the government, we are in regular contact with our NATO officials. I speak with the secretary general not only at forums when we attend on behalf of the country, but we speak regularly on the phone. He is going to be attending this summer, so she can ask him these questions herself if she likes.

Let me assure her and members of the House that we are in regular contact. We know our responsibilities under NATO. We are fulfilling those commitments, unlike that party when it was in government.

* * *

DEMOCRATIC REFORM

Mr. Harold Albrecht (Kitchener—Conestoga, CPC): Mr. Speaker, we were elected on a commitment to eliminate the undue influence of wealthy individuals and to restore accountability in government. To accomplish this we passed the Federal Accountability Act.

However, the Liberal Party of Canada managed to find a way around the rules again allowing big money to influence the political process. The result is the leader of the Liberal Party and the deputy leader and other Liberal leadership candidates indebted themselves to wealthy individuals to the tune of over \$3 million.

Could the Minister for Democratic Reform inform the House what he is doing to correct this unacceptable situation?

Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, last year Canadians watched with dismay and increasingly with alarm as Liberal leadership candidates financed their ambitions through big loans from wealthy individuals.

Today I introduced legislation with respect to accountability with respect to loans, which will complete the work of eliminating the undue influence of big money in politics. Corporations will be banned from making political loans. Major political loans will only be available from registered financial institutions on a commercial basis.

We are taking action to clean up campaign financing in Canada. We are strengthening accountability with measures that are modern, realistic and effective, restoring the confidence of Canadians.

* * *

MINISTERIAL EXPENSES

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, yesterday the Minister of Labour could not explain why his travel expenses failed to disclose a penny of almost \$150,000 for charter flights last year.

Oral Questions

We are not questioning that the minister needs to take trips. We are questioning the minister's practice of hiding the costs of them.

In the name of transparency, on which the Conservatives campaigned, can the Prime Minister tell us which other ministers are hiding their travel expenses the way that the Minister of Labour did?

Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, I think that yesterday we made it quite clear that the Minister of Labour had all his travel expenses disclosed on the Internet website. It was there publicly available.

The major difference is he spent less than his Liberal predecessor last year. When we are on the subject of flights, let us talk about ministers on Challengers. Did the House know that under the Liberals in their last year in government, ministers flew on Challengers three times as often as Conservative ministers did in their first year?

[Translation]

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, Canadians want real answers about the Minister of Labour's spending. We understand that the minister does not want to disclose everything to the public. He took a helicopter to cross Sept-Îles between two appointments. This is rather embarrassing because Sept-Îles is quite a small city.

Can the Minister of Labour disclose the cost of the five trips for which he hired a private jet as a personal taxi for himself, alone? Will the minister explain himself and submit all his receipts? What is the Minister of Labour hiding?

[English]

Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, I think that when it comes to using jets as private taxis, he really must be looking at the Liberals. In their last year in government, Liberal ministers took 81 trips on the Challenger, 81 ministerial trips, and for Conservatives only 27, one-third.

With us there is a lot less high flying and not near what the Liberals were capable of.

* * *

[Translation]

COURT CHALLENGES PROGRAM

Ms. Raymonde Folco (Laval—Les Îles, Lib.): Mr. Speaker, today, the Standing Committee on Official Languages was supposed to begin studying the Conservative government's outrageous elimination of the court challenges program, but the Conservatives cancelled the meeting mere minutes before it was to begin, offering no explanation.

Will the Minister for la Francophonie and Official Languages condemn her colleagues' actions, or is she involved in their attempt to hide the truth?

Hon. Josée Verner (Minister of International Cooperation and Minister for la Francophonie and Official Languages, CPC): Mr. Speaker, as you know, the committee carries its work out independently and has the power to make its own decisions.

Here are the facts. First, can the member explain why the Liberals cut the budget for communities by \$100,000 between 1993 and 1997? Can she explain why our government was able to announce an additional \$30 million for communities in the last budget? Let us not forget that the Liberals voted against that budget. Can she explain the surprising statement made by the Liberals' star candidate in Papineau against—

• (1450)

The Speaker: The hon. member for Laval—Les Îles.

Ms. Raymonde Folco (Laval—Les Îles, Lib.): Mr. Speaker, that is why this is called question period, not answer period.

The government is refusing to do everything in its power to ensure that the rights of minorities are respected. Everybody knows that the Prime Minister wants to control everything. The meeting would certainly not have been cancelled without his permission.

Does the chair of the committee follow orders given by the Prime Minister's chief of staff, who, as everyone knows, hates the court challenges program?

Hon. Josée Verner (Minister of International Cooperation and Minister for la Francophonie and Official Languages, CPC): Mr. Speaker, as Canada's Minister of Official Languages, here is what I read this weekend in *La Presse*: the Liberals' star candidate in the riding of Papineau said he was against bilingualism and for the abolition of separate francophone and anglophone school systems.

That is what *La Presse* reported.

* * *

[English]

THE ENVIRONMENT

Mr. David McGuinty (Ottawa South, Lib.): Mr. Speaker, Canadians have just learned that two key smog-creating pollutants emitted by the oil and gas industry will be exempt from regulation.

The government repeatedly makes claims that economists reject, scientists contradict and environmentalists have declared a simple fraud.

When will the government admit it is recklessly allowing emissions to rise for the next decade, despite a negative impact on our economy, our air quality and our health? When will the minister back up his numbers with details instead of doublespeak and buffoonery? Will Chicken Little admit his plan is a sham?

Hon. John Baird (Minister of the Environment, CPC): Mr. Speaker, this government is acting where the previous Liberal government failed to do so. For the first time in this country, we are going to come in with world leading, mandatory rigorous standards to improve air quality in this country.

Sitting back and doing nothing is no longer an option. Every single industry, including the oil sands, will be required on a mandatory basis to reduce its emissions.

Oral Questions

In the case of the oil sector, if the Liberals had their way, they would increase it by 300% and that is something this government will not sit back and allow.

Mr. David McGuinty (Ottawa South, Lib.): Mr. Speaker, the minister speaks about turning the corner. I do not know how the minister expects to turn the corner when the wheels are completely off his feebated Chevy.

Toxics Watch says that smog levels in the oil sands will exceed Canadian health standards in five years. The Sierra Club said that Albertans will suffer poor air quality as a result of the government's eco-fraud plan.

Since the environment minister's credibility is now eroding precisely at par with that of the Minister of National Defence, will he simply release the full cost benefit analysis that he was required to do and present to cabinet weeks ago before the regulation got there?

Hon. John Baird (Minister of the Environment, CPC): Mr. Speaker, I think the member opposite is trying to avoid the real issue. The controversy is not going away.

Elizabeth May has dismissed concerns of the Canadian Jewish Congress and Holocaust survivors and has refused to either apologize or retract. She is blaming the media. She is blaming others. She said the other day, "I said something I think is worth hearing and I would say it again". She said that her comments were well received and part of a reasonable discussion.

When will the Liberals rein in their outrageous candidate from Central Nova and make her apologize, or will they ask her to quit?

* * *

[Translation]

AGRICULTURE AND AGRI-FOOD

Mr. André Bellavance (Richmond—Arthabaska, BQ): Mr. Speaker, a study by the Fraser Institute and the Montreal Economic Institute recommends that the government open up its economy even further and lift foreign ownership restrictions in all sectors. The authors went on to suggest that we should do away with supply management altogether.

Despite the recommendations of Preston Manning, Mike Harris and the Montreal Economic Institute—which, incidentally, is where the member's colleague, the Minister of Industry, used to work—can the Minister of Agriculture and Agri-Food assure this House that his government intends to remain on course, by continuing to firmly and resolutely defend supply management, as called for by the unanimous motion proposed by the Bloc Québécois in November 2005?

[English]

Hon. Chuck Strahl (Minister of Agriculture and Agri-Food and Minister for the Canadian Wheat Board, CPC): Mr. Speaker, I am happy to assure the member. As he knows, we campaigned on support to supply management. We have taken support to supply management to Davos and to Geneva on international conferences. We have given that support. For the first time ever, we supported the use of article XXVIII, again to protect supply management. We moved ahead with compositional standards for cheese, something

that no government has ever done. We have taken concrete steps to support supply management.

Of course, the discussion paper by Mr. Falconer may be interesting, but it certainly does not represent the position of the Government of Canada.

• (1455)

[Translation]

Mr. Jean-Yves Roy (Haute-Gaspésie—La Mitis—Matane—Matapédia, BQ): Mr. Speaker, if the government dared to eliminate supply management, this would have an impact on many regions of Quebec. After the devastation felt in the manufacturing sector, the regions do not need another hard blow.

When we see Preston Manning, who is close to the Prime Minister, when we see the Minister of Industry, who is from the Montreal Economic Institute, and when we bear in mind that the Minister of International Trade has already questioned supply management, we have good reason to ask more than once if the government really intends to defend supply management?

[English]

Hon. Chuck Strahl (Minister of Agriculture and Agri-Food and Minister for the Canadian Wheat Board, CPC): Mr. Speaker, it is interesting this party campaigned on support of supply management. We have taken measures in Geneva. I was with the Minister of International Trade in Geneva. We were there in Davos. We made representations internationally at the WTO negotiations and elsewhere in support of supply management.

What is more, we are the first government, after years of failure by the member for Wascana, to actually take steps to use article XXVIII to protect supply management, something the Liberals failed to do. We are used to failure on the Liberal side, but do not pin that kind of blame on us. We support supply management. We actually take steps to make that a possibility.

* * *

PESTICIDE MANAGEMENT

Hon. Dan McTeague (Pickering—Scarborough East, Lib.): Mr. Speaker, in an age where the rest of the developed world is trying to move toward better environmental stewardship, the government is deliberately going in the opposite direction. The government falsely claims it wants to clean up our environment, but today we learned that it has voluntarily agreed to loosen Canadian restrictions on pesticides for hundreds of fruits and vegetables, all in the name of loosening and lowering our standards to match those of the Republicans.

The integrity of Canada's food supply and health of Canadians should not be for sale or indeed placed in jeopardy. Why is the government once again bowing to the U.S.?

Hon. Tony Clement (Minister of Health and Minister for the Federal Economic Development Initiative for Northern Ontario, CPC): Mr. Speaker, I can assure the hon. member and this House that the hon. member is quite mistaken. This government takes its responsibilities to protect the health and safety of Canadians very seriously. Indeed if there is any harmonization, it will be to the highest standards as we protect Canadians on their health and safety when it comes to pesticide management.

*Oral Questions***FOREIGN AFFAIRS**

Mr. Chris Warkentin (Peace River, CPC): Mr. Speaker, yesterday afternoon I was shocked and saddened to learn that one of my constituents, Jeff Toews, had been attacked and severely injured while travelling in Mexico. My and my family's thoughts and prayers are with Jeff and his family during this difficult time.

I would ask the foreign affairs minister to update this House and my community on the actions that are being taken to support the Toews family.

Hon. Peter MacKay (Minister of Foreign Affairs and Minister of the Atlantic Canada Opportunities Agency, CPC): Mr. Speaker, I thank the member for Peace River for his timely and very compassionate action in bringing this to our attention. We share that support and send condolences to the Toews family as well. We certainly find this event very tragic and troubling. The member brought this to our attention yesterday and simultaneously we received word from Mexico from family members.

We are remaining in contact with them, providing them assistance as well as focusing on having local authorities investigate this case and the cause of the injury. We wait for the police to report on that. The government remains very concerned about Canadians injured in Mexico. I raised this with my counterpart, as well as the president, Mr. Calderón. We continue to discuss this in the light of recent security and prosperity partnership meetings.

* * *

NUCLEAR NON-PROLIFERATION TREATY

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, international delegates are meeting in Vienna to prepare for the next round of nuclear non-proliferation treaty talks. Unlike our U.S. neighbours, Canada claims to support our twin obligations to advance both nuclear non-proliferation and nuclear disarmament, yet Canada is silent in the face of NATO policies to maintain strategic nuclear weapons and to sanction the use of nuclear weapons as a first strike option.

Nuclear non-proliferation will not happen in the absence of genuine nuclear disarmament on nuclear possessing states. These principles go hand in hand. The government says it wants to be a leader, but actions speak louder—

The Speaker: The hon. Minister of Foreign Affairs.

Hon. Peter MacKay (Minister of Foreign Affairs and Minister of the Atlantic Canada Opportunities Agency, CPC): Mr. Speaker, I know the hon. member has a long and abiding interest in the subject matter. As the member is also aware, this is something very near and dear to the heart of the group from Pugwash who have long been advocates of this.

I recently took the opportunity while in Oslo, Norway at a NATO meeting to discuss this subject with the German foreign minister who is currently serving as president of NATO.

This particular subject matter will remain very important to all Canadians. We take opportunities to raise it at multilateral forums. She knows, of course, that Canada is a signatory to the non-proliferation treaty and the ban remains in place.

• (1500)

SUDAN

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, it is not just policy talk, it is policy action that is needed.

However, speaking of leadership, the minister will know that non-governmental organizations and Sudanese Canadians came together today with students from across Canada under the umbrella of STAND, Students Taking Action Now in Darfur.

These concerned citizens challenged all parliamentarians and all political parties to take a strong stand and respond decisively to the deepening tragedy in Darfur. All who gathered were deeply disappointed when only one government member even bothered to show up.

What is the government's response to the plea issued again today for a robust, comprehensive, inclusive—

The Speaker: The hon. the Minister of Foreign Affairs.

Hon. Peter MacKay (Minister of Foreign Affairs and Minister of the Atlantic Canada Opportunities Agency, CPC): Mr. Speaker, that is always of great concern when we have issues related to Sudan and Darfur.

Canada recently received a commendation. I will quote from the latest report of the *UN Watch* on the Human Rights Council which identified Canada as the most active advocate for the world's human rights victims.

The report states:

Canada and the European Union, which had [persistently urged] the Council to address Darfur since June [of this year], [had] sought amendments to the African Group draft that...would at least have emphasized its "primary obligation... to protect all individuals against violations."

That is high praise coming from the *UN Watch*.

* * *

FOREIGN AFFAIRS

Mrs. Susan Kadis (Thornhill, Lib.): Mr. Speaker, Canadians were appalled to learn that Conservative members voted against a motion by my colleague, the member for Mount Royal, to refer the genocidal comments of the Iranian president to the International Criminal Court.

The Iranian government has become a haven for those who deny the horrors of the Holocaust and who incite genocide against Israel but the Conservatives have no problem accepting this behaviour.

Does the Minister of Foreign Affairs support his caucus in its recent offensive actions at the subcommittee on international human rights last week?

Hon. Peter MacKay (Minister of Foreign Affairs and Minister of the Atlantic Canada Opportunities Agency, CPC): Mr. Speaker, once again, righteous indignation and allegations from the member opposite that are not supported by facts.

I commend the member for Mount Royal for his initiative in moving this issue forward. Those are absolutely outrageous remarks by Mahmoud Ahmadinejad.

The government would never associate itself with anything that would in any way condone those actions or those words. It is abysmal and it is disgusting and it is condemned to the highest by this government. For that member opposite to suggest otherwise is way outside the bounds of proper etiquette.

* * *

[Translation]

OFFICIAL LANGUAGES

Mr. Daniel Petit (Charlesbourg—Haute-Saint-Charles, CPC): Mr. Speaker, as you know, our government has shown steadfast support for our linguistic duality. In the last budget, we announced an additional contribution of \$30 million over two years.

Today the Minister of International Cooperation and Minister for la Francophonie and Official Languages announced two important contributions for official language minority communities.

Could the minister provide some details about these announcements?

Hon. Josée Verner (Minister of International Cooperation and Minister for la Francophonie and Official Languages, CPC): Mr. Speaker, I thank my colleague for his question.

Today, I announced support of \$555,000 over the next two years for the Alliance des radios communautaires du Canada and \$500,000 over the next two years for the Réseau des cégeps et collèges francophones du Canada.

These are concrete examples of our commitment to francophones outside Quebec.

This proves that, unlike the Liberal's star candidate for Papineau, the Government of Canada supports our country's bilingualism.

* * *

FOREIGN AFFAIRS

Ms. Louise Thibault (Rimouski-Neigette—Témiscouata—Les Basques, Ind.): Mr. Speaker, on March 20, the Minister of Foreign Affairs said in committee that he has to streamline his department's spending.

The minister has already closed four consular offices in 2006, and several others could experience the same fate, as part of this streamlining process.

How many other closures will be made, and what will happen to the level of service provided to Canadian nationals and to people who wish to immigrate to Canada?

Can the minister tell us whether the review, the planning and the implementation of such budget cuts are hiding, or are signs of a future strategy to, among other things, restrict immigration to Canada?

[English]

Hon. Peter MacKay (Minister of Foreign Affairs and Minister of the Atlantic Canada Opportunities Agency, CPC): Mr.

Business of Supply

Speaker, we continue to look for ways to expand, streamline and increase the efficiency of consular services around the world.

With our current footprint in the world, there is an increasing demand placed on consular services. Over two million Canadians live outside our borders. Much more travel and business activity is going on so there is an increased demand.

Thankfully, within the department we have very efficient, hard-working and dedicated public servants who continue to reach out to Canadians each and every day, as they do in Passport Canada, as they do at our missions. We continue to work with them to give them the resources they need to provide that service.

GOVERNMENT ORDERS

● (1505)

[Translation]

BUSINESS OF SUPPLY

OPPOSITION MOTION—GAS PRICES

The House resumed consideration of the motion, and of the amendment.

Mr. Jean-Claude D'Amours (Madawaska—Restigouche, Lib.): Mr. Speaker, I will be addressing this afternoon the opposition motion put forward by the Bloc Québécois, which I will outline for your benefit:

That, in the opinion of the House, the government should move an amendment to the Competition Act so that the Commissioner of Competition have the power to initiate investigations of the price of gas and the role of refining margins in the determination of the said price.

The main element is certainly the refining margins. The current situation with gas prices is really unacceptable. Canada produces a lot of oil and gasoline. Yet, we have seen gas prices increase steadily since this government took office in January 2006. We definitely have to look into the situation. The government members have no desire whatsoever to try and find ways to ensure that Canadians have access to reasonably priced gasoline. People are not asking for miracles, but they want to be able to buy gas at a reasonable price, which is definitely not the case right now.

Let us compare urban and rural areas. In urban areas, people can take public transit, be it the bus or the subway, to go to work, do groceries and so on.

In rural areas, there are no such services available, and we cannot get them, even though we should probably have access to public transit. People in rural areas have to drive their personal vehicle to the grocery store, to work, and they often have to drive long distances. Rural areas are often also remote areas, large areas requiring that one drive long distances, many kilometres, if not hundreds of kilometres, to go to work.

Business of Supply

In such circumstances, rising gas prices can certainly represent a barrier for consumers, especially since they have no choice; they absolutely have to put gasoline in their cars if they want to go to work.

Wages are not going up at the same rate as the price of gasoline. Some people have jobs in seasonal industries where the work is not always distributed over 12 months or 52 weeks a year, and they have to be able to find the money they need to fill up their cars while still being able to put bread, butter and food on the table to feed their families, their children.

We are asking so little of the government. It is incredible and shameful that all the members of the Conservative government, which has been in power for far too long, are obstructing this and doing what they can to ensure that the price of gasoline does not come down in Canada. We have a government that absolutely does not want to do anything, that does not want to take any action, that wants laissez-faire and says the market will decide.

Whenever it is said that the market will decide, that means abuses are very possible. Not very long ago, the refining margin for producers was 7.2¢. That was the average between 1998 and 2003. I have been told this was already far too much, but it was the average over this five-year period. Nowadays, the refining margin is nearly 26¢ and often even more.

If the government thinks this is acceptable, we should ask into whose pockets the Conservatives want this money to go. Do they want it to go to the oil companies or do they want to make the effort to give a little of it back to taxpayers? We should make a comparison. We should look at what the reality is.

● (1510)

Gasoline retailers in Canada have an average margin of 3.5¢ a litre when they sell their gas. They employ people at street corners all over Canada, and their margin is 3.5¢ or less, while the big refineries have a margin that is often as much as 26¢.

Their margin is therefore 26¢ out of the current price of \$1.15, or even more in some parts of the country. That is rather abusive and excessive. If the margin for refiners were the average for the 1998 to 2003 period, or about 7¢ a litre, the current price would be about 96¢.

This would reduce the refining margin by about 19¢, and the price of a litre of gas would currently be around 96¢. I am convinced that the public would at least acknowledge that an effort has been made. All we are asking from the Conservative government is to ensure that mechanisms are in place to allow workers, families and seniors to be a little better off, as well as all those who must use their car for various reasons, such as taking their children to activities, going to church on Sunday, doing the groceries once a week, and going to work every day. We want this government to be a little more compassionate, to think about those who must use their vehicle to earn a living and be able to pay for food, hydro and shelter.

In fact, the public is not asking for much. These people are not getting salary increases, but their costs are constantly increasing. Does a 26¢ margin not look excessive, compared to the 7.2¢ margin?

The Conservatives must believe that a 26¢ margin is respectable and acceptable. They are providing all sorts of excuses. They will say that it is the market that decides. If it is the market that decides, then they can invoke all the good reasons. Whenever anything happens, it seems as though the price of gas goes up by 10¢. Whenever we hear rumours about a war somewhere, the price of gas goes up by 15¢.

In the end, where does that money go? It is the refining margin that increases. It is the margin that refiners give themselves that goes up. Whenever there is speculation, not at the stock exchange, but about the weather or conflicts around the world, all the decisions made are based exclusively on that and, all of a sudden, prices go up. The cost of a barrel of oil has not necessarily increased by that much. However, if we look at the situation, we see that costs have gone up. It is oil companies that benefit from all this, not workers.

The government opposite claims it is working in the best interest of the people. In this case, and in many others, it is clearly not working in the best interest of the people. It is out to do anything but try to help citizens.

We have to find ways to stabilize the situation and ensure better prices. Among other things, the competition commissioner must be authorized to make his own decision about holding an inquiry. Proactive is the key word here. The Conservative government has been reactive for weeks and months. It is reacting because it is unable to correct the situation going on within its own party. It is reactive.

Why is the government unable to accept that the competition commissioner can be proactive and make his own decisions about a situation?

The competition commissioner must have the power to force oil companies to disclose information, provide evidence and prove that a situation really is serious and that prices are not going up 10¢ just because of high winds in eastern Canada or the possibility of conflict elsewhere in the world. The government must take responsibility in this situation. Right now, the Conservative government is not even able to shoulder its responsibilities. It is offloading its responsibilities onto seasonal workers, day labourers, families and seniors. It is not interested in helping these people live better lives.

● (1515)

Why is the Conservative government working so hard to ensure that oil companies can boost their profits not by hundreds, thousands or millions of dollars, but by tens of millions and tens of billions of dollars at the expense of workers? Why does the Conservative government not bring in these little changes that could certainly lower the price of gas and help the people in our ridings who need it the most? Why does the government not have a heart in this matter?

Business of Supply

Mr. Steven Blaney (Lévis—Bellechasse, CPC): Mr. Speaker, I listened closely to the speech by the hon. member for Madawaska—Restigouche. I want to take this opportunity to say hello to the people of New Brunswick and tell them that, fortunately, with a Conservative government, gas prices are twice as low as they would be if our Liberal friends opposite were in power, because with Bill C-288 and its draconian reductions of greenhouse gases, and after 13 years of their inaction, our gas prices would be twice as high. This is a major concern.

I was in Lévis Monday morning before coming here and the price of gas was \$1.17. I think about all the workers from Bellechasse who go to work and sometimes have to make wage concessions. This is a worrisome situation and that is why our government is concerned about this situation and is putting more money back into the taxpayers' pockets, by reducing the GST, for example, to help workers better cope with these price increases.

There is one thing the previous government did not do. Why did it do absolutely nothing in 13 years to reduce greenhouse gases, while our government has invested several billion dollars in the past 15 months to encourage people to buy fuel efficient vehicles? We are even putting surcharges on vehicles that consume a lot of energy. We have implemented tax credits for public transit and we want to ensure that our economy is no longer dependent on hydrocarbons with the ecoenergy and ecotrust programs.

My question for the hon. opposition member is the following. Why is his leader, who is in support of gas prices being twice as high with Bill C-288, pleased—it was in the *Calgary Herald* on August 24, 2005—that the price of gas in Canada is high for the short, medium and long terms when that is detrimental to the country's workers?

Mr. Jean-Claude D'Amours: Mr. Speaker, I listened carefully to my hon. colleague's question.

I just talked about speculation and indicated that, every time there was the slightest puff of wind, the price of gas went up 10¢. Every time there was a risk of conflict or if someone mentioned conflict anywhere in the world, it went up 15¢.

I hope that the speculation by my colleague opposite, the hon. member for Lévis—Bellechasse, will not drive the price of gas up 20¢ by tomorrow, because, once again, he is indulging in speculation when he says if this or the other thing occurs. That is precisely the problem at this time. Every time someone says “If such-and-such happens, the price will increase”, that is exactly what happens the next day. I hope my colleague from Lévis—Bellechasse will be a little more careful about what he says so that prices do not increase. One way of doing this is by assuring this House that they will not increase the price of gas and ensuring greater control. Why do the Conservatives not want to accept this?

Ultimately, I could throw a question back to my colleague opposite by asking him if his party will respect the vote taken in 2004, under which the GST would no longer be added once the price of gas reached 85¢ or higher—he just said that gas is at \$1.17 in his region, and I might add that it is even higher where I am from, in Madawaska—Restigouche. With the difference between 85¢ and \$1.17, my colleague opposite would likely have some savings for his constituents. However, the Conservatives do not seem to have

enough backbone to ensure that their constituents enjoy lower prices at the pump, that they are also respected, by giving them the tools they need to be able to drive to work every day and attend to their family's various activities.

The member opposite and all Conservative members of this House refuse to even look at this situation. This is the reality. I hope the Conservatives will stop speculating, because every time they speculate about something, I fear the oil companies will increase prices even further and we will be stuck in a real dilemma. Who will pay for it at the end of the day? It will be the citizens of our respective regions.

• (1520)

[*English*]

Mr. Colin Carrie (Parliamentary Secretary to the Minister of Industry, CPC): Mr. Speaker, I have been trying to get a straight position from the Liberals all day.

I think this will be the sixth or seventh time that the following question has been asked. The leader of the Liberal Party is on the record as numerous times as saying that “high gas prices are actually good for Canada in the medium and long term”. We have been trying to get a straight answer from the Liberals all day.

Now that member is standing up, a member who comes from a party that brought in Kyoto with no plan. The Liberals are favouring Bill C-288. Economists are saying that if the Liberals had their way today Canadians would be paying \$1.60 to \$2 per litre for gas.

Does the member support his leader with higher gas prices? Does he believe that is the right thing? Could I have a straight answer, please?

[*Translation*]

Mr. Jean-Claude D'Amours: Mr. Speaker, my answer shall be brief.

The question we have to ask ourselves is this: Why do the Conservatives not want gas prices to go down? They prefer to engage in rhetoric and speculation about any number of other subjects. Why do they not want the people of this country to have access to gasoline at a fair price? Why? Why do they want Canadian oil companies to rake in profits, profits, profits, while Canadians pay, pay, pay?

It is unacceptable for a member to make such comments, when what the Liberals want is for people to pay a fair price in order to be able to go to work. The Conservatives do not want to hear about it. That is unacceptable.

Mr. Serge Cardin (Sherbrooke, BQ): Mr. Speaker, I want to thank and congratulate my colleague from Joliette, who introduced the motion before us today. This motion has no doubt been read and referred to many times already, but I think it is important to read it one more time, because the more we repeat something, the better our chances of getting the message across to the people opposite.

That, in the opinion of the House, the government should move an amendment to the Competition Act so that the Commissioner of Competition have the power to initiate investigations of the price of gas and the role of refining margins in the determination of the said price.

Business of Supply

I should say, first off, that I will be sharing my time with the hon. member for Berthier—Maskinongé. With that, I begin my speech, which should be very short. Much could be said, however, about gas prices because many things have happened with regard to that.

We could call this a cyclical issue. I arrived in this House in 1998 and, starting in 2000, there was more and more talk about it. About two years after my arrival, and together with the Bloc Québécois industry and transportation critics, I organized with my party a tour through Quebec because at that time oil prices were on the rise again. This increase in oil prices affects all consumers and the entire population because they purchase gas for their cars or also, and primarily, heating oil for those who still use this fuel to keep warm in winter. For years, every time the price went up, some individuals almost died during very cold spells in Quebec and Canada.

It is all well and good to talk about the price of a barrel of oil but this price is not always reflected at the pump. Just because the barrel price is moderately high and it goes up does not mean that the price per litre will be adjusted accordingly. A number of factors come into play. Naturally, there is the cost of oil exploitation, refining, distribution, retailing. All these levels make it possible for some potential play in the price on the part of the oil companies.

I was saying earlier that this is a cyclical issue. People get involved and want to work on behalf of the public and to help them out. In this regard, I would like to point out the initiative of the Sherbrooke Chamber of Commerce, which decided to consult the general public. In record time, it collected more than 10,300 responses in support of the Chamber of Commerce. It analysed and studied fluctuating gas prices. The findings will be presented in the near future by the Sherbrooke Chamber of Commerce. However, we should mention that, in general, we know that there are significant regional differences. The initiative of this Chamber of Commerce will result in pressure being applied across Quebec for the Quebec federation of chambers of commerce to present an analysis as well and, for all intents and purposes, make recommendations to oil companies, retailers and, I hope, to the government. I congratulate the Chamber of Commerce for its initiative, which clearly shows that there are significant differences in the price fluctuations.

The study looked at regional variations and fluctuations over a fairly long period of time prior to the consultation. What is quite odd is that since the study started and practically up until today, the region's position has improved once the oil companies and retailers knew that someone was monitoring their prices.

• (1525)

The Bloc had always proposed and strongly suggested that the government implement what I would call a commission for the monitoring of gas prices and price fluctuations, to conduct analyses and make recommendations.

There has been much talk about fluctuating gas prices, but there is a problem. We must be aware of this, and at some point, we must stop making partisan speeches about an issue that affects the entire population, the companies and the economy of Quebec. There is a big problem in that it is a natural resource which can be easily harnessed and which makes oil companies rich. At the same time, it is the main source of greenhouse gases.

We are calling for a decrease in the price of gas, and at the same time, we want to ensure increased use, which also affects greenhouse gases. It is a vicious circle. But we must at least remember that the people not only pay a fair price for gas and fuel oil to boost the economy, of course, but also to ensure a decent standard of living for everyone.

In my opinion, we must really focus on social justice and on equity and the fairness of the price of gasoline, as well. There are huge variations, and people do not have the impression they are paying what it is worth, which means that the cost of fighting greenhouse gases must also be paid through the cost of gasoline.

This money, the profits made by the oil companies, which, in recent years, have recorded profits in the tens of billions of dollars, must also be made available to serve the community as a whole. Some will say, as the Minister of Industry argued recently, that natural resources belong to no one. There is an expression we use sometimes, which says that to the victor go the spoils. These people are snatching as many of the spoils as they can in their frantic race to exploit natural resources.

When I spoke earlier of gasoline, I mentioned two important aspects, namely, the environmental aspect, of course, and, in addition, the economic aspect. We will recall that the Minister of Industry reminded us of this in a speech in rather odd terms.

I quote freely from the remarks of the Minister of Industry. Of course, we should expect nothing from the Conservatives in this matter, as the party is interested more in protecting the interests of the oil industry than those of Quebec and Canadian taxpayers. And, like his colleagues, the minister and member for Beauce said without a blush during the latest election campaign that those responsible for the high cost of gasoline were the left and the environmentalists. Therefore, those responsible for the increased cost of gasoline are those working for social justice, fairness for all and the protection of the environment. I do not think that is quite the way it is.

In closing, since I see that my time is about up, I would remind the House of the measures put forward by the Bloc over time, for a number of years, and by certain Liberals who worked on gasoline matters for many months. There must be controls over the oil companies by means of the Competition Act together with a price monitoring agency, and the commissioner must be given the powers to investigate the cost of gasoline.

Business of Supply

•(1530)

[English]

Mr. Colin Carrie (Parliamentary Secretary to the Minister of Industry, CPC): Mr. Speaker, again I would like to say how amazed I am by the Bloc putting up a member who is saying that the Bloc supports consumers. If I could read for members from the Bloc's platform, in the Bloc's own words, what the Bloc Québécois would like to do is levy a surtax on oil company profits and increase the corporate income tax paid by oil companies by \$500 million. In other words, the Bloc wants to add half a billion dollars to this. Who do those members think is going to pay for this?

It is the same with the Bloc's environmental program. It is supporting the Liberals, or what Buzz Hargrove would call a radical environmental program, on Bill C-288. We have leading economists in Canada who have said that if the Liberals, the Bloc and the NDP got their way gas prices today would be at \$1.60 to \$2 per litre. That is what the Bloc would do for the Québécois and for Canadians if those members had their way.

Here we have the member standing up and saying that he is supportive of Canadian consumers, but he will not come clean on whether those members agree with higher prices for gas or not. I am going to ask the question again, for what I think is the eighth time.

•(1535)

[Translation]

Once again, the Liberal Party supports an increase in the price of gas. The leader of the official opposition said that an increase in the price of gas would benefit Canada in the medium and long terms. Does the Bloc support an increase in the price of gas? The Bloc must answer today: yes or no?

Mr. Serge Cardin: Sometimes we also ask the Conservatives to answer clearly with a yes or a no, but we never get the answer. However, we do have an answer from Albertans. We know full well that the Conservative Party, by protecting the oil companies, wants to protect western Canada.

According to a poll published in the papers yesterday, May 7, Albertans think that fixed targets—in terms of greenhouse gases—are needed, even if that means making the oil companies pay more. Some 92% of those polled agreed when asked whether the companies working in the oil sands should reduce their greenhouse gas emissions in each of their facilities. Some 92% of the people said yes.

Out of the tens of billions of dollars of the oil companies' profits—we know that profits have increased in the past few years beyond what is reasonable—very little is reinvested. When we talk about a surcharge on the oil companies, we are talking about sharing the wealth that the oil companies are acquiring through the natural resources that supposedly belong to everyone. At some point, the oil companies also have to make sacrifices because, for all intents and purposes, they are the reason we have greenhouse gases. People have to make efforts to help cut emissions, but the oil companies also have to pay.

[English]

Hon. Dan McTeague (Pickering—Scarborough East, Lib.): Mr. Speaker, it is a little disingenuous for the Parliamentary

Secretary to the Minister of Industry to talk about prices potentially going up as a result of a proposal in a bill. He knows full well, and his own Minister of Natural Resources is here, that a number of good initiatives have taken place. Perhaps if we were to build nuclear reactors to separate the bitumen in Cold Lake, they might find that those numbers will be reduced. At least they could try it.

The reality is that the prices are going up with the government doing nothing. The parliamentary secretary's minister said in the House just an hour ago that wholesale price for gas in the United States, and the margin on which refiners operate in the United States, is actually higher than in Canada. That is nonsense, pure nonsense.

[Translation]

I have a question for the member. For a long time, we have heard that the Conservatives do not want to take action on this, although the Ontario Conservatives have a much different position, or at least they did. For now, it is important to say that the former competition commissioner agreed that changes and amendments should be made to the Competition Act. The member for Oshawa, who is parliamentary secretary, does not want changes, but he has not denied everything that has been done over the past decade or so, changes supported by the Competition Bureau itself.

Mr. Serge Cardin: Mr. Speaker, first of all, I would like to thank my colleague, who has taken quite an interest in oil companies over the past few years. The Competition Bureau and the commissioner should have more power. The commissioner should have the power to initiate investigations without waiting for someone to make a formal complaint. She must be able to identify the causes of some fluctuations, which sometimes seem a lot like collusion.

•(1540)

Mr. Guy André (Berthier—Maskinongé, BQ): Mr. Speaker, it gives me great pleasure to speak on this Bloc Québécois opposition day. The motion we have introduced today concerns a very serious problem: the rise in gas prices. We must not forget that this has wide-reaching effects and is often very harmful to our economy. For example, the increase has a direct impact on the manufacturing industry, which is a major employer in my regional county municipality, in the county where I work and throughout Quebec. I hardly need remind this House that this industry is already in serious trouble.

Higher gas prices are driving up production costs and driving down badly needed investments in modernizing our manufacturing plants.

While our manufacturing sector is crumbling, our oil companies are continuing to post record profits, and greenhouse gas emissions are still rising. The combined net profits of the six largest integrated oil companies in Canada reached \$12 billion in 2006. This is a \$5 billion increase over 2004. Proportionally, profits are 70% higher than in 2004. We understand now that these figures are creating monstrous inflation in Quebec and across Canada.

Business of Supply

What is the government doing to address these issues that are so vital to our economy? In both cases, it is using the same logic, which is simply to do nothing. We know that doctrinaire Conservatives believe that the free market can take care of everything and that any government intervention will only prevent the market from generating benefits. Unlike the Conservative government, we believe that it is possible to limit gas price increases, at least partially, which is why the member for Joliette has introduced this motion asking the government to amend the Competition Act so that the Competition Bureau can conduct investigations into the price of gas and the role of refining margins in determining gas prices.

Obviously, we are discussing gas prices today because they have jumped in recent days and weeks. Last week, the price of regular gas at the pump was \$1.15 on average. Fluctuations aside, the price of gas is rising steadily in Quebec. In 2004, the average price of regular gas was 85.7¢. In 2005, it reached 96.7¢.

Why has the price of gas gone up? The price at the pump is made up of four main factors: the price of crude oil, which has gone up, taxes, the retailer mark-up and the refining margin.

A thorough analysis of the causes of gas price hikes reveals that the retailer mark-up has remained stable. Taxes have also remained stable. The rising price of crude explains the rising price at the pump to a certain extent, but it is clear that major increases are due in large part to the rising cost of refining oil, which is where big oil companies' outrageous profit margins have increased the most lately.

According to the Association québécoise des indépendants du pétrole, a reasonable profit margin at the refining stage is between 4¢ and 7¢ per litre. In April 2006, that profit margin was 19.5¢, and last Wednesday, it was up to a record-setting 27¢ per litre, the highest ever except for a short period following hurricane Katrina.

To understand this situation, we must remember that in 1990, oil companies downsized their North American refining operations. To cut costs, they closed several refineries.

● (1545)

As a result, supply soon matched demand. Therefore, when technical or weather-related incidents affect refining operations, price hikes are inevitable. That is not all. Slight increases in demand, such as during long weekends, often spur price hikes. For consumers, long weekends and summer vacations are not unexpected events. However, oddly enough, big oil companies never seem to be able to predict these periods and to prepare for them accordingly. They have nothing in reserve, and they tell us that the price increase is due to scarcity. We have seen this happen for years now.

The refining industry's inability—deliberate or otherwise—to respond to unexpected events raises a lot of questions. It is clear to us that the current structure of the oil industry leads to price hikes and market abuses. Although the industry is trying to persuade consumers that they are being treated fairly, consumers are, understandably, not convinced.

In short, one problem remains: there is lack of transparency, hence the importance of the Bloc Québécois motion being presented today. We have to discipline the industry and ensure that no middlemen, the refineries for instance, take advantage of the circumstances. To do

so, we propose giving the Competition Act more muscle. For a number of years now we have been calling for this legislation to be changed in order to give the Competition Bureau real investigative power. This bureau could initiate investigations and call witnesses. It could also ensure their protection and study all aspects of the oil industry and propose solutions.

We also propose the creation of a real petroleum monitoring agency. This agency would be responsible for overseeing the industry by collecting and disseminating price data on refined petroleum products for all North American markets, and drafting annual reports on the competitive aspects. To date, the federal government has always refused to do this. These measures I have just listed are solutions that could be applied in the short term.

In the longer term, Quebec needs to take measures to reduce its dependence on oil. All the oil Quebec consumes is imported. In 2006, Quebec imported \$13 billion worth of oil, which is up \$7 billion in three years. At the same time, Quebec went from a trade surplus to a \$7 billion deficit in 2006. The increase in the price of oil alone plunged Quebec into a trade deficit. Oil is making Quebec poorer. In the long term we have to invest in true alternative energies and launch a real initiative to reduce our consumption of oil for transportation, heating and industry.

Finally, I know that the Conservatives will not like these proposals but, in order to stop the oil industry from making us poorer as a society, we must redistribute resources and repeal the accelerated capital cost allowance for investments in the oil sands immediately when the price of crude exceeds a threshold of somewhere between \$40 and \$50. The government announced this measure in its last budget, but it will not come into effect for another three years.

We have to make the oil companies pay for the environmental damage they cause. Refusing to stick to the Kyoto protocol is not going to solve these problems.

● (1550)

On all these matters we have to take action as quickly as possible, in order to save our jobs, our regions and our environment. Most of all, we have to leave room in society for future generations.

[English]

Mr. David Tilson (Dufferin—Caledon, CPC): Mr. Speaker, it is my understanding that the Competition Bureau, through the powers given to it under the Competition Act, can now investigate all factors that make up the per litre price of gasoline, and that includes refinery margins. If there is any evidence whatsoever or suspicion of anti-competitive behaviour or collusion, the bureau can deal with it. To date, hearings have been held all over the place. They have been held in this place and in provincial governments. No such evidence has been presented.

Business of Supply

Since 1990, the Competition Bureau has conducted six major investigations into allegations of collusion in the gasoline industry. It found no evidence whatsoever of a national conspiracy. Whenever the Competition Bureau has evidence of behaviour that violates the Competition Act, it does not hesitate to take appropriate action.

I give those facts and then I read what the motion tries to do. The motion is trying to give the Commissioner of Competition the power to initiate investigations of the price of gas and the role of refining margins in the determination of the said price. That is it. This has already been done.

Why does the Bloc have a motion on something that has already been done?

[*Translation*]

Mr. Guy André: Mr. Speaker, the Conservative member's question proves that he is not in an election campaign.

When there is no support for people who are being gouged by high gas prices, this shows a lack of willingness to help them, and it shows that we are definitely not in an election period.

I will remind the Conservative member of the testimony of Konrad von Finckenstein, Competition Commissioner, when he appeared before the Standing Committee on Industry, Science and Technology on May 5, 2003. I would like my colleague to hear this, because he has certainly forgotten. At the time, if he was part of the Conservative opposition, he surely took it into account.

I quote:

—while the Bureau's mandate includes the very important role of being an investigator and advocate for competition, the current legislation does not provide the Bureau with the authority to conduct an industry study.

This was in 2003, but nothing has changed since then.

I quote again:

It seems to me that it would be preferable to have a study on the overall situation carried out by an independent body that would have authority, that would be able to summon witnesses and gather information.

He said he did not have the authority to act. I am not the one who said it, nor was it the Bloc Québécois. It was the competition commissioner appearing before the Standing Committee on Industry, Science and Technology in May 2003.

[*English*]

Mr. Charlie Angus (Timmins—James Bay, NDP): Mr. Speaker, people back home would recognize the absurdity of the situation we are in here.

We are dealing with a government that is trying to tell Canadians that what they are seeing with their own eyes is not reality. People see a huge spike in prices when they go to the pumps on the Friday afternoon of a long weekend. Yet by Saturday morning, the price has dropped. The government is telling Canadians that is just an aberration, that is just market forces at work. The government is telling Canadians that there is no collusion.

The day after hurricane Katrina hit, there was a 40¢ to 50¢ increase in the price of gasoline. Yet there was no evidence that the hurricane hit any of the reservoirs holding all the gasoline in our communities. People were seeing massive spikes in the price, yet we

were being told that this was natural, that there were no unexpected increases.

Many times Canadians have come to us as politicians and told us that they know they are being gouged. They know there is a difference between high prices and gouging. The Conservative government, as well as the previous Liberal government, tell us that gouging does not exist by any stretch of the imagination, that we should just allow the companies to continue on their course.

I would like to ask the hon. member—

• (1555)

The Acting Speaker (Mr. Andrew Scheer): The hon. member for Berthier—Maskinongé.

[*Translation*]

Mr. Guy André: Mr. Speaker, I would like to thank the member for his question.

Of course, the economy as a whole is threatened when gas prices skyrocket to levels as we are seeing these days. All of our policies, all of our social programs are threatened, because all families are getting poorer.

I know the member's concern for the well-being of families and for fighting poverty. The fact is that, when gas prices rise this much, the portion of a family's budget allocated to gasoline increases. This means less money for food, clothing and activities associated—

[*English*]

The Acting Speaker (Mr. Andrew Scheer): Resuming debate, the hon. Minister of Natural Resources.

Hon. Gary Lunn (Minister of Natural Resources, CPC): Mr. Speaker, I am grateful to have the opportunity to speak on this subject. It is something that is obviously on the minds of Canadians.

We all recognize that with the recent spike in gasoline prices at the pumps Canadians are feeling the pinch. Naturally, when prices rise, Canadians are concerned. There is no question that it impacts people's daily lives and affects their cost of living, and we are concerned with that as well.

That is why we brought in a number of initiatives where we think we can make a difference, such as providing rebates of up to \$2,000 for the purchase of fuel efficient vehicles and tax rebates on transit passes to encourage more public transit use.

However, at the end of the day our actions have to be balanced and that is exactly what we have done. We have balanced our actions to ensure that the economy remains strong and that there is growth in the job creation sector to ensure Canadians can enjoy our standard of living, as well as protecting the environment.

I have heard the concerns of many opposition members. I know members across will acknowledge that when the Liberals were in power the Competition Bureau in the last six years conducted an investigation six times. Each and every time it found there was no collusion. If in fact there is information that should be brought forward for a seventh investigation, so be it. That is what the Competition Bureau is for.

Business of Supply

If the Bloc is proposing under its original motion in fact to investigate this, the Competition Act and the Commissioner of Competition have all of the powers. Therefore, the hon. member across would also agree that in fact this can be investigated.

It is also important, though, that we do not just focus the whole discussion on the price of gasoline. It is also important that we look at other sources of energy as well, especially in the transportation sector.

We are investing heavily in the fuel cell industry. In fact, we have hydrogen buses running on Parliament Hill. That has happened under this government, something we are very proud of. These are opportunities that not only help the environment but obviously decrease our dependency on oil.

I would like to change the focus of this discussion now to Bill C-288. For those who may not be aware, it is a private member's bill by a Liberal member of Parliament on behalf of the Liberal Party of Canada to impose the Kyoto targets on the Canadian people and economy over the next five years after it was in office for 10 years and did absolutely nothing on this file.

Maybe that is not accurate. I should not say the Liberals did nothing. In fact, they actually made it worse. If they had done nothing, that might have been helpful or at least put us in a position where we would have a fighting chance. Greenhouse gases have risen dramatically under the Liberal government for 10 years to 35%. The Liberals acknowledge that, they know that is a fact and that is the number.

When the Liberals were in government, they did absolutely nothing. That is a fact and they cannot dispute that greenhouse gases skyrocketed. Now they propose a reckless plan. There is no other description for this plan. It is reckless. If they were being truthful with themselves, the constituents and this country, they would acknowledge it. They know it is reckless. There is no other word to describe it. This plan has been looked at by various economists and I will get into more specifics about that in a minute.

Even worse, because members from all of the opposition parties are thinking of purely crass politics and unfortunately it is not working for them, it is not going to work. They are all supporting this Liberal plan and, without question, the price of gasoline will skyrocket.

• (1600)

There is an independent analysis that has been done on this which shows that the price of gasoline will rise by 60%. We can do the math. That is somewhere between \$1.60, depending upon which part of the country, up to as high as \$2.00.

I am going to read specifically from this report where this analysis was done. I will read from page 21 of "The Cost of Bill C-288 to Canadian Families and Business". This is an independent economic analysis. I think it is very important that this debate stays factual, that we do not try to torque it, and we just put the facts on the table and let the Canadian people judge it. It states:

Prices for transportation fuels would also rise by a large margin—roughly 60% higher relative to BAU. At today's gasoline prices of approximately 90 cents a litre, this would translate into an average price of over \$1.40 per litre as a result of the policy.

Those are the facts and the Liberals do not like to hear it. Whether it is in question period or whether it is in the foyer of the House of Commons, they do not like those facts.

We can argue that maybe it is \$1.55, \$1.65 or \$2.05, but there is no question that there would be drastic economic costs to the current direction taken by the Liberal Party of Canada. It is not a balanced approach. It is a reckless approach. Even worse, the NDP and the Bloc are supporting this reckless approach and it must be said.

Let me quote from other parts of this analysis on the Liberal environment plan, Bill C-288. It states on page 18:

The analysis indicates that GDP would decline by more than 6.5% relative to current projections in 2008 as a result of the policy, falling to a level about 4.2% below that of 2007. This would imply a deep recession in 2008, with a one-year net loss of national economic activity in the range of \$51 billion relative to 2007 levels. By way of comparison, the most severe recession in the post World War II period for Canada, as measured by the fall in real GDP, was in 1981-1982.

There is a lot more. We have economists such as Don Drummond who is the senior vice-president and chief economist at the Toronto-Dominion Bank Financial Group. We have people like Jean-Thomas Bernard, professor, department of economics, Laval University; Christopher Green, professor, department of economics, McGill University; Mark Jaccard, professor, school of resource and environment management at Simon Fraser University; and Carl Sonnen, president of Informetrica Limited.

I stress that this is not the Conservative analysis. This analysis was done by some of the most respected economists in the country. They are saying what would happen. Don Drummond stated:

I believe the economic cost would be at least as deep as the recession in the early 1980s and indeed that is the result your department's analysis shows. Relative to the base case, the level of output declines around 7 per cent.

Christopher Green, professor, department of economics at McGill, said:

I have read the draft on the potential economic costs of meeting the provisions of Bill C-288. I agree with the draft's main finding, that attempting to meet the provisions of Bill C-288 would be economically costly. Indeed, if anything, that the GDP reductions (costs) would be larger than are estimated by the modeling framework you employed.

These are some of the facts. They cannot be disputed.

• (1605)

I am sure members are fully aware that some of the costs that drive up the price of gasoline are market forces. The Liberals had many investigations when they were in power on everything up to the price on the world markets. These are obviously links. We know there are municipal and federal taxes and refinery costs.

It is important to note that what we are really hearing from the opposition members is that they want to regulate the price of gasoline. Where that has been done in the past—

Some hon. members: Hear, hear!

Hon. Gary Lunn: They are clapping for regulation. I want to note that is not the Conservative members clapping but the NDP members in the House.

Business of Supply

Where regulating has been done in the past it has actually resulted in higher gasoline prices. We cannot get involved in regulation.

The Conservative government recognizes that this is a difficult area but we have tried to provide certainty to the industry. This is the first time a federal government has undertaken to regulate both greenhouse gases and emissions. These are very ambitious and aggressive targets. No government, including the previous Liberal government, has undertaken to do this and to the levels that we are doing this.

The industry knows there will be a cost to this but we are providing certainty to the industry. Those are the kinds of things that a government can do to provide certainty to gasoline prices.

As I said earlier in my speech, we are providing incentives of up to \$2,000 to Canadians for the purchase of a fuel efficient vehicle. Did the Liberals ever do that while they were in power? No. Did they bring in regulations to regulate greenhouse gases? No. Did they bring in measures to encourage public transit use? No. They did not get the job done. They are now crying foul and yet, in only 15 months of the Conservatives being in office, we are delivering and delivering. We are getting the job done.

Hon. Judy Sgro: On all those old promises.

Hon. Gary Lunn: I know they do not like the truth. I can hear the Liberals making all kinds of noise on the other side. The previous government failed in so many ways.

Since we are talking about gasoline I will talk about energy, something that is very important to this government. We recognize how important it is that we change our dependency on oil. Right now, globally, we burn about 1,000 barrels of oil a second. If we translate that, we burn globally about 86 million barrels of oil each and every day. That is an enormous amount of oil.

Our government recognizes that we must invest in other forms of energy. We have invested \$1.5 billion into renewable energy to bring more energy such as wind, biomass and tidal. Our government installed for the first time a tidal turbine in North America off the coast of Victoria near where I live and it is now producing electricity. The energy is absolutely clean and emission free. There is no pollution. We have invested in small scale hydro.

Those are the types of actions that we taking. Everything our government does is focused on results. We have invested \$230 million on a targeted initiative to do research into technology to clean up our conventional energy. These are tangible things that we believe can make a difference, everything from technology for clean coal to taking all the emissions out of coal-fired electricity generation to doing carbon sequestration.

We have launched the Canada-Alberta ecoenergy carbon sequestration task force that will report back to myself before Parliament rises at the end of June on what we need to do to put CO₂ gases back into the ground and what we need to do to construct a CO₂ pipeline.

• (1610)

Those are all initiatives brought in by the Conservative government that will get real results on the environment. I know the Liberals keep talking and complaining but they were in

government for 10 years and did not get the job done. In their dying days in office, all of a sudden they had this deathbed conversion that they somehow cared. Quite frankly, that was a little late. Canadians were tired of it and we saw the results in the last election.

All of our initiatives are focused on delivering results. The worst part of of this is that after the Liberal Party did nothing for so long they are coming back with a very reckless approach. There is no other way to describe it. There is no balanced approach. It is important to this government that we recognize the importance to the economy and the importance of jobs to Canadian in every corner of the country, while at the same time delivering strong action on the environment.

The opposition members have brought forward a motion calling for changes to the Competition Act but what they are asking for is completely within the powers of the Competition Act today, and I know the member opposite is well aware of that. In fact, when the Liberals were in office they brought this forward six times and we know the results of that. They do not like the results but those are the results.

I would be the first one to line-up, where we have evidence that suggests that this is being violated, to call for an investigation and ask that it be done aggressively to ensure the violations are pursued with vigour. It is not acceptable.

Our government will continue to work with Canadians by lowering the GST and taxes in general to ensure Canadians have more money but the solution is not to bring in regulations and not to fix the price of gasoline. It must be market-driven. For anyone to suggest otherwise would actually result in higher gasoline prices.

For those who are following this debate, I would ask that they really look at what all three opposition parties are calling for because this motion is a bit of a smokescreen. They brought in a motion showing that they would like some changes made to the price of gasoline when in fact every opposition party, the NDP, the Bloc and the Liberals, support a policy that would, without question, cause the price of gasoline to rise by at least 60%.

They do not like it. I can hear the moans and groans. Why do they not like it? It is because this number has been put out by some of the country's leading independent economists. Those are the facts. This was not just one economist, this was by some of the leading professors of various departments at universities from right across the country.

It is important for Canadians to realize what all the other parties are pushing for. If they had their way, gasoline prices would rise to \$1.60, \$1.70 and then up to \$2 a litre. That is unacceptable because that would cause serious harm to our economy, something that the Conservative government will not contemplate. We will use a balanced approach where we can ensure we have a strong economy and deliver real reductions for the environment, something that we are doing each and every day.

Business of Supply

•(1615)

[*Translation*]

Mr. Yvon Lévesque (Abitibi—Baie-James—Nunavik—Eeyou, BQ): Mr. Speaker, I have heard the member mention the economy. I understand that the economy is doing well in western Canada. At the same time, it is being strangled in eastern Canada. I have heard references made to prominent economists. There are prominent consumers who are saying every weekend that gas prices are higher than ever. High prices kill the economy in the west as well as in the east.

Could the member opposite tell me what difference it would make? We know that the tax on the profits made by these companies have been reduced from 27% to 19% since 2003. How can the member believe that a price monitoring agency would adversely affect prices, given that it would have the capacity to summon witnesses? Because that is the main point, for the commissioner to have the power to summon witnesses, who in turn will be required to testify.

[*English*]

Hon. Gary Lunn: Mr. Speaker, I want it to be clear that what the member is asking for is a gas monitoring agency, which is just more government bureaucracy that will solve nothing. In fact, the previous government had such agencies but it did not change anything.

This information on the price of gasoline is widely available today from a number of sources. The last thing we need to do is create another large bureaucracy to monitor the price of gasoline and spend tens of millions of dollars of taxpayer money to monitor the price of gasoline. That will change nothing.

I must note that the member also talked about how the economy was strong in the west and not so strong in other parts of Canada. Is he suggesting that Quebec's economy is not doing that well? I think the economy is very strong right across Canada and we should be proud of the work that people are doing in every corner and region of the country.

Hon. Dan McTeague (Pickering—Scarborough East, Lib.): Mr. Speaker, is the hon. member actually suggesting that when it comes to a monitoring agency that it should be done by, as it is currently done, the very industry itself? The hon. members know that his information is coming from MJ Ervin & Associates whose prime clients are the major oil companies. Is that what he calls transparency or accountability?

I understand the member. He knows the work that we have done on this. He also knows that the report that was written by the Liberal committee on gasoline pricing, which is the essence of half of the recommendation that the motion has made here, deals with changing the criminal pricing provisions and turning them into the civil pricing provisions to prevent the kind of activity that took place in his province when ARCO came in and knocked out all the independents and, as a result, in his province today they are paying \$1.28 a litre for gasoline when they should be paying \$1.15 and not a penny more, taxes included.

Since the hon. member clearly has an idea of where gas prices are, and he thinks he knows where they are, maybe he could tell the House what the wholesale prices are in British Columbia today.

Maybe the hon. member could spend a bit more time getting his head out of the sand and tell us why prices under his watch have gone from an average of 85¢ a litre to \$1.15 to \$1.28 depending on the region. Maybe he could tell us today—

Some hon. members: Oh, oh!

Hon. Dan McTeague: Mr. Speaker, I can hear them howling again. I guess they do not like it when we put it right back on them.

The reality is that in the particular context of this price, it does not matter what energies, what new supplies or what new technologies are there, if they are controlled by the same structural inherent problems of the Competition Act, we will wind up with the same problem. Could he explain himself?

•(1620)

Hon. Gary Lunn: Mr. Speaker, the one thing I do know for sure is that the price of gasoline in my province under that member's plan would be over \$1.70 a litre today. Those are the facts. That is what would happen in British Columbia. We have a very strong economy—

Hon. Dan McTeague: What are the prices today? You don't have a problem with \$1.28 a litre?

Some hon. members: Oh, oh.

The Acting Speaker (Mr. Andrew Scheer): Order, please. It is really tough to proceed with the questions and comments period when I cannot hear the minister answer the questions. The hon. member for Pickering—Scarborough East has already asked a question. If he has another one he should wait until his turn comes around again.

The hon. Minister of Natural Resources has a bit of time left to respond to the question. I would ask all members to allow that to happen without interjections.

Hon. Gary Lunn: Mr. Speaker, I should point out that the member for Pickering—Scarborough East is the one who not two minutes ago said that he would actually ask the opposition for respect so he could ask his question and then launched into that tirade of who knows what.

Those members launched into this tirade because the truth hurts. They used these same economists to evaluate the Liberal plans when they were in power. They used these same economists to evaluate their budgets. Now these same people, who are very independent and who used to validate their work, are saying that these are the absolute facts and the Liberals do not like it because the truth hurts.

That is what Canadians need to realize. They need a balanced approach on this file—

The Acting Speaker (Mr. Andrew Scheer): Questions and comments, the hon. member for Western Arctic.

Mr. Dennis Bevington (Western Arctic, NDP): Mr. Speaker, I will make my comments brief because I know that time has been taken up.

The hon. member talked about carbon sequestration. At the natural resources committee, we had many presentations on this. The industry is admitting that by 2015, using the Iogen project, it perhaps could sequester about 25 megatonnes of CO₂. That is about one-quarter of the production from the tar sands. This is the investment that is actually going to reduce CO₂ emissions from the tar sands over a period of time? I do not think so.

Does the minister have any other answers that could work with the tar sands, other than a more rational development of these great resources?

Hon. Gary Lunn: Mr. Speaker, CO₂ sequestration obviously is showing extraordinary promise. The technology is there. It is expensive. That is why we have asked this task force to come back and report to government on what is the role of industry, what needs to be done and how we make it happen. It can have a significant impact on the environment.

There are other technologies being developed to reduce CO₂ emissions. Members will see a lot of investment by our government in this fund. On technology alone, we are investing \$1.5 billion in technology development over the next four years.

This is important. We all like our energy and there is one thing that we should never forget. We are quick to point this out, and members have done it all day today on the oil industry, but we must never forget that we use every single drop that is produced to drive our cars and to power our homes. We have to do better.

Yes, to answer the member's question, a lot of things are coming forward that actually will reduce not only CO₂ gases but also pollutants going into the atmosphere. Our government is very proud to partner and support those initiatives.

• (1625)

[*Translation*]

Mr. Christian Ouellet (Brome—Missisquoi, BQ): Mr. Speaker, I would like to remind the Minister of Natural Resources that gasoline prices will increase anyway. It is predicted that the price per litre will rise to at least \$2 in the next few years. This means that, under his watch, the price of gas will increase, regardless of Kyoto.

I would also like to remind the Minister of Natural Resources that the Bloc Québécois does not support the Liberal plan. It is, however, in favour of an international coalition in support of Kyoto, to reduce greenhouse gas emissions. There is a world of difference between the two. I would not want us to get bamboozled by other parties, including the Liberal Party. We are quite capable of thinking for ourselves.

Could the minister tell us why he does not believe in the substantial economy that would be generated by the development of green energy sources, and not only biogas, but all renewable energy sources?

[*English*]

Hon. Gary Lunn: Mr. Speaker, I would point out to the hon. member that the Bloc in fact did vote for Bill C-288, the Liberal environment plan, and the record will show that.

In fact, it is the international community that started this task 10 years ago and started reducing greenhouse gases. When the Liberals

Business of Supply

were in power, all we saw was hot air. They did nothing. The member would acknowledge that. Those are the facts.

As far as clean energy goes, I thank the member for that comment. That is exactly what we are doing. We have invested \$1.5 billion in our ecoenergy renewable initiative for small hydro, biomass, tidal, wind and solar power. This is something that has never been done before by Parliament: bringing all of this renewable energy under one initiative to create incentives to put more on the grid. We are going to put 4,000 megawatts of electricity on the grid, 4,000 megawatts of absolutely clean renewable energy. That is the equivalent of eight coal-fired electricity generation units. That is something that has been done by this government since we have taken office, so it is exactly one of our priorities.

The Acting Speaker (Mr. Andrew Scheer): It is my duty pursuant to Standing Order 38 to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Brant, Agriculture; the hon. member for Thunder Bay—Rainy River, Foreign Affairs; and the hon. member for Churchill, Aboriginal Affairs.

[*Translation*]

Mrs. Carole Lavallée (Saint-Bruno—Saint-Hubert, BQ): Mr. Speaker, I must first inform you that I will be sharing my time with the hon. member for Jeanne-Le Ber.

Everywhere in my riding of Saint-Bruno—Saint-Hubert, people are saying that consumers really feel they are being taken for a ride by the oil companies. How is it that the price of gas can jump every Thursday, just before the weekend, only to come back down on Monday, when everyone goes back to work? We must absolutely find out what is going on behind closed doors.

That is also the intention of the Bloc Québécois motion here today. The Bloc presented this motion in order to shed some light on gas prices, which are constantly going up, while no one understands why and we are left to imagine the schemes behind these increases.

The motion reads:

That, in the opinion of the House, the government should move an amendment to the Competition Act so that the Commissioner of Competition have the power to initiate investigations of the price of gas and the role of refining margins in the determination of the said price.

As we all know, the price of gas results from adding the cost of four factors: the price of crude oil, the cost of refining, taxes and the retail margin. The concentration of refining activities during the 1990s caused an increase in prices. These increases are profitable to the oil companies, whose profits continue to grow astronomically. The public therefore has the right to know how these prices are calculated and, above all, what is behind the refining margin.

Business of Supply

Prices are skyrocketing. Refining margins are three times too high. Oil companies are making obscene profits. Last week, the price at the pump for regular gas was \$1.15, on average, in Quebec City. The average refining margin reached a record high at 23¢. That is three times too high, when we know that a profit of 5¢ to 7¢ is enough for the oil companies to earn a reasonable profit on refining. The price of petroleum products could remain high over the summer, especially since the cost of crude oil continues to rise.

The oil companies pocket the profits. There are six major oil companies in Canada: Imperial Oil, Petro-Canada, Husky Oil, EnCana, Suncor and Shell. These companies had record profits of almost \$12 billion in 2006, a 25% increase over 2005 and a 70% increase compared to 2004. Is there collusion? It is impossible to say. However, the five major oil companies supply 90% of the gas sold in Canada and get along so well that they even supply one another.

Therefore the oil sector must be brought into line. The whole economy is threatened by the increase in value of a strategic resource. The Bloc Québécois believes that it is possible to limit, at least in part, price increases for gas and other petroleum products. Given the record profits of oil companies in recent years, there is a transfer of wealth in the order of billions of dollars and that worries us. First, the industry must be regulated to ensure that the middleman does not take advantage of his position or circumstances.

The Bloc Québécois is proposing measures to discipline the industry. First, it proposes to strengthen the Competition Act, which presently has some shortcomings. The Competition Bureau cannot undertake an investigation on its own unless it receives complaints or is requested to do so by the Minister of Industry. The Competition Bureau is severely lacking in powers to undertake a general review of the industry. It cannot summon witnesses or guarantee their protection to get them to talk. It cannot ask for the release of documents. Without these tools, it is almost impossible to prove collusion or any other anti-competitive practices. Even in the case of agreements among competitors, the Competition Bureau bears the burden of proof for the collusion. The Competition Act must be strengthened by giving real investigative powers to the Competition Bureau. At the end of its mandate, the Liberal government tabled Bill C-66, which was based for the most part on a complete plan tabled one month earlier. The bill died on the order paper and the Conservatives did nothing.

To bring the industry into line, a real petroleum monitoring agency must be created.

• (1630)

In its November 2003 report on the price of gas, the Standing Committee on Industry, Science and Technology proposed the creation of a petroleum monitoring agency. It is quite incredible to think that the oil industry supported this initiative and the Conservatives were against it. The Conservatives are even more inflexible than the oil companies when it comes to defending the interests of the oil companies. They hardly need lobbyists, when they have the Conservative government.

To make it look as if it was doing something, the Liberal government—which was no better—set up an Internet site that gave the price of gas in major cities. It was just an Internet site. It did not conduct any study on the oil industry and was unable to recommend

any course of action. In other words, it achieved nothing. It takes a real office to monitor this industry.

Oil is making Quebec poorer. We have to stop this bleeding. All the oil Quebec consumes is imported. Every litre it consumes is money out the window that makes the province poorer and the oil industry richer.

In 2006, Quebec imported \$13 billion worth of oil, an increase of \$7 billion in three years. At the same time, Quebec went from a trade surplus to a \$7 billion deficit in 2006, not to mention that the increase in Albertan oil exports made the dollar go up, which hit our manufacturing companies and further emphasized our trade deficit. The increase in the price of oil alone plunged Quebec into a trade deficit. Last year, every Quebecker consumed \$1,000 more than he or she produced. Oil is making us poorer.

We have to redistribute resources in order to stop the oil industry from making our society poor. We have to impose a \$500 million surcharge on the oil companies' profits. We have to repeal the accelerated capital cost allowance for investments in the oil sands, when the price of crude exceeds a threshold of somewhere between \$40 and \$50. The government announced this measure in its last budget, but it will not come into effect for another three years.

We have to repeal the changes made to the 2003 natural resources tax system, which allows oil companies to lower their taxes by another \$250 million a year. We have to make the oil companies pay for the environmental damage they cause by establishing emissions caps, together with a carbon tax and a permit trading system.

But in the long run, the solution is to reduce our dependence on oil.

Prices of petroleum products have been on the rise for several years. The figures I am going to quote come from the Régie de l'énergie du Québec. The price of crude oil is increasing and today is fluctuating between US\$60 and US\$62 a barrel. It has gone up 13% since the beginning of the year and 83% since the beginning of 2004. It is even exceeding the level reached in September 2005, when hurricanes in the southern United States pushed the price up to \$69 a barrel.

The price of heating oil is also going up. It has averaged 70.7¢ since the beginning of 2007, up more than 10¢ or 20% over two years ago. According to Statistics Canada, roughly 500,000 households in Quebec still heat with oil or another liquid fuel.

The price of gas is rising. Two years ago, in April 2005, a new record was reached in Montreal when the price of regular gas topped \$1. Fluctuations aside, gas prices in Quebec are rising steadily.

Until we put measures in place, one by one, to decrease our dependence on oil, we need to clean house and find out who is making unfair profits. The government therefore must move an amendment to the Competition Act so that the Commissioner of Competition has the power to initiate investigations into the price of gas and the role of refining margins in determining gas prices.

Business of Supply

•(1635)

[English]

Mr. Gary Goodyear (Cambridge, CPC): Mr. Speaker, first, I congratulate the Minister of Natural Resources. I believe the efforts that he is making over the long term will decrease the demand on oil and carbon based fuels. Not only is that a great way to decrease greenhouse gases, but it is also the only way I can see to decrease the price of fuel. If we do not want the stuff, the price will come down.

Before I ask my question of the member, which has to do with the wording of the motion, the member for Pickering—Scarborough East made some derogatory comments and suggested that he might want to kick my “phthpt” in my riding. I would be more than happy to meet him somewhere to do exactly that.

I am not sure you noticed, Mr. Speaker, that the gallery at the time was filled with young children. I think it shows not only a phenomenal arrogance on the part of the member, but ultimately it shows that in his 10 or 13 years here he has been completely ineffective in solving this problem.

My question is a very sincere one to the member of the Bloc. I was struggling with whether I could support the original motion. Then along came an amendment that asks the government to increase the size of government, create another group, which would create more administrative costs. We have done this six times before.

Could the member explain if there would be any leeway to go back to the original motion because I cannot support increasing the price to taxpayers on one side simply to decrease the price of gas on the other side?

The Acting Speaker (Mr. Andrew Scheer): I will just mention to the hon. member for Cambridge that I did not hear any specific thing the member for Pickering—Scarborough East said because there was quite a lot of noise coming from both sides of the chamber. I encourage members to avoid making that kind of noise so I can hear everything that is said clearly.

The hon. member for Saint-Bruno—Saint-Hubert.

[Translation]

Mrs. Carole Lavallée: Mr. Speaker, what the Bloc Québécois is asking is that powers be given to the Commissioner of Competition, to the Competition Bureau, to enable them to investigate and find out what is really hiding behind the refining margins.

We know that these margins, these percentage prices, have been growing unduly for years. There is nothing to justify that, neither production costs or new production methods, nor huge wage increases for employees.

It is therefore only natural that, in representing consumers—given that the Bloc Québécois is here to defend the interests of Quebecers and Quebec consumers—we demand not bureaucracy but rather democracy. There might be costs associated with democracy, but I believe that is perfectly natural.

It is time that the Competition Bureau investigate, get to the bottom of that matter and, indeed, tell all consumers in Quebec and Canada why refining prices have increased as much as they have in

recent years, knowing that nothing else can explain such an increase and that oil companies are making huge profits—

•(1640)

The Acting Speaker (Mr. Andrew Scheer): The hon. member for Western Arctic.

[English]

Mr. Dennis Bevington (Western Arctic, NDP): Mr. Speaker, we have heard from the Conservatives, especially the Minister of Natural Resources, a kind of defeatism here today. The Liberals tried to do this six times and they could not make it happen. They could not examine an industry in Canada and come up with conclusions and directions that we could take to improve the industry so it delivered for the consumer. That is what I hear from the Minister of Natural Resources.

How does my colleague think this attitude of defeatism fits in with the new Conservative government's general demeanour of aggressiveness toward the Liberal Party?

[Translation]

Mrs. Carole Lavallée: Mr. Speaker, I do not know if we can talk about this government showing aggressiveness toward the Liberal Party, but I do know that where there is a will, there is a way, as the saying goes.

This government really does not want to move on this issue. It does not want to do anything to lower prices or get to the truth behind oil prices because, as we know, it supports its electoral base in Alberta. And where do we find the major oil companies? They too are based in Alberta.

We must assume that, while this may not be an aggressive government, it is at the very least an opportunistic one.

Mr. Thierry St-Cyr (Jeanne-Le Ber, BQ): Mr. Speaker, I am pleased to speak to the motion introduced by my Bloc Québécois colleagues. I would like to begin my presentation with a little economics 101. The minister who spoke a little earlier today quoted some so-called great economics experts, telling us that if we were to implement the Kyoto protocol, the price of gas would skyrocket. We saw the Minister of Industry indulge in the same sort of accusations during the last election campaign, when he blamed environmentalists for high gas prices. We saw the Prime Minister and the Minister of Transport, Infrastructure and Communities—we have heard from nearly every Conservative—repeat the same old song and dance. Now, they are trying to justify all this with so-called serious economical analyses.

Business of Supply

We should have another look at the basics of economic and market concepts. I am surprised to hear remarks of this nature coming from the Conservatives, who are the so-called apostles of the free market and who are supposed to have full confidence in market forces. Today, they are repeating the same old song and dance. Why are they making these awful statements? Because, in economics, there is one basic principle: the law of supply and demand. I remember learning this principle as a child in school, in secondary IV in Quebec, in economics class. It is rather simple. There is the supply of a product and the demand of a product. When the supply of a product increases, prices drop and vice versa. As for demand, if the demand goes down, prices will obviously go up. If demand goes up, the price will drop. Actually, no, it is the other way around. Well, you get the idea.

My point is, the oil companies understand this law of economics very well. This is proven by the fact that, as the demand for petroleum increases in North America and around the world, we see oil companies close refineries in the United States and elsewhere in the world. Clearly, they are doing this in order to reduce the supply and drive prices up, thereby increasing their profits. They have understood this very well. When the time comes to meet the demand, this principle of supply and demand must apply.

If we implement the Kyoto protocol, if we decrease our consumption of energy and oil, if we decrease demand, contrary to what the minister told us today and to what the entire government constantly repeats, prices will not increase. They cannot increase if demand decreases; the opposite will happen.

I was pleased to hear the member for Cambridge confirm this just a few minutes ago when he told us that he believes that the only way to reduce the price is to decrease demand for oil. I find it difficult to understand how he can support a government that refuses to respect the Kyoto protocol whose ultimate objective is to decrease our consumption of and dependence on oil. There is a real problem: supply is too low and, above all, consumption is too high. We are also facing a situation where there is evidently a problem with competition.

Once again, it is somewhat surprising to see the Conservatives put obstacles in the way of those who would like greater transparency and more competition, when they should be advocating for free markets and utter and complete competition. As a result, oil companies now have profit margins—just in refining—of 23¢, whereas most experts say that refining margins of 5¢ to 7¢ would be enough to guarantee reasonable profits.

• (1645)

The factor we are discussing today is oil refining. We know that retailers are not making a fortune. They make just a few cents per litre. Competition among retailers is fierce—there are often three or four at a single intersection.

We also know that at the other end, at the first stage of production involving the crude oil market, prices are hard to control because we have no say in what happens on the world market. Then the oil is shipped here. Once again, we have little control over this factor. However, when it comes to refining, we do have some control over that.

Today, I was surprised to hear the minister answer our questions by saying, “Yes, but the refining margin in the U.S. is now 26¢”. Is knowing that the Americans are being swindled even more than we are supposed to comfort Quebecers who buy gas and oil? That is not very good news, but obviously, his answer is not satisfactory. We need more than that. Let us be serious. We are talking about 23¢ on one part of the cost of gas. There are taxes, the cost of crude and transportation, and the retailer mark-up, but the problem is with the refining margins.

In Canada, there is a near-monopoly on refining. For example, as my colleague explained earlier, there are six players in all of Canada. Six players controlling an entire market is not a lot. However, at a more local level, all of the oil in the Atlantic provinces is refined by the same company. In Montreal, there are two, and in Ontario, there is a certain number as well.

At the local market level, there are often very few players, perhaps even just one player, and oil companies get along so well that they sell oil to each other depending on their geographic location. It is clear to me that the motion we have introduced in the House today includes the bare minimum we can do to increase competition.

What is the government afraid of? This motion is calling for greater powers of investigation to be given to the Commissioner of Competition. In past reports, the commissioner indicated that he did not have the authority to investigate this matter. On the one hand, he cannot initiate his own investigations and, on the other hand, he does not have the power to compel documents or to compel or protect witnesses. In a word, he does not have the powers necessary to do that kind of work.

The Conservatives claim that there is no problem. If that is so, if there is no collusion and no near-monopoly, why would the government oppose our motion? Our motion would expand the powers of the Commissioner of Competition, which he could use properly. If he conducted investigations and concluded from them that all is well—which I doubt, as do most motorists in Canada—then, the issue would be settled.

The reason the Conservatives oppose this motion is really because they do suspect a problem. They can well imagine that, if the commissioner investigated and had full power to do so, he would bring out to the open a situation that is far from ideal and clearly not to the advantage of consumers.

Naturally, the short term solution is not only that this motion be adopted, but also that the government act on it and give more power to the Competition Bureau, and as soon as possible. In the medium and long term, the Kyoto objectives will have to be met and even exceeded for our consumption of oil to diminish, which in turn will reduce the demand for oil and the pressure on oil prices.

Business of Supply

• (1650)

Hon. Dan McTeague (Pickering—Scarborough East, Lib.): Mr. Speaker, I wish to acknowledge the member who just spoke.

[*English*]

I was going to raise my comments on a point of order. I want the member for Cambridge to understand that tomorrow morning his constituents will face yet another increase in the price of gasoline by 0.7¢ a litre. I was quite willing to kick this around his riding at any given time and debate it with him on a radio station, if he wishes, as I have done in the past.

I know there are a number of companies, such as the Challenger Motor Freight Inc., who have appeared before our committee. They are going to be badly affected by the government's inability to decide right now to deal with the fundamental need to change the Competition Act, which is exactly what the hon. member from the Bloc Québécois has been proposing.

Tomorrow his community will see a 0.2¢ a litre increase because the wholesale price just went up two-tenths of a cent, which again put us in a situation where we are in fact 3¢ above wholesale prices than in the United States.

[*Translation*]

I would like to point out to the member that there remain only two refineries in Montreal and that both are controlled by companies whose prices are exactly the same.

[*English*]

I want to point out very clearly, so the hon. member knows, that there is not a single difference in the wholesale price. At 4:00 p.m. the leaders, Ultramar and Petro-Canada, just set their prices. They are identical. That is not an example of competition.

In the United States there are several variance points at which companies set their prices. There is usually a 5¢ to 10¢ a gallon difference. In Canada they are identical. We have no refineries left in Toronto and now we are on the verge of a crisis that is hurting the entire economy.

[*Translation*]

Would it be possible for the member to name the specific areas of competition that he would like the Commissioner of Competition to examine?

Mr. Thierry St-Cyr: Mr. Speaker, I would like to begin by thanking my colleague for taking part in this opposition day and for his cooperation on this issue throughout the day.

Clearly, the shortage of refineries and the lack of competition on the market pose a problem. I talked about Montreal, where only two players are left. The situation is worse in Quebec City, where only one player sells oil to everyone.

My colleague is talking about something that all drivers and gas consumers know and see: prices all change at the same time, systematically.

Earlier today, my colleague from Saint-Bruno—Saint-Hubert spoke about how prices often go up on the Thursday before a three- or four-day holiday weekend.

If there is no collusion, if there truly is competition, then this is strange. We would not expect this to happen in a real market where there is true competition.

• (1655)

[*English*]

Mr. Colin Carrie (Parliamentary Secretary to the Minister of Industry, CPC): Mr. Speaker, I have been listening to the speeches from the Bloc and there are so many inaccuracies that I had to rise and speak.

Just like the Liberal members and the NDP members who did not read the budget before they voted against it, obviously the Bloc did not read the Competition Act because in the amendment it is proposing, it is trying to give the Competition Bureau a power that it already has.

I want to clarify this. The members repeatedly have said that the Competition Bureau cannot initiate price fixing inquiries. As a matter of fact it can and it does, and it does so regularly. The bureau has secured numerous convictions for price fixing under the act. Over the last 15 years it has secured over \$400 million in fines for price fixing.

The real issue here is about consumers and the Bloc cannot run from its record. Let us talk about the price of gasoline. Again, I would like to read from its own platform. It wants to increase corporate income taxes paid by oil companies to over \$500 million. That is half a billion dollars. Who is going to pay for that? I say it is the consumers.

In the Bloc's own platform for the environment, it is supporting Bill C-288. We know that if the Bloc's plan were implemented today, the price of gasoline would be \$1.60 to \$2.00 per litre.

I think this is the ninth time I have asked this question. Will the Bloc come clean and let the people of Quebec and the people of Canada know that it is in favour of higher prices for gasoline, yes or no?

[*Translation*]

Mr. Thierry St-Cyr: Mr. Speaker, it is pretty pathetic to see to what point the truth can be denied.

First, I would like to make a few corrections. I did not say that the Competition Bureau does not conduct investigations. The commissioner does a good job when she can and with the means she has available. What she cannot do is force witnesses to appear, require documents to be produced, and conduct investigations herself, without a complaint being made. Those are the facts.

It is simply false to imply that implementing the Kyoto protocol will increase prices. I do not understand why the Conservative government is continuing with its strategy to scare people and tell them it will be a disaster. No one gives in to this kind of crude blackmail. Obviously, if we decrease our—

The Acting Speaker (Mr. Andrew Scheer): Resuming debate. The hon. member for Western Arctic.

Business of Supply

[English]

Mr. Dennis Bevington (Western Arctic, NDP): Mr. Speaker, it is my pleasure to rise to speak to this opposition day motion that would put together a rather important plan to give consumers security around the cost of a product that is of course a world market commodity. Crude oil has a limited ability to be refined within Canada and seems to move with the rapidity of lightning in its price range.

We have heard these complaints over and over again. We have seen inaction from the previous government because it had a *laissez-faire* attitude. Certainly, we would hope better from this government and in a minority government situation we would hope that the majority in the House would have the opportunity to make a difference.

Earlier today I spoke to reporters about the northern prosperity gap faced by working families across the north due to the high cost of living. High gasoline and energy prices are just two things that contribute to the high cost of living that northerners face on a regular basis.

A little over two weeks ago I was back in my home town of Fort Smith, which is the most southern community in the Northwest Territories. It has excellent road access and the price of gasoline was \$1.20 a litre. I received a phone call from my daughter last night and she was outraged at the fact that the price of gasoline at the pump had gone to \$1.31. This community, located some 800 miles away from the Strathcona refinery in Alberta, had seen a larger increase than most other places.

To me this suggests something about petroleum monitoring agencies. It would be very important for this country to have an agency that could look at not just the price of gasoline in the large cities, but the smaller communities across Canada, in the north and rural Canada, the communities that do not have a plethora of gas stations that perhaps are competitive but have to deal with one or two outlets in their own particular communities.

The situation is that the price of gas goes up 5¢ in Edmonton and nothing has changed in Fort Smith. The cost of transporting the fuel there has not changed. The wages for the person in the gas station have not changed. However, the price in Fort Smith goes up twice as much as it does in Edmonton. This is intolerable in any situation.

People expect that there would be some rationale in the pricing of a product that is delivered to their communities. In Parliament we should certainly look at ways to protect the consumer at all levels of society. I trust that a petroleum monitoring agency would have the opportunity to look at not only the larger picture but at the situations in various regions of the country.

Lower gas prices are something that all northerners want and I suppose all Canadians want as well. The NDP supports the effort to ensure that the day to day fluctuation in the price of gas is not conspiratorially exploited, that it is actually the cost of the product reflected in the price.

Every one of us in the country recognizes that oil is a world market commodity and will rise and fall, and that will cause changes in the price of the retail product. We can all accept that. We can all accept as well the deliberate act of government to ensure that we

reduce greenhouse gas emissions through the development of hard targets over the next few years.

• (1700)

Interestingly enough, a poll was done in Alberta and some 70% of Albertans were in favour of hard targets for emission reductions. That speaks well of Albertans who understand the industry and understand the enormous problems that industry will face in the future, but they are not giving up on it. Albertans are not like that. They do not give up on problems. They recognize them and work to solve them, I hope, in the future. The leadership we are hearing from Alberta, though, is far behind the people of Alberta.

Higher gas prices are a symptom of a much larger disease. It will be more and more apparent in Canada as time goes on. Really, to solve the larger problem, we need to look at a national energy strategy in this country. We need to look at how we deal with energy as a whole. We will not get to a situation of reduced emissions for Kyoto without it and we will certainly not control prices and control the economy as far as energy costs go without some kind of nationally recognized strategy with buy-in from all the provinces and territories.

Recently, people in Ontario saw gas prices rise because a fire damaged part of a refinery. The fact that a fire at one refinery results in gas shortages and high prices shows a system for delivering fuel for consumers in trouble. There is no excess capacity and the likelihood of getting more excess capacity is limited.

We need to look at conservation. The primary goal of any national energy strategy today and into the future has to be conservation.

The government has come out with a number of solutions for climate change. One of them was renewable fuels. We are seeing an investment of \$2.2 billion over seven years into renewable fuels. It is a great thing for farmers, a great thing for the agricultural industry, but not really a great thing for conservation. Renewable fuels are not part of a conservation cycle. They are part of a demand cycle. They will continue the demand.

The investment of \$2.2 billion in conservation practices, in reducing the use of automobiles, the increase in public transit, the ability to change the way we are dealing with the movement of our goods, services and persons across this country is much more toward the conservation side.

In fact, the jury is still out on the ability of renewable fuels to reduce greenhouse gas emissions, their ability to reduce smog in the cities and all these things. That part of the Conservative platform, although interesting and useful in some respects, is really not a conservation strategy and certainly the door is still wide open as to whether it is a useful tool in reducing air pollution or greenhouse gas emissions.

What we have is a situation where we are continuing the consumption orientated economy of this country, and that will not work. We know the world is running out of oil. We know that we are in a finite situation with oil and if we put it on a cost curve, we are rapidly approaching a point where the costs will escalate past many alternatives that are in place.

Business of Supply

Where do we go with it? If we continue in the way that the Liberals set out 13 years ago on energy with a laissez-faire system, let the industry decide how much energy will develop, how it will move ahead, we will end up with situations like we have today.

I will use natural gas as an example. It was very interesting to hear at the natural resources committee the other day that the president of the Canadian Gas Association admitted that by 2015 we will be looking at 20% of our supply from liquefied natural gas. This is an individual who represents the sale of natural gas through its distribution system. He is not trying to frighten customers away. He is facing the reality of the situation that we have incurred under the laissez-faire policies of the last 13 years.

• (1705)

The Alliance pipeline was sized to a point where it has forever altered our ability to provide natural gas for our own market. It has also taken away most of the available expansion in the petrochemical industry through the movement of raw gas through Chicago.

These were decisions that were made for the future of the country in the absence of any significant strategy, without understanding the nature of how those decisions would play out in the future.

To think that we would continue this pattern of accepting that industry is going to make the decisions for us about energy, I look at the Mackenzie gas pipeline right now. There is a lot of trouble with that project. It is a \$16 billion project. Imperial Oil is saying it is too much money and it looks like it is going to have to go to LNG for the supply. Interestingly enough, Exxon, the parent company is heavily involved with liquefied natural gas in Qatar. We have a situation where one of these multinationals has two conflicting interests on the supply of energy to Canada. Where do we as Canadians sit, with no input, with no direction? We are simply going to allow this to play out as it may.

Every other energy exporting country has taken a stronger nationalist approach than Canada has taken. Every other country engaged in the business of exporting energy being, as the Prime Minister says, part of the energy superpowers of the world, has taken hold of its resources. What we saw in Venezuela recently was a complete state takeover of oil.

Within the national energy strategy there is the conservation and development of renewable energy. We heard the Minister of Natural Resources talk about the great amount of renewable energy that the government has promised. Four thousand megawatts sounds like a lot but it is not really.

The Canadian Wind Energy Association says that there are 100,000 megawatts of wind energy available to the existing grid within distance of the existing transmission system. That is renewable energy. There is hydro power and the opportunities for much more use of solar energy. Our solar energy ability is great.

On biomass, we are facing a crisis in the forests where our product is being downgraded. The bugs and climate change effects are destroying our forests. We need an active forest program. We need to move more heavily into biomass energy.

Part of that would be an east-west energy grid. We need to link this country together so that it works better for renewable energy.

There is no way we can operate in isolation as we have province to province in dealing with energy. We need a national strategy. We need to move ahead with this.

We can sit here and talk about reducing greenhouse gas emissions for four years or ten years, but without a national energy strategy that changes the way we use energy, we will not achieve those larger targets that are coming in 10, 15 or 20 years.

This is a good idea, a petroleum monitoring agency, using the Competition Bureau to ensure that Canadians have some trust in what they are doing, but this is only part of the picture. We need a bigger look at this. We need to have an expanded view of the country's energy system. Parliament is the only one that can do it. If we forsake this role, we are forsaking the future of our children and grandchildren.

• (1710)

The Deputy Speaker: There is certainly no time for a question and an answer, but I will let the member for Montmagny—L'Islet—Kamouraska—Rivière-du-Loup make a brief comment.

[*Translation*]

Mr. Paul Crête (Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, I would simply like to tell the House that I feel it is important to send a message here today to the government, to the effect that a profit of 20¢ a litre for refining is exorbitant for consumers, for the entire industry and the entire Canadian economy when 6¢ is the normal profit margin. In that regard, it is absolutely crucial that we send a clear message.

Can my hon. colleague tell me if, indeed, it is important for the government to decide to take action? It is not a matter of collusion. It is a matter of disciplining a market that is destroying the entire economy of Quebec and Canada.

The Deputy Speaker: It being 5:15 p.m., it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the business of supply.

The question is on the amendment. Is it the pleasure of the House to adopt the amendment?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And five or more members having risen:

The Deputy Speaker: Call in the members.

• (1745)

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

*Business of Supply**(Division No. 180)*

YEAS

Members

Alghabra
 Angus
 Asselin
 Bachand
 Bains
 Beaumier
 Bell (Vancouver Island North)
 Bellavance
 Bevilacqua
 Bigras
 Blais
 Boshcoff
 Bourgeois
 Brown (Oakville)
 Byrne
 Cardin
 Chamberlain
 Charlton
 Christopherson
 Crête
 Cullen (Skeena—Bulkley Valley)
 Cuzner
 Davies
 Deschamps
 Dhaliwal
 Dion
 Dryden
 Easter
 Faille
 Freeman
 Gagnon
 Gauthier
 Godin
 Gravel
 Guimond
 Hubbard
 Julian
 Karygiannis
 Kotto
 Laframboise
 Lavallée
 LeBlanc
 Lemay
 Lévesque
 MacAulay
 Malo
 Marleau
 Martin (Esquimalt—Juan de Fuca)
 Martin (Sault Ste. Marie)
 Mathysen
 McCallum
 McGuinty
 McTeague
 Ménard (Marc-Aurèle-Fortin)
 Minna
 Murphy (Moncton—Riverview—Dieppe)
 Nadeau
 Neville
 Owen
 Paquette
 Pearson
 Plamondon
 Ratansi
 Regan
 Rota
 Russell
 Savoie
 Scott
 Siksay
 Simard
 St-Cyr
 St. Amand
 Steckle
 Szabo
 Thibault (Rimouski-Neigette—Témiscouata—Les Basques)
 Thibault (West Nova)
 Tonks
 Valley

André
 Arthur
 Atamanenko
 Bagnell
 Barbot
 Bélanger
 Bell (North Vancouver)
 Bennett
 Bevington
 Black
 Bonsant
 Bouchard
 Brison
 Brunelle
 Cannis
 Carrier
 Chan
 Chow
 Comartin
 Crowder
 Cullen (Etobicoke North)
 D'Amours
 DeBellefeuille
 Dewar
 Dhalla
 Dosanjh
 Duceppe
 Eyking
 Folco
 Fry
 Gaudet
 Godfrey
 Goodale
 Guay
 Holland
 Jennings
 Kadis
 Keeper
 Laforest
 Lalonde
 Layton
 Lee
 Lessard
 Lussier
 Malhi
 Maloney
 Marston
 Martin (Winnipeg Centre)
 Masse
 Matthews
 McDonough
 McGuire
 Ménard (Hochelaga)
 Merasty
 Mourani
 Murphy (Charlottetown)
 Nash
 Ouellet
 Pacetti
 Patry
 Picard
 Proulx
 Redman
 Rodriguez
 Roy
 Savage
 Scarpaleggia
 Sgro
 Silva
 Simms
 St-Hilaire
 St. Denis
 Stoffer
 Temelkovski
 Turner
 Vincent

Wasylycia-Leis
 Wilson
 Zed- — 159

Wilfert
 Wrzesnewskyj

NAYS

Members

Abbott
 Albrecht
 Allison
 Anders
 Baird
 Benoit
 Bezan
 Blaney
 Bretkreuz
 Brown (Barrie)
 Calkins
 Cannon (Pontiac)
 Casey
 Chong
 Cummins
 Day
 Doyle
 Emerson
 Fast
 Fitzpatrick
 Fletcher
 Gallant
 Goodyear
 Grewal
 Hanger
 Harvey
 Hearn
 Hill
 Jaffer
 Kamp (Pitt Meadows—Maple Ridge—Mission)
 Kenney (Calgary Southeast)
 Komarnicki
 Lake
 Lemieux
 Lunn
 MacKay (Central Nova)
 Manning
 Mayes
 Merrifield
 Mills
 Moore (Fundy Royal)
 Norlock
 Obhrai
 Paradis
 Poilievre
 Preston
 Reid
 Ritz
 Schellenberger
 Skelton
 Solberg
 Stanton
 Strahl
 Thompson (New Brunswick Southwest)
 Tilson
 Trost
 Van Kesteren
 Vellacott
 Wallace
 Warkentin
 Williams

Ablonczy
 Allen
 Ambrose
 Anderson
 Batters
 Bernier
 Blackburn
 Boucher
 Brown (Leeds—Grenville)
 Bruinooge
 Cannan (Kelowna—Lake Country)
 Carrie
 Casson
 Clement
 Davidson
 Del Mastro
 Dykstra
 Epp
 Finley
 Flaherty
 Galipeau
 Goldring
 Gourde
 Guergis
 Harris
 Hawn
 Hiebert
 Hinton
 Jean
 Keddy (South Shore—St. Margaret's)
 Khan
 Kramp (Prince Edward—Hastings)
 Lauzon
 Lukiwski
 Lunney
 MacKenzie
 Mark
 Menzies
 Miller
 Moore (Port Moody—Westwood—Port Coquitlam)
 Nicholson
 O'Connor
 Oda
 Petit
 Prentice
 Rajotte
 Richardson
 Scheer
 Shipley
 Smith
 Sorenson
 Storseth
 Sweet
 Thompson (Wild Rose)
 Toews
 Tweed
 Van Loan
 Verner
 Warawa
 Watson
 Yelich- — 122

PAIRED

Members

Demers
 Pallister

Devolin
 Perron- — 4

The Deputy Speaker: I declare the amendment carried.
 The next question is on the main motion, as amended.

[English]

Hon. Jay Hill: Mr. Speaker, were you to seek it you would find unanimous consent to apply the results of the vote just taken to the motion presently before the House.

The Deputy Speaker: Is there unanimous consent to apply the vote just taken to the motion now before the House?

Some hon. members: Agreed.

• (1750)

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

(Division No. 181)

YEAS

Members

Alghabra	André
Angus	Arthur
Asselin	Atamanenko
Bachand	Bagnell
Bains	Barbot
Beaumier	Bélangier
Bell (Vancouver Island North)	Bell (North Vancouver)
Bellavance	Bennett
Bevilacqua	Bevington
Bigras	Black
Blais	Bonsant
Boshcoff	Bouchard
Bourgeois	Brison
Brown (Oakville)	Brunelle
Byrne	Cannis
Cardin	Carrier
Chamberlain	Chan
Charlton	Chow
Christopherson	Comartin
Crête	Crowder
Cullen (Skeena—Bulkley Valley)	Cullen (Etobicoke North)
Cuzner	D'Amours
Davies	DeBellefeuille
Deschamps	Dewar
Dhaliwal	Dhalla
Dion	Dosanjh
Dryden	Duceppe
Easter	Eyking
Faille	Folco
Freeman	Fry
Gagnon	Gaudet
Gauthier	Godfrey
Godin	Goodale
Gravel	Guay
Guimond	Holland
Hubbard	Jennings
Julian	Kadis
Karygiannis	Keeper
Kotto	Laforest
Laframboise	Lalonde
Lavallée	Layton
LeBlanc	Lee
Lemay	Lessard
Lévesque	Lussier
MacAulay	Malhi
Malo	Maloney
Marleau	Marston
Martin (Esquimalt—Juan de Fuca)	Martin (Winnipeg Centre)
Martin (Sault Ste. Marie)	Masse
Mathysen	Matthews
McCallum	McDonough
McGuinty	McGuire
McTeague	Ménard (Hochelaga)
Ménard (Marc-Aurèle-Fortin)	Merasty
Minna	Mourani
Murphy (Moncton—Riverview—Dieppe)	Murphy (Charlottetown)
Nadeau	Nash
Neville	Ouellet
Owen	Pacetti
Paquette	Patry

Pearson	Picard
Plamondon	Proulx
Ratansi	Redman
Regan	Rodriguez
Rota	Roy
Russell	Savage
Savoie	Scarpaleggia
Scott	Sgro
Siksay	Silva
Simard	Simms
St-Cyr	St-Hilaire
St. Amand	St. Denis
Steckle	Stoffer
Szabo	Temelkovski
Thibault (Rimouski-Neigette—Témiscouata—Les Basques)	
Thibault (West Nova)	
Tonks	Turner
Valley	Vincent
Wasylcyia-Leis	Wilfert
Wilson	Wrzesnewskyj
Zed— 159	

Business of Supply

NAYS

Members

Abbott	Ablonczy
Albrecht	Allen
Allison	Ambrose
Anders	Anderson
Baird	Batters
Benoit	Bernier
Bezan	Blackburn
Blaney	Boucher
Breitkreuz	Brown (Leeds—Grenville)
Brown (Barrie)	Bruinooog
Calkins	Cannan (Kelowna—Lake Country)
Cannon (Pontiac)	Carrie
Casey	Casson
Chong	Clement
Cummins	Davidson
Day	Del Mastro
Doyle	Dykstra
Emerson	Epp
Fast	Finley
Fitzpatrick	Flaherty
Fletcher	Galipeau
Gallant	Goldring
Goodyear	Gourde
Grewal	Guergis
Hanger	Harris
Harvey	Hawn
Hearn	Hiebert
Hill	Hinton
Jaffer	Jean
Kamp (Pitt Meadows—Maple Ridge—Mission)	Keddy (South Shore—St. Margaret's)
Kenney (Calgary Southeast)	Khan
Komarnicki	Kramp (Prince Edward—Hastings)
Lake	Lauzon
Lemieux	Lukiwski
Lunn	Lunney
MacKay (Central Nova)	MacKenzie
Manning	Mark
Mayes	Menzies
Merrifield	Miller
Mills	Moore (Port Moody—Westwood—Port Coquitlam)
Moore (Fundy Royal)	Nicholson
Norlock	O'Connor
Obhrai	Oda
Paradis	Petit
Poilievre	Prentice
Preston	Rajotte
Reid	Richardson
Ritz	Scheer
Schellenberger	Shipley
Skelton	Smith
Solberg	Sorenson
Stanton	Storseth
Strahl	Sweet
Thompson (New Brunswick Southwest)	Thompson (Wild Rose)
Tilson	Toews
Trost	Tweed
Van Kesteren	Van Loan
Vellacott	Verner

Private Members' Business

Wallace
Warkentin
Williams

Warawa
Watson
Yelich— 122

PAIRED

Members

Demers
Pallister

Devolin
Perron— 4

The Deputy Speaker: I declare the motion carried.

The Deputy Speaker It being 5:50 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]

CRIMINAL CODE

Mr. James Rajotte (Edmonton—Leduc, CPC) moved that Bill C-299, An Act to amend the Criminal Code (identification information obtained by fraud or false pretence), be read the third time and passed.

Mr. Dave Van Kesteren (Chatham-Kent—Essex, CPC): Mr. Speaker, before I get started on my remarks, I would like to say hello to my mother, 87 years old, who has been ailing of late and is doing much better. They say behind that every successful man there is a surprised mother-in-law, but behind my mother there are 10 children, 60 grandchildren and 70 great-grandchildren, and we are all glad that she is still with us.

I am pleased to speak to Bill C-299. This bill was introduced by the hon. member for Edmonton—Leduc. It was supported at second reading and referred to the Standing Committee on Justice and Human Rights.

In February, the committee heard from the sponsor. During clause by clause consideration, the committee also heard from witnesses from the Department of Justice. Those discussions were very fruitful.

The objective of Bill C-299 is oriented toward a particular problem, specifically the practice which is commonly known as pretexting. Pretexting is the act of getting people to reveal personal information by various kinds of deception.

In this case, the sponsor of the bill was particularly interested in the obtaining of information about people by deception of other parties. The bill was focused on deception generally and also specifically on deception that takes the form of impersonating another person.

For example, there are many reported instances of people calling a telephone company and pretending to be a subscriber. The caller then asks for the subscriber's phone records. The telephone company, believing the caller to be an actual subscriber, releases the records. The caller then obtains the records, which reveal a significant amount of information about the subscriber.

This kind of practice can be a flagrant violation of privacy. It is also a tool used by identity thieves to obtain identity information that

can be used to impersonate the subscriber in a range of different contexts.

In its original form, the bill amended the Criminal Code, the Competition Act and the Canada Evidence Act. It created new offences and other measures designed to address this form of pretexting conduct.

The justice committee of the House heard that there were some concerns with the bill as it was originally drafted. One set of concerns related to the offences that were proposed for enactment in the Criminal Code. For instance, as originally drafted, Bill C-299 would have created offences that criminalize the very act of obtaining personal information by deception of some kind, without anything more.

I mentioned previously that this kind of act can be a privacy intrusion or it can be the first step to an identity theft enterprise, but there are also legitimate circumstances in which deception is used.

For instance, deception is a legitimate investigative technique used by police. Undercover police are constantly deceiving the targets of their investigation as to their true identity, all with a view to obtaining evidence against those targets. Outside of the undercover context, the police can also use deception when they interview suspects.

There are many other legitimate circumstances in which people use deception to obtain information. Investigative journalists likely employ such techniques when they are tracking down a story. Although it may be distasteful to think about, it is probably also the case that parents, friends and spouses sometimes tell each other lies in order to uncover information.

Simply put, lying is not sufficient to amount to a crime. All of this is to say that the original wording of the offences proposed in Bill C-299 was too broad. It captured too many circumstances by also criminalizing deception that is undertaken for legitimate or non-harmful purposes.

I believe the hon. member for Edmonton—Leduc was in agreement with this assessment. As a result, the committee, with the sponsor's approval, amended those proposed criminal offences by adding an additional component.

Simply put, the additional requirement is an intent to use the information obtained to impersonate the person or to defraud someone. In the criminal law context, people obtain other people's information in order to use it to impersonate them. This is what is commonly referred to as identity theft.

● (1755)

Using another person's information like a key, the identity thief can then access their financial or bank accounts, sell their property, make purchases on their credit card, and so on.

While the acts of impersonating and defrauding someone are already criminal offences, the act of obtaining the necessary identifying information is not a crime, even where that is done for the sole purpose of using the information to commit an offence.

Private Members' Business

Following this logic, the committee adopted the offences that were proposed in Bill C-299 by adding a criminal intention to use the information to impersonate or to defraud someone. The result is an offence that criminalizes the deception as a tool of identity theft. At the same time, the offence would not criminalize lying in other contexts where there is no intention to later use the information to commit another crime. This makes sense.

By criminalizing for the first time one technique that is frequently used by identity thieves, Bill C-299, as amended by the committee, is a significant step forward for our criminal law and should be applauded.

However, the committee acknowledged that the offences, even as they were amended, did not completely address the problem of identity theft.

There are other tactics that identity thieves use to collect valuable information, such as rifling through garbage, hacking into computer databases, and watching over a person's shoulder as they use their cards. These methods do not rely on deception. As a result, Bill C-299 does not make these acts criminal. The committee recognized that Bill C-299 does not comprehensively address the issue of identity theft but viewed it as a good first step, and I would certainly agree.

In this regard, I would like to take the opportunity to remind members that the Department of Justice has been working on proposals to amend the Criminal Code to deal with the full range of identity theft situations. I understand that this work is ongoing. I hope that we will see more comprehensive government legislation in this area in the future.

The committee made a number of other changes to the proposed new Criminal Code offences. For instance, it replaced the definition of personal information that was previously provided. The original definition was the same as the definition from the Personal Identification and Protection of Electronic Documents Act, known as PIPEDA. That definition is "information about an identifiable individual". This definition is suitable for a statute such as PIPEDA, which is designed to protect the privacy of personal information.

However, privacy is not the primary focus of an identity theft law. Identity theft is about protecting a person's identity from being falsely used, not about protecting privacy for its own sake, although privacy protection is certainly enhanced by identity theft laws. A definition which includes any information about a person is too broad for an identity theft offence because a lot of information that is about people is not useful for impersonating them. For instance, the initial definition would have included information like shopping preferences, a person's religion or height, and an infinite amount of other information. None of these types of information are relevant to identity theft.

The type of information that is pertinent to an identity theft law is information that is capable of identifying a person. This is a much narrower case of information than information that is about a person. For this reason, and again with the consent of the sponsor, the committee replaced the definition originally in the bill with a definition more suitable to the context.

Another change the committee made to the proposed Criminal Code offences was to expand the scope of the offences so they would cover not just the use of deception to get information from third parties, such as a telephone company, but so it captured the use of deception to get information from any person. This change means the use of deception to get a person to reveal identifying information about themselves would also be an offence. This makes good sense. We know that identity thieves do in fact get information directly from the people they intend to impersonate.

Phishing attacks are a good example. A phishing attack is an unsolicited email which falsely appears to be from a legitimate banking or other type of institution. It asks the recipient to provide valuable identifying or financial information, which the identity thieves then use. Phishing scams do not deceive third parties into revealing information; they deceive the victims directly. Bill C-299 has been reported back to the House in a form that would now capture this behaviour.

There were other elements of the original bill. There was a proposal to amend the Canada Evidence Act and proposals to amend the Competition Act.

With the agreement of the hon. member who introduced the legislation, the proposal that would have amended the Canada Evidence Act was deleted from the bill. Those proposals that pertained to the Competition Act were also deleted. It was suggested that the issues raised by those proposals would be raised with the Standing Committee on Access to Information, Privacy and Ethics for consideration as part of its legislative review of the PIPEDA legislation.

I thank the members of the committee for their detailed consideration of the bill and for their amendments to it, which I believe improve the legislation.

I again commend the hon. member who tabled Bill C-299, which represents an important first step in the battle against identity theft.

● (1800)

[*Translation*]

Hon. Marlene Jennings (Notre-Dame-de-Grâce—Lachine, Lib.): Mr. Speaker, it is my honour and privilege to announce that the Liberal caucus, the official opposition, intends to support Bill C-299. We believe that this bill addresses a serious issue and that the committee's amendments have resolved the problems with the original version of the bill.

[*English*]

We were very pleased that the member for Edmonton—Leduc accepted the amendments proposed in committee, specifically to change the definition of personal information, as was pointed out by my colleague from Moncton—Riverview—Dieppe in the debate at second reading. The definition that we originally found in Bill C-299, which was taken from the PIPEDA, was not appropriate for the issue of identity theft and pretexting.

Private Members' Business

We also pointed out that we were a little dismayed that the government was not addressing the issue of identity theft in its entirety. The department has been studying and consulting on the issue for over three years. At least two reports have come out on the issue with regard to the kinds of amendments that need to be brought forward in the Criminal Code and other legislation in order to address the issue in its entirety.

We would have preferred to see that kind of omnibus bill and overall reform rather than piecemeal, but I have to commend the member for Edmonton—Leduc for deciding not to wait on his government, which seems to be dragging its feet, and to move forward at least on this issue.

Liberals are pleased with the amendments brought forward at committee and are prepared to support Bill C-299 as reported back from committee.

● (1805)

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, I, too, rise in support of Bill C-299. I will speak very briefly on the matter because I think it is a subject that all Canadians should be concerned with, and it is fitting that the House of Commons is seized of the issue today.

I am not sure that all Canadians realize the magnitude and the scope of this problem. Today in testimony at the access to information, privacy and ethics committee we heard that it is estimated there are roughly 30 million incidents of identity theft or breaches of personal information in the United States per year, which could lead to identity theft. In fact, there were 104 million incidents in the last three years.

Coupled with the initiative by my colleague from Edmonton, Bill C-299, our committee has undertaken a comprehensive study and analysis. We will be doing a full review and study of identity theft in all its forms.

One of the things that comes to mind, and people who are following this subject might be interested in this, is the justice committee has also been dealing with the issue. I believe my colleague, the justice critic for the NDP, was aware of this. Back in February, it submitted a report to the House of Commons, urging the Minister of Justice to amend the Criminal Code to include identity theft as a separate item under the Criminal Code, thus recognizing the severity of the problem in society.

We heard evidence from the Privacy Commissioner today. She tried to give some definition to a problem that is abstract in nature and poorly understood by so many. I do not think people realize the number of ways identity theft is being planned and implemented as we speak. There are people out there with great technical skills who are busily engaging themselves in identity theft now, not always resulting in injury to a Canadian but it should still be considered a crime in the context of the RCMP looking into it.

One of the assistants to the Privacy Commissioner currently is a former deputy commissioner of the RCMP specializing in identity theft. We take some comfort that we are well served with expertise, watching out for our best interests in this regard. However, they are wrestling with how we might better protect Canadians from this problem.

One of the more egregious examples that came forward in testimony today is the situation, which happens from time to time in our country and in the United States, where houses are sold right out from underneath people, without them realizing it. Unwittingly and unknowingly to them, someone has usurped their identity, gone through the motions and actually sold their homes. The titles have been transferred and they are sitting in homes that they thought were theirs, but they have been stolen from them. That is perhaps one of more glaring or shocking examples, but people should be taking that seriously.

We note the commissioner of privacy in the United Kingdom has just issued a report on this issue of identity theft and uses the word “shocking” at some of the revelations of the criminal activity going on in that country. One of the more shocking things they have uncovered and revealed to us, and that we have taken note of, is the fact there are moles willing to sell information to undercover police or undercover journalists, as was exposed in that country, in virtually every aspect of the financial sector. They are willing to sell personal information for the purposes of illegal activity and identity theft.

● (1810)

It can be through phishing attacks or fake bank e-mails, which is another one Canadians should be cautious of. It has been brought to our attention that people are getting phony e-mails, using the banner and the template of a local bank, asking them to please verify their bank account numbers and their pin numbers so the bank can double check to ensure everything is on the up and up. Those are fraudulent messages but they are so professionally executed that even people who are cautious of identity theft in their personal information are falling for this and are sending their most highly protected personal information to these individuals with sometimes tragic results.

There are robots, Bots, circulating throughout the IT sector, Trojans and worms that creep into the electronic systems. On a cautionary note, people must become aware of and be cautious of the Facebook and MySpace domains, especially young people, because there are people trolling through that database of information for the purposes of identity theft.

If there are 30 million people per year whose personal information is being compromised by people who would and could use this identity theft to inflict financial injury on us, just by sheer ratio and proportion, we could safely say that there are roughly three millions Canadians per year who are suffering this.

The reason I raise this and the reason I wanted to intervene today is that it is wrong that companies are not required to notify individuals if their personal information has been compromised. Companies have no obligation or duty to notify people in the case of a breach.

Even if I did not suffer any financial loss, if my personal information and my privacy were compromised, I would want to know because I may choose to change where I am doing business if its security network is so lax that once, twice or ten times my personal information has been compromised.

Private Members' Business

One of the recommendations of the committee which just did a statutory review of the PIPEDA legislation, the personal information protection legislation, was that there must be a duty and an obligation on the company to notify people, whether it is the credit card company or the bank that has lost the records or whatever, that their information has been compromised.

We are taking this very seriously. Bill C-299, or what is left of it, would only help us in one aspect of all that needs to be done. It does in fact call for the Criminal Code to be amended so that identification information obtained by fraud or false pretence would be a stand-alone offence.

It has always struck me as odd that it is a stand-alone offence to steal a cow but it is not a stand-alone offence to steal an automobile for instance, and it is not a stand-alone offence to engage in this criminal activity which is very much a sign of the times and one that was never contemplated when the Martin's Criminal Code was put together. However, it is a much more pervasive problem today than a lot of Canadians realize.

We are not trying to upset people or to cause a panic. We believe that, by and large, our financial institutions do provide adequate security but if there are creative and highly skilled technical people who are looking for every opportunity possible to penetrate whatever security walls might have been put up in order to gain access to our personal information for nefarious reasons, we must take this seriously. If we do nothing else in this particular area, in this particular Parliament, we should be able to tell Canadians that we are seized with this issue and that we will do all we can to protect their financial and personal information.

• (1815)

Mr. James Rajotte (Edmonton—Leduc, CPC): Mr. Speaker, I want to thank all my colleagues who spoke to this bill. I appreciate all of their interventions right from second reading through to the justice committee and to this debate here. My hope, obviously, is that this bill will pass, and I do have reason to believe that it may pass third reading, which is quite an achievement for a private member's bill. I am certainly very proud of that.

In my five minutes I want to summarize what the bill is about. It is an attempt to address one part of the problem of identity theft. Identity theft is a problem that is growing in our country, especially with a lot of the new technology, computers, e-mails, and the information that people give out electronically, whether they save it or transmit it, and with the companies that keep it.

The fact is that this has caused, in part, a lot of ease in terms of transactions and doing business but, unfortunately, it has led to a lot of people, with motives that are certainly less than wholesome, to take this information and, in certain cases, use it against these people.

Unfortunately, the Criminal Code has not been up to speed in terms of dealing with stealing a person's identity. My initiative here is to address one part of it called pretexting. As members have pointed out, pretexting, which is essentially pretending to be someone that I am not, to obtain identification information and then using that for criminal purposes.

I do want to point out the process. As members pointed out, I did start with personal information as it was in the Privacy Act. However, members of the justice department convinced me that it was better to use identification information. It was better to say criminal intent in the bill so that someone was not just collecting this information so they would not be caught under this legislation.

I think this is actually an example of a case where the process of Parliament worked when going from second reading to the justice committee. The bill was amended and supported unanimously by the justice committee. It was then sent back to the House for report stage and third reading. In fact, members from all sides of the House have had their input into the bill and have improved the bill. I thank all members for that, especially the Parliamentary Secretary to the Minister of Justice who was outstanding in terms of all the work he did. I thank members from all parties for their input.

Often in the House we criticize government officials and bureaucrats. I do want to say that in this case the two people from the justice department, William Bartlett and Joanne Klineberg, were exceptional in terms of helping to improve the bill in terms of changing the definition from personal information to identification information and in terms of explaining what the government was doing in terms of looking at identity theft in a broader way.

I think it is correct what members have said in the sense that this is one part of the issue of identity theft. The problem needs to be addressed in a very comprehensive way. I am very glad that the government is actually looking at that and seriously looking to bringing forward a comprehensive package very soon on that initiative.

I want to re-emphasize for people what the bill is about. It is about dealing with pretexting, pretending to be someone that we are not, obtaining that information and then using that information and selling it online.

I should compliment and credit the Privacy Commission, Jennifer Stoddart. I do want to tip my hat to *Maclean's* magazine because this bill started with me reading an article in *Maclean's* back in 2005 where the personal telephone records of our own Privacy Commissioner had been obtained by someone over the Internet. The magazine had obtained them from someone called the data broker, who is someone who collects this information and sells it. The genesis of this bill and the idea really started there and so I should credit *Maclean's*. I also want to credit the Privacy Commissioner for helping with the bill and commenting on it as well.

I hope the bill does receive the unanimous support of the House, goes to the Senate and becomes law. It would be a big step forward in terms of addressing identity theft.

I also want to encourage the government to proceed with its plans to address the comprehensive package that addresses identity theft in general, recognizing the seriousness of the problem and the fact that Canadians deserve to have their identities protected.

• (1820)

The Deputy Speaker: The question is on the motion. Is it the pleasure of the House to adopt the motion?

Adjournment Proceedings

Some hon. members: Agreed.

The Deputy Speaker: I declare the motion carried unanimously. (Motion agreed to, bill read the third time and passed)

The Deputy Speaker: Could I have the unanimous consent of the House to see the clock as being 6:30 p.m. so we can begin the adjournment debate?

Some hon. members: Agreed.

ADJOURNMENT PROCEEDINGS

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

[*English*]

AGRICULTURE

Mr. Lloyd St. Amand (Brant, Lib.): Mr. Speaker, for some 15 months the government has done virtually nothing to recognize the crisis that the tobacco industry is in and nothing to alleviate the severe strain being placed on tobacco farmers and their communities.

The dramatic decline of the tobacco industry in southern Ontario has truly devastated communities, affecting the livelihoods of thousands of citizens of rural southern Ontario.

Tobacco farmers are understandably very concerned about the future of their business and the future of their communities. A number of contributing factors have created a veritable perfect storm for tobacco farmers.

In 2002 they were advised by tobacco companies to reinvest heavily in sophisticated new machinery, which is now of little use to them as production has dropped off very substantially. In total, tobacco farmers, and there are only hundreds of them, invested \$65 million to keep their industry and their livelihoods afloat. As well, over the past several years both levels of government have introduced legislation and programs to effectively shut down the tobacco industry.

While governments have properly educated consumers about the perils of smoking, governments have continued to benefit from the sale of tobacco, bringing in approximately \$9 billion each year in taxes levied on tobacco products. Additionally, with an increase in illegal and contraband cigarettes entering the Canadian market, tobacco producers are unable to financially compete any longer.

Before the government was elected, its members called on the government at that time to provide a suitable buyout package to farmers. In 2004, for instance, the member for Haldimand—Norfolk, now the Minister of Citizenship and Immigration, criticized the then Liberal government's program as too cheap in providing \$71 million to tobacco producers. Yet after 15 months of governing, not a single cent has been provided by the government to tobacco farmers.

The harsh reality is tobacco farmers are in a severe financial crisis and a comprehensive exit strategy has been promised to them for some several months. It is time for the federal government to act, not to talk. The so-called high level meetings have gone on and on and the discussions are becoming circular with no apparent end in sight.

The federal government should and must commit immediately to a solid exit strategy for tobacco producers and must stop talking about yet another round of talks.

Precedents have been set in other tobacco producing countries. Exit strategies have been provided, for instance, to tobacco farmers in both Australia and the United States. It is time that Canadian tobacco farmers received similar fair treatment.

On March 8 of this year I received a letter from the Minister of Agriculture and Agri-Food stating, "The sector's difficulties remain an important concern to Agriculture and Agri-Food Canada". Is that concern, I ask? Nothing was provided in the budget for the hundreds of tobacco farmers who are in very desperate straits. On March 22, the minister stated in the House that he, "realized the very difficult situation for tobacco growers, especially in Ontario".

When does the minister intend to demonstrate real leadership, real concern for the tobacco farmers and provide a buyout package for them?

● (1825)

Mr. David Anderson (Parliamentary Secretary to the Minister for the Canadian Wheat Board, CPC): Mr. Speaker, as we all know, this problem did not just arise in the last 15 months. There were 13 years during which the Liberal government did not act on this issue. We are acting on it.

In particular, I would like to recognize my colleague from Elgin—Middlesex—London and the hard work he has done on this file and his persistence on it.

The hon. member of the opposition is asking the government to demonstrate a concern for Canada's tobacco sector. I can assure the House that the situation facing Ontario's flue-cured tobacco growers is of concern to the government.

The government understands that significant declines in demand have occurred for Ontario's flue-cured tobacco and that the province's 1,559 flue-cured quota holders anticipate further reductions in demand for this year's crop.

We understand the serious circumstances that tobacco growers are faced with. In fact we have provided a number of programs to assist tobacco growers in the past.

In 2005 the tobacco industry was assisted through the tobacco adjustment assistance program. Entry requirements were also altered to ensure that tobacco producers would be eligible for the Canadian agricultural skills service program which provides producers with access to skills development and learning opportunities.

In addition, the government continues to provide assistance to tobacco producers through business risk management tools, such as CAIS, the production insurance program, spring credit advance programs and the advance payments program.

Adjournment Proceedings

Last year the Ontario Flue-Cured Tobacco Growers' Marketing Board did bring forward a buyout proposal in which they were asking for \$1 billion. This proposal was seen as being too expensive, as this level of support would better fit the entire agricultural sector. Recently the board has resubmitted a reduced proposal of \$711 million.

The reduced level of funding sought by the board is also too high and it continues to be difficult to justify providing \$711 million to 650 producers who are representing 1,559 flue-cured quota holders when many other producers in the agriculture industry are also facing very serious difficulties.

However, the minister understands the hardships facing the tobacco sector today. He will continue to work at identifying practical ways to help the tobacco sector. He will do so in collaboration with other federal departments, the central agencies and the Government of Ontario. In doing so, we need to and will consider all existing and proposed programming in the context of the entire agricultural sector.

Mr. Lloyd St. Amand: Mr. Speaker, I would like to thank the parliamentary secretary for his answer, with respect, all of which I have heard before, all of which the tobacco producers in my riding and in other ridings have heard before.

It is regrettable, and frankly it is shameful, that it took the government many months before responding to the proposal submitted last year, in 2006, by the tobacco board. It was in February of this year that the minister announced, not in this chamber, that the \$1 billion buyout was, to use the minister's phrasing, "too expensive".

The minister has not yet provided a definite response to tobacco growers as to what the government intends to do. What in concrete, practical, on the ground terms is the government going to do for those tobacco farmers who are teetering on bankruptcy? Unhappily, we have not heard it tonight either.

Mr. David Anderson: Mr. Speaker, as I said, the uncertainty facing the tobacco sector's 650 tobacco producers who represent 1,559 flue-cured quota holders continues to pose a concern for the government. Practical solutions to the ongoing difficulties must be developed in collaboration with the province of Ontario.

FOREIGN AFFAIRS

Mr. Ken Boshcoff (Thunder Bay—Rainy River, Lib.): Mr. Speaker, today there was news of yet another Canadian who was beaten into a coma in Mexico. What other country is recording such physical atrocities against Canadians? Why will the minister not warn Canadians?

When the Mexican president passed judgment on two young ladies from Thunder Bay, if ever there was a diplomatic faux pas that occurred, that was it. Yet the Prime Minister and the foreign affairs minister did absolutely nothing to counter that. There has been a request for a formal diplomatic protest and still there has been nothing. What is to stop the Mexicans from producing fraudulent evidence given the passive role of Canadian due process?

The minister frequently states that he cannot interfere in an active investigation. Canadians are not asking for that, but that he look at the evidence that has already been prepared. The federal government

refuses to assist. It even advised Dr. Everall and Ms. Kim that they should hire a Mexican lawyer to find out whether there are arrest warrants in their names.

It appears that the minister will have to be subpoenaed to answer the following questions. The parliamentary secretary can either answer them now or face the subpoena of interrogation. The questions are:

Should the government go to bat for Canadians with sincerity and full weight, especially if they are falsely accused in a foreign country?

Why have the Everall and Kim names not been cleared yet?

Why has the Prime Minister not spoken in their defence to counterbalance the Mexican president's accusations?

Why has the minister not verified their innocence?

Why has the minister not ensured their names are removed from any international watch lists or no-fly lists?

Why does the minister have to be subpoenaed to appear as a witness? Why does he not just appear and answer these reasonable questions?

These innocent women came to me for help. One would think the minister would do everything possible to help them. Canadians need the assurance that their government will protect the innocent. Why must these women continue to live in fear and uncertainty? Why will the minister not tell Canadians that a priority for him is their security and helping the innocent?

I ask again, why has the Prime Minister not announced in this very House that these young ladies are no longer prime suspects in Mexico and that they are truly innocent? How seriously can Canadians take this when that has not occurred yet?

Why has there been no follow up by the minister's office since December?

What questions were asked of the Mexican government? What pressure has been put on it and why is this case still unresolved?

• (1830)

Mr. Deepak Obhrai (Parliamentary Secretary to the Minister of Foreign Affairs, CPC): Mr. Speaker, I want to thank the hon. member for bringing up this issue. I understand these women are his constituents, so he has brought this issue to Parliament.

This government takes very seriously its responsibility for the safety and security of its citizens abroad. Whenever Canadians are victims of a tragedy outside Canada, there is understandably a great deal of public interest and concern. This government shares that concern.

Adjournment Proceedings

When a Canadian is murdered abroad, consular officials from the Department of Foreign Affairs have an important role to assist the family of the victim. We have more than 270 points of service around the world to provide consular assistance to families dealing with these tragic situations. In the case of the Ianiero murders, our honorary consul in Cancun arrived on the scene within hours of the murder to provide consular support and assistance to the family.

As the hon. member knows, this government takes crimes against Canadians abroad very seriously. The role and the mandate of the Department of Foreign Affairs is to ensure that local police authorities actively investigate crimes against Canadian citizens.

As soon as we are advised that a Canadian citizen is the victim of a crime outside Canada, consular officials immediately contact local authorities to register our concern and to ensure that they are aware of the crime. Canada expects that all crimes against Canadians, wherever they occur, will be thoroughly investigated by local authorities and that due process will take place.

In the Ianiero case, consular officials were immediately in contact with Mexican authorities to insist on a thorough investigation and to emphasize our desire to see that the perpetrators of this terrible crime are brought to justice. However, it is the sole responsibility of the authorities in the foreign country to investigate the crime. Canadian officials have neither the mandate nor the jurisdiction to investigate this crime, or indeed any crime, perpetrated against Canadians outside Canada.

In some cases, we may receive a formal request from a foreign government for assistance with a particular criminal investigation. This initiative must be taken by the foreign government, not Canada. In the Ianiero case, the RCMP received a formal request for assistance from the Mexican authorities.

The RCMP and other Canadian law enforcement agencies continue to follow up on elements of the investigation here in Canada. However, the murder investigation remains the responsibility of the Mexican authorities.

I can assure the House that we will continue to follow developments on this case closely, as we do with all such cases where Canadian interests are concerned.

The Minister of Foreign Affairs met with Ms. Everall and Ms. Kim last December to hear their concerns. They raised the fact that their names had been mentioned several times by the Mexican attorney general responsible for the investigation. They asked for the minister's assistance to clear their names. The minister advised them that while it is possible under the Canadian system for investigative authorities to state publicly that certain individuals are no longer of interest as part of an investigation, he was unaware of a similar practice in Mexico. He also advised that it was likely that they would need to wait for charges to be laid before such a statement could be asked from the Mexicans.

Ms. Everall and Ms. Kim also expressed concerns that their names could be placed on a no-fly list by Mexican officials and that they could be sent to Mexico to face criminal proceedings. The minister stated, and I can confirm again today, that we are not aware of any criminal charges against either Ms. Everall or Ms. Kim.

We will continue to ensure that this case is brought to the highest level of the Mexican government. The Prime Minister and the Minister of Foreign Affairs continuously bring this issue up with the Mexican authorities to ensure this investigation proceeds expeditiously. At the end of the day, we must recognize the fact that this investigation is conducted by the government of Mexico.

We will continue to talk to the Mexican authorities to ensure a thorough investigation by the police authorities in Mexico is undertaken.

● (1835)

Mr. Ken Boshcoff: Mr. Speaker, let us make it very clear. Today, there has been another casualty in Mexico. How many more will it take before a travel advisory is issued?

The parliamentary secretary mentioned that they were no longer prime suspects, yet only a few weeks ago, on prime time television, the *W-FIVE* program showed the Mexican authorities identifying Dr. Cheryl Everall and Kimberly Kim as the prime suspects.

He mentions the honorary consul, yet none of us have had contact with this gentleman, and neither have the people we are talking about. So, how many hours has he logged? Probably very few. Has he talked to them? I do not know.

If the government knows that they are innocent and if the Mexican authorities are truly stating that they have not been charged or are no longer suspects, why can we not get some formal documentation that would allow them to travel abroad even to the United States or Europe? That would be very simple.

If the government can clear their names, if the government can do that and show that it compassionately cares about innocent people, then I believe that Dr. Everall and Ms. Kim would also feel the same, as would all Canadian citizens.

So, I am asking very plainly. Let us not let this go all the way to the foreign affairs committee. It can be dealt with if the minister acts.

Mr. Deepak Obhrai: Mr. Speaker, let me again say quite clearly that both Ms. Kim and Ms. Everall have not been charged as far as we are concerned and neither are they on any no-fly list. They have Canadian passports. They are free to travel wherever they want, however they want. Nothing is stopping them.

If and when, and how they are going to be charged, there are processes and procedures that are laid down very clearly where they would have the evidence presented. At this given time, it is a hypothetical situation to say that they have been charged. As far as we know, they have not been charged for anything.

As for the advisory, if people were to go to the website, it is always updated when events do take place. I would again tell the hon. member that we are investigating this new incident that has happened in Mexico. Our consular services are there, as is normal, to provide full support to the family.

ABORIGINAL AFFAIRS

Ms. Tina Keeper (Churchill, Lib.): Mr. Speaker, as a result of the government's meanspirited approach toward working with Canada's first nations, the Assembly of First Nations and the First Nations Child & Family Caring Society of Canada were forced to file a human rights complaint with the Canadian Human Rights Commission on February 23 of this year.

On that day I rose in this House to demand real answers as to why the Conservative government has allowed the child welfare crisis to plunge to such deplorable levels leaving no other option.

Since the day that the government was sworn in, it has demonstrated paternalism and contempt toward first nations, Inuit and Métis nations in their attempts to work in a conciliatory fashion with the government.

There are particularly harsh realities facing first nations families and children across Canada which as we know is due to the culmination of years of colonialist policies and laws in this country, but I can assure members opposite that their lack of attention and respect for this issue in particular is causing conditions and issues to worsen by the day.

In the recent Senate report it revealed that, according to the United Nations standard of living index, Canadian children ranked fourth in the world. Yet, using the same mechanism first nations children ranked 63rd.

It is shameful that this country has reached a point where international aid groups are travelling to Canada to assist first nations with the growing child welfare crisis, a country which the Prime Minister has called an energy superpower and it remains one of the world's wealthiest.

The Minister of Indian Affairs often provides this House with empty rhetoric of results from the government. In my riding we are facing a crisis in which first nations children are not being provided with appropriate measures for complex medical needs, for instance. They are often forced into care in order to access services. That is an international shame.

In Manitoba alone and in other jurisdictions across the country many of them have worked on similar issues and have had similar formulas and similar solutions put out such as Jordan's principle which states that funding formulas and jurisdictional arrangements must put the needs of children and family first.

In Manitoba, both the Manitoba first nations education resource centre and the first nations child welfare agencies have not been able to get the commitment of the government neither under Indian and Northern Affairs nor under First Nations and Inuit Health Branch.

To quote the national chief of the Assembly of First Nations: "There are more than 27,000 first nations children in state care. This is a national disgrace that requires the immediate and serious attention of all governments to resolve".

The child welfare crisis is a fact, as the Department of Indian Affairs own website states. It requires fundamental change in the funding approach of first nations child and family service agencies. This is required in order to reverse the growth rate of children

Adjournment Proceedings

coming into care and in order for the agencies to meet their mandated responsibilities.

I find it particularly disconcerting that while the minister's own department has identified the dire need to address this crisis, he completely disregards the existing child welfare situation.

What will it take for the government to realize the first nations child welfare crisis is what it is, a horrendous atrocity, and when will it start acting to address this horrible international crisis?

● (1840)

Mr. Rod Bruinooge (Parliamentary Secretary to the Minister of Indian Affairs and Northern Development and Federal Interlocutor for Métis and Non-Status Indians, CPC): Mr. Speaker, I find it remarkable, coming from the hon. member opposite, to hear her speak about the current government's ways and means for dealing with first nations people when really, truly, she knows that we inherited the shameful situation from the party that she represents.

I have to speak proudly of our record on aboriginal affairs. We are very much committed to moving forward where her party did not.

As recently as April 27, the Minister of Indian Affairs and Northern Development announced a new partnership approach involving the province of Alberta and Alberta first nations, with the implementation of the Alberta response model.

This approach will explore healthier alternatives such as enhanced prevention services to addressing child and family services in first nation communities in Alberta, children holding such tremendous potential for the future of first nations communities. It is essential that we continue to work together to ensure that children enjoy a safe, secure home environment.

On the national stage, we are working with first nations organizations, first nations child and family services agencies, and provincial and territorial leaders to design the first nations child and family services program.

Furthermore, last fall we provided an additional \$6 million to the family violence protection program to help ensure that the network of shelters, primarily for women and children who are trying to escape family violence, are better equipped to serve women and children on reserve.

Among our various initiatives on childhood well-being, Canada's new government has committed \$65 million to the aboriginal youth suicide prevention strategy.

In the area of first nation education, we have made major progress. In December of last year, this House passed historic legislation, at the centre of which is the agreement signed in July 2006 by Canada, the province of British Columbia and the first nations education steering committee.

Adjournment Proceedings

This agreement is truly groundbreaking, since it will not only create better learning opportunities for first nations students in British Columbia, but will also offer a model for improvements to first nation education in other provinces.

We know that education is the foundation for social and economic progress. It is in this area that first nations communities and new investments can truly make a real difference. We recently announced the investment of more than \$50 million in school infrastructure projects in first nation communities across Canada.

There are some initiatives and systemic reforms that directly benefit first nations children, but this government recognizes that children are also affected in one way or another by the pressures that are facing their families and their communities.

It is for this reason Canada's new government recognizes that the need to act on wider issues can have a real impact on day to day life, so we have taken action to advance legislative solutions to two important issues: discrimination permitted under section 67 of the Canadian Human Rights Act and on reserve matrimonial real property, or MRP.

Bill C-44, introduced last December, proposes to repeal section 67. The Minister of Indian Affairs and Northern Development intends to bring forward legislation to resolve the difficult question of matrimonial real property.

Where the Liberals delayed and dithered, making empty promise after empty promise, there can be no question that this government is acting vigorously and in partnership with first nations, Inuit and Métis to build a better today and a brighter tomorrow for aboriginal children in Canada.

• (1845)

Ms. Tina Keeper: Mr. Speaker, I am so glad that the parliamentary secretary mentioned the \$65 million commitment that the past Liberal government made to aboriginal youth suicide. Indeed, on the issue of suicide, if we look at international studies, the single most key factor in terms of health and well-being for any people is self-determination.

Self-determination is the key. As the government moves forward, it has refused to work in a conciliatory fashion. This was reflected in

the Kelowna accord, which it has absolutely dismissed, and also reflected in the past government's commitment to first nations in the first nations-federal Crown political accord. Recognition and implementation of first nations governance is the key.

In fact, when we speak about matrimonial real property, there is no consultation. First nations women have voiced emphatically that they are against this. Bill C-44 does not include consultation. We know there is a duty to consult.

Regarding the \$6 million family violence strategy that he talks about, I would like to say that I have one shelter for first nation women in my riding which has not received one phone call, not one response regarding this money. It receives about 27% of the funding that the provincial program would receive, so—

The Deputy Speaker: The Parliamentary Secretary to the Minister of Indian Affairs.

Mr. Rod Bruinooge: Mr. Speaker, clearly the member is very ashamed. For 13 years, her party had the opportunity to remedy so many of the issues about which she is talking. At the last moment of their dying regime, the Liberals brought forward their press release on Kelowna. Of course it was not something on which they could deliver. Of course it was something that they never intended to deliver. They made so many promises before that and they always broke them.

We are moving forward. We are making systemic changes, changes that will bring important new rights to aboriginal people. Specifically, I talk about Bill C-44. It would be nice if the member would perhaps bring her party to support human rights on reserve. Instead, she is exiting the House, afraid.

The Deputy Speaker: Order, please. I remind the hon. member it is not in order to refer to people coming or going in the House.

[*Translation*]

The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 2 p.m., pursuant to Standing Order 24(1).

(The House adjourned at 6:49 p.m.)

CONTENTS

Tuesday, May 8, 2007

ROUTINE PROCEEDINGS

Government Response to Petitions

Mr. Lukiwski 9169

Canada Elections Act

Mr. Van Loan 9169

Bill C-54. Introduction and first reading 9169
(Motions deemed adopted, bill read the first time and printed) 9169

Interparliamentary Delegations

Mr. Bélanger 9169

Canada Post Corporation Act

Mr. Zed 9169

Bill C-440. Introduction and first reading 9169
(Motions deemed adopted, bill read the first time and printed) 9169

Petitions

Proposed National Park

Mr. Atamanenko 9169

Terminator Seed Technology

Mr. Atamanenko 9169

Electoral Reform

Ms. Bell (Vancouver Island North) 9170

Summer Career Placement Program

Ms. Gagnon 9170

Marriage

Ms. Gagnon 9170

Immigration

Ms. Gagnon 9170

Marriage

Mr. Vellacott 9170

Falun Gong Practitioners

Ms. Savoie 9170

Questions on the Order Paper

Mr. Lukiwski 9170

Request for Emergency Debate

Foreign Takeover of Canadian Industries

Mr. Layton 9170

Speaker's Ruling

The Speaker 9171

GOVERNMENT ORDERS

Business of Supply

Opposition motion—Gasoline Prices

Mr. Paquette 9171

Motion 9171

Ms. Bell (Vancouver Island North) 9172

Mr. McTeague 9173

Ms. Brunelle 9173

Amendment 9174

Ms. Savoie 9174

Ms. Thibault (Rimouski-Neigette—Témiscouata—Les Basques)	9174
Mr. Carrie	9175
Mr. Gauthier	9176
Mr. McTeague	9176
Mr. Warawa	9176
Mr. Carrier	9178
Mr. McTeague	9178
Mr. Brison	9179
Mr. Masse	9180
Mr. Tilson	9180
Mr. McTeague	9181
Mr. Carrie	9183
Mr. Tilson	9183
Mr. Masse	9184
Mr. McTeague	9185
Mr. Carrie	9185
Mrs. Mathysen	9186
Mr. Carrie	9187
Mr. Boshcoff	9188
Mr. Guimond	9188
Mr. Carrie	9189
Mr. McTeague	9189
Mr. Vincent	9190
Mr. Carrie	9191
Mr. Boshcoff	9192
Mr. Bernier	9192
Mr. McTeague	9193
Mr. Carrier	9193
Mr. Gourde	9194
Mr. Cannis	9195
Ms. Savoie	9195
Mr. Laframboise	9196
Mr. Fitzpatrick	9197
Ms. Priddy	9197
Mr. Gourde	9197
Ms. Lalonde	9197
Mr. Hawn	9198
Mr. Boshcoff	9199
Ms. Sgro	9199
Mr. Carrie	9200
Mr. Del Mastro	9201
Mr. McTeague	9201

STATEMENTS BY MEMBERS

Age of Consent

Mr. Vellacott 9201

Canadian Human Rights Museum

Ms. Neville 9201

Aerospace Industry

Ms. Picard 9202

Asian Heritage Month	
Ms. Savoie	9202
The Senate	
Mr. Anders	9202
Health	
Mr. Chan	9202
World Health Organization	
Mr. Harris	9203
Red Cross and Red Crescent	
Mr. Bachand	9203
Gilles Villeneuve	
Mr. Harvey	9203
Court Challenges Program	
Mr. D'Amours	9203
National Nursing Week	
Mr. Fletcher	9203
The Economy	
Ms. Priddy	9204
VE Day	
Mr. Cuzner	9204
Corporal Benoît Chevalier	
Mr. Bouchard	9204
Red Cross and Red Crescent	
Mr. Martin (Esquimalt—Juan de Fuca)	9204
Marine Environment	
Mr. Moore (Port Moody—Westwood—Port Coquitlam)	9204

ORAL QUESTIONS

Finance	
Mr. Dion	9205
Mr. Harper	9205
Mr. Dion	9205
Mr. Harper	9205
Mr. Dion	9205
Mr. Flaherty	9205
Mr. Ignatieff	9205
Mr. Flaherty	9205
Mr. Ignatieff	9205
Mr. Flaherty	9206
The Environment	
Mr. Duceppe	9206
Mr. Harper	9206
Mr. Duceppe	9206
Mr. Baird	9206
Mr. Bigras	9206
Mr. Baird	9206
Mr. Bigras	9206
Mr. Baird	9206
Corporate Takeovers	
Mr. Layton	9206
Mr. Harper	9206
Mr. Layton	9206

Mr. Flaherty	9207
Finance	
Mr. McCallum (Markham—Unionville)	9207
Mr. Flaherty	9207
Mr. McCallum (Markham—Unionville)	9207
Mr. Flaherty	9207
Mr. Brison	9207
Mr. Bernier	9207
Mr. Brison	9207
Mr. Bernier	9207
Gasoline Prices	
Ms. Brunelle	9207
Mr. Bernier	9207
Ms. Brunelle	9208
Mr. Bernier	9208
Saint-Hubert Airport	
Mrs. Lavallée	9208
Mr. Blackburn	9208
Mrs. Lavallée	9208
Mr. Blackburn	9208
Afghanistan	
Mr. Coderre	9208
Mr. MacKay	9208
Mr. Coderre	9208
Mr. MacKay	9209
Ms. Robillard	9209
Mr. MacKay	9209
Ms. Robillard	9209
Mr. MacKay	9209
Democratic Reform	
Mr. Albrecht	9209
Mr. Van Loan	9209
Ministerial Expenses	
Mr. Godin	9209
Mr. Van Loan	9210
Mr. Godin	9210
Mr. Van Loan	9210
Court Challenges Program	
Ms. Folco	9210
Ms. Verner	9210
Ms. Folco	9210
Ms. Verner	9210
The Environment	
Mr. McGuinty	9210
Mr. Baird	9210
Mr. McGuinty	9211
Mr. Baird	9211
Agriculture and Agri-food	
Mr. Bellavance	9211
Mr. Strahl	9211
Mr. Roy	9211
Mr. Strahl	9211
Pesticide Management	
Mr. McTeague	9211

Mr. Clement	9211
Foreign Affairs	
Mr. Warkentin	9212
Mr. MacKay	9212
Nuclear Non-Proliferation Treaty	
Ms. McDonough	9212
Mr. MacKay	9212
Sudan	
Ms. McDonough	9212
Mr. MacKay	9212
Foreign Affairs	
Mrs. Kadis	9212
Mr. MacKay	9212
Official Languages	
Mr. Petit	9213
Ms. Verner	9213
Foreign Affairs	
Ms. Thibault (Rimouski-Neigette—Témiscouata—Les Basques)	9213
Mr. MacKay	9213

GOVERNMENT ORDERS

Business of Supply	
Opposition motion—Gas Prices	
Motion	9213
Mr. D'Amours	9213
Mr. Blaney	9215
Mr. Carrie	9215
Mr. Cardin	9215
Mr. Carrie	9217
Mr. McTeague	9217
Mr. André	9217
Mr. Tilson	9218
Mr. Angus	9219

Mr. Lunn	9219
Mr. Lévesque	9222
Mr. McTeague	9222
Mr. Bevington	9222
Mr. Ouellet	9223
Mrs. Lavallée	9223
Mr. Goodyear	9225
Mr. Bevington	9225
Mr. St-Cyr	9225
Mr. McTeague	9227
Mr. Carrie	9227
Mr. Bevington	9228
Mr. Crête	9229
Amendment agreed to on division	9230
Motion, as amended, agreed to	9232

PRIVATE MEMBERS' BUSINESS

Criminal Code	
Mr. Rajotte	9232
Bill C-299. Third reading	9232
Mr. Van Kesteren	9232
Mrs. Jennings	9233
Mr. Martin (Winnipeg Centre)	9234
Mr. Rajotte	9235
(Motion agreed to, bill read the third time and passed) ..	9236

ADJOURNMENT PROCEEDINGS

Agriculture	
Mr. St. Amand	9236
Mr. Anderson	9236
Foreign Affairs	
Mr. Boshcoff	9237
Mr. Obhrai	9237
Aboriginal Affairs	
Ms. Keeper	9239
Mr. Bruinooge	9239

MAIL  POSTE

Canada Post Corporation / Société canadienne des postes

Postage paid

Port payé

Lettermail

Poste-lettre

**1782711
Ottawa**

If undelivered, return COVER ONLY to:
Publishing and Depository Services
Public Works and Government Services Canada
Ottawa, Ontario K1A 0S5

*En cas de non-livraison,
retourner cette COUVERTURE SEULEMENT à :*
Les Éditions et Services de dépôt
Travaux publics et Services gouvernementaux Canada
Ottawa (Ontario) K1A 0S5

Published under the authority of the Speaker of the House of Commons

Publié en conformité de l'autorité du Président de la Chambre des communes

**Also available on the Parliament of Canada Web Site at the following address:
Aussi disponible sur le site Web du Parlement du Canada à l'adresse suivante :**
<http://www.parl.gc.ca>

The Speaker of the House hereby grants permission to reproduce this document, in whole or in part, for use in schools and for other purposes such as private study, research, criticism, review or newspaper summary. Any commercial or other use or reproduction of this publication requires the express prior written authorization of the Speaker of the House of Commons.

**Additional copies may be obtained from Publishing and Depository Services
Public Works and Government Services Canada
Ottawa, Ontario K1A 0S5
Telephone: (613) 941-5995 or 1-800-635-7943
Fax: (613) 954-5779 or 1-800-565-7757
publications@pwgsc.gc.ca
<http://publications.gc.ca>**

Le Président de la Chambre des communes accorde, par la présente, l'autorisation de reproduire la totalité ou une partie de ce document à des fins éducatives et à des fins d'étude privée, de recherche, de critique, de compte rendu ou en vue d'en préparer un résumé de journal. Toute reproduction de ce document à des fins commerciales ou autres nécessite l'obtention au préalable d'une autorisation écrite du Président.

**On peut obtenir des copies supplémentaires ou la version française de cette publication en écrivant à : Les Éditions et Services de dépôt
Travaux publics et Services gouvernementaux Canada
Ottawa (Ontario) K1A 0S5
Téléphone : (613) 941-5995 ou 1-800-635-7943
Télécopieur : (613) 954-5779 ou 1-800-565-7757
publications@tpsgc.gc.ca
<http://publications.gc.ca>**