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Monday, June 15, 2009

—
Speaker: The Honourable Peter Milliken

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HOUSE OF COMMONS

Monday, June 15, 2009

The House met at 11 a.m.

Prayers

PRIVATE MEMBERS' BUSINESS

•(1100)
[*English*]

CRIMINAL CODE

(Bill C-301. On the Order: Private Members' Business:)

February 9, 2009—Second reading and reference to the Standing Committee on Public Safety and National Security of Bill C-301, An Act to amend the Criminal Code and the Firearms Act (registration of firearms)—Mr. Garry Breitkreuz.

The Speaker: The hon. member for Yorkton—Melville is not present to move the motion for second reading of Bill C-301, An Act to amend the Criminal Code and the Firearms Act (registration of firearms), as announced in today's notice paper.

Pursuant to Standing Order 94, since this is the second time this item is not dealt with on the dates established by the order of precedence, the bill will be dropped from the order paper, and the sitting will be suspended until 12 noon.

SUSPENSION OF SITTING

(The sitting of the House was suspended at 11:04 a.m.)

SITTING RESUMED

(The House resumed at 12:00 p.m.)

GOVERNMENT ORDERS

•(1200)
[*Translation*]

BUSINESS OF SUPPLY

OPPOSITION MOTION — SECURITIES REGULATION

Mr. Jean-Yves Laforest (Saint-Maurice—Champlain, BQ) moved:

That, in the opinion of the House, securities regulation falls under the exclusive jurisdiction of Quebec and the provinces and that, therefore, the federal government should reject, once and for all, the idea of creating a single securities regulator for all

of Canada, thereby respecting the unanimous will of the National Assembly of Quebec.

Mr. Speaker, I am pleased to speak today and to introduce this motion in the House of Commons in order to make it clear to all the provinces and the federalist political parties that an important position was unanimously expressed by the political parties in the National Assembly of Quebec

The Bloc Québécois has long represented this position in the House of Commons: we disagree with the government's current position, supported by the Liberal Party, that there should be a single Canada-wide securities commission.

I would like to go over the motion again. Every word in this motion has been carefully chosen and represents the clear will of Quebecers. The motion states:

That, in the opinion of the House, securities regulation falls under the exclusive jurisdiction of Quebec and the provinces and that, therefore, the federal government should reject, once and for all, the idea of creating a single securities regulator for all of Canada, thereby respecting the unanimous will of the National Assembly of Quebec.

Although we did not do so, we could have emphasized in this motion that Quebec has exclusive jurisdiction over securities regulation and that the National Assembly had unanimously voted to condemn this bill. The current system has had extremely positive reviews and is perfectly in keeping with the fact that the provinces have jurisdiction over this area. Quebec and other provinces are doing a very good job of regulating securities.

In introducing this motion, I have the support of all the Bloc Québécois members. We are totally opposed to this idea, which is not new and has been raised time and again. It was first brought up by the former Liberal government, and now it is being resurrected by the Conservative government. However, it runs completely contrary to the interests of Quebec and all Quebecers.

The OECD and the World Bank approve of the current system, and all of the provinces are part of a passport system. Despite that, the Conservative government, once again with Liberal support, thinks that its idea is a good one.

We believe that only one province would benefit: not Quebec, but Ontario. That is why the government wants to go ahead with its plans. The government is determined to give Quebec a raw deal.

Business of Supply

The Constitution states quite clearly that securities are under the jurisdiction of Quebec and the provinces. Quebec's National Assembly is unanimously against the creation of a pan-Canadian organization. A common securities regulator would threaten exchange activities in Montreal, activities that have already been curtailed at the Montreal Exchange over the past few years. It would concentrate the financial market in Toronto. Analyses and assessments have been done. That is what the Conservative government is trying to accomplish by proposing a single securities commission.

Once again, despite everything, they want to change a system that is working well. The World Bank and the OECD have assessed it and found that the current system works very well. It is efficient and effective.

● (1205)

The passport issue has gained approval and praise, but the government is going ahead anyway.

I would like to get back to the [National] Assembly's unanimous motion. I said "unanimous motion", but Quebec's National Assembly actually passed several unanimous motions criticizing the federal government's initiative. The National Assembly passed a unanimous motion to that effect on October 16, 2007. The motion said:

That the National Assembly ask the federal government to abandon its Canada-wide securities commission project.

That was in the fall of 2007, but in the fall of 2008, the government nevertheless used its economic statement to push its agenda and try to allocate money for advisory groups to sanction its proposal to disregard Quebec's wishes yet again. On January 15, 2009, after the Minister of Finance announced the government's intention in the fall 2008 economic statement, Quebec's National Assembly passed yet another unanimous motion reiterating its strong opposition to the proposed pan-Canadian securities commission. The idea is not in Quebec's best interest. That is why the Bloc Québécois will always strongly oppose the idea. We will fight it with all we have got.

This is not the first time that a federal government has tried to interfere in the provinces' jurisdictions, and particularly in Quebec's. Once again, it is more than a symbol; it is a habit that the Liberals and Conservatives both have of interfering in Quebec's jurisdictions. Securities are a perfect example. In the 2008 budget, the Minister of Finance announced the creation of an expert panel on securities regulation to work on a model common securities act, which would create a Canadian advantage in global capital markets. At that time, the Minister of Finance knew very well that this fell under the jurisdiction of Quebec and the provinces. Nevertheless, he said in his budget that he wanted to create a Canadian advantage by interfering in a jurisdiction that does not belong to him. He did it despite the fact that the World Bank and the OECD—which I will come back to—gave favourable reviews about the performance of the system that currently exists in Canada and is used in each of the provinces. It allows all the provinces to participate, except Ontario, which has always refused to participate in the passport system, and this would make it possible to improve the current system. So, although there are a few complaints about the current regulation system and some improvements that could be made, we do not necessarily need a national system, when the federal government does not have

jurisdiction over this issue. We need to force Ontario to participate in a passport system with the other provinces, which would eventually ensure better quality and better control over the securities system.

However, knowing full well that it can count on the support of federalist parties in the House of Commons, Ontario is very much aware that by not joining the passport system like the other provinces did, it will benefit from the implementation of an eventual single securities commission.

● (1210)

That is why it is still refusing to take part in a passport system, which would clearly make the system work better.

The expert panel that I mentioned earlier and that was established by the minister in his 2008 budget presented its report at the end of 2008. That report contains a series of measures aimed at creating a single securities commission. This is no surprise to us. That budget welcomed the panel recommendations, as did the 2009 budget. Moreover, the 2009 budget allocated \$150 million to strike a committee that will be responsible for implementing the recommendations from the previous committee.

The budget implementation bill brought forward by the Conservatives, again with the support of the Liberals who will obviously do anything to save this government, even interfere with Quebec's jurisdiction, allocated considerable sums of money to put in place the necessary legislative framework for the creation of a single commission.

This situation is unacceptable. The minister stubbornly insists on going ahead with a bill that goes against the unanimous will of the National Assembly of Quebec and which is a flagrant violation of Quebec's constitutional jurisdictions. We will continue to defend Quebec against these centralizing tendencies. It will be a very tough battle.

The idea of establishing a single regulatory body for Canada has resurfaced periodically for the past 40 years. We have been opposed to it for 40 years. We are still opposed to it and will continue to be. However, since 2003 this proposal has been gaining ground in the words and actions of successive governments, both Conservative and Liberal. The Liberals, when they were in power in 2003, also set up an expert panel to study the possibility of creating a single regulatory body. Nor was it a surprise in 2005 when the Government of Ontario asked an expert panel chaired by Purdy Crawford to study the benefits of a single regulatory system. That report obviously confirmed Ontario's arguments in favour of creating a single body, which would be advantageous to Ontario.

Business of Supply

Quebec is opposed to the creation of a single regulatory body. Someone wins and someone loses in such a case, and Quebec will fight tooth and nail to defend its interests because that kind of system would put it at a disadvantage in the future. It will defend its interests because the current system works well. It has been favourably reviewed internationally. The people who have analyzed the economic crisis of the past few years have never been able to show that the financial crisis in this country was due to the fact that Canada has a system in which the provinces have the power to regulate securities. Everyone knows very well that this crisis started in the United States and we felt the effects here. However, there is absolutely no cause and effect relationship between the crisis as we are experiencing it in this country and the fact that our regulatory system comes under provincial jurisdiction. Indeed, we have fared better than many countries. That shows once again that the current system works well.

•(1215)

For two years now, we have had a passport system to improve our regulatory system, although Ontario has refused to join in. I repeat that if Ontario joined the scheme, it would work like a charm.

We could talk for a long time about how we reached this situation. I said earlier that Ontario established an expert panel and that the federal budget raised that idea again in 2006. We see that since it took power the Conservative government has slowly been laying the groundwork for a single securities regulatory body, once again without paying any attention to the message coming from Quebec.

Quebec does not want a single regulator because what we have in Quebec right now is working. We want to maintain what we have and we do not agree at all with this system. The Conservative government first began laying the groundwork in 2006. That position was reaffirmed once again in the economic update of November 2006, as well as in the 2007 budget.

In June 2007, following a meeting of the ministers responsible for securities, the current Minister of Finance announced plans to set up an expert panel clearly mandated to study the objectives, outcomes, and performance measures that would best anchor securities regulation and the pursuit of a Canadian advantage in global capital markets.

At the time, if the minister had taken constitutional law into account, he certainly would not have talked about pursuing a Canadian advantage. Instead he would have talked about the pursuit of an advantage for all participants, that is, the provinces. He would have asked the expert panel to find the best way to improve our regulatory system and to determine what aspects we should be focusing on in order to promote a better system for all the provinces and for Quebec. However, he said the opposite and completely ignored the existing constitutional jurisdictions. He asked the group to pursue a Canadian advantage, with the underlying motive of creating a single commission to regulate all powers related to securities.

Of course, he gave the expert panel different objectives, but the Bloc Québécois knew full well at the time that such expert panels have a bias toward a single securities commission, and their conclusions concur, completely ignoring the fact that our system

works and that there is a considerable and unanimous opposition to a single securities commission, not only in Quebec, but also in Alberta and British Columbia. But the federal government is completely ignoring that.

That is why the Bloc Québécois is once again moving a motion in this House. It is doing so in order to make a strong argument and to emphasize the fact that, if the Conservatives go ahead with this nonsense, they will be interfering in provincial jurisdictions and disrespecting the unanimous will of all of Quebec's political parties. It also means they are not defending the interests of Quebec and all Quebecers.

In closing, I invite all my colleagues here in this House to vote in favour of this motion. I am convinced that we will one day be able to bring all parliamentarians in this House to their senses.

•(1220)

[*English*]

Mr. James Rajotte (Edmonton—Leduc, CPC): Mr. Speaker, I disagree with my colleague quite profoundly on this, but I do respect his work on the finance committee. He was with the committee in Washington where a number of people said to us that we ought to adopt a common securities regulator. The International Monetary Fund has the same opinion. I want to quote from its excellent report on Canada, where it noted:

[T]he current passport system of 13 provincial and territorial securities supervisors risks regulatory arbitrage and creates gaps in oversight, given that securities markets are effectively national in scope. A federal regulator could coordinate more readily with other regulators in monitoring risks and responding quickly to a crisis, and could also have an enhanced focus on the issues that securities markets may pose for national financial stability.

The Hockin report also talked about what we heard in Washington, which is that the streamlined regulatory approach to a common securities regulator would make Canada's capital markets more attractive to foreign issuers and investors.

I would like the member to respond to the IMF argument and to the Hockin report about making us as a nation more attractive to foreign investment.

[*Translation*]

Mr. Jean-Yves Laforest: Mr. Speaker, I thank my colleague for the question.

I was one of the members of the Standing Committee on Finance who went to Washington recently, where comments were made to the effect that, in Canada, there are some who would like to see the establishment of a single securities regulator. However, not all the evidence has been heard. I remain convinced that since the federal government is only presenting one option and the virtual advantages of creating a sole securities regulator to our American partners, without presenting a complete analysis of what is currently in place and the assessments of the current system, those indicating their desire for the creation of a single securities commission in Canada cannot have all the facts.

A 2007 IMF report indicated the following:

Canada's financial system is mature, sophisticated, and well-managed.

Canada has established a highly effective and nearly unified regulatory and supervisory framework.

Business of Supply

The regulatory framework for the securities market exhibits a high degree of implementation of the IOSCO Principles.

In the largest provinces at least, the regulatory authorities are independent and self funded, have sufficient resources and skilled personnel, and are clearly accountable to the government.

The framework for issuers, self regulatory organizations (SROs), market intermediaries, and secondary markets is robust.

Significant improvements to the regulatory system have been made as a result of the creation of the Canadian Securities Administrators (CSA), including those that will be brought about by the implementation of the passport system [The report was prepared in 2007].

Under the umbrella of the CSA, coordination between the 13 regulatory agencies has significantly improved.

Issuers, CIS, and registrants are the areas where more progress in coordination and harmonization have been achieved.

The passport system, which is currently being implemented, will further rationalize the regulatory system for issuers—

• (1225)

The Acting Speaker (Mr. Barry Devolin): The hon. member for Haute-Gaspésie—La Mitis—Matane—Matapédia.

Mr. Jean-Yves Roy (Haute-Gaspésie—La Mitis—Matane—Matapédia, BQ): Mr. Speaker, my colleague was describing all the analysis done by the International Monetary Fund. I would like him to continue because it was very informative, especially in regard to a securities commission. If the system works, why change it? If it works very well and is an excellent system, why take the risk of creating a new system that will have its problems? When a car works really well, we do not trade it in, unless it is purely for appearances. I think it is very important, therefore, for my colleague to continue describing the analysis done by the International Monetary Fund.

Mr. Jean-Yves Laforest: Mr. Speaker, I want to thank my colleague for his excellent question.

I did not have enough time to present it all. I also think my microphone was off, and I do not know how long. I am not going to repeat everything I just said. It is very clear that other assessments have been done as well.

I am referring to the conclusions the OECD arrived at in 2006. That was when the Conservative government was elected to office and began taking steps toward a single securities commission. Back in 2006, though, the OECD ranked Canada second in the world for the quality of its securities regulation, while another study done in 2006 by the World Bank and Alex Mundy ranked Canada third in the world for the protection it afforded investors. It is nothing to sneeze at when international organizations rank Canada among the top five in the world for such things as investor protection.

Going to a single securities commission would jeopardize what we already have. We have a system that works well, so why change it?

Mr. Guy André (Berthier—Maskinongé, BQ): Mr. Speaker, I want to congratulate our colleague, the hon. member for Saint-Maurice, on his excellent speech on the securities issue.

People used to say that the Conservatives would form a more right-wing, decentralizing government, while the Liberals were more centralizing and inclined to social programs. We see today with these Conservative proposals, backed by the Liberals, that the government may be right-wing but it is just as centralizing as the Liberals when it comes to these kinds of measures.

I would like my colleague to explain as well the effect on the public service because this initiative bolsters the federal government and means that more public servants will be hired here in Ottawa to oversee securities, while Quebec as a whole will suffer job losses. I would like to hear my colleague on that.

Mr. Jean-Yves Laforest: Mr. Speaker, I thank my colleague for that question.

I in fact said this earlier at the start of my speech explaining my motion today. There is no doubt that a system where the provinces have responsibility operates smoothly. The Constitution gives them regulatory power. The bodies in each province have organized themselves. They are structured and have created jobs. The evaluations tell us our system works well.

When we realize despite all that, despite the unanimous opinion and the strong opposition in Quebec to a single securities regulator, that only Ontario does not want to be part of a system of passports as advocated by the International Monetary Fund, because Ontario wants to benefit from the creation of a single securities body in opposition to all that, we see that the present government and the Liberal government before it wanted to favour Ontario over Quebec.

The whole question my colleague is raising is the question of the job losses Quebec will suffer in this matter and the question of those jobs going to the Ontario financial sector, in Toronto, which unfortunately would happen—and I use "would happen" advisedly, because it is not a done deal and we will oppose it—despite the fact that small investors are currently well protected. We are not sure they would have the same degree of protection. We have serious doubts in this regard.

• (1230)

[English]

Mr. James Rajotte (Edmonton—Leduc, CPC): Mr. Speaker, I will be splitting my time with the very hard-working member of Parliament for Burlington.

I am pleased to join in the debate on the merits of improving securities regulation in Canada. Canada is the only major industrialized country without a common or a national securities regulator. The ongoing market turmoil has clearly highlighted the need for improved securities regulation. Our government agrees and strongly believes that we need to take steps to strengthen Canada's securities regulatory framework to better protect investors, enhance enforcement, strengthen our response to financial instability, reduce unnecessary costs, and attract new international investment. That is why we have committed, as part of our economic action plan, to implement the central recommendations of the Hockin expert panel and establish a single securities regulator, a regulator that would respect constitutional jurisdiction and regional interests.

Business of Supply

There is one aspect I would like to emphasize in my remarks today, and that is how a national securities regulator would benefit Canadians in an increasingly global marketplace.

We have a lot to be proud of when it comes to our financial system. It is considered the world's soundest according to the World Economic Forum, and a model of stability during the global crisis. As World Bank president Robert Zoellick noted last week, "I think a lot of people would like to change places with Canada".

In one crucial aspect we fall short, and that deficiency strikes at the heart of the motion. We are the only industrialized country without a common securities regulator. Our system of 13 regulators is cumbersome, disjointed and it lacks the proper tools for enforcement. That has been noted by many others. It has been noted by the IMF. I would encourage colleagues to read the IMF report of 2009 that bluntly stated, "Canada is currently the only G7 country without a common securities regulator, and Canada's investors deserve better".

It was noted by the OECD that the "presence of multiple regulators has resulted in inadequate enforcement and inconsistent investor protection". The OECD noted that it also makes it harder for Canada "to respond to changes in the global marketplace or to rapidly innovate". The global economic downturn and the havoc it has wrought underlines that the need for a single regulator is more urgent than ever. Co-ordinated regulation across the Canadian securities markets and a single international voice for Canada in the global coordination of securities regulation and crisis management are necessities, not options.

This is what the finance committee heard on its recent visit to Washington.

The Hockin expert panel on securities regulation, which proposed the creation of a national securities commission, made that point very convincingly. I would like to thank all who served on that panel for their excellent work.

For example, when it comes to Canada's fragmented securities regulation system, whom do our global partners turn to? Where is their single entry point? To whom is their one phone call made?

At a time when we need to have a strong single voice to contribute to solving global financial problems, or present Canada at international meetings, this is one area where we simply must do better. We need a single voice able to work more effectively with other countries in addressing the pressing global regulatory issues, issues ranging from oversight of international accounting and auditing standards, credit rating agencies and derivatives. These points were all made in the Hockin report.

As Professor Michael Code of the University of Toronto's Faculty of Law noted when trying to rapidly address emerging problems in the current financial crisis:

We're short one player. What are they supposed to do, invite 13 securities regulators to sit down with them? If there was a time when the need for a national securities regulator cries out, it's now.

As respected Montreal *Gazette* columnist Peter Hadekel has remarked:

We need a national agency, powerful and accountable, not only to police financial markets at home but to work with regulators around the world.

A single regulator would also provide benefits on the enforcement side not only in better protecting Canadian and foreign investors in our markets, but in boosting our reputation in the eyes of the world.

Yet criminal enforcement is hampered by the same fragmented structure undermining securities regulation. Each province has varying degrees of investigative, prosecutorial and adjudicative expertise and resources to handle criminal matters. That is no recipe for improving Canada's ability to have a strong system of securities enforcement.

I note that members from Quebec will say that enforcement in Quebec is very strong, but that means we can have a common securities regulator that would have strong enforcement across the country. It does not mean that a single securities regulator would in any way be weaker than the current enforcement that happens in the province of Quebec.

• (1235)

As an aside, I have to note that the Hockin report recognized the expertise that we have in this country in some of the provinces and encouraged the federal government to make use of this expertise in various areas in moving forward with the one national securities regulator.

In the words of a recent editorial in *The Globe and Mail*:

Canada is alone among major economic powers in suffering from a balkanized regulation of the issuance and trading of stocks, bonds and other securities. There are now 13 Canadian securities commissions, with a corresponding multiplicity of statutes, regulations, policies and interpretations....

Around the world, in response to the financial crisis, much work is being done toward international co-ordination of regulation.

Too little of this is going on in Canada, where the struggle is still to form a national marketplace. Canadian policy-makers must catch up.

As the Hockin report noted, the consolidation of enforcement activities from 13 commissions into one would concentrate resources, eliminate unnecessary duplication and overlap, and support greater consistency in investor protection across Canada.

A national regulator would better align valuable enforcement resources, which would lead to improve co-operation with federal and international criminal enforcement agencies.

A single streamlined regulatory approach would also make Canada's capital markets more attractive to foreign issuers and investors.

Business of Supply

Consider the learned views of those who rely on strong and effective capital markets for their success. Consider a great Canadian company headquartered in western Canada, Telus, which made some recent investments, in the last six months, of which we are very proud. It said that Canada's fragmented approach:

—will continue to erode investor confidence and discourage investment by Canadian and international investors.

Or we could also consider the Certified General Accountants' Association of Canada, which noted that a national regulator:

—will improve regulatory efficiency and cut compliance costs, provide protection to investors, improve internal trade, and improve confidence in and accountability of our regulatory system... [S]trengthening securities regulation in Canada will help to create an environment conducive to investment.

Our financial system is presently the envy of the world. It has performed head and shoulders above the rest during the current global recession. However, it is not perfect, and the distinction of being the only industrialized country with such a disorderly approach to securities regulation is holding us back. That is why our government has made clear its intention to move quickly with willing provinces to establish a transition office. That is why we intend to have a Canadian securities regulator to help monitor for future threats and protect Canada's financial system, something that this Bloc motion fails to acknowledge.

Before concluding, let me quote a recent *Calgary Herald* editorial that provides a succinct summary of a case for improved securities regulation:

There's a reason why every developed country...has a single securities regulator. It's because they work. Capital can be raised more efficiently, making it cheaper for the consumer to invest, and affords investors better protection.

Canada stands alone in its system, and that hurts the country's ability to have a voice on a global platform.

I encourage all colleagues in this House to oppose this motion and to support the establishment of a common securities regulator.

Hon. Keith Martin (Esquimalt—Juan de Fuca, Lib.): Mr. Speaker, I would like to thank my hon. friend for his excellent speech. These are, as he eloquently spoke about, the challenges that exist right now in terms of trying to ensure that we are able to deal with some of the securities challenges that our country, and indeed the world, has seen over the last few years. This is in part responsible for the economic tsunami that has hit our country and the world with such devastating force, resulting in the catastrophe that we see today with the massive job losses that we have seen around the country.

We see the motion that has come from the Bloc. I would like to ask my colleague, in his experience as the chair of the finance committee, has he seen ways in which we would be able to bring Quebec in so that a common securities regulator could exist for Canada? Could he articulate some of the reasons that Quebec does not want this, understanding that this is something that, in doing this for the common good of everybody, the people of Quebec and indeed the people in the rest of Canada could benefit from?

• (1240)

Mr. James Rajotte: Mr. Speaker, I want to thank my friend for his very thoughtful questions. In terms of making this attractive to Quebec, obviously we recognize that there are some challenges there.

One thing is the system being voluntary, as is proposed. I think that would be an advantage in terms of attracting Quebec to it. As he mentioned, there is an international aspect. Quebeckers endorsed the free trade agreement very strongly back when it was proposed in the 1980s. They endorsed NAFTA very strongly. They are very much a people who trade, not only with other provinces but across international borders.

That is one of the points that was very much emphasized to us in Washington, that if we want to have a continuing trade not only of goods and services but of financial services, we need to have a national securities regulator that can sit down with other national regulators and hammer out some of the details, especially at a time when our financial system is in a position of strength relative to other nations. When Canadian companies are looking at doing more acquisitions, particularly in the United States, this would enhance them. Some of those would obviously be based and headquartered in Quebec, but those companies themselves are calling for it.

I think that is another way to perhaps put some pressure on those people in Quebec at the political level, basically saying we need enhanced international cooperation as well.

[Translation]

Mr. Guy André (Berthier—Maskinongé, BQ): Mr. Speaker, I have listened to the remarks by my colleague, who is in favour of establishing a Canada-wide securities commission. I would like to say to him first off that securities are under the jurisdiction of the provinces and Quebec. This is the first point that should be made.

In the context of the current economic crisis, Quebec needs all its instruments of economic development in order to deal with the crisis, which the current government in Ottawa often denies. This is another way the Conservatives have found to meddle in our jurisdictions.

My question is as follows. As we know, the Bloc has long opposed the creation of this national securities commission. The OECD and the World Bank consider the system currently in place the second most efficient in the world. I do not understand why this government is persisting in its desire to create or cast doubt on a system that works very well, that all Quebeckers and the National Assembly unanimously—

[English]

The Acting Speaker (Mr. Barry Devolin): The hon. member for Edmonton—Leduc.

Mr. James Rajotte: Mr. Speaker, I think we have to recognize that this crisis is not local; the crisis is global. As Don Drummond, the TD economist, has said, this is the most synchronized global recession in history.

We have to have not only national responses but international responses. We have to work in concert with our G7 and G20 partners.

Earlier the Bloc member quoted from the 2007 report of the IMF. There is a May 2009 report on Canada, and this is their conclusion about our current system:

[T]he current passport system of 13 provincial and territorial securities supervisors risks regulatory arbitrage and creates gaps in oversight, given that securities markets are effectively national in scope. A federal regulator could coordinate more readily with other regulators in monitoring risks and responding quickly to a crisis, and could also have an enhanced focus on the issues that securities markets may pose for national financial stability.

I would encourage members to read this report, take it to heart, oppose this motion, and support a national securities regulator.

• (1245)

Mr. Mike Wallace (Burlington, CPC): Mr. Speaker, I want to thank the member for Edmonton—Leduc, who is doing an excellent job as chair of the finance committee. In the previous Parliament he was chair of the industry committee and did an excellent job there and has brought his skills set to the finance committee.

Recently the finance committee was in Washington and heard over and over about our banking system, how important it is for a banking system to be regulated, compared to what is happening in the United States, and how they are looking to us for the kinds of changes that we have already implemented here. The one thing that came up over and over was that we do not have a common securities regulator in this country. There are 13 different jurisdictions, and it is time that we moved on.

Yet again we are debating the Bloc opposition motion on securities regulation in Canada. If this debate sounds familiar to some of us, it should because we had the same debate not long ago.

There was a Bloc motion only a few months ago. I looked it up. It was last February, to be exact, that the House dealt with the identical subject. And if the Bloc opposition motion at that time seemed familiar, that was because in March 2008 we debated the exact same motion. The Bloc motion failed both times. As legendary Yankees catcher Yogi Berra once said, in a famous quote, "It's déjà vu all over again".

I note that the previous two Bloc motions were soundly defeated by the majority in the House and it is likely, I am hoping, that it will be defeated again here today. While this is an important subject and merits debate in Parliament, there other important economic issues that we are facing during this global recession as well.

However, the Bloc is obsessed with one subject only. It is obsessed to such a degree that it ignores the other pressing economic issues affecting its constituents, such as the challenges facing the forestry industry, the manufacturing sector and the economy in general, issues that have an impact on not just Quebecers but all Canadians.

Indeed, its obsession with this one issue might make one think the Bloc does not know how to respond to some of the other more complex economic issues. In fact, a former Bloc MP, Caroline St-Hilaire, who represented Longueuil—Pierre-Boucher in the last Parliament, infamously remarked that:

The economy is constantly a black sheep for [the Bloc].... We are profoundly uncomfortable when it comes to discussing the economy.

Indeed, today's motion displays a profound misunderstanding of what our government is proposing with a Canadian securities regulator and why we are proposing it.

Business of Supply

I note that the House of Commons Standing Committee on Finance, a committee I have been sitting on for the last three years, endorsed as its number one recommendation in its last prebudget consultation report that the federal government make the creation of a national securities regulator its priority.

Why did the members of that all-party committee make this their number one recommendation? We understood that it was not about intruding on provincial jurisdiction. This is about strengthening the Canadian economy and doing it along with provinces and territories that will play a central role in a new securities regulator.

This was understood across all party lines, not an easy goal to achieve at times in this place, as everyone knows. Why? It is because we felt that, regardless of political affiliation, this would be an important step in strengthening our economy. Why would improving Canada's securities regulation oversight framework, recognized as weak and fragmented, be important? What strength will that give to the economy? Let me state it in a number of points.

It would provide clear, national accountability. We have heard many times in the news, south of the border and here, in terms of accountability, that the issue becomes understanding who is responsible for what. When one has to make an investment decision, can anyone imagine having to go to 13 different regulators to decide what the rules are, how they apply to one's company, one's investment and one's commitment to Canada?

We want to strengthen the regulatory system to help with criminal enforcement. Those breaking the law should not be able to get away with it in one jurisdiction and not another. We need a national securities regulator that would allow for national criminal enforcement for those who are trying to cheat the system, regardless of which province they are in.

• (1250)

We want to ensure there are consistent penalties for those who are breaking the law, for white collar criminals who are often overlooked in a sense. We spend a lot of time talking about other types of criminal activity but white collar crime hurts the economy and it hurts families just as much, and we need to be consistent across the country. Whether that activity happens in Quebec, British Columbia or Ontario, we need consistency in those penalties to ensure we can attack and get on top of white collar crime.

As politicians, we talk about cutting bureaucratic red tape, overlap and duplication all the time. We hear it at the door during and we hear it during the debates in Parliament. This is a prime opportunity for us to make a big change in this country.

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We have 13 different regulators who have 13 different approaches to securities regulation. If we want to make an investment in this country through the security system, we need to be more consistent. We need to resolve those issues so that it is less costly for that individual, organization or company to invest in Canada, to create jobs in Canada and to improve our economy to keep us number one and ahead of our G7 partners. We are leading in very many areas except for a common securities regulator and we need to get on top of that.

We need to improve the allocation of resources. Can members imagine the cost of the overheads that are required to have 13 different regulators? Could we not reduce those barriers to entry that apply to each one of those 13 regulators? I think a single regulator would do that.

Our financial sector has been the praise of much of the G7 and of the world. The regulations around our banking sector have ensured that our banking system is solid compared to many banking systems around the world. Where we are lacking is on the securities regulation side. This system would bring us up to par with our own banking system. We would not only be number one in the world on banking but we could be number one on securities and number one coming out of this recession.

This is a global economy, as we all know, and we have a global recession. We know that people can make choices easily today in terms of where they invest their money, where they create jobs and where they produce wealth and a common securities regulator for Canada would make more accessible for those who are willing and interested in investing in this country and creating jobs, and we need to get there.

We noted all these factors when we had this debate in February and when we had it a year ago in March. The Bloc would like to continue this debate. The fundamental truth is that the overwhelming majority of the public interest, small and large investors, provincial politicians, business, labour organizations and newspaper editorials have all supported a single regulatory system for Canada.

While they accept the merits for improving Canadian securities framework, they no longer accept t Canada being content to tolerate the current fragmented system.

I have a couple of quotes. The Investors Council Association of Canada stated:

Canadian investors cannot wait any longer for the creation of a single national regulator.

Canada cannot remain out of step with the rest of the world as the only industrialized country that...does not have a single regulator. This is a time to be working together internationally and to do this we need to be unified locally.

The National Union of Public and General Employees stated:

Canada is the only member of the Group of Seven industrialized nations without a national securities watchdog. It has a dismal reputation at home and abroad in dealing with corporate crimes and wrongdoing.

The issue is important to workers because so many depend on sound financial markets to ensure healthy pension funds.

Finally, the Ontario Liberal premier, Dalton McGuinty, premier of the province that I am from, said:

I think [a national regulator] does enhance our long-term competitiveness as a nation. I think it makes it easier to do business with Canadians as a whole....

• (1255)

In the few minutes I had to talk I highlighted what is important. We have talked about this in the House many times before and it is time to move on. It is time for a national securities regulator.

Hon. Keith Martin (Esquimalt—Juan de Fuca, Lib.): Mr. Speaker, I think most of us were completely appalled at how things went off the rails in terms of seeing Bernie Madoff's Ponzi scheme and seeing the subprime mortgage devastation that took place south of the border which affected us in a big way. We were somewhat protected given the laws of our country that the Liberal Party of the day put forward in terms of not pursuing a more open course of action that would have left investors and our citizens open to a wide range of problems that, tragically, our friends south of the border were victims of.

Does my colleague feel that this is one step toward being able to inoculate our citizens against such things as the Ponzi scheme? Also, what is his government's plan to perhaps work through the IMF to work through more common regulatory initiatives that are required in order to reduce the types of things we have seen over the last year that have been so devastating for all of our economies?

Mr. Mike Wallace: Mr. Speaker, I absolutely agree that developing a common securities regulator across this country would provide us the opportunity to ensure those types of issues that were discovered south of the border through its system, its lack of regulation in a number of areas, which includes its banking system, where we can make a difference by ensuring it does not happen to Canadians, that people will not be taken advantage of by a financial system that has 13 different regulators and 13 different systems that no one can really pinpoint or understand. It is a system where something can be done in one jurisdiction but not in another.

We want to ensure the national securities regulator will be able to resolve those issues. National penalties would have the ability to go after white collar crime on a national scale. We want to ensure that the kind of issue that raised its ugly head south of the border does not happen to the financial system here. We want to protect jobs and workers' pensions and ensure that no one is taken advantage of financially in this country.

Hon. Keith Martin: Mr. Speaker, one of the things missing is that we are not working toward common international regulations that are required to develop the common rules and regulations to prevent the international contagion that went around the world and has caused such devastation.

Many believe that the IMF is the place to do this. Many also believe that counties of the world, particular those that are part of the G7, will not be interested in actually coming together and being subject to the power of a supernational organization. However, what can be done is that organizations, like the IMF, could be responsible for developing common norms that the countries of the world should adopt.

Could my friend tell me what his government's position is in terms of trying to work with other countries to develop common norms that all of us could adopt which would enable us to work in an integrated fashion to prevent international contagions from occurring again?

Mr. Mike Wallace: Mr. Speaker, we do not disagree that it should be an international approach in terms of norms, as the member indicated in his question, but the first priority for this government should be to get our own house in order before we can go to our international partners, to the IMF or any other organization. We cannot go and talk about international standards and international norms until we are able to provide an indication that we believe in that concept such that we will do it here first. We want to ensure there are not 13 different norms across Canada. We want one set of security regulations for this country so we are on a level playing field when we are having those discussions and putting our position forward at the IMF and other financial organizations.

• (1300)

Hon. John McCallum (Markham—Unionville, Lib.): Mr. Speaker, I am pleased to speak to the Bloc motion regarding a single regulator.

I would like to give a little background before stating the position of the Liberal Party on this motion.

[*Translation*]

In general, securities legislation in Canada and around the world has two main objectives: to protect investors and to ensure that financial markets are efficient, fair and transparent.

Regulatory differences between jurisdictions in relation to the disclosure and exchange of information between corporations and investors can distort the markets and increase the risks to investors. Both consequences are harmful to economic stability and competitiveness.

At present, Alberta, Manitoba and Quebec are opposed to the idea of a single regulatory agency. On the other hand, Ontario and British Columbia support it. In October 2007, the National Assembly of Quebec unanimously adopted a motion calling on the government to abandon its proposal for a national securities regulator.

One of the arguments made by the provinces is that oversight of securities is an area of provincial jurisdiction. The federal government should therefore not interfere. That is the idea behind the motion we are debating today.

I would now like to present some of the arguments against the current system. I will then present the counter-arguments, and after that I will explain the position of the Liberal Party.

First, in terms of arguments against, it is very expensive for corporations that want to attract capital to comply with all of the provinces' regulations. This is particularly harmful to small businesses, it is thought, because the fixed costs of compliance are proportionately higher for them.

Second, time is an important factor in leveraging capital, and compliance with multiple provincial regulatory schemes delays the start of negotiations.

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As well, investors in the less populous provinces may be denied access to certain investments because some companies trade only in the largest jurisdictions. Because of differences and disparities in the existing regulations, it is difficult to ensure they are implemented. More resources would have to be devoted to this.

However, there are also counter-arguments in support of the present "multijurisdictional" model, and the provinces make the following arguments.

This model allows innovative ideas to be developed that can be adapted and be more responsive to the specific features of regional markets. For example, Alberta's specialty is the oil and gas sector, while British Columbia's is mining, and so on. It also means that regulations can be more effectively administered, as the agencies with that authority acquire experience and knowledge in their regional markets. In addition, a common regulatory agency might impose compliance rules that were designed for larger multinational users and might exclude the small regional businesses, and thus cut them off from financing. And it would protect the regional securities infrastructure that the provinces and territories have created, with accountants, notaries, underwriters and other professionals. They are afraid they would lose that infrastructure to Toronto if there were a single securities regulator.

• (1305)

[*English*]

Opinions are divided across the country and there are pretty solid arguments on each side. Personally, my prior conviction has been more in favour of a single regulator than against one. However, in a sense, that is not the point today. I have come here to tell the House the Liberal position on this motion.

The motion says, in a very point blank way, that "securities regulation falls under the exclusive jurisdiction of Quebec and the provinces". It takes that to be a fact. However, it is also a fact that there is considerable legal disagreement and uncertainty on this jurisdictional constitutional point. It is for precisely this reason that, some months ago, we said that a future Liberal government would refer this constitutional jurisdictional question to the Supreme Court of Canada.

We have already said, given the legal uncertainty as such, that the question of jurisdiction should be referred to the Supreme Court of Canada. Having said that fairly recently, we cannot possibly support a motion that states point blank that "securities regulations falls under the exclusive jurisdiction of Quebec and the provinces". To vote yes for that would be to make a mockery of our earlier idea that this matter should be referred to the Supreme Court for its decision, given the legal uncertainty.

We cannot vote yes for the motion, which presumes jurisdiction to be with the provinces. However, neither can we vote no for the motion. To do so would be to make the presumption that jurisdiction rests with the federal government. Were we to make that presumption, it would not make sense for us to refer the matter to the Supreme Court of Canada when we become the government of the country.

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Therefore, by an impeccably logical process, we are led to conclude that the only logical alternative for the Liberal Party is to abstain on the motion, and that is what we will do. Just to make sure that I am making this point clearly, I will repeat one more time the logic for abstention. The Liberal Party said some months ago that this matter, given the legal uncertainty, should be referred to the Supreme Court of Canada. Having said that, we cannot vote yes for a motion that implies with certainty, as a bold statement, that jurisdiction is exclusively provincial. Neither can we vote no because it would imply the opposite, that jurisdiction is exclusively federal. Therefore, we are driven to do the only logical and, I would argue, responsible thing, which is to abstain on the Bloc motion.

[*Translation*]

Mr. Claude Bachand (Saint-Jean, BQ): Mr. Speaker, I am rather surprised by the position of the Liberal Party, which wants to take power here in Ottawa but is going to abstain on such an important issue. There is the argument made by my colleague, for whom I have the greatest respect, that the whole thing should be referred to the Supreme Court. I think that asking the courts for opinions to help us make up our minds is often counter-productive. We are here in Parliament because the people placed their trust in us and gave us their vote. They want us to make decisions, often on their behalf. Sure we can consult the courts, but ultimately we are responsible for our votes in the House and we are the ones who will have to face the electorate.

I would like to ask my colleague a question. It seems to me that, when the Liberal Party was in power, it adopted very similar positions on the concentration of securities, quite possibly in Toronto. Could my colleague provide some more explanations? Did the Liberal Party not already take positions on the issue before us today? I would also like him to tell me once again why the Liberal Party will abstain on this motion.

• (1310)

Hon. John McCallum: Mr. Speaker, I am happy to repeat my explanation for the third time, twice in English and once in French.

I do not think it is inappropriate for a future Liberal government to refer an issue to the Supreme Court of Canada when there is some uncertainty about the Constitution and jurisdictions.

The Liberal Party said a few months ago already that this is what it would do. I am only repeating today a position already adopted. Given this decision to refer the jurisdiction issues to the Supreme Court, it would be illogical for us to vote for or against the motion. A vote in favour would imply that we think it is a provincial jurisdiction and a vote against that we think it is a federal jurisdiction. Since we have already decided to refer this issue to the Supreme Court, it does not make sense to vote for or against.

[*English*]

Mr. James Rajotte (Edmonton—Leduc, CPC): Mr. Speaker, I really do not understand the logic of the member for Markham—Unionville. He is changing a position that he took as recently as January 28 in the House of Commons. He is changing a position that the member for Wascana, the former finance minister for that party, took when he was in government. He said:

I don't believe that the passport system is an adequate response. It still leaves us with a system that is largely fragmented and certainly less sophisticated than that in virtually every other country in the world...I don't think we can wait forever on this

kind of topic because healthy, strong, vibrant capital markets are critical to a successful economy.

Why has the Liberal Party changed its position on the need for a national securities regulator? Why are the Liberals abstaining on this vote in the House of Commons?

Hon. John McCallum: Mr. Speaker, I do not know if I need to explain the point a fourth time. People in the House may get a little bored with repetition.

I said that my own inclination, as an economist, would be to support a single regulator. I think the quote by the member for Wascana would suggest something similar.

However, today we are not really talking about the economic pros and cons so much as the jurisdictional issue that is raised by the Bloc motion. On the question of jurisdiction, as I said before, some months ago the Liberal Party stated that a future Liberal government, given that legal uncertainty, would refer the matter to the Supreme Court. We are merely adhering to the position we took some months ago.

Hon. Keith Martin (Esquimalt—Juan de Fuca, Lib.): Mr. Speaker, my hon. colleague, a former chief economist of the Royal Bank, has really been a voice of reason in the House on matters relating to the economy.

Aside from this issue, the government has not frankly shown any leadership on this issue. Nor has it shown any interest in developing the international standards that are required to prevent and inoculate the nations of the world, including our own, against the types of economic contagion that has blown up economies around the globe.

What does my colleague think the government should do in broad strokes, in terms of an international level, to try to prevent these kinds of catastrophes from occurring again and damaging the savings of so many Canadians?

Hon. John McCallum: Mr. Speaker, my colleague's question is a very good and broad one, one to which I cannot possibly do justice, except to make a couple of very brief comments.

One thing that has helped to protect Canadians, at least in relative terms, is the stability of our banking system. I will do something that might be described as a *mea culpa*. The hon. member mentioned I used to be chief economist of the Royal Bank, at which time, a decade ago, we were pushing for a merger. In hindsight, given the chaos around the world today, the government of Jean Chrétien took the right decision in saying no to this merger, ensuring a higher degree of regulation of the Canadian banking system than was the case in the United States and the United Kingdom.

I would not give the current government credit for that stability. It was operating over a longer period of time and also related to the decision by the Liberal government on bank mergers. I believe that was one decision and set of regulations that stood this country in a good position relative to other countries.

I would also commend the work done by the IMF. I think there was a committee chaired jointly by a Canadian and a person from India, which has come forward with various ideas for how there can be a greater degree of international surveillance, co-operation and regulation to help prevent the kinds of economic meltdowns we have seen in recent months.

• (1315)

[*Translation*]

Mr. Thomas Mulcair (Outremont, NDP): Mr. Speaker, I am pleased to speak again on this important issue. I say speak again, because we have dealt a number of times in this House with the issue of provincial jurisdiction over securities regulation.

I listened carefully as my Liberal colleague tried to explain why the Liberals were going to hide once again instead of defending the provinces' rights. In addition to voting against Quebecers' rights with regard to language of work, thereby stripping any real meaning from the recognition by this House of the Quebec nation, the Liberals are systematically taking positions that will help the government score a victory over the provinces, hurting not just Quebec, which is not the only province involved, but all the provinces.

The proof of what I just said is the fact that two NDP governments have been elected in Canada. As hon. members are aware, the New Democratic Party just won a resounding victory in Nova Scotia, with a huge majority. We also have a majority government in Manitoba. These two NDP governments are clearly opposed to any desire by the federal government to impose its will in an area they rightly perceive as coming under provincial jurisdiction.

We have only to consider the division of powers that has existed in Canada for more than 140 years to understand how ill-advised the Conservatives are to stubbornly try to encroach on the provinces' jurisdictions. The federal government already has all the jurisdiction it needs with respect to criminal law. In the case of fraud, embezzlement and the like, the federal government already has all the powers it needs. Moreover, it can impose standards on anything that has to do with transfers between the provinces.

Since the Confederation pact of 1867, the provinces have always had jurisdiction over property rights and civil law, with Quebec being the only province with the French civil law system, as the other nine provinces use common law, modelled on the English system. The provinces have always had jurisdiction over how contracts between individuals are managed. But because we live in a world where we need to understand better how the different jurisdictions across the country are connected, as cross-border transactions take place instantly with modern means of communication, the provinces have set up a passport system that is proving to be successful.

Once again, the Conservative government's so-called solution is to choke the provinces and force a decision down their throats. This encroachment into provincial jurisdictions by the federal government is not the answer to any known problem. The Conservatives are unable to tell us that there is a problem and that they are acting in the nation's best interests. True, some people on Bay Street want the central government to impose its will on the provinces. It takes a

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Conservative government that is willing to listen to them to heed their call.

As for the Liberals, they are doing even more kowtowing than usual. It could not get any worse than what we saw today. Unbelievable. Their so-called leader went in front of the television cameras to say that there are conditions, but they are not really conditions, and that he wants to see EI reforms, but the government just needs to say that reforms are coming. He even said that if such reforms are too costly, the Conservative government does not even have to say it will do anything with the EI system.

The Liberal Party of Canada is giving the Conservatives the majority they do not have in the House. Sometimes it does it directly, as was the case last week with regard to EI. A dozen Liberal MPs, representing the extreme right wing of the Liberal Party led by one of their leadership candidates, voted against an important bill brought forward by my colleague from Welland that would have improved the EI system by ensuring that people who receive even the smallest severance pay would not be penalized.

• (1320)

Even that was too much for the far-right people in the Liberal Party of Canada who are now ruling the roost. So, what happened? The government was supported by this far-right Liberal phalanx. As a result, the workers have been deprived of improvements to the EI system. How presumptuous to say today that, come to think of it, this is major priority for them. They are prepared to extend sitting hours in the House to make sure that we cannot attend the national holiday celebrations in Quebec. Sitting hours could be extended because EI has become their main priority.

Last week, the Liberals voted against any improvements to the EI system. This week, they are sending out their leader to pretend to care all of the sudden about those who are losing their jobs. That is shameful. It is a sham. They do not have compassion for the public. It is just not there. Today, they sent their critic out to argue that it is not clear whether this falls under the jurisdiction of the provinces or that of the federal government, therefore the matter should be referred to the Supreme Court of Canada. What are they talking about? There is nothing in there for the Supreme Court to consider. It is sheer nonsense to say that the Supreme Court should look into this. That is totally false. It is a fig leaf to try to hide their incompetence, among other things.

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Let us be clear. There is no shortcoming in the securities regulation that cannot continue to be dealt with between the provinces through a passport system. It is true that the National Assembly of Quebec went one step further in passing a unanimous resolution condemning this attempt by the federal government to interfere. This unanimous resolution of the National Assembly of Quebec is the reason for what is clearly an attempt on the part of the federal Liberals to try not to find themselves again in the position of voting against Quebec. Let us not be fooled; the end result remains the same. By allowing a minority government to act as if it were a majority one and letting it do as it pleases, it is obvious that the Liberals will allow this motion to be defeated. The message this will send, thanks to the Liberals, is that Quebec and the provinces are once more being steamrolled by the federal government in one of their own fields of jurisdiction. No one in Quebec will be fooled.

The Liberals will try very hard to make us believe that it is only a question of asking the Supreme Court who really has jurisdiction, but nobody will believe them. That is outrageous. And then they wonder why they cannot gain support in Quebec outside their well defined demographic group of supporters. That is a good example. They talk from both sides of their mouths, blow hot and cold at the same time and try to make people believe all kind of things. They abstain but will say that does not mean they are against the government when they know very well that by not acting, they will allow the Conservatives to do exactly what they have always done, that is to stomp on the provinces. That is the problem.

The management of the issue does not require the intervention of the federal government. As I said earlier, the federal government has complete jurisdiction over criminal law. In United States, because of states' rights and state policing powers, criminal law varies from state to state. What is considered to be a crime in one state is not necessarily one in the next state. Each state has its own criminal law. In Canada, there is a uniform Criminal Code for the whole country. That means that the federal government has all the powers it needs to address problems like fraud, embezzlement, theft and others. The problem does not lie there, then, because nobody in any province is asking the federal government to prove that it has jurisdiction over criminal matters.

Furthermore, since the beginning, the federal government has had complete jurisdiction over banks, negotiable instruments, bills of exchange and currency, except when it is losing gold at the Royal Canadian Mint. We can see that it is not in charge of or responsible for many things.

● (1325)

It is also the only entity responsible for competition. If an individual breaks the rules of competition though unethical behaviour, it can also be sanctioned within the federal government's existing jurisdiction. Where does this desire come from? I think it developed from a false perception that the federal government can do some things better than the provinces. Let us talk about this for a moment. Health matters fall exclusively under provincial jurisdiction. The federal government is responsible for some things, for example, the health of veterans. For anyone who wants to know what kind of health care our veterans receive, I invite you to go to Sainte-Anne-de-Bellevue to see how they are treated.

The federal government is also responsible for health on reserves. As my colleague who represents a riding in northern Manitoba showed, the current influenza A (H1N1) crisis that exists on some reserves is conclusive evidence that people on reserves often live in third-world conditions. That falls under the jurisdiction of the federal government, the big-time know-it-all, that would now like to tell us how to regulate securities.

What else? There is the sexy issue of isotopes. The government was responsible for the production of isotopes. In November 2007, 18 months ago, the government convinced this House to suspend its normal rules to sit all night, since we absolutely had to get rid of a terrible person who was going to prevent the production of isotopes in order to examine safety at Chalk River. The person in question, who, according to the legislation, was responsible for overseeing nuclear safety, was dismissed in the middle of the night by the Conservatives. Everyone, on the basis of the government's arguments, made some compromises and decided that we could not take risks with isotopes. Then the government told us that there was no danger and that production needed to continue, or else there would be a health care crisis. We all worked hard and collaborated, putting aside our partisan differences. How devastating for those people with cancer and their families. Everything that this individual said turned out to be true.

The opinions we heard were right. Rather than halting the production of isotopes long enough to do some repairs at the Chalk River facility, production has been permanently stopped and the government has announced that it wants out of the isotope business. The federal big brother knows better than anyone else when it comes to the one tiny area of health care under its jurisdiction. It is a good thing no one has to set foot in a federal hospital. Fortunately, under the Confederation agreement, the provinces have jurisdiction over education and health, and they are being left alone to see to their areas of jurisdiction.

Since 1867, property and civil rights have been other areas of provincial jurisdiction. Obligations between various parties, contracts, property rights, estates, and so on fall under provincial jurisdiction. There can be some duplication, and one example is consumer protection, as some have pointed out. However, there is nothing in the Conservatives' move to again interfere in provincial areas of jurisdiction which could be interpreted as a solution to any identifiable problem. It is a pure and simple attempt to take powers given to the provinces by the Confederation agreement of 1867 and keep them here in Ottawa.

Every time we look at what the federal government is doing with its areas of jurisdiction, we realize that, time and time again, it is missing in action when it comes to its own responsibilities. Yet it is willing to take on the responsibilities of others because, according to the government, it knows best. That is wrong, and it is disgraceful that the Liberal Party of Canada is using a transparent excuse to allow the Conservatives to do indirectly what they do not have the right to do directly, that is, take control of this particular jurisdiction.

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The Conservatives will try to string us a line, with talk of it being optional, on a voluntary basis. Let us not be fooled. From the moment it is introduced, what was optional will become mandatory. If it is introduced, it will be attacked for lack of jurisdiction, and that will drag on endlessly.

● (1330)

Rather than respecting the provinces and what makes Canada work—namely, the fact that responsibilities that affect citizens more closely are assigned to local authorities that can manage them more directly—they are trying to take control. And it would be a mess, as it is every time they stick their noses into something that is none of their business.

This afternoon, our main aim is to make the Liberals understand that no one in Quebec will be satisfied when they try to say that it is very logical for them to abstain. It is not logical. It sends a message that is contrary to the interests of Quebec and the other provinces. I will give two examples of provinces where the majority support the NDP: Nova Scotia, with its new government, and Manitoba. Once again last week, I spoke with Manitoba's finance minister. They are clearly opposed to the federal government's attempt to interfere in the area of securities.

Every time they want to do something, they order a new report. First we had the Purdy Crawford report. He traipsed all around Canada, with a few Quebecers in tow. Jacques Ménard was one of them and even he supported the Hockin report, which recommended scrapping the passport system, even though it is working well and no problems have ever been reported. They are going to steamroll over the provinces and do what they want.

We have seen it again with the current provincial Liberal candidate in Paul Martin's former riding. All of a sudden it is not so serious if he opposed it in all these reports. It nevertheless works. People have the right to wonder if this is what the Liberals really believe. I think we have proof today. In Quebec, though they tried to distance themselves from the former positions of their candidate in LaSalle—Émard, the fact remains that the candidate was just being more frank.

The thinking of the Liberals here, in Ottawa, is the same as that of the candidate in LaSalle—Émard. They believe that the federal government is entitled to meddle whenever it wants to do so. For the Conservatives and the Liberals, the recognition of Quebec as a nation means nothing. We recently saw this. There is a fundamental difference and we will deal with it in the fall. There is a fundamental difference as to the scope of the response required.

As for the Charter of the French Language, which gives workers language rights, the right to receive information in their language, the right to file complaints in their language, the right to a collective agreement in their language, the right not to be forced to learn the other language—unless they need to in order to do their job—we want all of the rights included in the Charter of the French Language to be included in federal labour legislation. That will ensure that employees of chartered banks, which fall under federal jurisdiction, have the same language rights as credit union employees. We do not want a telecommunications company in Rimouski to be allowed to hire a unilingual anglophone boss from British Columbia and force all employees to speak English if they want a promotion because that

has nothing to do with their work and everything to do with the boss's language. It is not true that we would be stepping back 50 years.

We have always made it perfectly clear that this bill should have gone to second reading to eliminate the most problematic issues involving the federal Official Languages Act. There was no interest in doing anything like that to protect workers' rights. The Liberals voted against that too. Ever since they recognized Quebec as a nation, every time the Liberals and the Conservatives have had a chance to do something meaningful, they have voted not to. The Liberals are the worst of the bunch because today they are abstaining, also known as hiding. The end result is the same, but they do not even have the courage of their convictions.

On that note, the NDP will do the same thing it did last time: support the motion.

● (1335)

Mr. Guy André (Berthier—Maskinongé, BQ): Mr. Speaker, I would like to compliment our NDP colleague on his good speech on this matter.

I would ask him to explain the position of the Liberals further. They did the same thing with EI. They were a long time in office, as we well know. They plundered \$55 billion from the employment insurance fund, rejected any improvement to the employment insurance plan and now say that they want an election to improve the situation of workers, something we know they will not do.

As regards the securities commission, they voted in favour of our motion the last time. Now, at the dawn of an election campaign, they are hiding behind the idea of consulting the Supreme Court on this, when we know that it is under exclusive provincial jurisdiction.

I would like our colleague to explain this sham position of the Liberal Party further.

Mr. Thomas Mulcair: Mr. Speaker, as our colleague explains it so well, the chapter on the sham positions of the Liberal Party of Canada is the biggest chapter in the book, especially since the successive sincerities of the Liberals on the subject of employment insurance are enough to give anyone trying to follow them a stiff neck. Let me explain.

In January, at the time of the budget, had they thought it important to do something for employment insurance, they would have followed our lead. We set a condition. They voted for the budget. We voted against. At that point, we lost some hundreds of thousands of jobs in only a few months. That was the most pressing file.

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Last week, my colleague from Welland put forward a legislative amendment. He said he was at least going to make it so that severance pay was not deducted from employment insurance. The Conservatives opposed it. They have always opposed any improvement to EI. The Bloc and the NDP support the amendment, the Liberals, to hear them speak, support it, except that some fifteen Liberals voted with the Conservatives to ensuring that this major improvement to EI for employees did not happen.

I close my remarks with this. Today, the Liberal leader pretended to be interested in EI. He forgets that the problems he is criticizing were created by the Liberals. But he would not know that, because he was in Boston at the time.

[*English*]

Mr. Mike Wallace (Burlington, CPC): Mr. Speaker, the hon. member, the finance critic for the New Democratic Party, is also a member of the finance committee, on which I sit.

Fundamentally, I completely disagree with his approach. As I said earlier in my speech, I am fully supportive of a national securities regulator for Canada.

To my surprise, the Liberal Party talked about abstaining from a vote that we had on this very same topic in February. It opposed the Bloc motion then. In March 2008, it was opposed to it, but today, all of a sudden, Liberal members are abstaining. Could the member tell me what has changed and why they are taking this odd approach?

Mr. Thomas Mulcair: Mr. Speaker, I have been following the bouncing ball of the Liberals' changing position on any number of subjects.

The finance committee is going to have an interesting occasion this week. On the Nortel dossier, I had said I wanted to bring in the president of Nortel. Once the NDP announced that, the Liberals put forward their motion right away to the committee. We in the NDP have decided now that the Liberals believe in subpoenaing people to the finance committee, let us bring in somebody who knows both politics and finance. Let us bring in John Manley.

We are going to do that and we will find out if the Liberals still think it is a good idea to subpoena people from Nortel. I am sure I can count on my Conservative counterparts to help us in that regard.

• (1340)

[*Translation*]

Mr. Mario Laframboise (Argenteuil—Papineau—Mirabel, BQ): Mr. Speaker, I am glad to take part in the debate on the motion by the Bloc Québécois that it is worth reading again:

That, in the opinion of the House, securities regulation falls under the exclusive jurisdiction of Quebec and the provinces and that, therefore, the federal government should reject, once and for all, the idea of creating a single securities regulator for all of Canada, thereby respecting the unanimous will of the National Assembly of Quebec.

It is even more important to read the motion again because the Quebec National Assembly did not adopt such a unanimous motion only once, but twice. Those who follow Quebec politics will know that there are diverging orientations. The Parti Québécois, our proud sovereignist party in Quebec, the Liberal Party and the Action démocratique du Québec all have different political orientations. On an issue as important as Quebec's jurisdiction, we were able to get

the National Assembly not once, but twice, to adopt a unanimous resolution.

I will take the time to read them, so our colleagues from Quebec, Liberals and Conservatives alike, can understand well. I know that Quebec is not important for the rest of Canada, but members who have been elected to represent Quebec ridings, Liberals as well as Conservatives, should check what is happening at the National Assembly. Quebec's National Assembly unanimously denounced the federal government initiative. It adopted its first motion on the issue on October 16, 2007. Here is what it said:

THAT the Assembly ask the Federal Government to abandon its Canada-wide securities commission project.

As I said, the National Assembly reaffirmed its position on January 15, 2009, by adopting a second unanimous motion. I will read it and we will see that it is still valid today.

THAT the National Assembly demand that the Federal Government give assistance to workers, communities and businesses affected by the economic slowdown;

THAT it insist that the Federal Government provide financial support to sectors experiencing problems, particularly the manufacturing and forest sectors, as it is doing for the automobile industry;

THAT it ask the Federal Government to improve the employment insurance programme by relaxing the eligibility criteria and by allowing workers who are in training to continue to receive their benefits;

THAT it demand that the Federal Government maintain the equalization programme that is currently in place;

THAT it call for the increase and acceleration of infrastructure investments, particularly by carrying out Building Canada projects, and lastly;

THAT it reiterate its firm opposition to the Canada-wide securities commission project.

I find it hard to understand how Conservative members from Quebec could stand up and vote against today's motion. It is my understanding, from the position stated by their colleague, that they intend to vote against the Bloc Québécois motion we are currently debating. As for the Liberals members from Quebec, they will apparently abstain from voting on this unanimous resolution. I am having a real hard time understanding that.

I can understand why the Bloc Québécois and the people of Quebec are so proud to have a party that represents them, a party that stands up every day in this House for their values and interests. The Conservatives and the Liberals are not here to defend the interests of Quebecers. I find that hard to understand. During election campaigns, the Conservatives tell us that they do not want to be centralizing, that they want to be respectful of the provinces' powers and, above all, that they do not want to interfere in provincial jurisdictions. In their last budget, they decided to promote the establishment of a Canada-wide securities body, which plainly encroaches on provincial jurisdictions. I can understand why Quebecers are done listening to them. Because they keep delivering something different from what was announced, they are losing support among voters.

Business of Supply

The explanation is somewhat more complicated where the Liberals are concerned. Being a Liberal means caring not as much about the interests of the people as one's own interests and those of the party. It means being driven and guided by polls and, as we have seen with the sponsorship scandal, especially by money and power. That is what being a Liberal member is all about, and being a Liberal member from Quebec is even worse.

● (1345)

Today, federal Quebec Liberals have once again decided to sit on their hands. They are not going to vote. That is the message their critic is sending right now. I am looking forward to tomorrow, when the vote will take place. The message we are getting is that yes, a unanimous motion was passed by the Quebec National Assembly, but the Liberals are going to abstain from voting. Why? Because if they voted against it, Quebecers would be upset, and if they voted for it, it is Canadians who would be upset.

Therefore, since they are always sitting on the fence, they will once again end up where they belong: face down, on the ground. As always, Liberal MPs from Quebec are unable to protect Quebecers' interests against the rest of Canada. That is the reality, and that is what has been hanging over their heads for the past 100 years. That is also what the Bloc Québécois is fighting against every day. Since 1993, Quebecers have always elected a majority of Bloc Québécois members in every election. Why? Because Quebecers are tired of sitting down, of being on their knees, of lying down. They prefer to stand up. It is always better to be standing up to look at the future, to look forward, than to be lying down. But that is what the Liberals are doing. That is their way of doing politics. It goes without saying that this is not our way.

One must understand that this national securities commission interferes directly with the jurisdictions given to the provinces under the Canadian Constitution. Canada has its powers and the provinces have their own. I can understand why the Conservatives would accuse the Liberals of pushing for centralization. However, in the end, the Conservatives behave just like the Liberals when the time comes to adopt policies. That is the case with this single securities regulator for all of Canada. And this is despite the fact that the World Bank and the OECD have said that the current system works well. That is probably one of the reasons why Canada did so well during the last crisis, why it fared better than other countries. I should qualify that statement, because even though we are doing well, it still hurts, it is still difficult. Earlier, I read the unanimous motion passed by the National Assembly on forestry, employment insurance and job losses. However, compared to the rest of the world, we are doing a little better. I would say that the Bloc Québécois is largely responsible for this performance.

In 2000, when I was first elected here, bank lobbyists were the first lobbyists to come to see me. They wanted to merge Canadian banks. When we would meet with them, they would tell us that they needed to be able to buy and to compete in the world banking system. They wanted to buy bigger banks. We saved them, because if they had merged, if they had bought American banks like they wanted to do, today they would be bankrupt, just like the American banks. That is the reality.

This is why the Bloc Québécois is the social and political conscience of this House. We have always been here to protect the interests of Quebecers. We are not here to support government policies and try to tell our fellow citizens how the Canadian government should manage the affairs of the state. No. On the contrary, we are telling parliamentarians in this House what our fellow citizens want. We are here to tell the House what the public wants and what is in its best interests.

What we wanted, at that time, in 2000, was not to let the banks merge and eliminate branches in an attempt to buy up international banks and make the banks bigger so their shareholders would receive quarterly dividends. What we wanted was service and to ensure that profitable Canadian banks stayed that way. For that reason, I will tell you that we saved their lives. We have always fought in this House against all bank merger policies. Today, we see the results have been good. The results have been so good that the securities and banking system is considered by the OECD and the World Bank to be a system that works well.

Why do they want to change that? Why do they want to change that so much? Allow me to raise the question. Is it perhaps to take part of the securities market from Montreal and move it to Toronto? Perhaps that is the reality. Once again, take an economic activity that is working well in Quebec and move it to Ontario.

● (1350)

I have a great deal of difficulty understanding the Conservative and Liberal members from Quebec who support this measure. The Conservatives support it and the Liberals are lying low, out of sight, and not defending the interests of Quebec.

You will recognize that I am proud to speak to my party's motion that will be debated today and voted on tomorrow. Why? Because we must highlight the policies that we defend in this House. It is very well for the Conservatives to tell us they will be less centralizing, that they will respect provincial jurisdictions and that they will not use their spending power in those areas. However, as we see in the securities system, they centralize the whole system in Ontario even though this power belongs exclusively to the provinces.

The federal government would do well to concern itself with its own jurisdictions. In the field of health, one of its responsibilities is to provide isotopes to hospitals for detecting and treating cancer and other diseases. It does not manage the health system and it knows very well that the provinces do that. It is not even able to manage the isotopes that are within its responsibility. That is the federal reality. It wants to invade provincial jurisdictions while it is not even able to look after its own affairs. That is very disappointing.

Business of Supply

It is discouraging when Quebecers see that an economic activity such as securities will be moved to Ontario. However, if we see the Conservative members from Quebec stand in their places tomorrow to vote against this motion, which reflects a unanimous motion of the Quebec National Assembly, that will be heartbreaking. In addition, if we see the Liberal members sit in their seats and abstain from voting on this motion, that will be really discouraging. We have to watch all this when we defend the interests of Quebec in this House. It is important to understand the people who are listening to us today, those who work hard to pay their taxes and those who have worked hard to earn their retirement. Some people have paid into employment insurance all their lives and get no benefits.

Once again it is painful to observe how little attention is paid to people's problems or the interests of the provinces. Quebec has done a great deal with its own tax revenues, even though more than half the money collected is paid to the federal government. At present, a little more than 52% of the taxes paid by Quebecers is transferred to the federal government. Corporate tax rates are higher in Ottawa than in Quebec. That is the reality.

The fact is that Quebec succeeded in creating the most powerful hydroelectric network on the entire planet, using only its income and other taxes, and with half of its own resources and revenue, that is, with no money from the federal government.

On the other hand, the nuclear and oil industries have been subsidized by the federal government to the tune of billions of dollars. Quebecers have paid a quarter of that money, and we have developed our own hydroelectric network with no federal contribution. When Hydro-Québec developed the electric engine, the federal government even managed to let it leave the country. We had a lot of trouble holding onto that innovation, that asset, and so the technology was sold to the Europeans. The federal government never stood up to ask why it was not kept here. And today, extensive research is being done on that motor, to develop it, and that will probably be what provides the solution to the oil crisis.

It is hard to watch as Quebecers from other parties in this House—I am not talking about the NDP Quebecer who will support us today, and we thank him; I am talking about the Conservative Party members—rise to oppose a unanimous motion of the National Assembly of Quebec.

• (1355)

They prefer to centralize and transfer an exclusive jurisdiction from Quebec to Canada with the creation of a Canada-wide securities regulator. Once again, the choice is to centralize, to take part of the economic activity on the Montreal Exchange and move it to the Toronto Stock Exchange. I think this is a terrible thing to see, but it is also terrible to see the federal Liberal members who will sit on their hands for purely partisan reasons on a unanimous motion of the National Assembly. They sit there, tucked in, dug in, for purely partisan reasons because there may be an election called at the end of the week and they would not want to be embarrassed by this motion today. That is the only reason why the federal Liberal members from Quebec will decide to sit on their hands, and obviously to crumble. They have been supporting this government for over two years now.

It is wonderful to see the new Liberal Party leader say that employment insurance should be fixed when he supported the

Conservatives in the last budget. We knew very well that the employment insurance problem would not be fixed and the 360 hours of employment, that we wanted to see standardized across Canada for employment insurance eligibility, was not included in the budget. Nor was the elimination of the two-week waiting period, the two-week penalty, that has cost workers so dearly, in that budget. This is insurance workers have paid for and they are being punished for the first two weeks when they have tremendous need of it to get the economy going. The Liberals knew it was not included in the budget, but they decided to support the Conservatives. Today, their fortunes seems to have risen, depending on which polls you look at. They have decided, politically, to think about their interests rather than to think about the public's interests.

That is how federal politics works. We all know that many Quebecers are disillusioned with federal politics for precisely that reason. Some politicians are here only for their personal power and not in the public interest. If the Conservative members from Quebec stood up for the public's interests, they would not vote against the Bloc Québécois motion, which reiterates the unanimous motion of the National Assembly. If the federal Liberal members acted in the interests of the people they represent, they would not crumble and sit there, dug in, tucked in, when it comes to this motion, saying they prefer to sit on their hands. They would not be doing that. They would be getting to their feet, to stand up for the interests of Quebecers.

Once again, it is obvious that the Bloc Québécois is the only party that strongly and vigorously defends Quebec's interests. The federal government must not go ahead with the proposed Canada-wide securities commission simply because it will hinder development and harm Quebec's economic interests. Quebec and the other provinces had their highly-rated passport system. I repeat that the OECD and the World Bank even congratulated Canada for the way it dealt with the whole securities issue. But once again, this centralizing government has decided to increase Canada's powers at Quebec's expense and, more importantly, to concentrate securities in Ontario, again for purely partisan reasons on the part of the Conservatives. It could not be any clearer. It is just as obvious as what they are doing for the auto sector. They are giving everything to the auto sector and nothing to the forestry sector. That is the choice they made. The Speaker is telling me that I have only one minute left, so I will conclude.

The most surprising thing is that the Liberals have decided today to sit on their hands on this motion from the Bloc Québécois, which is the same as the two motions that were passed unanimously by the National Assembly on October 16, 2007 and on January 15, 2009, asking the federal government to reject the idea of creating a Canada-wide securities commission.

Again, Conservative and Liberal members will vote against the interests of Quebecers. That is totally consistent with what they stand for in this House. Quebecers are proud and happy to have the Bloc Québécois to defend their interests strongly and vigorously in this House.

*Statements by Members***STATEMENTS BY MEMBERS**

• (1400)

*[Translation]***TOUR DE BEAUCE BIKE RACE**

Hon. Maxime Bernier (Beauce, CPC): Mr. Speaker, this weekend, Beauce was in high gear as it hosted the 24th Tour de Beauce bike race.

Fifteen teams with seven cyclists each competed in some very exciting races. Once again, the organizers did themselves proud.

I would like to congratulate those people who stepped up to the plate. Thanks to their dedication and perseverance, the spectators got their money's worth.

I would also like to acknowledge the 500 volunteers who made this event possible. Their involvement helped make the Tour de Beauce a huge success. They proved once again how indispensable they are.

I am very proud that my government contributed \$50,000 to the Tour de Beauce.

This put Beauce on the international map, and brought in participants from various countries.

Once again, congratulations to the participants, organizers and volunteers. Until next year.

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*[English]***NATIONAL BLOOD DONOR WEEK**

Hon. Navdeep Bains (Mississauga—Brampton South, Lib.): Mr. Speaker, I am pleased to celebrate our second National Blood Donor Week, which became official following the royal assent of a bill I sponsored in the House last year.

The demand for blood is constant. Hundreds of thousands of donors are required every year to meet the needs of Canada's health care system.

What makes the system so amazing is that all of those donors are volunteers, people who choose to give their time and their blood to help their fellow citizens.

The summer months can be especially hard on the blood system. Canadian Blood Services forecasts that it needs to collect 226,000 units of whole blood and 30,000 units of plasma during June, July and August to meet hospital demand throughout the country.

This week gives us an opportunity to remind Canadians of the precious gift they have flowing through their veins and encourage them to share that gift with others.

Giving blood is easy and painless, so I urge those who have never given blood before to visit bloodservices.ca to find a donation centre near them.

*[Translation]***HÉLÈNE DORION**

Ms. Monique Guay (Rivière-du-Nord, BQ): Mr. Speaker, Hélène Dorion, who lives in my riding, will be the first Quebecker to receive the Charles Vildrac poetry prize, to be awarded tomorrow in Paris, for her latest publication, *Le hublot des heures*. She was also the first Quebecker to win the Académie Mallarmé prize.

Hélène Dorion has published over 20 books in Quebec, France and Belgium, and has been awarded several prizes, including the Anne Hébert prize for her first novel, *Jour de sable*. She has also been awarded the Wallonie-Bruxelles international poetry prize, the Romanian international poetry festival prize, and the Académie des lettres du Québec's Alain Grandbois prize, among others, for her work. She is also a knight of the Ordre national du Québec.

Some have said that experiencing Hélène Dorion's poetry is like walking into a temple with neither walls nor ceiling. I hope that she will keep us dreaming for a long time to come.

* * *

*[English]***RENEWABLE ENERGY**

Mr. Dennis Bevington (Western Arctic, NDP): Mr. Speaker, with oil prices climbing back up it is clear that Canada must take serious action to develop renewable energy technologies.

Instead of shifting funding away from wind energy and toward uncertain carbon capture and storage technologies, the government could take a page from the Government of the Northwest Territories.

The N.W.T. has brought in an energy plan and greenhouse gas strategy focusing on developing renewable energy to replace diesel fuel currently in use across the north.

For example, soon, four wind turbines will be installed and operational in Tuktoyaktuk by the summer of 2011. This will save 88,000 litres of diesel and a reduction of 247 tonnes of greenhouse gases each year.

Also, a biomass strategy is already being implemented, increasing the use of biomass energy in the N.W.T. through the use of wood pellets to replace heating oil in homes, businesses and government buildings.

I hope the Minister of the Environment and the Minister of Natural Resources will pay attention to northerners who are taking action to develop renewable energy, which is the future, a future I hope the government can get behind.

* * *

NATIONAL ABORIGINAL DAY

Mrs. Shelly Glover (Saint Boniface, CPC): Mr. Speaker, as a proud Métis woman, it gives me great pleasure to rise in the House today to mention that on Sunday, June 21, Canadians are invited to celebrate National Aboriginal Day.

It is an opportunity for the Inuit, the Métis, and members of first nations to express their deep pride in their heritage and their successes.

Statements by Members

On that day, I will pay tribute to Louis Riel, the passionate Métis leader and founder of the province of Manitoba, and to the Métis people, who have learned to live together in a bilingual and multicultural society as they inspire us by their diversity.

• (1405)

[Translation]

I would also like to thank and congratulate APTN, a television network created by and for aboriginal people, and the Union nationale métisse Saint-Joseph du Manitoba and its president, Gabriel Dufault, for the excellent work they do with francophone Métis people.

As Canadians explore the rich, diverse cultures of the Inuit, the Métis and the first nations, barriers fall and friendships are formed.

National Aboriginal Day is for all Canadians. Join in the celebration. *Meegwetch.*

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[English]

SENIORS

Hon. Judy Sgro (York West, Lib.): Mr. Speaker, today is World Elder Abuse Awareness Day.

All Canadians need to work together in order to increase our ability to recognize and prevent mistreatment of older people so that all adults can be free from abuse, neglect and exploitation in later life. It is critically important that we protect vulnerable seniors and recognize them as an integral part of Canadian society.

I would also like to acknowledge that June is Seniors' Month, a wonderful time to celebrate the contributions that seniors make in all of our communities.

On behalf of all members, I would like to thank our valued seniors who have worked so hard to build our great country and who continue to contribute to the communities that we all enjoy today.

* * *

FIREARMS REGISTRY

Mr. Garry Breitkreuz (Yorkton—Melville, CPC): Mr. Speaker, I rise today in support of thousands of residents in my riding and others across Saskatchewan who have affixed their names to a national online petition to scrap the long gun registry.

The petition was created by the Ontario Federation of Anglers and Hunters, and has been signed by almost 40,000 Canadians from all walks of life who believe the registry has utterly failed to enhance public safety.

The petition is supported by 25 member organizations of the Canadian Outdoors Network, which represents wildlife federations in every province and territory. It is also supported by several national wildlife and conservation organizations, and many other groups that represent Canada's recreational sport shooters.

I am proud to acknowledge the thousands of individuals who took the time to register their support to scrap the useless long gun registry. It is my pleasure to forward the names on this petition to the Minister of Public Safety for his information and response.

At this time, I urge all members of Parliament to support Bill C-391, recently introduced by the member for Portage—Lisgar, to rid Canadians of the long gun registry once and for all.

* * *

[Translation]

MARC-ANDRÉ FLEURY

Mr. Louis Plamondon (Bas-Richelieu—Nicolet—Bécancour, BQ): Mr. Speaker, I would like to congratulate the Pittsburgh Penguins on winning the Stanley Cup on Friday. Six Quebecers play for the team, including the excellent goalie Marc-André Fleury, who is from Sorel-Tracy.

Marc-André played minor hockey in Sorel-Tracy. His outstanding ability enabled him to move directly from the bantam category to the Quebec major junior hockey league, without going through the midget category.

His excellent performance as a junior won him a spot on the team representing Canada at the world junior championships, and he was picked in the first round of the National Hockey League draft in 2003.

His remarkable talent, his discipline, his desire to win and the unconditional support of his family are major reasons for his success as a hockey player.

The people in my riding, the Bloc Québécois members and all the people in Quebec congratulate Marc-André and wish him a long career in the NHL. Keep on amazing us.

* * *

[English]

THE ECONOMY

Mr. Daryl Kramp (Prince Edward—Hastings, CPC): Mr. Speaker, the Liberal leader only came back to Canada to be prime minister and he will do anything to get that job. He even came back to Canada after more than three decades in the U.K. and America, his country.

On April 14, he said, "We will have to raise taxes". Furthermore, he would hike the GST. He is the father of the job-killing carbon tax. He called the forestry sector a basement industry. He criticized the auto sector. He said that Canada had become the laughingstock of the world. He called our flag a pale imitation of a beer label.

This is the country with the best managed economy in the G7. The OECD has praised our management in these tough economic times. Last week the Prime Minister reported that 80% of our action plan initiatives are already being implemented. We are delivering by creating jobs, stimulating the economy and helping those hardest hit by the global recession.

Canada is strong, proud, independent and free. Maybe the Liberal leader will learn that during his visit to this great country.

Statements by Members

●(1410)

THE STANLEY CUP

Mr. Michael Savage (Dartmouth—Cole Harbour, Lib.): Mr. Speaker, this summer, the Stanley Cup will come to Cole Harbour again. The Pittsburgh Penguins, led by captain Sidney Crosby, won the championship against the strong Red Wings in Detroit on Friday night.

At the age of 21, Sid has been the most celebrated number one draft pick in years. He has won the Art Ross Trophy, the Hart Memorial Trophy and the Lester B. Pearson Award. He is the youngest captain in NHL history and is now a Stanley Cup champion.

Congratulations to the Red Wings and their great coach, Mike Babcock, and fellow Atlantic Canadian, Danny Cleary, of Harbour Grace, and sympathies to his loyal MP from Avalon.

Sidney Crosby may have won his first Stanley Cup, but he has been a champion to kids everywhere, particularly in Cole Harbour, for years. He is a young man of grace and determination whose efforts on the ice are matched by his personal humility and generosity. Stories of his quiet contribution to his community abound back home. He has earned the respect and devotion of legions of boys and girls who now know beyond a doubt that nice guys do not always finish last. In fact they can win the Stanley Cup, and like Joey DiPenta a couple of years ago, bring it home to Cole Harbour.

Way to go, Sidney Crosby.

* * *

[Translation]

ECONOMIC ACTION PLAN

Mr. Jacques Gourde (Lotbinière—Chutes-de-la-Chaudière, CPC): Mr. Speaker, it seems to me that not all that much pondering is needed when it is so obvious. We are in the midst of a crisis, and our government has the best plan in the world to address the economic crisis.

For example, our plan permanently reduces taxes and helps unemployed workers by improving employment insurance and training programs. Our plan creates jobs and helps the industries and communities most severely affected by the global recession. Our plan helps to create the economy of the future by improving post-secondary infrastructure and by supporting research and technology. Our plan makes it easier for Canadian business and households to access financing.

Our plan works. An unnecessary election triggered by political opportunism would only delay the implementation of our economic action plan, to the detriment of those who need it right way.

* * *

WORLD CONGRESS OF ACADIANS

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, the Congrès mondial acadien is a major gathering of Acadians from around the world held every five years. This year, the Acadian peninsula, in northeast New Brunswick, will host the fourth Congrès

mondial acadien from August 7 to 23, 2009. It will be a unique occasion for the citizens living on the Acadian peninsula to show their warm hospitality and, above all, for Acadians from Canada and elsewhere to get together and celebrate their shared history and traditions with their cousins.

The highlight of the congress will undoubtedly be National Acadian Day and the traditional “tintamarre” or festive noisemaking on August 15. Over 50,000 people are expected to attend.

I invite all members to come celebrate with us and discover our vibrant culture. I hope all Acadians will enjoy the gathering. Welcome to all.

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[English]

FIREARMS REGISTRY

Mr. Scott Reid (Lanark—Frontenac—Lennox and Addington, CPC): Mr. Speaker, this morning at the subcommittee on private members' business, the Liberals, Bloc and NDP revealed that they have a strategy to jointly and secretly kill efforts to repeal the long gun firearms registry. Their strategy is to make Bill C-391, the private member's bill that repeals the long gun registry, non-votable.

The three parties are well aware that all government MPs support this bill, along with enough opposition members to gain a majority in the House, so their solution was to kill it at an in camera meeting of the subcommittee by making it non-votable.

This morning the committee met in open session. The opposition members did not read the notice and did not realize that the meeting was open. Therefore, they stated openly that they have no basis under the Standing Orders to do what they are doing and deemed the bill non-votable. When it was revealed the vote was taking place publicly, they halted in mid-vote forcing the meeting to close its doors to the public.

The NDP and Liberal backbenchers who claim to want to end the registry can still stop this unparliamentary action by telling their leaders they do not want the bill to be killed in secret and in silence.

* * *

[Translation]

ISLAMIC REPUBLIC OF IRAN

Ms. Johanne Deschamps (Laurentides—Labelle, BQ): Mr. Speaker, following the Iranian presidential election held on June 12, many supporters of presidential candidate Mousavi are reacting with shock and disbelief. Hope faded when, merely two hours after polls closed, the Interior Ministry announced that candidate Ahmadinejad had been re-elected with more than 62% of the vote.

According to numerous press sources, as well as the Mousavi camp, Iranian authorities took a different approach for these elections, bypassing the normal three-day verification and declaration process. Mr. Mousavi had appealed to the Guardian Council to annul the results.

Oral Questions

In 1953, that large country where 70% of the population is under 30 years of age had its democratic revolution stolen away by the United States and Great Britain, which were hungry for its oil resources. Time has come for it to finally enjoy democratic life.

* * *

• (1415)

[English]

CORPORAL MARTIN DUBÉ

Mrs. Alexandra Mendes (Brossard—La Prairie, Lib.): Mr. Speaker, it is with a heavy heart that we learned of the death of yet another of our brave soldiers in Afghanistan.

[Translation]

I would like to express our sincere condolences and sympathies to the family and loved ones of Corporal Martin Dubé, from the 5 Combat Engineer Regiment based at Canadian Forces Base Valcartier, Quebec.

[English]

Corporal Dubé was killed by an improvised explosive device he was trying to disarm. He died doing his duty, and for that, his memory shall forever be honoured.

[Translation]

I know that all of my colleagues join me in saluting Corporal Dubé's courage and sense of duty. We continue to be proud of Canadian Forces soldiers as they carry out their very dangerous missions in Afghanistan.

[English]

Corporal Dubé is the 120th of our brave men and women of the Canadian Forces to make the ultimate sacrifice since the beginning of the Afghan mission. May none of them ever be forgotten.

* * *

THE ECONOMY

Mr. James Bezan (Selkirk—Interlake, CPC): Mr. Speaker, a few months ago the Liberal leader said, "We will have to raise taxes". That is the plan he has for Canada. He wants to raise taxes on hard-working Canadian families at a time when they need more money in their pockets. The Liberals want to raise the GST, impose a job-killing carbon tax and eliminate the universal child care benefit.

These Liberal policies are not what Canadians are looking for. That is why they so clearly rejected the Liberals in the last election.

In contrast, our Conservative government is firmly reducing the tax burden on Canadians. We are further providing tax relief and improved access to financing for Canadian households and businesses.

Because of our government's prudent management of the country's finances and the economy, Canada is in a much stronger position to weather the global recession than most other countries.

Our government will continue to take whatever actions are necessary to protect Canadians from the worst impacts of the global recession.

ORAL QUESTIONS

[English]

MEDICAL ISOTOPES

Mr. Michael Ignatieff (Leader of the Opposition, Lib.): Mr. Speaker, Canadians are looking for a government that has a plan, and it still does not have one for the isotope crisis.

Thousands of worried Canadians are not getting their cancer tests. The Dutch and the Americans can ramp up production, but they cannot make up the shortfall and they cannot guarantee that isotopes will end up in Canadian hospitals. We are facing a growing national health care crisis.

What is the current shortage of isotopes supply in Canada and what is the government's plan to make up the shortfall?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, the minister can give more detail.

As the Leader of the Opposition knows, the government's approach is to work with suppliers across the world on isotopes and also with providers here to encourage alternative treatments. We believe we have enough isotopes available to manage the current situation and to enable other diagnostic tests to be used in cases where isotopes cannot be provided.

Mr. Michael Ignatieff (Leader of the Opposition, Lib.): Mr. Speaker, I would like to see the evidence for those assertions.

However, let me go to a related issue. Last week the Prime Minister announced that he was taking Canada out of the isotopes business. The reaction from medical experts around the world has been one of shock. They point out that if Canada backs out of isotopes production, it will take "a minimum of 10 to 15 years to bring a new solution online". That means 10 to 15 years of global supply shortages, if Canada ceases production.

How can the Prime Minister justify abandoning the world in this way?

• (1420)

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, first, this is not new. The government made this decision some time ago after the failure of the MAPLE project.

The previous Government of Canada put \$600 million into the MAPLE project, with no prospect in sight of the production of a single medical isotope. That is why the government has decided to invest in the extension of the Chalk River reactor and to work with suppliers around the world on longer term management of the isotopes supply.

[Translation]

Mr. Michael Ignatieff (Leader of the Opposition, Lib.): Mr. Speaker, last week, the Prime Minister announced that he was taking Canada out of the isotope business.

Oral Questions

International experts said that if Canada stopped producing isotopes, it would take at least 10 to 15 years to find a long-term solution.

How can the Prime Minister justify abandoning the world in this way?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, on the contrary, this is not new. This decision was made with each MAPLE project funded by the former government that did not produce a single isotope, despite an investment of \$600 million. We have decided to spend money on prolonging the life of the current reactor and on working with other countries that provide a long-term supply of isotopes.

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THE ECONOMY

Hon. John McCallum (Markham—Unionville, Lib.): Mr. Speaker, last week, the government admitted that it had given up any hope of eliminating the deficit.

According to the Parliamentary Budget Officer, the Conservatives' original plan, which was just to eliminate the deficit, did not hold water. Plenty of economists agree.

Where is the plan to straighten out our public finances once the recession is over?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, our government's plan is clear. We allocated funds for a limited time to ensure that we would return to a surplus situation at the end of the recession. We are still following the economic action plan from our latest budget. To make that happen, we have to avoid spending the tens of billions of dollars in new money the opposition is asking for.

[*English*]

Hon. John McCallum (Markham—Unionville, Lib.): Mr. Speaker, none of the economists believe the government on the budget.

Let us compare the Conservative report to Barack Obama's plan. With the click of a mouse, I discovered that Obama allocated \$25 billion for medicaid grants and actually spent \$19 billion. I also discovered that the Department of Veterans Affairs had been allocated \$30 million and spent almost nothing.

At least the Americans get honesty from their government. When will the minister tell Canadians how much he has actually spent?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, the Liberal Party cites the United States as its fiscal model. In the United States the deficit is running at four times the size of our deficit. It is a dangerous, long-term structural deficit that existed even before the recession began, one that will require tax increases eventually.

We have a proud fiscal record in Canada. That is not a direction we want to go because on this side, Canada, not the United States, is our country.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, at taxpayers' expense, the Conservative government ran ads in all

the weekend papers touting its recovery plan, the same recovery plan that contains nothing for the manufacturing industry in Quebec, nothing for the forestry industry, nothing for the unemployed, in short, nothing to really boost the economy.

Instead of spending taxpayers' money on advertising to tout an inadequate, ineffective recovery plan, would the Prime Minister not do better to shoulder his responsibilities and introduce a series of real measures modelled on our proposals?

• (1425)

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, on the contrary, the economic action plan provides help for all those sectors, for both the manufacturing sector and the forestry sector. In the announcement of the report last week, I announced that 3,000 projects are now under way. It is important to our economy that, this Friday, Parliament pass the budget we need so that we can continue to spend to help Canada's economy this summer.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, the Prime Minister says that 80% of the projects are under way. Just because he put the money in the budget and projects are under way, that does not mean the money is flowing. We have reason to be skeptical, knowing that some projects announced two years ago in the 2007 budget have not yet been set in motion.

Does the Prime Minister realize that there are projects funded out of the 2007 budget that have not gotten off the ground, which means that he has made a lot of promises, but he has not accomplished much?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, the President of the Treasury Board has announced that we have used more than \$2 billion of the \$3 billion passed this spring. On Friday, we need more money to complete the projects that were announced in the report last week. These projects have been approved not only by this government, but by provinces and municipalities. Everyone is expecting this Parliament to act to ensure that this money goes into Canada's economy.

* * *

EMPLOYMENT INSURANCE

Mr. Yves Lessard (Chambly—Borduas, BQ): Mr. Speaker, when he presented his economic action plan, the Prime Minister stated that changes would be made to the employment insurance program. However, the next day he was contradicted by the Minister of Human Resources and Skills Development, who said that she did not anticipate any changes.

My question is very simple. Will changes be made to the employment insurance program, or not?

[*English*]

Hon. Diane Finley (Minister of Human Resources and Skills Development, CPC): Mr. Speaker, we did commit to monitoring the situation. We committed that right at the beginning, with our economic action plan.

Oral Questions

We are proud in this country to have an entrepreneurial class that is alive and well. These self-employed individuals, though, are the largest single group that are not eligible for employment insurance.

In our campaign promises of 2008, we committed to looking for ways to help support those individuals in troubled times. That is exactly what we are looking forward to doing.

[Translation]

Mr. Yves Lessard (Chambly—Borduas, BQ): Mr. Speaker, the Prime Minister is indeed announcing changes to employment insurance. If the government is short on ideas, it should simply use the solution proposed by the Bloc Québécois, which is to eliminate the waiting period, lower the eligibility threshold to 360 hours and increase insurable earnings from 55% to 60%.

What changes will the government make to employment insurance? Changes are required now.

Hon. Diane Finley (Minister of Human Resources and Skills Development, CPC): Mr. Speaker, as I just mentioned, we want to help all those individuals who are hard hit by this recession. A large number of them are entrepreneurs and self-employed individuals who are not eligible for employment insurance.

During the 2008 campaign, we promised these people that we would find ways to help them with employment insurance. That is precisely what we are trying to do.

* * *

THE ECONOMY

Hon. Jack Layton (Toronto—Danforth, NDP): Mr. Speaker, this weekend, the media reported that the money to stimulate the economy is locked away in federal coffers.

For example, the building Canada fund is behind schedule, based on the 2007 plan. Only one quarter of the money provided has been invested. Yet, the government said it would speed up the process, because of the crisis.

Can the Prime Minister explain why he has the foot on the brake pedal rather than on the gas pedal during this crisis?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, it is quite the contrary and I can even quote the president of the Federation of Canadian Municipalities, who said that things are beginning to move very quickly and that they are pleased by that.

All levels of government are working together to ensure that these construction projects begin this year. I encourage the opposition, including the New Democratic Party, to vote in favour and not against these funds, which are needed for projects that are important for the Canadian economy.

• (1430)

[English]

Hon. Jack Layton (Toronto—Danforth, NDP): Mr. Speaker, the funds are flowing slower than they were spelled out to flow in the 2007 budget.

Here is what the government's own numbers say have gone out: only 36% of the gateways and border crossings budget; only 27% of the money earmarked for major infrastructures and small communities; only 20% of the provincial and territorial base funding; and

only 13% for the Asia-Pacific gateway and the corridor initiatives. It is pathetic. The Conservatives cannot get the money out of the door.

Is it because the Conservatives really do not believe it should be spent at all that they have their foot on the brakes?

Right Hon. Stephen Harper (Prime Minister, CPC): On the contrary, Mr. Speaker, it is the NDP and the opposition that has been voting against the spending. All levels of government have been working together. I have produced a list of 3,000 projects that are under way and ready to go this construction season.

Therefore, the choice for the opposition is really very simple. On Friday, it can either vote to allow these things to go ahead or vote to block them. The Canadian people obviously want to see these projects continue to move ahead.

Hon. Jack Layton (Toronto—Danforth, NDP): Mr. Speaker, the Prime Minister seems to be blinded by his own press releases. The figures do not lie. The money is not flowing.

Here is what his own government officials are telling us. The five components of the building Canada plan that could be accelerated are worth \$15.42 billion. They said that they would accelerate that spending. How much has been spent? The government has spent \$3.8 billion, or 24% of the money. If that is acceleration, I would not want to be taking on those guys in any kind of a race. They would be at the back of the pack. They would not even compete.

Why will he not get the money out of—

The Speaker: The right hon. Prime Minister.

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, once again I will quote the president of the Federation of Canadian Municipalities, who said, "Things are starting to move fairly quickly. We're pleased about that". That could not be clearer.

We have 3,000 projects under way, ready to go. The choice for the opposition is really very simple. It can vote on Friday to ensure all those things go ahead in the Canadian economy and we keep construction moving this summer or it can block it. Obviously the responsible thing to do is vote to ensure that money flows and those projects move ahead.

* * *

[Translation]

MEDICAL ISOTOPES

Hon. Geoff Regan (Halifax West, Lib.): Mr. Speaker, the isotope crisis is putting the health of thousands of Canadians in jeopardy. It is affecting the quality of care they are receiving. The president of the Society of Nuclear Medicine said today that he is extremely alarmed by the situation and that he expects it to get worse.

Why is the government incapable of providing a detailed plan to deal with this crisis?

[English]

Hon. Leona Aglukkaq (Minister of Health, CPC): Mr. Speaker, I continue to work with the experts on medical isotopes. In fact, this past weekend I had a meeting with the Society of Nuclear Medicine in Toronto. One of the things we did was assess how we were handling the contingency measures. We are on track and we will continue to do that.

I am very pleased to announce to the House that Canada has been given regulatory approval today for isotopes at the Australia facility. This means that an additional supply of isotopes will be coming to Canada in the very near future.

Hon. Geoff Regan (Halifax West, Lib.): Mr. Speaker, if the government is concerned about the health and safety of Canadians, it has a strange way of showing it.

The Minister of Natural Resources talks about an increase in isotope production at various reactors around the world but she cannot tell us what action she has taken to actually secure an alternative supply.

Where is the plan to manage this medical crisis and why is the minister not doing her job?

• (1435)

Hon. Lisa Raitt (Minister of Natural Resources, CPC): Mr. Speaker, in conjunction with the Minister of Health, I too am pleased to announce that it is over 75% of medical isotope supply that is available to Canada this week. That is a direct result of the leadership that Canada has shown with respect to working with the Netherlands and South Africa to have them increase their production of medical isotopes and the Minister of Health working with her counterparts to ensure there are ways and means for those reactors to produce the isotopes to come into the country.

Hon. Carolyn Bennett (St. Paul's, Lib.): Mr. Speaker, unlike what the Minister of Health stated last week, there are no alternatives for children with cancer. Her own guidelines state that children get technetium 99 or nothing.

How will the Minister of Health assure the parents of children with cancer all across this country that their boys and girls will get the bone scans they need when they need them, regardless of where they live in Canada?

Hon. Leona Aglukkaq (Minister of Health, CPC): Mr. Speaker, I provided an answer to that question in the House on Friday.

The contingency measures that were put in place for the provinces, territories and health care providers allowed alternatives to be available where they can be used so that Tc99 can be used where alternatives are not available, such as in the case of children. That process is in place and it is being followed by the health care providers in the provinces and territories.

Hon. Carolyn Bennett (St. Paul's, Lib.): Mr. Speaker, we still need a plan.

I am pleased that the minister took our advice from last week and appointed a medical advisor but I wish she had consulted the medical community.

Earlier this year, Dr. Sandy McEwan, talking about Canada's role in medical isotope production, stated

Oral Questions

We have established ourselves as leaders in this technology over a such a long period of time and to be prepared to just throw it all away is, I think, criminal.

Will the minister take this advice from her new adviser?

Hon. Leona Aglukkaq (Minister of Health, CPC): Mr. Speaker, we established an ad hoc medical advisory group back in 2006-07 and have been working with that group since then. We have acted on all of its recommendations to ensure that in situations like this we have a plan to work with. The contributions Dr. McEwan has made have been valuable and we will continue to work with him as we deal with improving how we can manage the situation.

* * *

[Translation]

THE ENVIRONMENT

Mr. Bernard Bigras (Rosemont—La Petite-Patrie, BQ): Mr. Speaker, the Minister of the Environment systematically refuses to answer when asked if he has redirected money intended for the wind program to benefit oil companies instead.

Can the Minister of the Environment tell us if, yes or no, he redirected money to his oil company pals to develop the oil sands?

Hon. Jim Prentice (Minister of the Environment, CPC): Mr. Speaker, that is not the case. Our plan is clear. We are investing in green energy and in green technologies. We will reach our target, our objective of 20% by 2020. Before we go to Copenhagen, our government will release its policy on greenhouse gas emissions. When we come back from Copenhagen, we will provide the funding for the regulations needed to reach our target.

Mr. Bernard Bigras (Rosemont—La Petite-Patrie, BQ): Mr. Speaker, the minister's answer is very telling.

Since the Minister of the Environment systematically refuses to answer, does the Minister of Natural Resources maintain her version, namely, that her colleague has redirected money intended for wind energy to the oil companies? Is that true or not? That is what we want to know.

Hon. Jim Prentice (Minister of the Environment, CPC): Mr. Speaker, the Bloc should take a look at the offset system I announced last week.

The Bloc refuses to work on the international scene or cooperate on the national scene. It refuses to take part here in a constructive way, choosing instead to be absent for the environment and for Quebec. The Bloc Québécois is talking out of both sides of its mouth. We get a lot of talk but very little action from them.

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FOREIGN AFFAIRS

Ms. Francine Lalonde (La Pointe-de-l'Île, BQ): Mr. Speaker, at the March 2009 meeting of the UNESCO committee on cultural diversity, Canada expressed some reservations with respect to the call by the International Organization of la Francophonie for francophone visas enabling artists to travel freely among its 60 member countries. This same attitude was observed during the celebrations of the 400th anniversary of Quebec City.

Can the Minister of Foreign Affairs explain why Canada has refused to follow up on this initiative?

Oral Questions

●(1440)

Hon. Lawrence Cannon (Minister of Foreign Affairs, CPC): Mr. Speaker, we are well aware of this matter.

Statements have been issued about this in the past. We will continue to monitor this issue closely. I can speak about it to my colleague, the Minister of Citizenship, Immigration and Multiculturalism, who is responsible for this file.

Ms. Francine Lalonde (La Pointe-de-l'Île, BQ): Mr. Speaker, this week at UNESCO headquarters in Paris, there will be another meeting to promote the objectives of UNESCO's Convention on the Protection and Promotion of the Diversity of Cultural Expressions.

Will the minister assure us that Quebec will speak for itself and clearly indicate whether Quebec will be allowed to express any disagreement with Canada's position in UNESCO debates?

Hon. Lawrence Cannon (Minister of Foreign Affairs, CPC): Mr. Speaker, the Government of Canada and the Conservative Party have recognized not only the legitimacy but also the expanding role of Quebec in its representation at UNESCO, precisely because we sincerely believe, on this side of the House, that it is very important for Quebec to have a voice at this organization.

This was done without the support of the Bloc, the Liberals or the NDP. It was done so that Quebec could have its voice heard at UNESCO.

* * *

[English]

EMPLOYMENT INSURANCE

Mr. Michael Savage (Dartmouth—Cole Harbour, Lib.): Mr. Speaker, last week, the Prime Minister suggested that he might have seen the light and finally be prepared to join with those calling for changes to employment insurance.

However, that memo did not get to the Minister of Human Resources and Skills Development who contradicted the Prime Minister the very next day. Then the Prime Minister contradicted the minister the very same day. This confusion might be amusing if it were not so serious. While this improv routine continues, Canadians are losing jobs. They need help and they need it immediately.

The government now acknowledges that additional EI measures are necessary. Will it deliver that help now?

Hon. Diane Finley (Minister of Human Resources and Skills Development, CPC): Mr. Speaker, we have been very clear and consistent in stating our desire and our actions to help those who have been unfortunate enough to lose their job during this global economic downturn. That is why we introduced an extra five weeks worth of benefits for the unemployed, why we are protecting 130,000 people's jobs right now by expanding our work-sharing program and why we are trying to keep people at work with our infrastructure investments by creating jobs.

We are working to help Canadians and we will take further action.

Mr. Gerard Kennedy (Parkdale—High Park, Lib.): Mr. Speaker, the unemployed cannot eat off of that rhetoric. It has been 139 days since the budget and Canada's largest city is still waiting for even five cents of infrastructure stimulus funding.

The city of Toronto has had a plan for infrastructure and jobs and to spend \$10 billion on new transit improvements. Embarrassingly, the federal government is a shirker, paying for only 10%. The minister has absolutely no vision on his own.

Will the government now stop second-guessing the unanimous decision of Toronto City Council? The deadline is June 27. Will the government finally do its part or will it once again let down the people of Toronto?

Hon. John Baird (Minister of Transport, Infrastructure and Communities, CPC): Mr. Speaker, we are making significant advancements and investments in public transit in Toronto. The Prime Minister and my premier made an important announcement with respect to the Sheppard line. We are investing in Union Station and we are investing in the Spadina subway.

However, we must be cautious because no investment can be made if that member and members of the Liberal Party vote no to flowing additional funds for infrastructure.

We will face an importance choice on Friday. We hope all members of the House will do the responsible thing and vote yes, freeing up even more money to create jobs, hope and opportunity in this country.

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[Translation]

FORESTRY INDUSTRY

Mr. Jean-Claude D'Amours (Madawaska—Restigouche, Lib.): Mr. Speaker, Edmundston's Fraser Papers plant has laid off its employees.

Today, the Province of New Brunswick announced crucial funding to reopen the plant. The province and the employees are at the table, but the Conservative government is nowhere to be seen.

The U.S. government is helping its paper mills, but the Conservative government is asleep at the switch.

When will the Conservative government finally announce funding needed to put workers back to work? When will the Conservatives fix the problem once and for all?

●(1445)

[English]

Hon. Lisa Raitt (Minister of Natural Resources, CPC): Mr. Speaker, the issue to which the hon. member refers is a serious one and this government has taken action on it already, and we will continue to take action on the matter.

We have written to the United States with respect to this unfair subsidy. The Minister of International Trade is working with the United States on matters surrounding the trade issue. Internally, we are looking at options in order to help the forestry industry.

Oral Questions

Hon. Ujjal Dosanjh (Vancouver South, Lib.): Mr. Speaker, the government has not taken enough action on the forestry crisis. Over the last two years, 55,000 jobs have been lost in this industry.

The government has known about the \$8 billion that the U.S. government is giving to its pulp mills. The government knows that our mills on their own cannot compete against the treasury of the United States of America. The government has not responded adequately or aggressively to the need for more help and more support.

When will the government actually come up with a real plan to protect a major Canadian industry?

Hon. Lisa Raitt (Minister of Natural Resources, CPC): Mr. Speaker, in the unprecedented communications that we had during the build up to the economic action plan, we heard clearly from the forestry industry what it needed. It wanted help in marketing and help in innovation. Small industry towns wanted help with respect to difficulties in the forestry industry.

Since then, we have had difficulties with respect to the subsidy being paid in the United States. We have taken a look at it very carefully. We have been engaged with our stakeholders on the trade side and on the forestry side.

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IRAN

Mr. John Weston (West Vancouver—Sunshine Coast—Sea to Sky Country, CPC): Mr. Speaker, this past weekend, presidential elections were held in Iran. Reports indicate that election results may have been falsified. We have also heard disturbing media reports of security forces cracking down on protesters and opposition supporters.

Could the Minister of Foreign Affairs please tell the House what the government's position is on Iran's presidential election?

Hon. Lawrence Cannon (Minister of Foreign Affairs, CPC): Mr. Speaker, we are extremely troubled by the current situation in Iran. We have called for a full and transparent investigation into electoral fraud and discrepancies.

The security force's brutal treatment of peaceful demonstrators is unacceptable. We are also investigating allegations of mistreatment of a *Globe and Mail* reporter.

I have directed my officials to call in Iran's top diplomat here in Ottawa so that we can have an explanation.

* * *

[*Translation*]

THE ECONOMY

Mr. Thomas Mulcair (Outremont, NDP): Mr. Speaker, last week, the Prime Minister demonstrated his disdain for both Parliament and Canadians by presenting a sham economic report with the help of a phony journalist hundreds of kilometres away from the House.

Despite a \$5.5 million partisan advertising campaign paid for with taxpayers' money, not Conservatives' money, nobody believed him.

Even the Liberals are pretending to be angry. That is saying something.

Does the Prime Minister realize that neither a public relations campaign nor false advertising can resolve the economic crisis?

[*English*]

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, the context, of course, is that we are in a global recession.

I just came back from a meeting of the G8 finance ministers and I can tell the House that Canada is the envy of the industrialized world in terms of the size of the deficit that we are running. It is relatively small. We are on track to eliminate the deficit and to move into surplus in 2013-14.

Mr. Thomas Mulcair (Outremont, NDP): Mr. Speaker, in the fall, the Prime Minister said there would be no recession and no deficit while the Parliamentary Budget Officer projected two years of deficits.

In January, the government had a \$34 billion deficit, but the PBO was saying it would be much higher. In May, the finance minister admitted he would break the record with the largest deficit in Canadian history: \$50 billion.

Time and time again, Kevin Page has been right when the finance minister has been wrong. Talk about envy.

Now Mr. Page says that the finance minister will have to raise taxes or cut government spending radically. Which is it?

Hon. Jim Flaherty (Minister of Finance, CPC): Neither of the above, Mr. Speaker.

I appreciate the views expressed by the Parliamentary Budget Officer. He is making an assumption. He says in his remarks, 1.3% growth for 2010, which is what one of the banks had. This morning, RBC has its estimate at 2.5% for 2010; Scotia Bank is also at 2.5%. Mr. Page is way off.

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● (1450)

[*Translation*]

FOREIGN AFFAIRS

Mrs. Ève-Mary Thāi Thi Lac (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, at the urging of Denmark and the Netherlands, the UN is calling on Canada to drop its policy of no longer seeking clemency on behalf of Canadians sentenced to death abroad.

Does the Minister of Foreign Affairs intend to act on the UN recommendations and thus choose not to abandon Ronald Smith, a Canadian who has on death row in Montana for over 25 years?

Hon. Lawrence Cannon (Minister of Foreign Affairs, CPC): Mr. Speaker, in the case of Mr. Smith raised by the hon. member, the government will be subject to the decision of the courts, but in all other cases, and I will be very clear on this, clemency is not an obligation. It must be earned. We will study each appeal for clemency individually.

Oral Questions

Mrs. Ève-Mary Thāi Thi Lac (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, on the subject of the courts, I add that, in an interview with Fox news, the Prime Minister stated that he was opposed to accepting prisoners from Guantanamo. Need he be reminded that those prisoners include a child soldier, a Canadian citizen, whom the Federal Court has ordered repatriated?

Will the Prime Minister abide by the decision of the court and repatriate Omar Khadr as quickly as possible?

[*English*]

Mr. Deepak Obhrai (Parliamentary Secretary to the Minister of Foreign Affairs, CPC): Mr. Speaker, I have given the government's position on this file. Our position has not changed.

Mr. Omar Khadr faces very serious charges, and we will await the outcome of the review that President Obama is doing right now.

* * *

NATIONAL DEFENCE

Hon. Denis Coderre (Bourassa, Lib.): Mr. Speaker, the defence department, which has already spent \$44 million for its program to purchase a new fleet of supply ships, is now examining whether to start the project again from scratch.

Several weeks ago, officials said that the first supply vessel will not be available for at least seven years, and now this: \$44 million down the drain.

The Minister of National Defence knows that the navy needs JSS so it can operate around the world. What is the minister's excuse this time?

Hon. Peter MacKay (Minister of National Defence and Minister for the Atlantic Gateway, CPC): Mr. Speaker, first and foremost, the joint supply ships have not been cancelled. This is a priority for the Department of National Defence; it is a priority for the government.

We fully intend to proceed with the procurement of this ship that is, as the member said, vital to support the ships that are doing important work around the world.

HMCS *Winnipeg* and HMCS *Ville de Québec* have just returned from doing important work in the Gulf of Aden, providing escort for the World Food Programme. That is the type of work we want to see continue.

Unlike the hon. member, our government is not going to cancel projects like the fixed wing or the helicopter program, which he knows cost the government over \$100 million.

L'hon. Denis Coderre (Bourassa, Lib.): Mr. Speaker, he does not have an answer, again.

[*Translation*]

We have learned today that the government is contemplating restarting the process to acquire support ships for the Canadian navy from the beginning. We are in the midst of an economic crisis and this would mean the loss of \$44 million.

The government already aborted a call for tenders for joint support ships last August, and now we have this. We are talking about a project worth some \$2.1 billion, of which \$500 million will

go to implementing the program. This is not Monopoly money, it is not an open bar, this is taxpayers' money.

Why is taking the minister so long to clear this up?

[*English*]

Hon. Peter MacKay (Minister of National Defence and Minister for the Atlantic Gateway, CPC): Mr. Speaker, I thank the member for his always constructive and calm input on the subject matter.

Of course the joint supply ships are something that will proceed. We are working closely with Industry Canada and the Department of Public Works and Government Services to secure the contracts necessary.

After careful review, the Department of National Defence found that the application process, the review process, which was there to have mandatory minimum requirements, unfortunately came back non-compliant. However, we did not cancel the contract.

I stand corrected. It was actually \$500 million that the member's government cost the taxpayers of Canada when it cancelled the maritime helicopter program.

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EARLY CHILDHOOD EDUCATION

Ms. Olivia Chow (Trinity—Spadina, NDP): Mr. Speaker, today the Pascal report laid out an ambitious plan for seamless day learning for children. The first six years of a child's life is the most important time for development, yet Canada consistently places last in all international reports in its investment in child care. Each billion dollars invested in child care creates 20,000 jobs, so it is a win for the economy, a win for our children.

When will the Conservative government seriously invest in early childhood education so that the Pascal report could become a reality quickly?

● (1455)

Hon. Diane Finley (Minister of Human Resources and Skills Development, CPC): Mr. Speaker, we are very proud of our record in helping young children and young families. Indeed, we recognize the importance of investing in early learning. That is why one of the very first things we did as a government was to introduce the universal child care benefit, so that families could choose the form of early child learning and support that met their needs and their unique needs.

We are also working with the provinces and territories to make sure the support through the Canada social transfer is there to provide the services that are within their jurisdiction.

Ms. Olivia Chow (Trinity—Spadina, NDP): Mr. Speaker, there was not one new penny of child care money in this budget. Over and over again, we hear of shocking stories of expectant mothers who are putting their names on child care waiting lists before the babies are born. This is such desperation. The costs of child care can be higher than mortgage payments in this country.

When will the government enact the New Democrats' bill to create universally available, high-quality, affordable and non-profit child care for all the children in this country?

Hon. Diane Finley (Minister of Human Resources and Skills Development, CPC): Mr. Speaker, we believe that parents are the best people to determine by whom and where their children should be taken care of. We do not believe in a one size fits all solution to this challenge. That is why we invested in the universal child care benefit, which provides \$100 a month to parents of children under age six. I would point out this is a major investment for Canada and Canadians. It is one that helps children, that helps families, and it is one that the NDP voted against.

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INDUSTRY

Mr. Joe Preston (Elgin—Middlesex—London, CPC): Mr. Speaker, over 90% of businesses in Canada are small businesses. Hundreds of thousands of jobs in communities throughout Canada depend on their continued vitality. Due to the global economic recession, access to credit has become the number one issue faced by Canadian small businesses.

Will the Minister of Industry please inform the House what is being done to provide enhanced access to credit for small businesses?

Hon. Tony Clement (Minister of Industry, CPC): Mr. Speaker, as we have discussed, of course we support the vital role that small businesses do play in our economy. As we respond to the global recession, we understand that credit markets have indeed made it harder for small businesses to achieve the financing needed this year.

For this reason, I had the pleasure this morning of announcing the small enterprise tranche of the new Canadian secured credit facility, which means \$450 million has been allocated to help drive venture capital investment for small and medium size enterprises, the access to credit required to both innovate and boost the Canadian economy. That is the kind of thing this government is doing.

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HEALTH

Hon. Anita Neville (Winnipeg South Centre, Lib.): Mr. Speaker, the World Health Organization has now singled out aboriginal communities in Canada. In Manitoba, aboriginal children are on respirators, women are having miscarriages, first nations chiefs are driving hundreds of kilometres to obtain essential masks and supplies.

The response to H1N1 in aboriginal communities is an international embarrassment. Will the minister commit today to personally guarantee that Manitoba will get the resources it needs to respond to the crisis in aboriginal communities?

Hon. Leona Aglukkaq (Minister of Health, CPC): Mr. Speaker, again, Canada has the pandemic plan that we have been implementing since April and that includes first nations communities.

I can reassure the member that supplies are not an issue at the nursing stations in any first nations community. We have ensured that they have the supplies. I continue to work with the provinces

Oral Questions

with regard to this, as well as the aboriginal community. In fact, I had a conference call with Phil Fontaine on Friday to discuss this issue that is targeting first nations communities.

* * *

[Translation]

SRI LANKA

Mr. Jean Dorion (Longueuil—Pierre-Boucher, BQ): Mr. Speaker, the UN Secretary General is insisting, in order to prevent history from repeating itself, that reconciliation between Sri Lanka and the Tamil people begin immediately.

Does the government intend to act on the report of the Standing Committee on Foreign Affairs and International Development, which recommends, in a unanimous report, that Canada begin a dialogue with the Sri Lankan government in an effort to lay the foundations for the political reconciliation of these communities?

• (1500)

Hon. Lawrence Cannon (Minister of Foreign Affairs, CPC): Mr. Speaker, not only do we subscribe to this approach, this plan for reconciliation, but we are asking the Sri Lankan government to initiate it and to respond favourably to it.

In addition, I would remind members of this House that it is vital for the UN and those seeking to obtain aid to have unlimited access to the camps for displaced people. That is the priority of the Government of Canada.

* * *

[English]

FORESTRY INDUSTRY

Mr. John Rafferty (Thunder Bay—Rainy River, NDP): Mr. Speaker, half measures by the government will not save the forestry industry.

Last week's billion dollar black liquor aid package is a start, but it will not level the playing field against U.S. competitors. The American subsidy is much larger, and it will still provide an unfair advantage to American mills.

The Conservative plan will do little to help the million people who rely on the forestry sector for work. When will the government start seeing the forest for the trees and help the forestry industry emerge from this downturn more profitable and stronger than ever?

Hon. Stockwell Day (Minister of International Trade and Minister for the Asia-Pacific Gateway, CPC): Mr. Speaker, it is always fair to ask the question what more could be done, but it should also be acknowledged what is being done.

Routine Proceedings

On one level alone, the fact that EDC is working with over 530 forestry companies, facilitating over \$8 billion worth of financial transactions in the worst time historically for the forestry industry, is very significant.

If my friend is sounding the alarm, he should do so in a responsible way. He should bring forward some ideas that may work and also acknowledge that \$8 billion moving into the industry at one of the most difficult times in history is a significant amount of money.

* * *

TRADE

Mr. Ed Holder (London West, CPC): Mr. Speaker, Canadians are justifiably worried about the rising tide of protectionism developing in the United States. The buy American campaign threatens our good relationship with the United States.

Across Canada, and especially in southwestern Ontario, we are concerned about this unprecedented approach to U.S. government spending, which will leave us out of critical business opportunities and result in additional job losses in Canada.

I understand this past weekend that the Minister of Foreign Affairs met with Secretary of State Hillary Clinton to discuss this and other critical issues. Would the minister please advise the House on the outcomes achieved in their meeting?

Hon. Lawrence Cannon (Minister of Foreign Affairs, CPC): Mr. Speaker, our government is very concerned about the negative impacts of buy American legislation. We raised these questions this weekend when I met with Secretary of State Clinton. We received assurances from her that we would work cooperatively to address these problems and expand our cooperation and our trading relations.

I know my colleague, the Minister of International Trade, has put forward a vigorous campaign to be able to do so and to fight against the rising tide of protectionism.

* * *

AGRICULTURE AND AGRI-FOOD

Hon. Wayne Easter (Malpeque, Lib.): Mr. Speaker, when is the Minister of Agriculture going to accept that there is an extraordinary crisis in Canada's hog industry that requires action?

Here are the facts for the Prime Minister: hog producers are out of cash, they are out of credit and they are rapidly running out of feed with no means to provide for their sow herds. Simply put, this is an incredible tragedy for our producers and the affected animals, and it is getting worse each passing day.

Will the minister accept his responsibility and deliver on the Canadian Pork Council's request for immediate cash?

Hon. Gerry Ritz (Minister of Agriculture and Agri-Food and Minister for the Canadian Wheat Board, CPC): Mr. Speaker, we continue to work with the Canadian Pork Council on this situation. We are working toward it having the liquidity to carry it through.

We have reopened borders successfully around the world, working with the Minister of International Trade to get borders open again after H1N1.

The member for Malpeque himself is on record saying that we cannot, without creating trade problems, deliver cash on a per head basis. He gets it. I wish he would carry those discussions to some of his pork producers, as we have. We will continue to work with them and make sure that they remain liquid.

* * *

PRESENCE IN GALLERY

The Speaker: I would like to draw to the attention of hon. members the presence in the gallery of crew members of CanJet Flight 918, which was hijacked in Jamaica on April 19, 2009.

Hon. members are invited to meet with the crew members shortly in Room 216-N.

Some hon. members: Hear, hear!

* * *

CANADA ELECTIONS ACT

The Speaker: I have the honour to lay upon the table a report of the Chief Electoral Officer, entitled "Draft Regulations Adapting the Canada Elections Act for the Purposes of a Referendum".

[*Translation*]

This report is deemed to have been permanently referred to the Standing Committee on Procedure and House Affairs.

ROUTINE PROCEEDINGS

● (1505)

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons, CPC): Mr. Speaker, pursuant to Standing Order 36(8) I have the honour to table, in both official languages, the government's response to 10 petitions.

* * *

MAA-NULTH FIRST NATIONS FINAL AGREEMENT ACT

Hon. Chuck Strahl (Minister of Indian Affairs and Northern Development and Federal Interlocutor for Métis and Non-Status Indians, CPC) moved for leave to introduce Bill C-41, An Act to give effect to the Maanulth First Nations Final Agreement and to make consequential amendments to other Acts.

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

* * *

ENDING CONDITIONAL SENTENCES FOR PROPERTY AND OTHER SERIOUS CRIMES ACT

Hon. Rob Nicholson (Minister of Justice and Attorney General of Canada, CPC) moved for leave to introduce Bill C-42, An Act to amend the Criminal Code.

Routine Proceedings

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

* * *

COMMITTEES OF THE HOUSE

SCRUTINY OF REGULATIONS

Mr. Andrew Kania (Brampton West, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the third report of the Standing Joint Committee on Scrutiny of Regulations in relation to the use made of the statutory authority granted by Parliament to impose charges, as illustrated by the challenge of certain provisions of the Broadcasting Licence Fee Regulations, 1997.

* * *

CRIMINAL CODE

Hon. Rob Nicholson (Minister of Justice and Attorney General of Canada, CPC) moved that Bill S-4, An Act to amend the Criminal Code (identity theft and related misconduct).

(Motion deemed adopted and bill read the first time)

* * *

MAA-NULTH FIRST NATIONS FINAL AGREEMENT ACT

Hon. Jay Hill (Leader of the Government in the House of Commons, CPC): Mr. Speaker, as usual there have been consultations and negotiations among all parties in the chamber, and I think, were you to seek it, you would find unanimous consent for the following motion:

That, notwithstanding any Standing Order or usual practice of the House, when the House begins debate on the second reading motion of Bill C-41, an Act to give effect to the Maanulth First Nations Final Agreement and to make consequential amendments to other Acts, a Member from each recognized party may speak for not more than ten minutes, after which the Bill shall be deemed to have been read a second time and referred to a Committee of the Whole, deemed considered in Committee of the Whole, deemed reported without amendment, deemed concurred in at report stage and deemed read a third time and passed.

● (1510)

The Speaker: Does the hon. government House leader have the unanimous consent of the House to propose this motion?

Some hon. members: Agreed.

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

Some hon. members: Agreed.

(Motion agreed to)

Hon. Ralph Goodale: I rise on a point of order, Mr. Speaker. I wonder if the government House leader, in light of the agreement that has just been arrived at, would indicate when it is his intention to call Bill C-41.

Could he also, apropos the business question last week, provide us with a little bit more information of his intentions with respect to the proposed honorary citizenship for the Aga Khan?

Hon. Jay Hill: Mr. Speaker, Bill C-41, I believe, is on the order paper for today.

As to the other matter, it might be better to be raised on Thursday as the standard Thursday question.

[*Translation*]

BUSINESS OF SUPPLY

Mr. Michel Guimond (Montmorency—Charlevoix—Haute-Côte-Nord, BQ): Mr. Speaker, there have been consultations among the parties and I believe you would find unanimous consent for the following motion:

That, at the conclusion of today's debate on the opposition motion in the name of the member for Saint-Maurice—Champlain, all questions necessary to dispose of the motion be deemed put and a recorded division deemed requested and deferred until Tuesday, June 16, 2009, at the end of government orders.

The Speaker: Does the hon. member for Montmorency—Charlevoix—Haute-Côte-Nord have the unanimous consent of the House to move this motion?

Some hon. members: Agreed.

[*English*]

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

Some hon. members: Agreed.

[*Translation*]

The Speaker: I declare the motion adopted.

(Motion adopted)

* * *

[*English*]

PETITIONS

SRI LANKA

Hon. John McKay (Scarborough—Guildwood, Lib.): Mr. Speaker, I have four petitions to present concerning the situation in Sri Lanka. These petitions were gathered during the worst part of the conflict, and of course, the conflict has since died down somewhat, but we now know that a lot of very awful things are happening in that country.

The petitioners call for the initiation of a ceasefire, the cessation of hostilities, the provision of humanitarian relief, and the provision of full and immediate access to the conflict zone to NGOs and international media.

You will take note, Mr. Speaker, that notwithstanding all papers were in order, notwithstanding the High Commissioner was present, the member for Toronto Centre was denied access to Sri Lanka. I would think all of these petitioners would express their contempt for the Government of Sri Lanka with respect to denial of access to the member for Toronto Centre.

ANIMAL CRUELTY

Mr. Lee Richardson (Calgary Centre, CPC): Mr. Speaker, I rise to present a petition on behalf of several hundred petitions mostly from Calgary, it appears, in support of the Universal Declaration on Animal Welfare.

BOREAL FOREST

Ms. Linda Duncan (Edmonton—Strathcona, NDP): Mr. Speaker, I rise to present a petition to support the protection of boreal songbirds in the boreal forest of Canada.

Routine Proceedings

This petition, signed by a number of Canadians, is on behalf of 60,000 signatories from 117 countries, calling upon Canada to take action to protect what is known as North America's bird nursery.

Many species, including the endangered whooping crane, very recently even more endangered, make the boreal forest their home, as well as many endangered species such as wolves, grizzlies and the very endangered woodland caribou, and we are waiting for action for their protection.

It is one of the most important storehouses of carbon. Only 10% has been set aside for protection, while 30% has been designated for industrial development.

The petitioners are calling upon the House to take action in response to this profound request by Canadians and people around the world.

• (1515)

CANADIAN IMPRISONED IN MEXICO

Hon. Dan McTeague (Pickering—Scarborough East, Lib.): Mr. Speaker, I have the honour to present a petition pursuant to Standing Order 36, signed by over 200 residents in Canada, many in the Vancouver, British Columbia, area. They are residents of the country and they wish to bring to the government's attention the case of Pavel Kulisek. Mr. Kulisek was in Mexico with his family when he was arrested and imprisoned.

The petitioners also wish to remind the government that Mr. Kulisek's case is particularly disturbing because no concrete evidence of his guilt has been brought forward in the past 13 months, and the lead prosecutor in the case has been indicted for taking bribes from a cartel.

The petitioners call upon the government, the Prime Minister and the Minister of Foreign Affairs to raise this case with the Mexican government and insist that this Canadian receive fair, prompt and effective treatment from the Mexican judicial system.

LIBRARY MATERIALS

Mr. Merv Tweed (Brandon—Souris, CPC): Mr. Speaker, one thing I have learned is that Canadians love to read and they love to share, and they are sharing their support with me in this petition on my library bill, Bill C-322, An Act to amend the Canada Post Corporation Act (library materials), which would protect and support the library book rate and extend it include audio-visual materials.

CANADA-COLOMBIA FREE TRADE AGREEMENT

Ms. Chris Charlton (Hamilton Mountain, NDP): Mr. Speaker, I am pleased to present a petition signed by hundreds of Canadians from right across this country in opposition to the Canada-Colombia free trade agreement.

The petitioners point out that Colombia has one of the worst human rights records in the western hemisphere, with dozens of labour activists and human rights advocates killed each year. They are outraged by the kill-a-worker-pay-a-fine provisions, which make a mockery of human rights.

They note that all trade agreements must be built on the principles of fair trade, which fundamentally respect social justice, human

rights, labour rights and environmental stewardship as prerequisites to trade.

Since the Conservative government has not done due diligence in this regard, the petitioners call on Parliament to reject the Canada-Colombia free trade agreement until an independent human rights impact assessment has been done and the resulting concerns have been addressed.

CRIMINAL CODE

Mr. Harold Albrecht (Kitchener—Conestoga, CPC): Mr. Speaker, I have the honour today to present a petition on behalf of a number of residents of southwestern Ontario. The petitioners are concerned that people who are experiencing depression and mental illness should be protected by the law and that predators who are encouraging and counselling suicide, without penalty, by way of the Internet should be prosecuted.

The petitioners are calling on the House of Commons to enable prosecution of those who encourage or counsel someone to commit suicide, by updating the Canadian Criminal Code to reflect the new realities of 21st century broadband access.

EMPLOYMENT INSURANCE

Mr. Glenn Thibeault (Sudbury, NDP): Mr. Speaker, I am pleased today to present these petitions to the House, as these petitions are from concerned citizens in my riding of Sudbury. These 90-some signatures are those of people who have been affected by the current ineffective EI system.

This petition calls for a more flexible, innovative use of EI work sharing, eliminating the two-week waiting period, permanently changing the entry level of qualifications, and increasing benefits to 50 weeks in all regions.

Our current ineffective EI system, created by the Liberals and unchanged by the Conservatives, needs an overhaul, and these petitions are asking for just that.

PROTECTION OF HUMAN LIFE

Mr. Ed Fast (Abbotsford, CPC): Mr. Speaker, I have two petitions to present to the House today.

The first petition is signed by 100 concerned citizens from across Canada who wish to draw attention to the fact that Canada is a country that respects human rights and includes in its Charter of Rights and Freedoms that everyone has a right to life.

The petitioners ask that Parliament pass legislation for the protection of human life from the time of conception until natural death.

CRIMINAL CODE

Mr. Ed Fast (Abbotsford, CPC): Mr. Speaker, the second petition is signed by 102 concerned citizens from across British Columbia, my home province, drawing Parliament's attention to the large number of Canadians who are injured or killed by those who drive their motor vehicles recklessly.

I am aware of at least 9,000 other Canadians who have signed similar petitions across Canada, and I expect that those will be tabled in short order in the House.

In short, the petitioners call upon Parliament to amend the Criminal Code of Canada to provide for a new offence of vehicular homicide in order to better address in our country the scourge of dangerous driving causing injury and death.

CANADA-COLOMBIA FREE TRADE AGREEMENT

Mr. Jim Maloway (Elmwood—Transcona, NDP): Mr. Speaker, I am pleased to present yet another petition from many Canadians who have joined the call to stop the Canada-Colombia trade deal.

The petitioners call on Parliament to reject the Canada-Colombia trade deal until an independent human rights impact assessment is carried out and the resulting concerns addressed, and that the agreement be renegotiated along the principles of fair trade, which would take environmental and social impacts fully into account while genuinely respecting and enhancing labour rights and the rights of all affected parties.

The Canada-Colombia so-called free trade agreement was negotiated following a framework similar to the North American Free Trade Agreement, which has mainly benefited large multinational corporations, without providing real benefits to working families.

A review of the text of the Canada-Colombia deal confirms that the type of labour and environmental protection clauses being sought do not provide meaningful, effective protection and lack enforcement mechanisms.

The petitioners therefore call upon Parliament to stop this free trade deal.

* * *

• (1520)

QUESTIONS ON THE ORDER PAPER

Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons, CPC): Mr. Speaker, the following question will be answered today: No. 154.

[Text]

Question No. 154—**Mr. Scott Andrews:**

With regard to funding from the government, through the Department of Transport, Infrastructure and Communities, for an extension of Conception Bay South By-Pass Road, from Legion Road to Seal Cove, in Newfoundland and Labrador: (a) was there an official approval of this project by the government on or before December 17, 2007 and, if so (i) what amount of funding was approved, (ii) what date was it approved, (iii) why was it not included in a news release issued by the Minister of Transport, Infrastructure and Communities on December 17, 2007; (b) if no formal approval was given for this project by the government prior to December 17, 2007, has there been any formal project approval given for an extension to the Conception Bay South By-Pass Road since December 17, 2007 and, if so, on what date; and (c) is the project to extend the Conception Bay South By-Pass Road, from Legion to Seal Cove, currently being reviewed or recommended for approval within the Department of Transport, Infrastructure and Communities?

Hon. John Baird (Minister of Transport, Infrastructure and Communities, CPC): Mr. Speaker, I am informed by Transport Canada that in response to a) There was no official approval by the government on or before December 17, 2007, for this project.

S. O. 52

In response to b) There has been no official approval by the government since December 17, 2007, for this project.

In response to c) The province of Newfoundland and Labrador formally submitted this project in September 2008 for consideration under the Canada Strategic Infrastructure Fund, CSIF. No decision has been made to date.

* * *

[English]

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons, CPC): Mr. Speaker, if Questions Nos. 149 and 152 could be made orders for returns, these returns would be tabled immediately.

The Speaker: Is that agreed?

Some hon. members: Agreed.

[Text]

Question No. 149—**Mr. Claude Gravelle:**

With respect to funds allocated to the Federal Economic Development Initiative for Northern Ontario (FedNor): (a) what is the global budget of FedNor and its programs from 2006 to the present; (b) how much of FedNor's economic development funding and other funding it administers has gone to projects and initiatives in Northern Ontario from 2006 to the present; (c) how does FedNor define "Northern Ontario" in terms of boundaries, and when and how has that definition changed since 1993; (d) what is the number of jobs directly created in Northern Ontario as well as other regions from FedNor programs and other programs it administers from 2006 to the present; (e) listed by location, what is the number of full time employees and equivalents that have worked for FedNor, on an annual basis since 2006; (f) what are the ten electoral ridings which received the most FedNor funding from 2006 to the present, broken down by year; and (g) listed by electoral riding, who were the recipients of FedNor funding, broken down by year from 2006 to the present?

(Return tabled)

Question No. 152—**Mr. Peter Julian:**

With regards to the \$33 billion Building Canada plan announced in Budget 2007: (a) what are the total federal funds committed for expenditure, as well as the amount effectively spent, to Canadian municipalities, through the Building Canada plan, per year, since its inception; (b) who are the recipients of these funds, what is the breakdown for every province and territory, as well as the criteria used for allocating these funds; and (c) what are the changes to the allocation criteria in Budget 2009?

(Return tabled)

[English]

Mr. Tom Lukiwski: Mr. Speaker, I ask that all remaining questions be allowed to stand.

The Speaker: Is that agreed?

Some hon. members: Agreed.

* * *

REQUEST FOR EMERGENCY DEBATE

IRAN

The Speaker: The chair has received a request for an emergency debate from the hon. member for Ottawa Centre. I will be pleased to hear him now on this matter.

Business of Supply

Mr. Paul Dewar (Ottawa Centre, NDP): Mr. Speaker, I want to bring to the attention of the House a request to you for an emergency debate regarding the situation in Iran.

As we know, massive protests are increasing in Iran. We heard reports just before question period that there are up to one million people in the streets of Tehran who are basically protesting the regime's response to the election.

On Friday an election was held in Iran. In fact, hundreds of people went to the embassy in Ottawa to vote. The concern is that the voices of those who voted in the election on Friday were not honoured.

This is a critical moment not only for the people in Iran but for the region. The Government of Canada has a role to play as an international player and a member of the United Nations. We can offer support and help to make sure the election that was carried out was one actually done in good stead, and that the people of Iran are going to be honoured with a valid counting of the votes.

Finally, there are calls for a new election or to assess the election that took place. Canada has a role to play in offering itself as an independent observer.

I am making this request for my colleagues to debate this issue tonight in the House of Commons.

The Speaker: I appreciate the hon. member's submissions and letter on this point.

There certainly are demonstrations taking place, as he has indicated, but I do not sure, despite his argument and the demonstrations, that this constitutes an emergency that justifies the argument for a debate in the House. At the present moment, I am going to decline the hon. member's request for such a debate.

GOVERNMENT ORDERS

[English]

BUSINESS OF SUPPLY

OPPOSITION MOTION—SECURITIES REGULATION

The House resumed consideration of the motion.

Mr. Ted Menzies (Parliamentary Secretary to the Minister of Finance, CPC): Mr. Speaker, I appreciate the opportunity to respond to today's motion, if only to once again deconstruct the Bloc's misguided opposition to our efforts to improve market regulation.

Reading the motion, I am left with the conclusion that the Bloc is blissfully unaware of the global economic crisis and has no clue what must be done to ensure that Canada's financial system continues to rank as the world's best. Given the synchronized global recession, our government believes that we must modernize our securities regulatory framework to protect our economy and the jobs that it creates. We believe that this is a priority, especially during these difficult economic times.

Unlike the Bloc, we have a very good understanding of economic issues. I remind the House of the troubling words of Caroline St-

Hilaire, the prominent former Bloc MP from Longueuil—Pierre-Boucher, who resigned her seat in the last Parliament. She said:

The economy is constantly a black sheep for [the Bloc]. We are profoundly uncomfortable when it comes to discussing the economy.

Canada's financial system has shown exceptional stability throughout this crisis and has been a global benchmark for best banking practices. We are the new gold standard thanks to consecutive governments. Our system has recently been rated the soundest in the world by the World Economic Forum. President Barack Obama has heralded it. He noted:

—in the midst of this enormous economic crisis, I think Canada has shown itself to be a pretty good manager of the financial system in the economy—

However, the current financial and economic turmoil has highlighted a clear deficiency in the Canadian framework of securities regulation. Canada's security regulation framework urgently needs reform for several reasons. Financial activity is now global and Canada's system must be prepared to regulate the Canadian markets nationally while cooperating with foreign regulators. Canada must also be in a position to promote its interests in the setting of international regulatory standards.

As a recent *Toronto Star* editorial noted:

Given today's global financial crisis, a national securities regulator may just be an idea whose time has finally arrived in Canada.

A national securities regulator would be in the best position to ensure consistent regulatory quality across Canada and to represent our interests in bilateral and multilateral negotiations on financial standards. Canada deserves to have the ability to more effectively coordinate its actions with that of the international community.

Recently, this point was emphasized at the House of Commons finance committee, of which I am a member. The Investment Counsel Association of Canada testified:

The problem with the Canadian securities regime and why we stand out...is that there hasn't been enough enforcement...it's harder to coordinate when you have 13 different groups and national firms.

Canada is the only industrialized country without a national securities regulator. The current system is cumbersome and fragmented, something even the Liberal member for Wascana, when he was ever so briefly serving as finance minister, quickly realized. He publicly stated that Canada's regulatory framework was "largely fragmented and certainly less sophisticated than that in virtually every other country in the world".

Indeed, due to its fragmented nature and the need to coordinate decisions across the 13 jurisdictions, it is difficult for Canadian securities regulators to react quickly and decisively to capital market crises. When countries around the world restricted the short selling of certain financial stock as a temporary stability measure during last fall's financial meltdown, Canada's response lagged behind. It is unsettling to witness a coordinated response from countries while there was no coordinated response from within Canada.

Our system of provincial mandates is not congruent with the national response required to address capital market events that are increasingly national or global in scope. It is highly unlikely that multiple securities regulators within Canada will be able to work effectively as part of a national risk management team with its global partners in a timely and decisive manner.

● (1525)

Without question, this will have a detrimental effect on the integrity of Canada's capital markets.

As an editorial in *Canadian Business* magazine noted:

When it's wrong, it's wrong. That is the only way to describe Canada's patchwork system of provincial securities regulators... There is nothing good about the status quo. Standing out on the world stage can be a good thing, but not when a nation stands out for having 13 securities acts and securities regulators.

Our Conservative government believes that we must act now more than ever to modernize our market regulatory framework to both protect our economy and allow Canada to quickly and decisively react to market events. Since 2006 our Conservative government has been working aggressively to make that happen.

This is not about Bay Street at the end of the day. It is about Main Street.

We are an investing country. Canadian workers, families and seniors invest in RRSPs, tax-free savings accounts, stocks, mutual funds, or are covered under pension plans. These nest eggs represent Canadians' financial future. These nest eggs that represent so much to Canadians are becoming increasingly complex. Canadians deserve the strongest possible regulatory protection for those nest eggs for the future. That is their family's future and their children's future.

That is equally important for Canadians regardless of where they live. It is important in Quebec. It is important in Alberta. It is important in Ontario. It is important right across this wonderful country, and that is the point.

Some have suggested the passport system is the answer, not a national regulator. We respectfully and strongly disagree.

With the passport system, Canada still has 13 securities regulators with 13 sets of laws and 13 sets of fees. What is more, the passport system lacks national co-ordination of enforcement activities, making it difficult to maximize results for this critical part of the system. This is not only inefficient, but it also means some investors and some provinces are better protected than others.

I would suggest that this is in itself inconsistent with the Canadian value of fairness. I would point to the Canada Health Act. I would draw the attention of my colleagues in the House to our commitment to equalization.

The passport system does not meet the longstanding goal of providing Canadians equality regardless of the province in which they reside.

As the Canadian Bankers Association points out:

The passport system is only a second-best solution. All of the same infrastructure costs and fees of the current fragmented regulatory system remain in place, entrenching a potentially confusing and inefficient enforcement mechanism. A *Vancouver Sun* editorial echoes that sentiment noting that, "The passport system is a poor second-best to a national regulator".

Business of Supply

Canada and its economy deserve better than second-best, especially now. The stakes are too high and the risks are too great to accept anything less.

The purpose in creating a national securities regulator is not to create another bloated bureaucracy in Ottawa, but to work with and for our provincial partners to make Canadian markets work better and move with more confidence.

Why is that important? Better markets will allow more companies to seek more investors, allowing more companies to create more jobs for more Canadians. If the current global economic crisis has taught us anything, it has highlighted how important healthy capital markets and effective regulation are to our prosperity.

A Canadian securities regulator with a clear financial stability mandate would help provide national accountability, reduce overlap and duplication, strengthen enforcement, and better serve the needs of investors. The Bloc does not get that, and that is too bad.

We think Canada deserves the best and we are going to make that happen. That is why we are introducing legislation based on recommendations of the Hockin expert panel on securities regulation in Canada. That is why we are working in collaboration with the provinces and territories as we move forward on this important initiative.

The 2009 Budget Implementation Act, already adopted this past March, provides the legal authority for the establishment of an office which will lead the transition to a Canadian securities regulator and the development of an implementation plan.

● (1530)

The Bloc should also be aware that support for a national securities regulator exists within Quebec. As the *Montreal Gazette* so aptly put it just this past January:

The federal government should remain on course and move ahead forcefully to get a national securities regulator up and running.

It's absurd, in an era of unprecedented anxiety about all things financial, that 13 different agencies, one in each province and territory, regulate the trading of stocks and bonds and the like in Canada. Around the world there's a serious move afoot to monitor and control companies in this industry in a coordinated international fashion. Yet in Canada, each province still sets - and enforces, more or less - its own rules.

Stephen Jarislowsky, the founder of Montreal investment management firm Jarislowsky, Fraser Limited, said, "A national regulator would be an excellent thing".

To recap, Canada has a strong financial services sector, one that spans the country from coast to coast to coast providing good high-paying jobs for Canadians. While Canada's financial system has been judged as the soundest in the world, our system of 13 regulators is cumbersome and fragmented. It lacks the proper tools of enforcement.

Business of Supply

The benefits of having a Canadian securities regulator in Canada are obvious and accepted, including contributing to the financial stability of Canada's financial sector, providing clearer accountability and more responsive decision making in a rapidly evolving capital market, strengthening Canada's capacity to work with international partners to improve the efficiency of global capital markets for the benefit of Canadian investors and businesses, as well as strengthening enforcement and the fight against white collar crime, and also providing Canadian retailers with wider access to investment products, and making it easier and less costly for Canadian entrepreneurs and businesses to access money from investors across Canada and around the world.

Contrary to the Bloc's assertion, a national securities regulator is not an intrusion of any kind. It is a voluntary initiative. As stated in Canada's economic action plan, our Conservative government has pledged to work with willing partners to establish a Canadian securities regulator that respects constitutional jurisdiction, regional interests and expertise. All provinces and territories are invited to participate with us. Already a critical mass of provinces and territories, including British Columbia and Ontario, have indicated their willingness to participate in the establishment of a Canadian securities regulator.

This is about co-operation, not about jurisdiction. It is about establishing a Canadian securities regulator that will provide clearer national accountability, reduce overlap and duplication, strengthen enforcement, better serve the needs of investors and contribute to the stability of Canada's financial sector.

We owe it to Canadians to put in place a system that better protects their savings. What is more, the evidence suggests that for the most part the political will is present to accomplish this landmark achievement in this Parliament.

The Liberal Party of Canada has long supported the move to a national regulator, especially prominent Liberals such as the current finance spokesperson, the member for Markham—Unionville, as well as the member for Scarborough—Guildwood, who, by the way, was the last Liberal parliamentary secretary to the minister of finance, as well as the member for Wascana, who was the last Liberal finance minister. Indeed, let me quote the member for Scarborough—Guildwood who remarked in this chamber only a few months ago:

We have 13 separate regulators in 13 separate jurisdictions doing, Lord knows, what all.... We think there should be a national securities regulator. The measure provided by the government is a sensible approach to what is a fractured system.... [T]his is a step in the right direction.

This is also an issue upon which even the NDP should be in agreement. We might think that such support would be a given seeing as we have heard strong support from unions like the Canadian Labour Congress, the National Union of Public and General Employees and CUPE.

• (1535)

The NDP caucus chair and the former NDP finance critic, the member for Winnipeg North, called this a worthwhile goal. Even the NDP leader just this past January in a speech to the Toronto Board of Trade said that he would like to see us moving toward national securities regulation.

However, it appears the member for Outremont, perhaps in an attempt to undercut the current NDP leader, has battled his own party and is attempting to shift that party's position. It appears that he wants to be in lockstep with the Bloc and advocates weaker protection for Canadian investors through maintaining our current patchwork approach. I would like to draw the attention of the member for Outremont and his NDP colleagues to the voices of organized labour in this country, like the National Union of Public and General Employees, which recently pronounced:

Canada is the only member of the Group of Seven industrialized nations without a national securities watchdog. It has a dismal reputation at home and abroad in dealing with corporate crimes and wrongdoing.... The issue is important to workers because so many depend on sound financial markets to ensure healthy pension funds.

While speakers may follow after me, this debate is, for all intents and purposes, long over. Canada deserves the best. Canadians will get the best. A national securities regulator will be a reality shortly.

• (1540)

Hon. Dan McTeague (Pickering—Scarborough East, Lib.):

Mr. Speaker, the parliamentary secretary can probably add my name to the list of those who support a national securities regulator; I have said so for many years now. While I have not had an opportunity to get back into the area of finance, I do understand the importance from a consumer perspective of ensuring that we have one umpire in the country who is able to establish regulations, laws and a process that we can all readily understand. I understand the purpose for which the motion has been brought before us.

The parliamentary secretary seemed to indicate there may be something coming in the not too distant future. In the interim, what would be the problem if we were to have a national securities regulator for which there would be an opt in? In other words, provinces that are already leaning toward this would join the national system and as time went on, others would see the wisdom of doing so and might join. Has the parliamentary secretary given any thought to this? Is this something that he is interested in?

Mr. Ted Menzies: Mr. Speaker, I thank my hon. colleague for his support. I know he understands these issues quite well. I am glad to hear that he is supporting this initiative. In fact, we should probably call it more than an initiative because we are in the process of putting this together, but I must repeat that it is voluntary. It is a voluntary process. We are not trying to bully. That would be the last thing this government would want to do. We are working in a coordinated fashion with provinces, encouraging them to actually see the benefits that my hon. colleague has reflected on.

Business of Supply

[Translation]

Mr. Jean-Yves Laforest (Saint-Maurice—Champlain, BQ): Mr. Speaker, I was listening to my colleague opposite deliver his message that I think is nothing but hogwash. He quoted a former Bloc member who said the Bloc is uncomfortable with economic issues. I would tell him that, on the contrary, the Bloc is very comfortable with its role of representing Quebec's interests and with the idea of defending an issue that was the object of a unanimous resolution by the National Assembly. When he tells us that he does not understand why the Bloc does not want a single securities commission, I believe it is precisely because, as he said himself, Liberal and Conservative members do not understand Quebec. They have a lot of difficulty with that. That is why they have been trying for several years to implement a measure that goes totally against the will of Quebecers, as evidenced by two unanimous resolutions by the National Assembly, among other things.

I have a question for my colleague opposite. He referred on several occasions to the fact that today's global economy requires national agencies. How can he accept the idea of creating a single securities commission because a national agency is supposedly needed when the Conservatives themselves have recognized the Quebec nation? The Quebec nation has the right to have its own securities regulator. The two ideas are irreconcilable.

[English]

Mr. Ted Menzies: Mr. Speaker, I thank my hon. friend from the Bloc who does seem to have a good grasp of finances because he is a continual contributor at our finance committee meetings.

However, I was simply quoting that former Bloc member who spoke the truth, I would assume. We would have to assume that she was speaking the truth when she said that the Bloc does have difficulty understanding economic issues.

Let me emphasize the fact that it is investors in Canada whom we are very concerned about. It is about protecting the savings of Canadians. Every time at the finance committee when we have had a witness, the Bloc has raised the question that if we had a national securities regulator in place, would the non-bank asset backed commercial paper fiasco have happened. I would argue that there has never been a definitive answer either way.

Our role here is to protect Canadians. If there is anything we can do through this voluntary system, we are obliged to do it.

• (1545)

Mr. Jim Maloway (Elmwood—Transcona, NDP): Mr. Speaker, the fact of the matter is Canada already has tough laws to combat fraud and other unfair practices. We simply have to start enforcing the laws that we already have. An example would be the Ontario Securities Commission. The concern of all the smaller provinces is that they are going to be giving up their authority in this area to the benefit of a bigger organization run by Ontario.

Let us look at the record of that big organization. Just because there is a superstructure, a big structure nationally, if the people who are appointed worked for the industry and are basically industry insiders, we are not going to be any further ahead. It boils down not so much to structures but as to who is running the organization and whether those people are committed to stamping out these frauds and

investigating complaints and taking action. We have not seen that certainly in Ontario in the last couple of years. I could give a lot of examples of that.

Mr. Ted Menzies: Mr. Speaker, exactly. That is the reason we need to put in place a regulator that is coordinated all across the country, because there have been failures.

When we talk about corruption and the lack of ability to press charges against individuals who defraud Canadian investors, our record is abysmal in this country. It is partially due to the fact that there are 13 different jurisdictions that do not speak to each other. That creates a problem in itself.

The voluntary system coordinated through one office would improve this.

Mrs. Cathy McLeod (Kamloops—Thompson—Cariboo, CPC): Mr. Speaker, for all the reasons that my colleague has stated, the idea of a national securities regulator makes so much sense in terms of moving forward and protecting the public. I find it very strange that we are having this conversation today.

Could my colleague tell me if there is something about the word “voluntary” that perhaps we understand differently? Voluntary to me is voluntary. It should not create this feeling of unease with our colleagues from the Bloc.

Mr. Ted Menzies: Mr. Speaker, perhaps we should define what “voluntary” is.

The hon. President of the Treasury Board and I understand implicitly what the word “voluntary” is because we have been challenging that within the Canadian Wheat Board for years and we have not been able to accomplish that voluntary process, but I digress.

Voluntary means that each province would be able to contribute, would be able to be part of it and would be able to be part of the jurisdiction, in fact would be able to be part of the process of setting up a Canadian securities regulator. They would have input into this. It would be a coordinated effort and it is to protect Canadians.

[Translation]

Ms. Diane Bourgeois (Terrebonne—Blainville, BQ): Mr. Speaker, the hon. member for Macleod gave some information which, in my view, is not quite accurate. He was saying earlier today that we have a solid financial services sector here in Canada and that a single securities commission would give, according to him, better access to financial services.

On the other hand, he then said that the present Canadian securities system was inefficient, that provincial mandates were a patchwork and that the system did not work well. He contradicted himself in his speech.

What does he have to say to the World Bank and to the OECD, which said recently that the Canadian system works very well as it is, that it is efficient and effective and that it gives good results?

Business of Supply

• (1550)

[English]

Mr. Ted Menzies: Mr. Speaker, I cannot hear those words often enough because we do have the soundest banking system in the world. That is factually correct and it is backed up by the IMF, the World Economic Forum, and the OECD.

However, what does not work is the environment in which we want investors from outside this country to invest in Canadian companies. If those companies are to operate in more than one jurisdiction, then they have to go through a repetitive process to get approved in each jurisdiction. Many companies will not go through that. They will go somewhere else.

[Translation]

Ms. Diane Bourgeois (Terrebonne—Blainville, BQ): Mr. Speaker, I will be sharing my time with my colleague from Québec. We are here today to debate the following motion put forward by the Bloc Québécois:

That, in the opinion of the House, securities regulation falls under the exclusive jurisdiction of Quebec and the provinces and that, therefore, the federal government should reject, once and for all, the idea of creating a single securities regulator for all of Canada, thereby respecting the unanimous will of the National Assembly of Quebec.

This is not the first time we have discussed the subject of a single securities regulator in the House, as proposed by the Government of Canada. We have been discussing the subject for more than 40 years. During that period, Canada has been trying to create a single set of regulations and a single securities commission. We know very well that the Conservative government is taking the offensive by trying to establish it now. But in 2003 the Liberals were already thinking about it. They put together a panel of experts to study the idea of a single securities regulator in Canada. So, to begin with, it is a Conservative wish and also a Liberal wish. It is extremely important not to forget this element in the debate today.

Ontario never had its own securities regulatory system. It was always the only province that did not have one, while all the other Canadian provinces had provincial securities regulations. So, in 2005, the Ontario government commissioned a panel of experts to look at the benefits of a single securities system. Of course, the report presented by this panel supported Ontario's arguments in favour of a single securities commission.

The 2006 federal budget revisited the idea. The then Minister of Finance announced that the government would work with the provinces and territories to set up a common securities regulator. He reaffirmed that position in November 2006, in his economic update, and also in the 2007 budget. Following a meeting of ministers responsible for securities, the Minister of Finance announced plans to set up a working group which, in 2007, would review the benefits of a single Canadian securities regulator in global capital markets.

However, in September 2007, the panel's mandate was changed so that it would focus on how to set up a single regulatory agency, instead of looking at how effective the current system is. In a sense, we were had. The Conservatives changed the panel's mandate. They quietly did their thing and opened doors. We watched them while believing in this government, in justice and in the government's integrity.

On February 21, 2008, the Minister of Finance confirmed his intention to change the panel's mandate so that it would focus on drafting model legislation to create a single securities commission. The 2008 budget confirmed the Conservative government's intention to set up a single securities commission.

• (1555)

Meanwhile, the Quebec National Assembly, including all its members and ministers, unanimously condemned this federal government initiative and passed a motion to that effect, which read as follows:

That the [National] Assembly ask the federal government to abandon its Canada-wide securities commission project.

I should point out that, under the Constitution of 1867, provinces have authority over securities. If the current government decides to set up a single securities commission, it is quite simply interfering with the Constitution. It is violating it and changing it for its own benefit.

The Conservative government ignored the motion unanimously passed by the Quebec National Assembly, and, in his November 2008 economic and financial update, the federal Minister of Finance reiterated his intention to establish a single securities commission.

Following that, in January 2009, the National Assembly passed a second motion asking the federal government to give up the idea of establishing a single securities commission. The National Assembly's motion read as follows:

That the National Assembly reiterate its firm opposition to the Canada-wide securities commission project.

Finally, the minister, always under the radar, earmarked \$150 million to implement his national commission project, despite the Constitution and the jurisdictions of Quebec and the provinces.

The 2009 budget implementation bill, introduced by the Conservatives and supported—I hasten to add—by the Liberals, releases the funding needed to implement this single regulator.

So that everyone knows what we are talking about, securities are negotiable instruments. They can be listed on the stock exchange. They are two main categories: stocks and bonds. There are some others as well, such as investment certificates and share purchase warrants. Securities trading in Quebec is currently regulated by Quebec itself. The other provinces regulate their own trading. In Quebec, the securities business is regulated by the *Autorité des marchés financiers*. Quebec and the other provinces have to deal with one another. Stocks and bonds are traded through a passport system.

The parliamentary secretary told us a little while ago that this system does not work, but that is not true, it works very well. The World Bank and the OECD have even congratulated us on it. So there is the *Autorité des marchés financiers* in Quebec which enforces the rules governing the way companies issue shares or bonds.

Business of Supply

Earlier, I heard an hon. member, who is probably not very familiar with the subject, ask a question about commercial paper. If we had had a national securities regulator, she wondered, would we have been able to stop the commercial paper fiasco. No, because it happened in the United States or elsewhere in the world and then here. A single securities commission in Canada would not have been able to prevent it.

I want to say as well that the Autorité des marchés financiers has a voice on the international scene. That must be protected as well. Quebec can negotiate with other countries on the international level. If a single securities commission is established, not only will Quebec no longer be able to manage its money in the way it wants, but the federal government will also interfere in an area of Quebec jurisdiction and silence its voice on the international scene.

The Liberal and Conservative members from Quebec are going to have to think long and hard about that. They are clipping Quebec's wings. Is that really what they want? It is plain as day.

• (1600)

I think they just want to put Quebec down. They do not want it to have a voice any more on the international stage.

Mr. Jean-Yves Laforest (Saint-Maurice—Champlain, BQ): Mr. Speaker, I would like to congratulate my colleague for her excellent speech. She spoke with much passion about the motion we put forward today.

She finished her speech by saying that, very clearly, this Conservative government, supported and even preceded by the Liberals, wants to deprive Quebec of its voice on the international scene, but also of the jurisdictions it already has by virtue of the Constitution. Everybody knows that the real aim in depriving Quebec is to transfer some of its jurisdictions to Toronto or to Ontario.

I would like to ask her how people in Quebec react to such a situation. There is a form of unanimity at the National Assembly, but are people in agreement with that? She was talking about the Conservative members from Quebec who will have to think very carefully before supporting the position of the Conservative government. The same thing goes for the Liberals. I would like to hear what she has to say about this.

Ms. Diane Bourgeois: Mr. Speaker, I appreciate the question asked by the member, who, by the way, is the Bloc critic for finance.

That allows me to say that there are people in Quebec, at least among those who are in favour of seeing Quebec move forward on the world stage, who are perfectly conscious that there is a federalist plot aiming at depriving Quebec of the only voice it has left. I consider indeed that Quebec has no other voice on the world stage.

Quebec has apparently been given a seat at UNESCO, but it is an uncomfortable seat since Quebec can only speak if Canada agrees with what it has to say.

Right now, Canada is building itself. To do that, it must concentrate all powers in the provinces that are not Quebec. All financial powers are being concentrated in Ontario, in Toronto and on Bay Street.

The government did exactly the same thing with the automobile industry. But in Quebec, we have been spared. In fact, the auto industry in Ontario is now facing major problems. We must remember that, in the past, the auto industry in Quebec never received any subsidies.

The same is not true for everybody. I suspect—

• (1605)

The Deputy Speaker: The hon. member for Elmwood—Transcona.

[*English*]

Mr. Jim Maloway (Elmwood—Transcona, NDP): Mr. Speaker, it seems to me that a lot of the securities activity is of a local nature. We have a Manitoba securities commission that has been very active over many years. A lot of what it deals with are basically local concerns, such as pyramid scams and securities being sold by unregistered people. Who better to deal with that kind of issue than the people on the ground in the local market?

What we are talking about doing here is farming this out to a national organization that I think would be out of touch with the local concerns. If all we are going to do is have a national securities regulator with offices in the same provinces that we have right now, we really have not changed that much in terms of the scope or the size of the entity.

[*Translation*]

Ms. Diane Bourgeois: Mr. Speaker, my colleague from the NDP is absolutely right. We will recall that every time this Conservative government has done something to standardize some program or other, it has always been a flop.

The best example is the Summer Career Placements initiative. The intention was to standardize this program across Canada, and funds could not be granted based on local needs. It is exactly the same thing when it comes to the securities regulator. I would add to what my colleague said that there is a kind of passport, agreements between the provinces that allow them to provide mutual assistance so there is some justice between them.

Ms. Christiane Gagnon (Québec, BQ): Mr. Speaker, the Bloc Québécois motion put forward today is meant to highlight a very important issue that will have consequences for the Autorité des marchés financiers in Quebec and for its survival.

I have listened to the speeches by the various Conservative Party members who have spoken. They do not seem to understand the impact that a measure like this will have in Quebec and in the other provinces. An NDP member spoke a few moments ago about Manitoba, which has its own regulations for the securities market.

Clearly this debate calls for a response by both the Liberals and the Conservatives. This is not the first time the Liberals have tried to create a single, Canada-wide securities regulator, and the Conservatives have taken up that cause. It is often said that when it comes to certain issues affecting Quebec, the Liberals and Conservatives are six of one and half a dozen of the other, and they want to centralize. The envelope, or the packaging, may be a little different.

Business of Supply

The Conservative Party packaging consists of saying that it understands Quebec and recognizes the Quebec nation, but at the same time, it does not give Quebec what it would like to have.

As for the Liberals, they want to centralize things as well. They claim to recognize Quebec and its nation, but at the same time, they do not want to give any more to Quebec and do not want to give preferential treatment. But we do not want special treatment; we want to be respected, and we want to ensure that the consensus of the members at Quebec's National Assembly is respected.

The Bloc Québécois cannot be singled out because it is the only one who is demanding respect for the operations of securities commissions in Quebec, and in the other provinces, it must be said.

It is clear that the Conservatives and the Liberals are all alike, regardless of who is the leader and regardless of the issue in question. Today, we are calling for the government to respect the fact that:

...securities regulation falls under the exclusive jurisdiction of Quebec and the provinces and that, therefore, the federal government should reject, once and for all, the idea of creating a single securities regulator for all of Canada, thereby respecting the unanimous will of the National Assembly of Quebec.

This goes beyond what is referred to in politics as a major issue.

I want to give a brief history of this issue. The debate over a national securities commission is not a new topic in this House, since it resurfaces from time to time.

In 2003, the Liberals also established a committee of experts to look at the possibility of setting up a single securities commission. In 2006, despite their promises of being more open towards Quebec, as I said earlier, during the January election campaign which resulted in them becoming the government, the Conservatives took up the idea. They said they were committed to working with the provinces and territories. That was during the election. After the election, though, it became a whole other story.

In 2007, the Minister of Finance announced with great fanfare that he was setting up a working group to look at the result, principle and the performance yardsticks that would best frame the regulation of securities and the search for a Canadian advantage in world capital markets.

In its 2008 budget, the Conservative government expressed the same intent again. It did it again so as to create a single national securities commission. From there, a group of experts was mandated by the minister to draft a bill.

We know now that the 2009 budget includes the funds necessary to create a single financial markets authority and the appropriate legislative provisions. Need we point out again that the Liberals seem to support the path taken by the Conservative Minister of Finance?

We also see what this government's empty rhetoric is worth. It says it supports a federalism of openness and wants to respect the provinces. In fact, it is not shy about encroaching on the constitutional jurisdictions of Quebec and the provinces or about opposing the unanimous will of Quebec, which is against the creation of a single national securities commission.

● (1610)

Twice—on October 16, 2007, and January 15, 2008—the Quebec National Assembly passed a motion unanimously expressing its clear opposition to the creation of a Canadian financial markets authority. How clear is that? We are talking about the unanimous will of all parties together, the Liberal Party of Quebec, the ADQ and the Parti Québécois. The sovereignists are not alone in wanting it. What do we have to do to get the Conservative government to honour a unanimous motion of the Quebec National Assembly?

In this issue, the Liberals and the Conservatives are revealing the same centralizing vision, the same could-not-care-less approach to the jurisdictions of Quebec and the provinces, despite their lip service during election campaigns. Clearly, both the Liberals and the Conservatives could not care less about the Constitution of 1867. Like all of the members of the Quebec National Assembly, the people of Quebec oppose the creation of a single securities commission.

We carry today in this House the Quebec consensus, which rests on a number of arguments. We say we are here to defend the interests of Quebec and the consensus of its National Assembly. We are clearly consistent today. We are defending the same will to protect Quebec's interests.

Regulation of securities is a power that belongs to Quebec and is exclusive to the provinces. That would probably seal the fate of the Autorité des marchés financiers du Québec as well as the securities commissions of the other provinces who sit as members with the right to speak at the International Organization of Securities Commissions. They tell us that, with a single securities commission, the provinces will be entitled to a voice and will be able to make themselves heard. Let me make the link with UNESCO. They said that Quebec would have a place at UNESCO. What we have at UNESCO is not a seat but rather a little folding chair and Quebec has no right to speak on its own behalf. What will happen if Quebec at some point does not agree with the direction a single commission wants to take? They will do what they do at the UNESCO committee on cultural diversity: they will tell Quebec to keep quiet, to sit on its folding chair, and, above all, not to make waves.

So there is cause for concern. We know very well that the Autorité des marchés financiers du Québec now has a voice at the International Organization of Securities Commissions. Each of the provinces has the right to represent itself, without any intermediary, within this organization. Quebec and the provinces must maintain this role that belongs to them at the international level. If the government were honest when it speaks of open federalism, it would understand what that means.

Business of Supply

The current system works efficiently and is based on a passport system that works very well. It allows for a coordinated approach to law enforcement and gives uniform protection to investors. They say the provinces have opted for this passport system. I see in a note that Ontario is not party to that agreement. Now they want to create a single securities commission and place it in Ontario. As it happens, that province stands aloof and will be compensated for standing alone for so many years. Meanwhile, our regulatory system is praised around the world. The European Union is taking inspiration from the current model with regard to the passport system under which each province can develop certain priorities and methods of operation. Now, they will no longer be able to work this way.

I would like my colleagues opposite to respond to us. If it works so well, and if people in other parts of the world find the current system in Canada is a good one that works well, why do they want to change what we have?

• (1615)

Ms. Diane Bourgeois (Terrebonne—Blainville, BQ): Mr. Speaker, in the debate we are having today, there is one aspect of the subject we have not necessarily talked about. Transferring a securities commission from Quebec to Ontario would mean a lot of things. First, it means capital being transferred to Ontario and not staying in Quebec. It means job losses. It also means that our Quebec businesses would lose the ability to deal directly with the Montreal Exchange.

I would like my colleague, if possible, to take a minute or two to elaborate on that subject a little more.

Ms. Christiane Gagnon: Mr. Speaker, I was just saying a few moments ago that it would seal the fate of the Autorité des marchés financiers du Québec, which oversees the entire regulatory scheme. We are told it will be possible to decide whether to register with this single securities commission in Canada. At the same time, you know very well what will happen: interest will shift to the single Canadian securities commission. It will effectively seal the fate of Quebec's way of doing it in terms of the approach that is unique to Quebec and is recognized by a number of European actors in the financial world. In fact, the European Community models its approach to securities regulation on that approach. This is so simple to understand that I fail to see why the government stubbornly insists on diverting interest to Ontario and disappoint a number of other provinces.

Centralization in Canada is not the way to go in some areas. We are witnessing a demonstration of this, of how this Conservative government, which had promised openness to Quebec—and I might also say to the other provinces, but especially to Quebec by recognizing the Quebec nation—does not acknowledge its way of seeing things.

[*English*]

Mr. Ted Menzies (Parliamentary Secretary to the Minister of Finance, CPC): Mr. Speaker, I have been listening intently to some of the arguments and speeches from the Bloc members and they seem to be having a great deal of difficulty differentiating between our financial services, our banking institution, and the securities regulatory system that we are debating today.

I realize this is getting repetitive. I believe we have dealt with the private member's piece on a Canadian securities regulator twice

before. However, anyone listening to this debate might be confused. They might think our banking system is not sound, which is an absolutely false statement.

However, can we do better in our fragmented securities system? Absolutely, we can. This approach will give a competitive advantage by reducing unnecessary compliance costs for businesses. That is what we need in the country. When we did our prebudget consultations across the country, we heard a huge concern for access to credit, access to financing. We want to encourage other countries to have their companies come and set up businesses here, but when they come, they have to deal with 13 different regulators.

Could the hon. member answer this one short question? What will she say to her constituents when they cannot jump all the hurdles of 13 separate securities regulators?

• (1620)

[*Translation*]

Ms. Christiane Gagnon: Mr. Speaker, I will not respond to the somewhat macho insult just delivered by my colleague, who said we are a bit confused in our understanding of the financial system. That may be because two women are the ones who have been speaking. I will not take the debate to that level. However, I can say that if we are confused, the entire National Assembly of Quebec must also be confused and not understand the issue we are debating here. I am sorry, that is very insulting. Someone should have a word with our male colleagues in the National Assembly who are opposed to the idea of a single securities commission in Canada. I think that many more people—not just me—must be confused this afternoon.

[*English*]

The Deputy Speaker: It is my duty pursuant to Standing Order 38 to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Nipissing—Timiskaming, Employment Insurance; the hon. member for Etobicoke North, Science and Technology; the hon. member for St. John's South—Mount Pearl, The Economy.

[*Translation*]

Mrs. Lise Zarac (LaSalle—Émard, Lib.): Mr. Speaker, I am rising today to take part in the debate on the motion by the Bloc about securities regulations, as put forward by my colleague from Saint-Maurice—Champlain. This motion asks for the exclusive jurisdiction of Quebec and the provinces to be recognized and asks the federal government to reject, once and for all, the idea of creating a single securities regulator.

The Liberal Party understands that our national prosperity is based on cooperation and fairness. It is based on a mutual respect between provinces and the federal government, and on recognizing that provinces are partners of our federation. The project of a national securities regulator by the Harper government must be consistent with the Constitution. Consequently, the government must refer the matter to the Supreme Court before implementing its plan...

The Deputy Speaker: The hon. member knows she is not supposed to use the proper names of members.

Mrs. Lise Zarac: Excuse me.

Business of Supply

The Canadian Constitution does not say anything specific about such issues as the regulation of securities. It would be imprudent, therefore, to make major changes to the system only to have them challenged before the courts and invalidated.

Voting for this motion means assuming exclusive provincial jurisdiction. Voting against it means assuming federal jurisdiction. The Liberal Party will not assume anything until the Supreme Court has spoken.

Securities legislation in Canada and throughout the world has two main objectives: to protect investors and to ensure that financial markets are efficient, fair and transparent. Regulatory differences between jurisdictions in relation to the disclosure and exchange of information between corporations and investors can distort the markets and increase investor risk—two very undesirable consequences from the standpoint of economic stability and competitiveness.

In general, the agencies that regulate securities oversee four important areas: capital leveraging through the sale of securities, such as private offerings and primary distributions; corporate transparency and the continual disclosure of relevant information to investors; enforcement of the securities regulations and prevention of deceptive or fraudulent behaviour; the qualifications of securities traders; and their good reputation and accreditation.

Alberta, Manitoba and Quebec are currently opposed to a single securities regulator. Ontario and British Columbia, on the other hand, are in favour. In October 2007, the Quebec National Assembly unanimously adopted a motion asking the government to drop its plans for a national securities regulation commission. One of the arguments made by the provinces is that securities are a provincial responsibility under section 92(13) of the Constitution on property and civil rights. The federal government should not get involved.

Under the current regulations, securities in Canada are subject to directives from more than 13 provincial and territorial authorities. This sows confusion and hampers investment in Canadian businesses.

Companies trying to attract capital under the current system find it very expensive to comply with all the provincial regulations. Small businesses are particularly hurt because the fixed costs of compliance are proportionately higher for them. Time is also an important factor in leveraging capital, and the need to comply with a number of provincial regulatory systems delays negotiations. Investors from less populous provinces may be denied particular investments because some companies trade only in the largest provinces. The differences and disparities in the current regulations make implementation difficult. More resources would have to be devoted to it.

In answer to the criticism, all the provinces and territories with the exception of Ontario formed the Canadian Securities Administrators, a forum that allows the various securities regulators to coordinate and harmonize the regulation system in Canada. The Canadian Securities Administrators have developed a number of initiatives, including a passport system allowing for a single wicket and the ability to participate in all the regional capital markets.

On March 17, 2008, the securities passport system introduced the next stage, as a result of which any prospectus approved in one province would be recognized in all the other provinces, except Ontario. Canadian Securities Administrators also introduced an electronic data system for analysis and research to make information available, and a simplified national registration system for securities traders. According to an Ipsos-Reid survey conducted in 2004, 75% of financial professionals who responded were in favour of a national regulatory agency. In 2006, the Crawford panel commissioned by the Government of Ontario to examine securities regulation recommended the adoption of a common securities regulator.

• (1625)

The government included the creation of a national regulatory agency in the Speech from the Throne of November 19, 2008. At the time, the Minister of Finance proposed an exemption for any provinces that were opposed to the plan, including Quebec.

Last January, the panel led by Mr. Hockin published a 100-page report that called for creation of a decentralized single securities regulator that would allow Canada to protect investors better and be better integrated with international markets.

However, despite some recognition of provincial jurisdiction in the promise to maintain a presence throughout the country, the ministers of finance of Alberta, Manitoba and Quebec immediately opposed the plan. They threatened to sue the federal government if they lost their regulatory authority in this field. British Columbia gave official approval to the proposal.

Our position is clear. Before proceeding with a single Canadian securities commission, we should refer this question to the Supreme Court to determine whether that is constitutionally possible. However, we cannot support this motion today without reservation. It is not certain that such an institution would not better serve the economic interests of investors. That will have to be determined if the Supreme Court decides that the Constitution does permit such a regulatory agency to be established.

I agree with my Bloc Québécois colleague that the Minister of Finance is not going about it in the right way to modernize security regulation and make it more efficient so that our markets are more attractive to investors and issuing corporations. But on what cultural grounds should the regulations for buying and selling shares and bonds be completely different in Quebec? There is no plot by the rest of Canada to deprive Quebec of these decision-making market centres. Indeed, all the evidence suggests that a new securities commission would properly have offices in Montreal to be on the ground, monitoring the actions of the various brokers under its control.

I am not here to support the government's decision, but simply to say that the government has failed to accept its responsibility to refer this question to the Supreme Court.

•(1630)

[English]

Mr. Jim Maloway (Elmwood—Transcona, NDP): Mr. Speaker, the parliamentary secretary, who spoke before, told us that this was not about protecting the public at all but more about compliance costs to companies. That is what the bottom line is with the government.

We have no shortage of companies operating in this country and they have been operating for 100 years. I know one could make the argument that in terms of filing a prospectus, it is probably administratively easier and quicker to get the prospectus approved by one jurisdiction rather than thirteen, which is a hard argument to go against, but the fact is that business will not leave the country. People will not stop filing prospectuses just because they need to go to a couple more jurisdictions. As a matter of fact there is a lot of similarities. It is not as if we need to completely rewrite the whole thing 13 time.

If businesses want to operate, they will continue to operate in the way they have been for the last 100 years. This is just a red herring on the part of the government trying to bamboozle us and scare us into saying that it will create all sorts of new jobs if we just have one regulator. We were into this before where if the regulator does not do a very aggressive job we will be no better off than we are right now.

[Translation]

Mrs. Lise Zarac: Mr. Speaker, indeed, as I have already said, compliance with more regulators is easier for big business. That is not the problem. It may be a disadvantage for smaller business, but the fact is that the government should first off have established its responsibility and looked into who had jurisdiction over securities, quite simply.

[English]

Mr. Ted Menzies (Parliamentary Secretary to the Minister of Finance, CPC): Mr. Speaker, in response to the previous questioner from the NDP, it is all about protecting Canadians' investments. That is a critical part that government can play. If we leave investments unprotected, shame on us.

There is an opportunity here to protect Canadians but there is also an opportunity to encourage investment in this country. We have heard loud and clear that there are opportunities for investment in many industries so they can expand. Just like we want to we Canadian companies invest outside of Canada, we need to have an environment that protects foreign investments in this country. That is critical.

I am very troubled by some of the positions. I will quote the finance minister from a previous meeting we had with the NDP. "We see that the NDP has this issue well surrounded" would be the way the finance minister referred to it, completely surrounded. In fact, its leader is in support of a Canadian securities regulator, the former NDP finance critic is on record supporting it and now the member for Outremont, the present finance critic for the NDP, is completely opposed to it, not only in the NDP but in the Liberal Party.

The member for Pickering—Scarborough East stood moments ago and said that he would be supporting it. The member for Scarborough—Guildwood is on record as supporting it. The member

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for Markham—Unionville is on record as supporting it but then he surrounded the issue completely again and is now going abstain, I guess.

What is more interesting is a quote by the former prime minister, Paul Martin, who the member has replaced. Paul Martin said, "The status quo will not work and it must change. Otherwise issuers and investors will take their money elsewhere."

Could I ask the hon. member how she will be voting on this issue?

•(1635)

[Translation]

Mrs. Lise Zarac: Mr. Speaker, I thought I answered that question by saying that the Liberal Party would abstain. There are in fact reasons for and reasons against. That is not the question. The question concerns the debate over jurisdictions.

Should the government not instead ask the Supreme Court quite simply to decide just who has jurisdiction?

Mr. Serge Cardin (Sherbrooke, BQ): Mr. Speaker, what I have to understand from the remarks of the Liberal member is that the Liberals are unable to take a stand, claiming legal uncertainty as to whether Quebec and the other provinces have had jurisdiction over securities since 1867.

The Liberal member, a former chief economist with the Royal Bank, mentioned this legal uncertainty. So, he will abstain. He does not have the desire to take a stand. However, he wants to refer the matter to the Supreme Court. The Supreme Court is like the tower in Pisa, always leaning in the same direction.

It is inconceivable to still be debating this idea which is contrary to the interests of Quebec and contrary to the unanimous will of the National Assembly. Are the Liberals incapable of making a decision? They sit on their hands and often on their head. They have to act and show that they are ready to take their responsibilities in terms of securities. There are 13 different agencies. The people are competent—international bodies say so. The Liberals have to make a decision immediately and make their position known right now to Quebecers instead of waiting for the Supreme Court. Let them show it before the election.

Mrs. Lise Zarac: Mr. Speaker, I thank my colleague for his question. We are not afraid to state our opinion. It is simply a matter of respecting the right to human values. As I was saying, the debate is on jurisdiction. The matter should simply be referred to the Supreme Court.

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[English]

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, I listened carefully to what has been said about jurisdiction and I would remind hon. members that the Hockin report specifically said that the option will exist for jurisdictions in Canada to join the common securities regulator or not. In this way, we totally respect the competencies of the respective jurisdictions in Canada, including Quebec. That is what is being proposed. That is not a question that needs to go to any court anywhere because no government and no jurisdiction would be obliged to join the national common securities regulator.

[Translation]

Mrs. Lise Zarac: Mr. Speaker, my question for the Minister of Finance is as follows. If he really believes the provinces should be given free rein, why does he want this centralization?

• (1640)

Ms. Monique Guay (Rivière-du-Nord, BQ): Mr. Speaker, it is interesting to note that the Minister of Finance finds my remarks of interest.

I want to tell you right off that I will be sharing my time with the member for Berthier—Maskinongé.

I will go over the background of why we put forward this motion in this opposition day.

Some hon. members: Oh, oh!

Ms Monique Guay: First, there is unanimity in Quebec. Mr. Speaker, I am sorry, but could I ask you to call for order?

[English]

The Deputy Speaker: The hon. member makes a good point. If members need to carry on conversations, they can do so outside of the chamber so the Speaker can hear the member. The hon. member for Rivière-du-Nord

[Translation]

Ms. Monique Guay: Mr. Speaker, I will go about it step by step. When the government decided to order a study aimed at creating a Canada-wide securities regulator, Quebec's National Assembly reacted quite strongly, of course, and a debate ensued. The National Assembly adopted a motion unanimously, with support from every party: the provincial Liberal Party, which is in power, and the Parti Québécois. The motion was moved on October 16, 2007. It reads as follows:

That the National Assembly ask the federal government to abandon its Canada-wide securities commission project.

The National Assembly reiterated its opposition on January 15, 2009, through a second unanimous motion requesting that the Assembly reiterate its strong opposition to the plan for a Canada-wide securities commission.

The reason Quebec's National Assembly moved two motions on this subject was to protect Quebec's securities system, which is a perfectly normal and reasonable position. Why create a single securities regulator in Canada when each province already has one? It is mind-boggling. The government is sending the message that it wants to centralize.

Centralization is not desirable. The securities regulation system works very well in Quebec and it works well in other provinces. We heard from different political parties about their concern with securities in their province. We have a centralizing federal government that wants to change everything and create a Canada-wide securities commission in order to control everything: Quebec's economy, other provinces' economies and investments. It is utterly unacceptable.

We will no longer have any powers because all decisions will be made at the federal level. We are getting mixed messages, though. We are told that we are a nation within a united country. Great. But what does that mean for Quebecers? Absolutely nothing. We are told that we have a seat at UNESCO. That is not a seat. It is a folding chair in the back, and we have to go along with what Canada says. That is precisely what we got: a tiny stool for Quebec behind the Canadian representatives. It is not true that we have a seat at UNESCO with a real right to speak, as will be made clear. There is currently a meeting taking place, and we will be able to see exactly how things go. We will see whether it is true that we have the right to speak for real and if we will be allowed to disagree with the federal government. We will see how it goes over the next few weeks. That is unacceptable.

I would like to read a letter and I think it is important. I realize I have little time left, but it is important because this is a letter from the former finance minister to the current Minister of Finance. This is a very important letter dealing with securities. It states:

Dear Colleague,

I have noted the appointment of your expert panel charged with making suggestions and recommendations concerning securities regulation in Canada.

First of all, I reiterate that the existing regulatory system in Canada works well and satisfies both the needs of pan-Canadian participants and the interests of the various regions. Accordingly, I will continue to oppose the implementation of any model leading to the concentration of market oversight responsibilities in the hands of a common or single regulator, regardless of how you call it.

The passport system that the participating provinces and territories are setting up is a significant and unprecedented initiative to further simplify matters for pan-Canadian participants. It is a cooperative approach by the provinces and territories that enables them to continue to monitor their local interests. [We all have different interests, as she says in her letter.] The systematic refusal to acknowledge the advantages of such a system leads me to wonder whether all this effort is truly aimed at improving protection for the investing public.

I must say that the federal government could apply its energies much more productively if, in its fields of jurisdiction, it worked to more effectively crack down on economic crime rather than trying to impose itself in a field of exclusive provincial jurisdiction.

• (1645)

Given the mixed, to say the least, results it has achieved in combating economic crime, in spite of the money spent, it seems to me that the federal government is not doing enough to assume its responsibilities, in particular regarding criminal law.

As for the expert panel, I note that you have ignored the proposals made to you by the Provincial-Territorial Council of Ministers of Securities Regulation. In so doing, I believe you have missed a good opportunity to obtain information that would have helped you better understand the point of view of the provinces and territories. Unfortunately, I fail to see that yet another panel, whose conclusions seem predictable to us, can bring anything new to this debate.

Believe me when I say that I am sorry to see you invest your effort and good will, which I in no way doubt, in such an ill-advised initiative when your energies could be applied much more productively.

Business of Supply

This letter was written by Quebec's former finance minister, who was a Liberal Party minister and a federalist. It is very clear that she is against the idea because it really encroaches on our jurisdiction, our local purchasing, Quebec's economic development and all of the work that is being done already.

Moreover, it is still a question of duplication. Duplications are a drain of energy and cost a lot in time of economic crisis as the one we are going through. It costs a fortune. We need not invest in that right now. We should not waste public money, money that belongs to the ordinary Canadians who are out of work and going through financial hard times, to create a Canada-wide commission. It does not make any sense. It is not a good idea. The provinces and territories already have a system that is respected and admired on the international stage. Our passport system is ranked second in the world and it works well.

We have built an efficient system, but the Conservative government, with its heavy-handed approach, is destroying all the efforts we have invested during many years to establish efficient securities commissions in Quebec and in each of the other provinces and territories. When I consider the position of the Conservative government, I see that, once again, it is ready to overstep its jurisdiction.

I have only one minute left. It is too bad I was interrupted at the beginning of my speech; I would have had more time to speak.

We will fight against the measure. I see that the Liberals have decided not to vote on the motion although, in their time, they wanted to change the system themselves. Maybe thanks to a positive attitude in the House our motion will be adopted. I hope it will be. The NDP will support us. New Democrats members said so earlier. Maybe some Liberals will also support us.

In conclusion, I simply want to say that I spoke with some Liberal members who told me they agree with a buy local policy and a local development policy. This motion is the foundation for local buying. It allows us to manage our issues locally instead of having a Canada-wide commission deciding for us what we should do in our own communities.

• (1650)

Mr. Guy André (Berthier—Maskinongé, BQ): Mr. Speaker, I would like to commend my colleague for her excellent speech on the topic of securities.

These days, the House is debating federal jurisdiction relative to the making of isotopes, employment insurance—we are calling for improvements to the program for Quebec—and health care.

The federal government only provides health care services to first nations people and it does not even do a good job of that. Yet, it is requesting new powers in the field of securities.

I believe that the federal government should at least manage its own areas of jurisdiction properly. Right now, it has enough to do without taking on a new area of jurisdiction in securities. In addition, Quebec's National Assembly has unanimously declared to the Government of Canada that it intended to continue managing its own securities industry.

I would like to hear what my colleague has to say about this.

Ms. Monique Guay: Mr. Speaker, I would like to thank my colleague for his question. Of course, the federal government should stay in its own jurisdictions and stop duplicating everything. The problem is apparent in many fields, such as immigration or health. Now, we have the problem of isotopes, and it is serious. At the Saint-Jérôme hospital, in my riding, 70% of appointments for cancer tests had to be cancelled due to an insufficient supply of isotopes. The House is not focusing on what really matters. The government is trying to move forward with the regulation of securities, while some problems which are much more important need to be solved and are within the federal jurisdictions. But the government cannot even face those problems.

We have been talking about employment insurance for months and even years. For years, we have been asking for the abolition of the two week waiting period. Why must we punish someone for losing her or his job? We are taking away two weeks of pay from a person who has a family, children, a mortgage and a car. It does not make sense. It would cost almost nothing for the government to eliminate the two week waiting period. People pay into employment insurance all of their working life. Why must they be penalized?

These are all issues we are asking the government to deal with, but instead of taking care of what really matters, it is trying to poke its nose into provincial jurisdictions and to mess up something which is already working very well in Quebec, in other provinces and in territories. That is the problem.

Mr. Steven Blaney (Lévis—Bellechasse, CPC): Mr. Speaker, unfortunately, my colleague did not support Canada's economic action plan which is helping our country, Canada, to pull through this economic crisis. A key element of this success is to bring down barriers. I would ask my colleague, the member for Rivière-du-Nord, to comment on the following quotation:

— I think that is the direction we are taking [to eliminate barriers]. I believe that any initiative to reduce red tape for our companies [because they are the economic mainstay for Canada], to facilitate harmonization and to remove barriers, is a step in the right direction. We have to make it easier for companies to do business in Canada than in the United States.

So said Clément Gignac, a former chief economist with National Bank Financial.

I would like to hear the comments of the member for Rivière-du-Nord. What concrete actions can she take here, in Ottawa, to help Quebec businesses?

Ms. Monique Guay: Mr. Speaker, I will not resort to demagogy, because I am not a demagogue, but I can tell you one thing: in Quebec, we work hard and we get things done. Things have to happen in Quebec. Quebec must make its own decisions and it is not up to the federal government to tell us what to do in our areas of jurisdiction. We can do the job ourselves.

However, when the government has a responsibility towards the provinces, with EI, for example, but does nothing to help the public, nothing to help the manufacturing industry and nothing to help people get back to work, then it is simply abrogating its responsibility.

Business of Supply

The government should let us deal with our areas of jurisdiction and our securities. We will continue to do so anyway. Let us become a country. People will see. Things will get done in Quebec.

• (1655)

Mr. Guy André (Berthier—Maskinongé, BQ): Mr. Speaker, it is with great interest that I rise here today to speak to the Bloc Québécois opposition motion.

The subject we are debating here today is very important for Quebec, because it denounces the federal government's determination, obsession even, to create a single securities commission, with the support of the Liberals in this House, despite the clear, unanimous opposition of the Quebec National Assembly. I mentioned the Liberals' support because if they do not vote, we only have to do the math to know that there are enough Conservatives to beat the Bloc and the NDP put together. By not voting, the Liberals are voting against the motion and letting the government do whatever it likes when it comes to securities.

The motion moved by the Bloc Québécois calls on the Conservatives and the Liberals to give up, once and for all, the idea of creating a single securities regulator. For some time now the federal government, whether Liberal or Conservative, has wanted to concentrate all of Canada's financial administration activities in Toronto, even though this is a constitutional responsibility that belongs to Quebec. This falls under Quebec's jurisdiction, as clearly stipulated in the Canadian Constitution.

For over 40 years, the idea of Canada having a single securities regulator has come up periodically. I do not understand why, in this time of recession and economic crisis, anyone would want to overhaul a system that works very well. The International Monetary Fund and the OECD have ranked our current securities market as the second best in the world. Why overhaul it? Does the government have nothing better to do in the next few weeks? The isotopes issue, for instance, could certainly be the focus of some debate and does warrant some attention.

Instead, this government is going against the members from Quebec and a unanimous motion in the Quebec National Assembly. All economic players agree: the securities commission falls under Quebec jurisdiction. We do not want to decentralize all our securities to Toronto, which would then have the power to run Quebec businesses. That is at cross purposes with our values as Quebeckers, as well as our financial and economic autonomy. In this time of recession, it is important to control all our economic levers and manage our own securities. That is crucial.

I am convinced that the objective of the federal government's position to meddle in a Quebec jurisdiction is also to limit once again the Quebec government's choices and abilities to take action as well as to weaken its economic power in order to annihilate it. However, Quebec is saying no. On two occasions, Quebec's National Assembly voted against the Conservative government's proposal. The Bloc Québécois will stand firm and ensure that this proposal is not adopted. Luckily, the Bloc Québécois is here. The Conservative and Liberal members representing Quebec will vote against the unanimous motions of Quebec's National Assembly, of the people they represent. That is shameful. Fortunately, the Bloc is here to defend Quebec. That is evident again today.

We should not forget that establishing a single regulator will jeopardize the survival of stock exchange activities in Montreal and foster an even greater concentration of the financial market in Toronto. Do the members from Quebec know what they are doing by voting with their government?

As I mentioned, the federal government's desire to establish a single regulator is nothing new. However, we have always managed to make the government back down on this proposal.

• (1700)

And yet, this desire was very clearly stated in the 2008 budget when the Minister of Finance again repeated that he was determined to introduce a bill to create a single regulator.

To attain this objective, the minister entrusted an expert panel with a very specific mandate. When work began on February 21, 2008, it was very disturbing that the Minister of Finance directed the panel to develop a model common securities act.

Clearly, by moving forward with a bill, the government has decided to go against the unanimous will of the National Assembly, which had unanimously denounced this federal initiative. We have a democracy in Quebec. Three parties were present. The Action démocratique du Québec is not the Parti Québécois. It does not have the same political objectives. The Liberals, who are federalists, are against the Conservative government's proposal for a pan-Canadian securities commission. Therefore, why go forward with it?

As expected, the expert panel recommended the creation of this commission. In addition, its report calls for a mechanism that would allow corporations to bypass laws adopted by the National Assembly of Quebec by authorizing them to work directly with the pan-Canadian organization.

In short, the report itself shows the desire of the Conservatives and the Liberals to impose this single commission, despite the legitimate objections of Quebec.

In response to the stubbornness of federal Conservative and Liberal members—the fact that the Liberals will not vote on this proposal is indicative of a position—the Quebec National Assembly once again restated its opposition on January 15, 2009, just before the 2009 federal budget was tabled, through a second unanimous motion that expressed its opposition to the federal government's approach.

However, when the Conservative government tabled the 2009 budget, in the middle of a crisis, it committed \$150 million to implement this Canada-wide commission. We do not have money for the unemployed, we do not have money for the manufacturing or forestry industries, but we have money to invest in a jurisdiction that belongs to the provinces and to Quebec.

Business of Supply

In conclusion, I am convinced that the federal government's desire to interfere in one of Quebec's jurisdictions is an attempt to once again limit the Government of Quebec's choices and ability to act. The Bloc Québécois is here to prevent that. We must not forget that the creation of a single regulator would threaten exchange activities. As I already said, the fact that the government wants to do this is nothing new. It is nothing new that a federal government, Liberal or Conservative, would want to centralize all of Canada's financial administration activities in Toronto, when this is one of Quebec's constitutional responsibilities.

For the Liberals and the Conservatives, this simply fulfils the common goal of handing over to the federal government all of the major economic powers, so that the central government has greater latitude to act. The Bloc is against this, and we will not let them do it. Fortunately, the Bloc Québécois is here to represent the interests of Quebecers, because the Liberal and Conservative members from Quebec will vote in favour of a proposal that goes against the very interests of Quebecers.

[*English*]

Mr. Jim Maloway (Elmwood—Transcona, NDP): Mr. Speaker, to listen to the parliamentary secretary, one would think the national securities regulator would have stopped the whole meltdown of the economy last fall. He has basically said that all our Canadian competitors on the world stage have single securities regulators. Guess what? None of those single securities regulators in any of those other countries were able to do anything about the whole scandal involving the asset-backed commercial paper, or any other financial instruments that got us into all the trouble we are in right now.

Why does he think a Canadian securities regulator would be any smarter or any sharper than all the other regulators that missed this big elephant in the room last fall?

• (1705)

[*Translation*]

Mr. Guy André (Berthier—Maskinongé, BQ): Mr. Speaker, I think that my NDP colleague is absolutely right. I would even add something that I have not mentioned in my speech, notably that the World Bank and OECD recognize that the present system works well and is effective.

There is no need to question a system that works, especially in an economic recession. Both sides of the House assure us of their desire to help our businesses and workers. However, instead of doing so, right in the middle of the isotope crisis, they are devoting their energy to duplicating areas of jurisdiction which are exclusively under Quebec's responsibility. It is disgraceful.

Mr. André Bellavance: Mr. Speaker, the Conservative member for Lévis—Bellechasse entertained us quite a bit when he quoted Clément Gignac earlier. He did not mention it, but Mr. Gignac used to be the chief economist of National Bank Financial. He left National Bank Financial to work for the minister of Finance of Canada. Of course, he had to take part in those discussions. To earn his salary, he had to be in favour of creating a single securities regulator.

However, more recently, Mr. Gignac decided to be a Liberal candidate in a Quebec provincial by-election. He will replace former

Minister Monique Jérôme-Forget in her riding, that is, if he wins, of course. When asked about the matter, Premier Jean Charest said to everyone that Mr. Gignac agrees with the position of Quebec and of the Liberal Party of Quebec. That position is to be against establishing a single securities commission. Of course, the member could have chosen a better quote.

As a Quebecer and as a member representing a region of Quebec, how would he feel if his party forced him to go against the interests of Quebec, against the interests of the National Assembly of Quebec, against the interests of all the parties in the National Assembly, against the interests of the whole Quebec financial system, against the Fédération des Chambres de commerce du Québec and against everything which has an interest in the world of finance? How would he feel? Would he be able to rise in this House and vote against Quebec or, as the Liberals will do, to sit on their hands? What would he do?

Mr. Guy André: Mr. Speaker, the member asks an important question. Bloc members are not here to make a career in politics. They are here to defend with conviction Quebec's interests and needs. There lie our values and our ethics. We do not expect to form a government or to obtain a position at the cabinet table. That is not our objective.

Quebec members are applauded by their colleagues from other provinces when they vote against some measures. That was the case on the official languages issue. Those members voted against the bill on the bilingualism of judges. That is unbelievable. Members vote for a budget that gives \$2.7 billion to western oil companies but that contains nothing for the manufacturing and forestry sectors. That is shameful.

In the same vein, I think that if we defend Quebec's needs with conviction, we cannot vote for a proposal by the present Conservative government that the National Assembly said it was unanimously opposed to. The great majority of Quebecers are also against the proposal. Members would thus be voting against the social and economic development of our communities. It is incomprehensible.

Mr. Steven Blaney (Lévis—Bellechasse, CPC): Mr. Speaker, what a fine lead-in to my speech. I want to tell you at the outset that I am going to vigorously oppose this motion, which is against Quebec's best interests. I want to tell you that I have listened to some of the speeches by my colleagues who spoke before me. I invite them to do the same, to listen to me, if they wish. If they want to talk, they can go outside the Chamber.

What struck me in their speeches is that at no time did an opposition member from the Bloc Québécois say what was good for business in Quebec. That is what is behind this motion. They have forgotten where the interests of Quebec businesses lie. The only thing they are thinking about is the Bloc ideology of a Quebec turned inward on itself and a regressive vision of Quebec.

I do not hold with that vision, I believe in an open and generous Quebec, a Quebec that takes its place in the Canadian federation and the world.

Business of Supply

I have some names of companies that want to go on the Exchange: I am thinking of Rotobec, IPL, Prevost Car Inc., Exceldor, Côté, Knox, Poulies Maska, companies that need access to a capital market, a stable market. For that, they do business with financial institutions and the big banks. The other financial institutions, cooperative institutions, like the largest Canadian cooperative movement, Desjardins, have rules, and it is our role, as the government, to oversee them.

At the federal level, we have the Office of the Superintendent of Financial Institutions. That regulatory framework produces very good results, to the point that last week the 15th International Economic Forum was held in Montreal, with organizers that included Economic Development Canada, which provided financial support for that major global meeting. What did we see there? We saw the International Monetary Fund recognize that our financial system is one of the soundest on the planet.

Certainly we must not put our head in the sand and rest on our laurels. It is our responsibility to identify weaknesses in our system, to roll up our sleeves and work to improve it. One of the weaknesses in our financial system is that we have a system for securities regulation that is fragmented, that is divided among 13 different agencies.

Although the International Monetary Fund recognizes that we have a very sound financial system, the flaw it identified is our system for securities regulation. In that, it agrees with the large majority of observers, who recognize that the best solution lies in a single regulatory system that applies a single securities law. It must be agreed, we certainly do not set out to create crises, as is often the case with the Bloc, particularly in Ottawa, who love to create crises. That even seems to be one of their formulas for stirring the pot.

One thing that stands out as important, when it comes to creating the securities commission, is that we take a Canada-wide approach that respects jurisdictions and that is done in collaboration with the provinces. This is the complete opposite from what the Bloc Québécois is proposing and from what it has said this afternoon. It is a point of view shared by other provinces. In our 2009 budget, we insisted on the fact that we wanted to work with the provinces and territories on a Canadian securities regulator that respects constitutional jurisdictions. There is a difference between a Canada-wide commission and a federal commission that will respect regional interests and expertise. All the provinces are invited to participate in this transition toward a national securities regulator.

Some provinces have already supported this process. Ontario says that it would be important to improve the competitiveness of Canada's economy, but also, at the other end of the country, British Columbia recognizes how important it is to work together on this project. This province's finance minister, Colin Hansen, was quoted in the *Vancouver Sun* as saying that British Columbia "believe[s] that the objective of national regulation is the right objective".

• (1710)

A national securities regulator would help give our companies greater access to a capital market. We hope that over the next few months, other provinces will work with us, will take the Canadian government's offer and will join in on the project, because during this economic recession we must take action that will give our

manufacturing companies an advantage and make them more competitive.

As has been said, Alberta, Manitoba and other provinces have stated that a single regulator is not necessary because of the passport model. I am happy to talk about that this afternoon. First, I realize that it is a worthy initiative that has made it possible to reconcile regulatory differences and to harmonize and simplify securities laws. The initiatives are important to increase the efficiency and effectiveness of Canada's regulatory system.

Through these initiatives, the provinces have indicated that they wanted to work together, respecting all jurisdictions, as part of a clear commitment to improve our securities regulatory system.

Even though those initiatives are laudable, they do not go far enough and fast enough. We must take one more step. In fact, with the passport system, which is a move in the right direction, we still have 13 sets of laws, 13 types of legislation and 13 organizations, all for one country.

That does not serve the Canadian market well. It is a well known fact that companies in Quebec, Manitoba and the Maritimes are often small companies and the regulatory inefficiencies hit them relatively harder because the relative costs to access new markets are higher for them. The passport system limits the capacity of small and medium-sized companies to exploit the possibilities of all the financial markets in Canada. Moreover, that structure imposes high costs on them.

In its presentation to the expert panel on securities regulation, the Canadian Bankers Association insisted on that. The association pointed out that if these companies tried to raise capital in 13 jurisdictions instead of just one, the costs associated with regulations would double to 16% of capital for a business that wanted to raise \$1 million. A company must therefore spend \$160,000 on red tape to raise \$1 million. That is the situation now. That is 4% for a company that needs \$10 million. That hurts our small manufacturing companies that look for capital in a larger market. That is what we should remember when we analyze legislation adopted here in Ottawa in the interest of Quebec and of all Canadians.

Businesses in other countries do not have the same kind of burden, which puts Quebec companies at a competitive disadvantage on today's world markets. It is here, in Ottawa, that we can take concrete measures to help Quebec companies.

Janet Ecker, president of the Toronto Financial Services Alliance, said that at a time when the entire international financial system is engaged in a race to create co-ordinated, standardized regulatory systems, we cannot even create a national system. She said that if Canada wants to be taken seriously on the international financial stage, it has to have a national system. Our colleagues in the Bloc obviously do not care at all about Canada's competitiveness on the international scene because they are so busy trying to isolate Quebec by separating it or fomenting political crises.

Business of Supply

According to Bloc ideology, the European common market is often seen as a beautiful utopia. In actual fact, the Europeans are trying to harmonize their sovereign countries and lower tariff barriers. We are currently negotiating with them because we want to open our markets. We know that this is what enabled Quebec businesses, under a Conservative government, to access the U.S. market and markets throughout the world. Their pork is exported to Mexico and their aircraft to China, for example. People realize that we need to standardize our ways of doing things, rather than erect barriers. We need to lower the barriers around Quebec, rather than raise them.

• (1715)

What is important is to have a Quebec that is open to the world and able to do business, and that goes through Ottawa, through federal legislation that is suitable, respects the various jurisdictions, and takes Quebec's interests into account.

What the passport system lacks is a national mechanism to coordinate law enforcement. As a result, it is hard to get maximum benefit from this crucial aspect of the system.

This defect was highlighted by the Royal Bank in its submission to the expert panel. Its representatives stated that, as a result of insufficient resources and the difficulty of co-ordinating investigations among a host of different agencies, compliance with the securities legislation in Canada was perceived as slow and most effective when non-compliant parties declared their violations on their own.

This perception hurts Canada when it comes to the enforcement of the regulations. Trade can easily move to other countries and capital raised there if law enforcement here is perceived as lax.

This is also important for Canada on the national scene. The International Monetary Fund recognized that Canada is one of the engines of the G20 and helped institute the measures that are enabling the global economy to emerge from the crisis. It is important, therefore, for Canada to be able to play a leadership role as well on international financial markets.

According to the Investment Industry Association of Canada, which is a national sectoral association, this failure is costing us some fine opportunities. The IIAC says that our process for approving new products and new rules and market structures is obsolete because it requires a consensus resulting in long delays.

It is important therefore for Canada to be one country with mechanisms to ensure that capital can circulate adequately within it and without barriers to overcome every time a business person wants to access capital from another province.

A Canadian securities regulator would not only increase Canadian markets' competitiveness, but would facilitate the development and marketing of new financial products, and the adjusting to the evolving international situation. And this is precisely the most interesting aspect for Quebec businesses.

Some also claimed that a Canadian securities regulator would be a centralized body that would not take into consideration regional specificities. It is our role as parliamentarians, here in Ottawa, to ensure that this Canada-wide body reflects regional disparities and

interests. For example, we can think about investors from the Atlantic region, who do not necessarily want to come to Ottawa, or to Toronto, to do business. In the study that was conducted, the transition office said that the regulator would have a regional specificity. Let me explain.

In its report, the expert panel recommends that regional, provincial and local offices be maintained, and that these offices "would support implementation measures taken locally, would serve as contacts for complaints regarding faulty actions of a regulatory nature, and would provide general services to meet the needs of participants in local and public markets".

The media reported that those opposed to a Canadian securities regulator claim that it would not take into consideration the specific sectors of each province. It is just the contrary. Indeed, the transition office precisely hopes that the regulator will cooperate with the provinces to establish a Canada-wide market.

The expert panel recommends that local offices be maintained in certain regions of the country to deal with these specialized markets. The report points out that British Columbia could specialize in the mining sector, Alberta in the oil and gas industry, Ontario in the financial service sector, and Quebec in derivative financial instruments.

The Montreal Exchange, which has already developed a specific niche in derivative financial products, immediately comes to mind. We would simply want to concentrate all these activities in Montreal, Quebec, for the whole country. This means that Quebec would manage all financial instruments derived from securities, and we know that there is a huge potential for growth in this area. In other words, Quebec would manage that specific area for the whole country.

As we can see, it is important, in the implementation of this Canada-wide system, to take our rightful place, so that Quebec can fully assume its role and benefit from it.

• (1720)

At first, the staff of regional and local offices should include mostly employees from existing provincial regulators. We must recognize the excellence and skills of those who provide similar services in all the provinces, and particularly in Quebec, and we must keep these regulatory skills and provide uninterrupted regional and local services.

By having decentralized offices with such regional specificities, this system, by its very nature, takes into consideration our country's specificities and can thus become an excellent tool indeed to establish a single system across the country and to allow businesses to have access to a service that is geared to their needs when they go to an office.

As I mentioned, the current recession was triggered by systemic problems in the financial structure. In recent months, Canada and its G20 partners have been working very hard to restore financial stability throughout the world. However, the international community continues to feel the effects of this financial crisis. Canada, like all the other countries, has learned that a systemic risk can come from any part of the financial services sector, and not only from the banking sector. So, we are talking about the financial market.

Business of Supply

The Bloc members unfortunately voted against Canada's economic action plan, and they said they were going to vote against the spending estimates on Friday. They would rather go to the polls and hand out pamphlets at the Old Orchard campgrounds and beaches than invest money in getting our economy moving and creating jobs. That is a fact.

Our government's economic action plan included a series of measures to bolster financial stability, including increased powers for the government and the Canada Deposit Insurance Corporation and the creation of an office to facilitate the transition to a Canadian securities regulator for participating provinces and territories. We are therefore making structural investments to eliminate and break down barriers so that Canadian companies can have broader access to more capital.

Bringing all the financial regulation stakeholders together at the same table will improve policy coordination and make Canada's regulatory framework more responsive to global challenges. It will make us better able to identify emerging risks and to work together to mitigate them.

Far from being an intrusion into a provincial jurisdiction—I explained that we are working with respect for jurisdictions and in a way that puts companies first—the creation of a Canadian securities regulator is a giant step for Quebec's and Canada's financial markets and investors. Everything is being done with respect for jurisdictions, regional interests and expertise. This is a concrete example of a Quebec that is developing and playing its role within the Canadian federation in a united Canada.

• (1725)

Mr. Jean-Yves Laforest (Saint-Maurice—Champlain, BQ): Mr. Speaker, I listened very closely to the speech by the Conservative member opposite.

He got a few good ones in, even though we are not laughing. I was surprised to hear him say, first of all, that international organizations are asking Canada to create a single securities regulator for us to be taken seriously. That is hard to understand when the OECD places Canada second in the world for the quality of its securities regulation. If there is one organization that can be called international, it is the OECD.

Second, the member said that the plan to create a Canada-wide securities regulator respects the constitutional jurisdictions of the provinces and Quebec. I would like to know if his party consulted the Government of Quebec on this issue. It seems to me that Quebec's National Assembly unanimously adopted two motions stating that it rejects the idea of a single securities regulator. In addition to being unconstitutional, the matter falls under provincial jurisdictions.

I fail to grasp how the member can say that Quebec is turned inward and does not take businesses into account. Is the member suggesting that each and every member of Quebec's National Assembly representing every region in Quebec is not concerned about the businesses in his or her riding? That makes no sense.

• (1730)

Mr. Steven Blaney: Mr. Speaker, I thank the member for Saint-Maurice—Champlain for his question.

First, it is important to remind my colleague that, according to the International Monetary Fund, the flaw in our financial industry lies within the securities regulation system. If the member had listened to my speech, he would have realized that.

Second, I would say that our role as parliamentarians is to represent and defend Quebec's interest and the interests of Quebec businesses and to do what is right for them. I believe it is possible to cooperate in order to put a system in place that will eliminate barriers and facilitate access to capital everywhere in Canada for Quebec companies.

This is my answer. I would be pleased to answer other questions.

[*English*]

Mr. Jim Maloway (Elmwood—Transcona, NDP): Mr. Speaker, the member seems to be unaware that this is a government with minority status. The Conservatives are trying to attack more or less a constitutional problem, a constitutional issue, when they are in a minority position. So I wonder what the end game here really is about. There must be better activities for the government to engage in at this time than this particular exercise. It is not only Quebec that does not like this proposal and passed a resolution in its national assembly, but also Alberta and Manitoba are opposed.

This issue did not just start recently. I remember it being discussed 10 years ago when I was an MLA in Manitoba. We can talk about Quebec all we want, but all the provinces act the same when their jurisdiction is being challenged in what they see as a constitutional area. So what is the surprise there?

When this discussion came up in Manitoba 10 years ago, our position was very simple. We saw it as a constitutional issue. We were not going to be pushed around by the federal government.

We wanted to have our authority in our province, and we knew that if we were to agree and acquiesce to this, it would become basically just an Ontario securities commission.

Let us face it: The securities market is very heavily concentrated in Ontario. It is no surprise that the people of Ontario would be supporting this, because it means more jobs, more influence, more power for them. It should come as no surprise that Manitoba, Quebec, Alberta, or any other province would be opposed.

[*Translation*]

Mr. Steven Blaney: Mr. Speaker, I share my colleague's point of view: respecting provincial jurisdictions is important. One of our government's commitments is to practice open federalism and to work in partnership with the provinces to give our businesses the very best we have to offer. This will help each of our provinces' economies, his and mine, to have access to capital, to develop and to shine on the world stage.

Allow me to quote the vice-president and chief economist of one of our very own organizations, the Montreal Economic Institute. Marcel Boyer, Bell Canada professor of industrial economics, said, "A single securities commission with a strong regional presence would favourably resolve the complex issue of regulating securities in Canada."

In a nutshell, he said that if provincial and federal governments worked together instead of putting up barriers and squabbling over everything, we would be doing the work we were elected to do here in Ottawa: helping our businesses move forward.

Mr. Serge Cardin (Sherbrooke, BQ): Mr. Speaker, the member for Lévis—Bellechasse accused us of having no vision and of creating crises. He said that only the Conservative government has the big picture. There is one thing that he has difficulty understanding. Even if he says the Conservative party has a vision, I believe that some Conservative members from Quebec do not have a vision for Quebec. Fields of jurisdiction, self identity, and the desire to help corporations mean nothing to them.

There are 125 members in the Quebec National Assembly. Unanimously, they said “No.” Alberta and Manitoba also said “No.” How can he claim to be the only one who understands the needs of all Canadians? Even though he comes from Quebec, he appears not to understand them. The Liberal party will give its support by abstaining from voting on the fact that the Constitution recognizes this is a field under Quebec’s jurisdiction. They would refer it to the Supreme Court. We know they are like the Tower of Pisa; they always lean to one side only.

Why do the Conservatives claim they can do this when they know very well that it does not fall under the jurisdiction of the federal government?

• (1735)

Mr. Steven Blaney: Mr. Speaker, my colleague often speaks to me about Quebec. Perhaps one day he will want to make a career there. At present, we have chosen to make a career here, in Ottawa, to defend and act in the interest of the people we represent, in my case, the people of Lévis, Bellechasse and Les Etchemins. I am proud to say this afternoon that there is a manufacturing base in Lévis—Bellechasse and Les Etchemins that is one of the most dynamic in the country. These are companies that work very hard. They are owners who invest their own money. It is a family structure and these are people who respect others, who work and create jobs and wealth, and who pay our salaries. Our first duty when we are here is to think of those people and to ensure that we remove barriers instead of engaging in constitutional disputes.

Mr. Serge Cardin (Sherbrooke, BQ): Mr. Speaker, I am proud to speak on behalf of the Bloc Québécois. I would like to congratulate all my colleagues who have spoken, all these men and women who are the only ones truly standing up for Quebec in this House.

Today’s remarks by the Conservative member for Lévis—Bellechasse and by a number of Liberal members from Quebec who will not even venture to vote on this motion crucial to Quebec are further proof. It is also very important for my hon. colleague from Richmond—Arthabaska and myself to point out that I will be sharing my speaking time with him. I did not want to steal the floor from him and prevent him from speaking on such an important motion.

Let us go over this motion quickly to ensure that the Conservative and Liberal members from Quebec fully appreciate the weight of responsibility associated with voting against this motion. It reads as follows:

Business of Supply

That, in the opinion of the House, securities regulation falls under the exclusive jurisdiction of Quebec and the provinces and that, therefore, the federal government should reject, once and for all, the idea of creating a single securities regulator for all of Canada, thereby respecting the unanimous will of the National Assembly of Quebec.

As I said earlier, when the National Assembly of Quebec speaks with a single voice, it is 125 Quebec MNAs saying no. They are contending that this is an area which falls under Quebec’s jurisdiction and they want to protect the system which has been in place for many years and is working well.

That is why the 49 Bloc members who are here to defend the interests of Quebec are also speaking out against this Canada-wide securities commission.

As I indicated, the National Assembly is unanimous. Securities fall under the jurisdiction of Quebec and the provinces. I also mentioned earlier that two provinces have come out and said that they wanted to keep their own securities regulators. Establishing a common regulator would jeopardize the very survival of trading in Montreal and promote financial market concentration in the Toronto area.

I do not know why the Conservative members, including those from Quebec, continue to say that this is the best thing to do, when the World Bank and the OECD find that the current system works well, that it is efficient and effective. Efficiency and effectiveness do not mean quite the same thing. The Conservative Party is living proof of that. It is not effective and not efficient. Efficiency means doing things well, and effectiveness means doing good things. It does not know how to implement good things and when it does, it is not effective.

Some Conservative members have told us from the start of the day that the Bloc did not understand the economy. History, however, will confirm what I am going to say. For years, the Bloc alone has said how there would be a surplus, how things would react and what the increases in economic development terms would be. If all of the policies proposed by the Bloc Québécois had been implemented, we would not be in this crisis today in Canada and especially in Quebec.

• (1740)

Without pretension and with no offence to the humility of the member for Saint-Maurice—Champlain, our finance critic today, or that of those who preceded him, either Paul Crête, who left this House to represent us in the National Assembly, or Yvon Loubier—they are all competent individuals who know the economy—I would refer to the hon. member for Markham—Unionville. I am sure everyone knows he was the chief economist at the Royal Bank between 1994 and 2000. He was a professor of economics at McGill and at the Université du Québec in Montreal and a professor at Simon Fraser and the University of Manitoba. Since 1976, this kind gentleman has called himself an economist. During all that time, what did he do when he was speaking to students or to heads of business? Did he never say this was a matter of Quebec’s jurisdiction? Did he ever wonder if it could be changed by this government? Some have been talking about it in strong terms for 40 years. In 2003, the issue was revived. The Government of Ontario went so far as to do studies in support of its arguments for a single commission.

Business of Supply

This afternoon, the hon. member for Markham—Unionville told us there is a legal uncertainty. Our arguments are based on the fact that this is a Quebec jurisdiction and that the system is effective and works well. The hon. member said that there is some constitutional uncertainty over whether or not this jurisdiction belongs to Quebec and the provinces. As a result, the Liberal Party will abstain. That is totally absurd. The Quebec Liberal members are going to abstain. As the old dictum goes, “Silence is consent”. In other words, silence signifies consent to the government’s policy of a single, Canada-wide securities commission. That is contrary to the interests of Quebec and to the responsibilities assigned to it and to all the provinces. It jeopardizes everything. We must face up to this because Ontario’s intentions are clear: it wants only one regulator. It did not participate, however, in the passport system. It is purely in its own interest, therefore, that Ontario wants a single, Canada-wide securities commission in opposition to Quebec and other provinces such as Alberta and Manitoba.

As things currently stand, the securities commissions of Quebec and the provinces can speak before the International Organization of Securities Commissions. The Constitution says that securities are a jurisdiction belonging to Quebec and the provinces, which are therefore all entitled to appear directly before the International Organization of Securities Commissions without any intermediaries. Quebec and the provinces must preserve this right to speak on the international scene. We do not want it to become like Quebec’s seat at UNESCO. As we said before, it is more like a folding chair or even an ejection seat. If we do not agree with the federal government, we no longer have the right to speak.

The Conservative members are solidly in favour of the Canada-wide securities commission. I am talking mainly about Conservatives from Quebec. The Liberal members from Quebec are going to abstain. Some members will vote for Quebec’s economic priorities, values and savoir-faire, and some would rather not. As we have already seen, the Montreal stock exchange was sold to Toronto. An English Canadian was made president of the Caisse de dépôt et placement du Québec. There have also been cuts to the not-for-profit organizations with an economic mandate. The Government of Canada is mounting a direct, frontal assault on Quebec’s economic interests. We have to stop it because the situation in Quebec and even in some other Canadian provinces is being seriously undermined.

• (1745)

[*English*]

Mr. Jim Maloway (Elmwood—Transcona, NDP): Mr. Speaker, I have always thought that the securities commissions were there to protect the public from being taken advantage of by improper business overtures, not merely to save the business community some money on compliance costs.

The clear message we have received from the government all day is that it is all about compliance costs and the desire on the part of the government to streamline the system so businesses will only have to file one prospectus with this super securities regulator rather than thirteen of them in different jurisdictions across the country. All the time, while it is trying to save the companies a few dollars in compliance costs, it is forgetting that it is all about protecting the public.

I submit that it is securities commissions, like the Manitoba Securities Commission, that protect the public and do a very good job over the years to get on top of issues a lot quicker than the national organization would be able to do.

Could the member comment on that?

[*Translation*]

Mr. Serge Cardin: Mr. Speaker, I thank the NDP member for his comment.

Of course, when an organization such as the Autorité des marchés financiers, which used to be called the Commission des valeurs mobilières du Québec, regulates the market and registers companies at the stock exchange, its first concern is to protect the interests of investors. It is obvious. To say that a single Canada-wide commission could solve all the problems is a deceptive statement. Such a commission would not be a panacea.

As long as we will have regulating systems such as the ones regulating financial products, attempts to circumvent the rules will be made. It is somewhat like computer science nowadays. Even if you invent something to keep undesirable people away from computer systems, those people will come up with something else. It is a perpetual motion. There must be a refinement, a change of processes and of regulations. Quebec has proven that it is able to make adjustments to protect the interests of investors and the interests of its population, as far as the economy in general is concerned.

• (1750)

Mr. Steven Blaney (Lévis—Bellechasse, CPC): Mr. Speaker, in one country, there are 13 different jurisdictions, that is, 13 sets of laws and 13 legal authorities.

Is it normal that a business in his riding of Sherbrooke should be faced with more administrative barriers and tariffs within one country than there are in a group of countries like the European Union for example? We can see that the passport system is not perfect. It is almost like walking with crutches.

Why would we not want to offer the best conditions to a Sherbrooke company, that is, a complete Canadian package? Does the member have a better idea than a national system based on cooperation with provinces and respecting their areas of jurisdiction? Is there a better deal on offer, since this seems to be the best solution for his company?

Mr. Serge Cardin: Mr. Speaker, first of all, any securities commission, be it the Autorité des marchés financiers or any other, must obviously remove as many irritants as possible for all those with whom it does business. We understand that. That is not the biggest issue today. The federal government wants to interfere in areas under Quebec’s and the provinces’ jurisdiction. Can that issue be settled once and for all?

Business of Supply

They pretend to practice open federalism. It is more of a conquering style of federalism since they want to control everything. And what does it change if we have 13 securities regulators in Canada? There are also two nations in Canada. Once of them wants to have control over areas under its jurisdiction and to manage according to its way of doing things, which is unique to Quebec. We want to keep this area under our jurisdiction and regulate securities through the *Autorité des marchés financiers*. We have the ability, the competence and the expertise to do it, and the desire to continue doing it. We are telling the federal government to mind its own business.

Mr. André Bellavance (Richmond—Arthabaska, BQ): Mr. Speaker, I thank my hon. colleague from Sherbrooke for agreeing to share his time with me in the context of this very important issue, one so important that the Bloc Québécois has made it the theme of its opposition day.

This motion has been moved for very specific reasons aimed at ensuring that Quebec's interests are respected. I can list those reasons: the Quebec National Assembly is unanimously opposed to the creation of a Canada-wide securities regulator; securities fall under the jurisdiction of Quebec and the provinces; the creation of a single securities regulator would jeopardize the survival of trading activities in Montreal and would favour the concentration of financial markets in Toronto; and the World Bank and the OECD have reported that the current system works well and is both efficient and effective.

Perhaps we should not be surprised by the Conservatives' decision to go ahead with this despite the unanimous consensus in Quebec, both politically speaking and in terms of the financial markets, concerning their idea to create a single commission. As we know, it is a centralist party. With this, the Conservatives are flouting the will of Quebec.

I am seeing another example of "Ottawa knows best". I even heard a member from Quebec, the hon. member for Lévis—Bellechasse, who rose a few moments ago in this House to try and justify a single securities commission, even though it goes against everything that is being called for, not only by the Government of Quebec, but by all parties in the Quebec National Assembly and those responsible for Quebec's financial markets. Our Conservative colleagues might be interested to know that other provinces are also completely against a single market and a Canada-wide securities commission.

Some members are rising here today to speak out against the will of Quebec and in favour of a single securities commission. I would prefer to refrain from commenting. The people of those ridings will be the ones to judge the decision made by the Conservative members from Quebec.

The Liberals once tried to do the same thing. In 2005, they brought down a budget that called for a single securities commission. Today, though, I have been quite surprised to hear members from Quebec say that they are going to abstain from voting. They are going to sit on their hands. That is something they did fairly regularly with their former leader, but I am surprised that they are still reluctant to take a stand. This issue clearly comes under Quebec's jurisdiction, and the Government of Quebec and the

National Assembly of Quebec do not accept this decision by the Conservative government.

The Liberals just came up with the idea that it is up to the Supreme Court to decide. A specific section of the Constitution Act says that Quebec and the provinces have jurisdiction over this issue. Suddenly, the Liberals want to refer the issue to the Supreme Court, wash their hands of it and avoid making a decision. We should be very worried for Quebec, because these people want to form the next government.

The new Liberal leader is telling his troops not to vote on a decision that could have serious consequences for Quebec. Moreover, this will mean that the Conservative government will be able to go ahead. Only the Bloc Québécois and the NDP have decided to stand up and respect the provinces' jurisdictions.

The Liberals may think they are going to put things off by calling for the issue to be referred to the Supreme Court, but it seems to me that the Liberal leader is going to great lengths to avoid taking a stand. This is going to come back to haunt him, just as it is going to haunt the Conservative members from Quebec. When they travel around their ridings, they will have to face the anger of the people in Quebec.

The Conservatives are clearly going against Quebec's decision. The Liberal position is not as clear-cut, but the result is the same. They do not have the courage to vote, and they are making it possible for the Conservatives to defeat our motion, which reflects the will of the Government of Quebec.

What is at stake here, is respect for the will of the Government of Quebec, the will of the entire National Assembly of Quebec, the Quebec financial sector, the *Fédération des Chambres de commerce du Québec*, and others. My colleagues mentioned in their speeches that the National Assembly of Quebec had unanimously condemned this federal initiative.

• (1755)

The National Assembly of Quebec unanimously condemned this federal initiative. On October 16, 2007 it passed a motion that stated:

That the National Assembly ask the federal government to abandon its Canada-wide securities commission project.

This request was reiterated not so long ago, on January 15, 2009. A motion asked for help in dealing with the impact of the current economic crisis and also stated that the National Assembly reiterated its firm opposition to the proposed Canada-wide securities commission. Twice, not once, all parties in the National Assembly declared that they were opposed to the idea.

The former Quebec finance minister, Monique Jérôme-Forget, vigorously opposed the federal government's proposal. She explained her arguments against this single securities regulator in the October 2, 2007 edition of *Le Devoir*. I will read a few excerpts. The title of the article was "The Arguments of the Federal Minister of Finance Simply Do Not Cut It". She named the Minister of Finance but you know that I am unable to do the same here, Mr. Speaker. As for the federal government's arguments with respect to protecting investors, Ms. Jérôme-Forget rejected them outright. She said:

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A 2006 study by the World Bank and Lex Mundi ranked Canada in third place in terms of protecting investors, while the United States and the United Kingdom ranked seventh and ninth, respectively. In its 2006 report, the OECD also ranked Canada second in securities regulation, ahead of the United States, which was fourth, the United Kingdom, which was fifth, and Australia, which was seventh. With results like that, it is surprising that the federal and Ontario governments continue to disparage Canada's regulatory system both here at home and abroad. That is what I call shooting oneself in the foot.

We have been hearing rather less from her since she resigned, but she never minced words. She told Canada's finance minister to mind his own business and stay out of areas under her jurisdiction. She made no bones about it. That is just part of the article that appeared in *Le Devoir*.

My colleagues quoted from a letter that Ms. Jérôme-Forget sent to the Minister of Finance. The situation is clearer than clear. According to Ms. Jérôme-Forget, the federal finance minister's position would increase costs because he is proposing a single entity with offices in each province and a head office in Ontario. In other words, he claims that he will cut costs by adding another layer of bureaucracy. That does not make sense.

The Minister of Finance also claims that financing costs are higher in Canada. That is not true. The total average direct cost of a small Canadian issue of between \$1 billion and \$10 billion U.S. is lower than that of an American issue. It is 15.98% in Canada and 17.99% in the United States. The direct cost for larger issues, those in excess of \$100 million U.S., is similar in both countries. That takes care of some of the arguments we have heard from Conservative Party members today.

The 2008 budget brings back bad memories because it confirmed that the Conservative government intended to create a single Canada-wide securities commission. In the 2009 budget, the government went even further by allocating \$150 million to set up a committee to implement the recommendations in a report by an expert panel appointed by the Conservatives. Obviously, people on the panel were in favour of the single commission. The 2009 budget implementation bill, which was introduced by the Conservatives and supported by the Liberals, allocated the necessary money and put in place the necessary legislative provisions to create a single authority.

I will conclude on that note. The Conservatives have ignored all of Quebec's demands. For 40 years, the government has been talking about creating a single securities commission, and for 40 years, Quebec has been opposed to the idea. Other provinces are also opposed to it. I am very surprised to see members from Quebec, from all parties—not the Bloc Québécois, of course, because we defend Quebec's position, but Conservative members and Liberal members from Quebec as well—stand up in this House and either speak against Quebec's position or decide to abstain. It is appalling. I take exception to that, and Quebecers will as well.

• (1800)

[English]

Mr. Jim Maloway (Elmwood—Transcona, NDP): Mr. Speaker, I guess I am really surprised at the Conservative government. I would expect it from the Liberals because historically they have been a very big centralizing type of party. However, the Conservatives have taken a different approach over the years from the days of Joe Clark, suggesting that perhaps there should be a little more local autonomy.

What has happened to their position on local autonomy in this case, particularly when it is not really clear that this is a good idea?

If this were such a great idea, we would think the previous Liberal government would have been able to bring it to fruition 10 years ago. It is not just Quebec that has been actively opposed to it. It is other provinces as well. It is Manitoba and Alberta. I think there were more in the past.

I do not see why we have to tinker with a system that works reasonably well. If there were some overpowering reason, I think there would be a collective understanding and a collective movement by all the parties to get together and make this successful.

Obviously, there is no such consensus.

[Translation]

Mr. André Bellavance: Mr. Speaker, I thank the NDP member for his question. I do not see any logic in that either, except maybe this. It is an hypothesis that I will share with members.

The finance minister is an Ontario minister who was once a member of the Ontario government. Rumour has it that he would be interested in running for the leadership of the Conservative Party of Ontario. I think this Conservative Department of Finance is run in part by Bay Street. The current finance minister is influenced by these people. He wants to please them. They have been wanting a single securities commission, and the jobs that go with it, for a long time.

The Montreal stock exchange has already been weakened. A lot of activities have now been centralized in Toronto. This will simply kill Quebec's financial market. All the decisions will be made in Toronto. I think the finance minister already had that plan in mind before becoming finance minister. He managed to convince his colleagues, even those from Quebec, which is absolutely ridiculous.

• (1805)

Mr. Jean-Yves Laforest (Saint-Maurice—Champlain, BQ): Mr. Speaker, I want to congratulate my colleague on his excellent speech.

He referred to the member for Lévis—Bellechasse, because he had heard him make some rather inconsistent statements. I heard the same thing. But one thing surprised me in that member's speech: when he said, arguing in favour of a single securities regulator and telling us how wonderful it would be, that he completely agreed, for example, with putting British Columbia in charge of regulating and controlling securities in the mining sector.

Everyone knows that Quebec is very well represented in the mining sector. It seems as though the member for Lévis—Bellechasse completely forgot about the Quebec mining sector, which needs its own regulator, currently located in Quebec, that defends the sector perfectly well.

Mr. André Bellavance: Mr. Speaker, I would like to thank my colleague, who is doing an exceptional job as the Bloc Québécois finance critic. I do not believe it comes as any surprise to him that we had an opposition day on this issue today.

Business of Supply

The mining industry and other industries are examples of how Quebec's financial sector has decided that our way of doing things is excellent. That does not mean there can be no improvements. That is why we have the passport system, which is a kind of harmonization. The Government of Quebec has been and is always open to improving things. However, we want to carry on doing what we are doing and keep our own securities commission system.

Earlier, the member for Lévis—Bellechasse talked about the IMF report and said that there was a shortcoming. The IMF report was excellent. It praised Canada's existing system, including Quebec's, highly. It raised some shortcomings, which the passport system corrected. The other provinces agree. Some provinces may decide that they want to do things some other way, but that is exactly what we are arguing today. It is an area that falls under provincial jurisdiction, under Quebec's jurisdiction. It is up to them to decide.

[English]

Mr. Jim Maloway (Elmwood—Transcona, NDP): Mr. Speaker, I am pleased to speak to the motion put forward by the Bloc member.

This issue has been around for quite a number of years. It has provoked a lot of debate and emotion on the part of people in the chamber and all across the country.

It is not so much about what the final structure of the proposed organization would be, but more about how the people who would be running it would make decisions that would help people in this country.

For example, Ontario has a big securities regulator. In the last couple of years it has had a grand total of two convictions. However, the regulator in the United States managed to get convictions on 1,000 cases or more over the last couple of years.

It is interesting to note that Conrad Black, who is doing time in a Florida prison—maybe not for long, but he is there now—committed his white collar crimes here in Canada, but it was not the Canadian system that took action against him; it was the American system that took action and put him in prison for the crimes that he committed here in Canada.

If this exercise is all about centralizing the activities of a national securities commission in Ontario as the Bloc member has suggested, if it is all about a few more jobs for Bay Street, and if it is all about saving a few dollars on compliance costs, then we would be better off staying with what we have.

Manitoba has a small securities commission which works very well. There are members in this chamber who know that the system in Manitoba works well. The people on that commission are local and they know what is going on in the local market. If someone complains that somebody is selling securities without registering a prospectus with the securities commission, that activity bubbles up in the smaller jurisdiction and the information gets to the securities commission and it acts.

That is what the system is supposed to accomplish. It is all about protecting the public, making sure that members of the public are not get taken advantage of, that they do not lose money because of people involved in shady practices.

This is not about saving some compliance costs and making it easier for a big company to file one prospectus rather than 13. This is not about creating a few more jobs for some Bay Street people. This is all about having a system in place operated by people who believe in enforcement, people who actually do their jobs. This is not about taking people from industry and putting them into positions of regulatory authority.

We saw what happened recently with Bernard Madoff in the United States. Harry Markopolos delivered the entire case against Bernie Madoff to the U.S. Securities and Exchange Commission and nothing was done. Why? Because the whole commission was run by former salespeople and executives of the very investment companies the commission was supposed to be regulating. That is the real problem.

The public would be better served if we had an effective structure, one that looks out for the public instead of looking out for the businesses it is supposed to regulate.

● (1810)

We have this problem throughout society. It is not just peculiar to the securities industry. We have it in all sorts of businesses wherever the government is trying to regulate. I hate to keep picking on the insurance industry, but there is a regulatory body with respect to the insurance industry. It makes some sense when government makes an appointment to a board that is governing that industry, that it tries to get somebody who knows something about the industry. It would be nice to appoint a bunch of people who have a blank mind on the issue, but that is not what happens. The government tries to get some people on the board who know about the industry.

What happens is that the people who are chosen come from the industry. At the end of the day, there is a regulatory body made up of people who, in essence, are trying to keep tabs on and regulate their friends. That is why we have so many difficulties in this whole regulatory environment.

We have to deal with this from a different perspective. We have to deal with it from the standpoint of protecting the consumer and getting people whose motives are pure, whose motives are direct, who want to enforce the law and want to make sure that the public is protected. That is the bottom line.

I have less concern about the area of provincial jurisdiction than some members here, particularly the members who introduced this motion.

Having said all of this, the government is embarking on an exercise where it is trying to enforce its views in a situation where it is a minority government and we are dealing with constitutional issues. We all know where constitutional issues have gotten us over the years. Some of us went through the Meech Lake debate and the Charlottetown debate. We should have learned enough from that process to know that it is best to leave these issues alone.

Adjournment Proceedings

●(1815)

[Translation]

The Acting Speaker (Mr. Barry Devolin): It being 6:15 p.m., pursuant to order made earlier today, all questions necessary to dispose of the opposition motion are deemed put and the recorded division is deemed to have been demanded and deferred until Tuesday, June 16, 2009, at the end of government orders.

[English]

Mr. Merv Tweed: Mr. Speaker, I think if you were to seek it, you would find there is consensus to see the clock at 6:30 p.m.

The Acting Speaker (Mr. Barry Devolin): Is there unanimous consent to see the clock at 6:30 p.m.?

Some hon. members: Agreed.

[Translation]

The Acting Speaker (Mr. Barry Devolin): In accordance with Standing Order 38 a motion to adjourn the House is deemed to have been moved and seconded. Therefore the question is, that this House do now adjourn.

ADJOURNMENT PROCEEDINGS

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

[English]

EMPLOYMENT INSURANCE

Mr. Anthony Rota (Nipissing—Timiskaming, Lib.): Mr. Speaker, on March 3, I rose to ask the Minister of Human Resources and Skills Development a question regarding employment insurance. It was regarding the obstacles and delays in receiving cheques.

There are people in my riding who are waiting up to eight weeks to get their employment insurance cheques.

[Translation]

Some people wait up to eight weeks to receive their cheques, and that causes problems. Usually, they expect to receive it within two weeks. That is what they are told to expect.

[English]

When we ask Service Canada what is going on, the story is that Service Canada does not have enough resources to process the cheques fast enough. Where are the resources? Why are we not processing those cheques quicker? That is a real problem. Money is not getting to unemployed people to help them pay their rent, buy food for their families and get going again and being able to live their lives to the fullest after the blow of losing their jobs. That is what employment insurance is about. I was asking about the lack of resources at Service Canada which is causing delays in people getting their cheques.

In response, the parliamentary secretary said that employment insurance is designed to respond to regional interests. He gave a long answer describing what one region gets compared to another. The answer did not have anything to do with the question in the first place. I hope the information the parliamentary secretary received

from the PMO today will answer the question that I have been asking.

Since I have more time, I want to talk a bit more about the re-announcement on EI. I will save the parliamentary secretary doing it but that is probably what he will talk about. On May 25 the Minister of Human Resources and Skills Development re-announced changes to the employment insurance system to help long-tenured workers upgrade their skills to help them find new jobs. That is fine; it was a re-announcement, but it does not help a lot of Canadians who have been left out in the cold.

That is not what my question was about. It was not about reintroducing programs and the five weeks' extension at the end of the period which the government talked about. This was about getting money to individuals when they need it most, which is after the two-week waiting period. It is about getting the money to them when promised. They should not have to wait eight weeks, which causes them to have to borrow money from relatives, from banks, if they can get it, and even causes people to be deprived of the essential resources they rely on to keep their families going.

●(1820)

Mr. Ed Komarnicki (Parliamentary Secretary to the Minister of Human Resources and Skills Development and to the Minister of Labour, CPC): Mr. Speaker, for a moment I thought the member for Nipissing—Timiskaming was going to say he applauded the number of enhancements we have made to the system. However, I gather he took some exception to that.

I am happy to share with the member the many helpful steps the government has taken to help Canadians during this difficult time. There is no question that there are vulnerable, unemployed Canadians. We understand that, and that is why we are taking action to make things better.

We are making unprecedented investments to help those who, through no fault of their own, have suffered unexpected job loss during this global recession. With respect to managing EI claims, which the member referred to, we have invested more than \$60 million to help manage and process these claims more quickly, while cutting red tape for employers. The evidence is there month to month to show that these claims are being processed, notwithstanding the increase in the numbers of them.

This investment is on top of the many other administrative efforts we have taken to ensure quicker processing and service for Canadian families. We will continue to ensure processing can take place in a reasonable time.

We have also taken steps to provide additional help to Canadians who have been particularly hard hit by the current economic downturn by extending EI benefits by five weeks. That is more than double the two weeks advocated by the opposition, and it will be a substantial help to Canadians when they need it most.

Adjournment Proceedings

We have also extended the EI work sharing program. Thankfully, through our efforts over 130,000 Canadian jobs are being protected. That number continues to grow because we have taken action to enhance the program, making it easier for employers to access, cutting the red tape, and making it more responsive. This program is helping Canadians in many sectors of the economy right across our country, providing employment insurance and ensuring jobs are preserved.

We are also investing \$1 billion for further skills training through the EI program. This includes \$500 million in skills training and upgrading for long-tenured workers and \$500 million for training those who do not qualify for EI. These training funds will help Canadians gain new skills so they can succeed in the jobs of the future as our country recovers from the economic downturn and it prospers going forward.

We continue to monitor these measures to ensure they are effective in helping Canadians, and we will do more.

All of that being said, I would like to take this opportunity to comment on the Liberals' suggestion with respect to EI. I say they have borrowed it from the NDP without the intention of giving it back, which would tell us a thing or two about how irresponsible it really is.

It is irresponsible in the sense that it will not help a single Canadian find a new job or keep his or her job, and it will not help a single Canadian gain any new skills. It will simply add billions to the tax burden of hard-working Canadians and employers at the worst possible time.

The Liberals are having some trouble with this scheme, as one would expect. Last year, their EI critic thought a flat hourly requirement was a bad idea that negatively affected Canadians in areas of high unemployment. Now he has flip-flopped, or at least I think that is what he has done if the Liberals want a standardized number of hours.

In spite of this lack of clarity and this ill-advised and irresponsible idea from the opposition, our government will continue helping Canadians to get through this tough time, and we will be doing it in a responsible manner to ensure it is fair and equitable and covers the needs of all who are experiencing a need at this particular point.

Mr. Anthony Rota: Mr. Speaker, the hon. member speaks about enhancements. I am glad that he thinks there are enhancements there, but there are still people who are waiting for their cheques. People are waiting for their cheques for longer than two weeks, four weeks, six weeks. Some are even waiting longer than eight weeks. That is where the problem lies.

It is about people who are vulnerable. They need the help right away. It is not at the end, where they get that extra five weeks. The five weeks are appreciated, but they have to get the money upfront. That is where they need it most. The money has to be invested in staff who can process the claims more quickly and get the money out.

Mr. Speaker, I will wrap it up there. However, I want to make the point that there are still 58 different regions across the country that have different ratings. I would like to think that we are all equal Canadians, not different levels of Canadians.

● (1825)

Mr. Ed Komarnicki: Mr. Speaker, the member should speak to the member for Dartmouth—Cole Harbour, who says that we want to have the variance across the regions to allow for those that are in high unemployment areas to receive more benefits for less hours. Maybe the Liberals could decide which way they are going on this issue.

Despite the vast increase in the number of applications that have been made, they have been processed by and large in the same time before the increase, and that is significant. We have invested \$60 million. We have hired additional staff, 900 people, and an additional 400 will be hired. We have done some administrative things to improve processing. What we will not do is go forward with the 45-day work year that the Liberals have proposed and increase job-killing payroll taxes or increase taxes.

The Leader of the Opposition said “We will have to raise taxes”. If the Liberals want to go that route, that is what we will do at exactly the worst possible time for employers and employees alike. We do not want to kill jobs. We want to create jobs and ensure people are able to benefit from the skills training that we have in our program.

SCIENCE AND TECHNOLOGY

Ms. Kirsty Duncan (Etobicoke North, Lib.): Mr. Speaker, stem cells grown on contact lenses improve the sight of people with cornea damage. Stem cells injected into the central nervous system of those with spinal cord injury allow victims to stand and walk again, and halt the disease course of multiple sclerosis.

In December 1999, the editors of *Science* called stem cell research the “Breakthrough of the year”.

Since then, there have been numerous announcements about developments in stem cell research and hints of promising treatments for diseases such as ALS, Alzheimer's, cancer, cardiac damage, macular degeneration and type I diabetes.

Within the last five years, the Kirby report and the Romanow Commission noted the importance of new technologies and therapeutic approaches in achieving long-term financial stability for Canada's health care system.

Stem cell research has a critical role to play in the future of Canada's health. For example, every year, 1,500 Canadians suffer a spinal cord injury. The direct health care costs for each case are estimated at \$500,000 over the lifetime of the patient, for a total of \$750 million, spending that could be reduced by stem cell therapy.

Stem cells are the precursors of all cells in the human body and are the focus of regenerative medicine, medicine that involves growing new cells, tissues and organs to repair or replace those damaged by aging, disease or injury.

Adjournment Proceedings

There has been intense debate over the use of stem cells. However, it is important for government to first understand and second, to educate the public regarding sources of stem cells. For example, these powerful cells can be taken from adults, harvested from bone marrow.

Bone marrow transplants are now a routine procedure, with 45,000 people receiving treatment every year. Moreover, a new technology induces human skin cells to change into stem cells, a process called “cellular reprogramming”, the 2008 “breakthrough of the year”.

Many researchers have criticized the government for shutting out Genome Canada in the federal budget and for cutting \$148 million to basic curiosity-driven research, particularly because Canada is a global leader in stem cell research. Ontario and California together account for about 70% of the stem cell research currently conducted in North America.

The Ontario government is stepping up to provide more money for research, while Ottawa scales back. A few weeks ago, Mr. McGuinty announced \$100 million in new funding for genomic research. The U.S. is also investing. In 2008 Massachusetts Governor Patrick signed legislation that would set aside \$1 billion toward biotechnology over 10 years to turn the state into the second largest stem cell research region in the United States.

Governments are investing because regenerative medicine represents an enormous economic opportunity, \$2 billion to \$3 billion over the next three years.

Canada's stem cell researchers need more money, for example, money for diabetes which annually cost Canada \$12 billion. As President Obama states, “Medical miracles do not happen simply by accident”. They require investment in people, research, equipment and facilities. We need investment in our world-class stem cell researchers and their work.

• (1830)

Mr. Mike Lake (Parliamentary Secretary to the Minister of Industry, CPC): Mr. Speaker, the original question that this follow-up was supposed to be based on was a question regarding SSHRC scholarships and business-related degrees. So the answer that I prepared for her would reflect that.

This government does recognize that the skills, knowledge and creativity of Canadians fuel our global competitiveness, high quality of life, and future prosperity. That is why our economic action plan takes measures to further develop a highly skilled workforce and to ensure that Canadians' skills are well applied. Among other investments, the plan allocates \$87.5 million over the next three years to temporarily expand the Canada graduate scholarships program.

This investment will support students at a time when they are facing a weakening labour market. It will provide for an additional 500 doctoral scholarships and an additional 2,000 master's scholarships, over and above the thousands of scholarships that will be awarded through the ongoing CGS program.

Let me reiterate that last point, for it is an important one. Thousands of scholarships will continue being awarded through the

ongoing CGS program: scholarships across all disciplines in health, the natural sciences and engineering, and the social sciences and humanities.

With respect to the Social Sciences and Humanities Research Council, it will award an expected 5,700 Canada graduate scholarships over the next three years. Of these, 5,200, or more than 90%, will be available in all areas of the social sciences and humanities, areas as varied as anthropology, communications, criminology, geography, history, linguistics and philosophy, to name just a few.

The other 500 scholarships are being targeted to provide additional support and encouragement to students pursuing advanced training in an area critical to Canada's economic recovery and future success. However, let us not forget that this is taking place within the context of a wide range of support for advanced skills training, support that spans all disciplines.

I would also like to underscore that the temporary expansion of the CGS program is not the only budget 2009 measure that is supporting highly skilled Canadians confronted with a weakening labour market. The budget also expands the industrial research and development internship program to offer up to 600 more internships over two years. As a result, the planned placements by the end of 2009-10 will rise from 2,000 to 2,600.

Moreover, budget 2009 also allocates additional funds to the industrial research assistance program to help firms hire more than 1,000 new post-secondary graduates. This will bring our total number of placements over the next two years from approximately 330 to 1,330.

These investments build on the significant measures in support of students announced in our previous two budgets, measures such as the expansion of the ongoing and aforementioned Canada graduate scholarships program, measures such as the creation of the industrial research and development internship program and the Vanier scholarships program.

Valued at \$50,000 annually for up to three years, the prestigious Vanier scholarships stand shoulder to shoulder with world-renowned scholarships such as the Fulbright and the Rhodes. When fully operational, the Vanier program will support up to 500 of the world's top Canadian and international students each year. I look forward to the upcoming announcement of the winners of the program's inaugural competition.

Our government has increased funding so that more scholarships are available to more graduate students from all areas of study.

In conclusion, let me re-emphasize that this government is firmly committed to supporting our students.

Ms. Kirsty Duncan: Mr. Speaker, the broad topic was science and technology. As a former university professor, I will say, without investment in researchers and their work, there will be a brain drain.

Adjournment Proceedings

MS affects between 55,000 and 75,000 Canadians. An experimental treatment offered at an Israeli clinic may alleviate symptoms, even in patients with an untreatable form of the disease. Researchers pioneered a procedure whereby they remove a patient's own stem cells, grow them into large quantities in a laboratory and inject them back into the patient.

The government must invest in stem cell research, explore results of clinical trials and experimental technologies, which are yielding positive results here in Canada and internationally, and investigate the possibility of bringing successful stem cell therapies for MS and other diseases to Canada.

Why is there no long-term strategy for stem cells? Why did the government cut funding to Genome Canada?

• (1835)

Mr. Mike Lake: Mr. Speaker, I know I have only a minute. In response to that question I will quote from a couple of stakeholders who have commented on the actions this government has taken in terms of funding post-secondary science and technology research. Here is one quote:

It's a very historic day. This is one of the most important investments at the University of Winnipeg in generations. It will enable the U of W to have a world-class science complex that will be unsurpassed anywhere in the country.

That was said by Lloyd Axworthy, former Liberal minister and president of the University of Winnipeg.

Dr. Harvey Weingarten, president of the University of Calgary, said, in all his experiences with funding programs, he has never seen a program that has moved so quickly and harmoniously.

THE ECONOMY

Ms. Siobhan Coady (St. John's South—Mount Pearl, Lib.): Mr. Speaker, in April, I asked the government to provide a response on how it was creating jobs for Canadians and where the details for its economic recovery plan could be found. Instead of a response, I received an indication that the details I was looking for would be contained in the government's quarterly report to Parliament. Alas, as we have seen, this is clearly not the case.

It was only a few short months ago that the government said that there would not be a recession. Now Canada has been and continues to be in one of the most brutal recessions it has seen. We have seen six consecutive quarters of zero or negative labour productivity growth. This is the worst record on this economic marker since Statistics Canada began collecting data on this measure in 1980.

There have been more than 1.4 million Canadians waiting in unemployment lines across the country and near record numbers are filing for bankruptcy. The economy is performing poorly. However, instead of looking for ways to increase our competitive advantages in the global market, the government continues to reannounce funding without actually delivering it to hard hit communities.

Last fall, the government also said that there would be no deficit. In fact, in October the Prime Minister told Canadians that he would never run a deficit. In November he went on to project four consecutive surplus budgets for his government. That was November. We now know that at the time the government already knew that would not be possible.

The truth, as we now know, is that the Conservative government had this country's finances in the red by more than \$2 billion in the 2008-09 fiscal year. While the Minister of Finance was publicly saying that the financial picture was "on track" to meet his economic action plan, he was really crafting the largest budget deficit in Canadian history.

The government said that there would be no deficit but the deficit has now ballooned to more than \$50 billion. I cannot help but wonder which track the government thinks we are actually on. Job losses are climbing, productivity is falling and businesses are failing.

Small businesses, the biggest generator of jobs in this country, are being hard hit by the economic downturn and the government is doing precious little to help. The Canadian Federation of Independent Business estimates that small enterprises represent roughly half of Canada's economic situation. They employ more than five million people or close to half of all the private sector jobs and private sector employees in Canada.

There is historical evidence to show that small businesses have been the creator of new jobs even during economic downturn. For example, small business continued to create jobs through the 1982-83 recession when large companies were having to cut back.

A recent poll of small business owners conducted by the Angus Reid Strategies group shows that the past six months have been particularly rough for small businesses. Two-thirds responded that they were stressed by the state of the economy. More than half said that their financial positions were currently on a downturn and two in five reported that the situation was getting worse.

Access to capital is a prime concern for small business. Equity markets and foreign banks have withdrawn from lending. A new study recently revealed that access to capital was the number one concern facing the biotechnology and life sciences industry, for example. The study, compiled by PricewaterhouseCoopers, found that half of the survey respondents said that raising capital was their largest business problem.

What exactly is the government doing to deliver on its plan to get our economy going again?

• (1840)

Mr. Andrew Saxton (Parliamentary Secretary to the President of the Treasury Board, CPC): Mr. Speaker, although the hon. member may talk of doom and gloom, I should point out that our country and its economy are actually the praise of the world at this time. Our government is taking unprecedented action to stimulate our economy and to protect Canadians during these difficult times.

The question before us contains accusations of stalling from the very party that has done its utmost to prevent stimulus money from getting to those who need it most.

Adjournment Proceedings

[Translation]

The nerve! I thought that the honourable member had heard what Canadians were saying. Canadians want their elected representatives to stop talking nonsense and start protecting them when they need it.

[English]

That is why our government tabled the economic action plan, a plan that injects \$40 billion into the economy over the next two years. That is why our government tabled this plan as part of the earliest budget in history. That is why our government and our non-partisan public service have been working nonstop to get this money flowing quickly.

We condensed a process that typically takes six months into two while continuing to ensure due diligence and accountability. The results are posted for all to see at actionplan.gc.ca.

[Translation]

So before the honourable member starts talking about how our government is delaying the delivery of stimulus funds, maybe she should take a look at that website.

[English]

Here are just a few examples of federal-provincial cooperation that she will find.

On April 8 the Government of Canada and the Government of British Columbia announced investments totalling more than \$455.1 million in 29 projects at post-secondary institutions throughout British Columbia.

On April 3 the Government of Canada and the Government of Ontario announced a joint investment of \$500 million to reduce wait times for GO Transit riders in the greater Toronto area and get more cars off the road.

On March 26 the Government of Canada and the Government of Quebec announced a partnership to improve drinking water, support municipalities and create jobs.

Canada has an action plan that is admired around the world. It is one of the largest action plans in the G7. We have had the cooperation of the provinces and territories in creating additional stimulus. I am proud to report that 80% of the projects are being implemented now, within just 10 weeks of the budget having been passed.

This government committed to quarterly reports and the latest one was tabled last Thursday. I encourage the member opposite to read it. The report shows that 80% of this year's part of our action plan has already been implemented in every region of Canada. Families and businesses are paying less tax. Unemployed workers are receiving improved supports. Major job-creating building projects are breaking ground.

While the opposition talks about an election that would delay help for those who need it now, we are focused on the economy. The opposition is focused on throwing up roadblocks instead of getting roads built.

This last weekend my constituents made it clear that they want politicians to stop playing political games and get to work on their

behalf. I suspect that hon. members are hearing the same refrain from residents in their own ridings. I ask hon. members to work together to support Canadians hardest hit by the economic downturn, to work together to help communities and businesses to adjust and grow during these extraordinary times.

I stand today in this House and call upon colleagues to stop serving partisan interests and instead start serving their own constituents, those people who elected them to this job. We are cutting red tape. It is time the opposition did the same.

At a critical time like this, we do not need more roadblocks, we need more roads built.

Ms. Siobhan Coady: Mr. Speaker, it takes a lot of nerve to stand up and say that we are not going to have a deficit, repeatedly, and then turn around and show \$2 billion in deficit. It takes a lot of nerve to stand up and say there will not be a recession when we are in the midst of one. I find it highly unusual that he would use that term of phrase.

I find it interesting, as well, that the government is leaving 400,000 Canadians without employment insurance, and we are hearing a number of announcements being made but no one is actually telling us how much is being spent.

I am going to ask the government this question. How much money has it actually spent in infrastructure over the last 90 days, and how much money will it spend, not announce but spend, in the next 90 days?

• (1845)

Mr. Andrew Saxton: Mr. Speaker, our government has taken unprecedented and extraordinary action to accelerate job-creating investments in Canada's economic action plan.

As I mentioned already, 80% of this year's part of our plan is already being implemented. In every region of Canada, families and businesses are paying less tax, unemployed workers are receiving improved support, and major job-creating building projects are breaking ground. It is important to remember that this is a two-year plan. We will be rolling out specific projects over the coming months to ensure every region receives maximum benefits.

While the opposition talks about an election that would delay help for those who need it now, we are focused on the economy. Canada is in a much stronger position to weather the global recession than most other countries. Our plan is internationally recognized as the right response to the global recession. Our strong position allows us to respond with a bold plan now when it is needed most.

That is why we are delivering \$62 billion in stimulus while still retaining the smallest deficit and debt compared to the GDP of any of the G7 countries. While the Liberal leader talks about raising taxes, we will continue to deliver relief to Canadians.

The Acting Speaker (Mr. Barry Devolin): The motion to adjourn the House is now deemed to have been adopted. Accordingly the House stands adjourned until tomorrow at 10 a.m. pursuant to Standing Order 24(1).

Adjournment Proceedings

(The House adjourned at 6:46 p.m.)

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