



HOUSE OF COMMONS  
CHAMBRE DES COMMUNES  
CANADA

# House of Commons Debates

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OFFICIAL REPORT  
(HANSARD)

**Thursday, June 7, 2012**

—

**Speaker: The Honourable Andrew Scheer**

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# HOUSE OF COMMONS

Thursday, June 7, 2012

The House met at 10 a.m.

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*Prayers*

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## ROUTINE PROCEEDINGS

•(1005)  
[English]

### VACANCY

CALGARY CENTRE

**The Speaker:** It is my duty to inform the House that a vacancy has occurred in the representation, namely Mr. Lee Richardson, member for the electoral district of Calgary Centre, by resignation effective June 6, 2012.

[Translation]

Pursuant to subsection 25(1)(b) of the Parliament of Canada Act, I have addressed a warrant to the Chief Electoral Officer for the issue of a writ for the election of a member to fill the vacancy.

\* \* \*

[English]

### COMMISSIONER OF LOBBYING

**The Speaker:** I have the honour, pursuant to section 11 of the Lobbying Act, to lay upon the table the report of the Commissioner of Lobbying for the fiscal year ending March 31, 2012.

\* \* \*

### 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 one petition.

\* \* \*

[Translation]

### COMMITTEES OF THE HOUSE

FINANCE

**Mr. James Rajotte (Edmonton—Leduc, CPC):** Mr. Speaker, I have the honour to present, in both official languages, the ninth

report of the Standing Committee on Finance, regarding its study of the subcommittee's report on Bill C-38.

[English]

Pursuant to Standing Order 109 of the House of Commons, the committee requests the government table a comprehensive response to this report.

I also have the honour to present, in both official languages, the 10th report of the Standing Committee on Finance in relation to Bill C-38, An Act to implement certain provisions of the budget tabled in Parliament on March 29, 2012 and other measures.

[Translation]

The committee has studied the bill and has decided to report it to the House without amendment.

ACCESS TO INFORMATION, PRIVACY AND ETHICS

**Mr. Pierre-Luc Dusseault (Sherbrooke, NDP):** Mr. Speaker, I have the honour to present, in both official languages, the fourth report of the Standing Committee on Access to Information, Privacy and Ethics, regarding its study on expenditures incurred by the members of the board of directors and the officials at the Old Port of Montréal Corporation.

Pursuant to Standing Order 109, the committee requests that the government table a comprehensive response to the report.

\* \* \*

[English]

### PETITIONS

ABORTION

**Mrs. Patricia Davidson (Sarnia—Lambton, CPC):** Mr. Speaker, I am pleased to rise today to present a petition in support of Motion No. 312.

\* \* \*

### 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 questions will be answered today: Nos. 614, 615, 620 and 623.

*Routine Proceedings*

[Text]

Question No. 614—**Mr. Matthew Kellway:**

With regard to events described in paragraph 2.58 of Chapter 2 of the 2012 Spring Report of the Auditor General of Canada “Replacing Canada’s Fighter Jets” concerning the approval by Public Works and Government Services (PWGSC) of a sole source procurement of the F-35: (a) when were senior decision-makers in PWGSC informed that there had not been sufficient justification provided for a sole source contract; (b) why were they informed of this and what was the rationale; (c) who within PWGSC made the decision to ask the Department of National Defence to provide a letter of justification in lieu of a finalized statement of operational requirement or a complete options analysis; (d) why did this letter meet the justification for National Defence’s proposed procurement strategy; (e) was the Minister informed of the use of this letter; (f) if not, why not; and (g) if the Minister was informed when did that take place?

**Hon. Rona Ambrose (Minister of Public Works and Government Services and Minister for Status of Women, CPC):** Mr. Speaker, with regard to (a), during the early to mid-2010 period, decision-makers at Public Works and Government Services Canada, PWGSC, were regularly informed of developments related to the Department of National Defence’s fifth generation fighter jet requirements and proposed sole-source procurement.

PWGSC decision-makers were informed that PWGSC personnel had engaged in discussions with DND, the technical authority, to understand the high-level mandatory capabilities and to determine if a competitive process could be conducted; considered the DND market analysis and met with another potential aircraft manufacturer to discuss their ability to meet the DND mandatory capabilities; and determined that the procurement strategy was in accordance with Treasury Board contracting policy and that this acquisition met the requirements of subsection 6(d) of the Government Contracts Regulations for a sole source acquisition.

Consistent with government guidelines, PWGSC concluded these discussions with DND by requesting and receiving written confirmation from DND that the F-35 was the only aircraft available to Canada that had fifth generation capabilities and met the high-level mandatory capabilities of the Royal Canadian Air Force.

With regard to (b), because of the unique nature of this procurement, including its complexity and value, senior decision-makers were regularly informed about the status of discussions with DND to understand their requirements and assess the possibility of conducting a competitive process.

With regard to (c), the letter provided to PWGSC from the Department of National Defence, as requested by PWGSC acquisitions branch senior staff, was not in lieu of a finalized statement of operational requirements or a complete options analysis. It served as written confirmation from DND that the F-35 was the only aircraft available to Canada that had fifth generation capabilities and met the high-level mandatory capabilities of the Royal Canadian Air Force statement of operational requirement.

With regard to (d), PWGSC requested and received a written confirmation from DND that the F-35 was the only aircraft available to Canada that had fifth generation capabilities and met the high-level mandatory capabilities of the Royal Canadian Air Force.

This letter was the culmination of meetings and discussions between staff from both departments during which rationale for a non-competitive process based on key high-level requirements was

presented by DND and found justifiable by PWGSC. Based on where we were in the acquisition continuum, this letter was required to document the reason that a non-competitive strategy was being adopted.

With regard to (e), (f) and (g), the minister was briefed leading up to the July 2010 announcement. The context of these briefings was the department’s obligations on the acquisition aspects of the project. Once PWGSC concluded its due diligence process, the minister was briefed on the department’s advice that we were satisfied that the technical authority, DND, had fulfilled the requirement to justify that only one person or company could meet their high-level mandatory capabilities. In turn, these briefings advised that a sole-source exception provided through subsection 6(d) of the Government Contracts Regulations could be invoked.

Question No. 615—**Mr. Matthew Kellway:**

With regard to the use of the term “fifth generation fighter” by the government: (a) is the term “fifth generation” considered to be appropriate for a statement of requirements; (b) is there an accepted and/or objective definition of the term “fifth generation” by the government; and (c) how has the classification of “fifth generation” been used for the proposed procurement of the F-35?

**Hon. Peter MacKay (Minister of National Defence, CPC):** Mr. Speaker, with regard to (a), the term “fifth generation” is not used in the next generation fighter capability statement of operational requirements, SOR.

With regard to (b), the prolific use of the term “fifth generation” has developed out of an unofficial categorization of fighter aircraft. Various aircraft manufacturers have varying opinions of what constitutes a “fifth generation” fighter. In general, a fifth generation fighter is defined as an aircraft that possesses unique attributes that differentiate it from previous generations of fighter aircraft. This definition is very subjective. Some of these attributes described as “fifth generation” include very low observable radar signature, stealth, which radically reduces detection by enemy sensors; a greater number of significantly advanced sensors embedded in the aircraft, increasing the capability to detect very small targets at extreme ranges; complete fusion of the sensor data and external information, automatically providing the pilot with a filtered and clear overview of the total tactical situation, which allows the pilot to focus on timely, safe and effective tactical planning and action; and secure and high-capacity networking for long-term full interoperability with key allies.

With regard to (c), the SOR, as previously stated, does not use the term “fifth generation.” Some of the mandatory requirements in the next generation fighter capability SOR must be met by advanced aircraft technologies that are being defined by industry as “fifth generation.”

*Routine Proceedings***Question No. 620—Mr. Claude Gravelle:**

With regard to the Canadian Home Insulation Program: (a) how many buildings were insulated under this program, and, of these, how many were insulated with Zonolite; (b) is there a database containing the addresses of these buildings; and (c) has the government notified the occupants of these buildings of the possible presence of Zonolite in their building?

**Mr. David Anderson (Parliamentary Secretary to the Minister of Natural Resources and for the Canadian Wheat Board, CPC):** Mr. Speaker, with regard to (a), the Canadian home insulation program, CHIP, which ran from 1977 to 1986, issued a total of 2,582,392 grants for approximately 150 various types and brands of insulation products. The Government of Canada does not have statistics on CHIP grants paid out specifically for different types of insulation, such as Zonolite vermiculite insulation, because the program was in place prior to the use of databases.

The actual number of homes in Canada containing Zonolite vermiculite insulation is not known. The product was used by many homeowners who conducted home renovations and was available through hardware or housing renovation supply stores. However, the government estimates that Zonolite vermiculite insulation was installed in the attics of approximately 242,000 low-rise houses across Canada.

With regard to (b) and (c), since the Government of Canada does not have a database of homes insulated with Zonolite vermiculite insulation, it has not been able to contact homeowners or occupants directly. However, the Government has taken a number of actions in order to help protect Canadians from the potential health risks associated with Zonolite vermiculite insulation.

The Government of Canada has issued a public health advisory, informing Canadians about the potential risks to health posed by vermiculite insulation containing amphibole asbestos; set up a toll-free public information line, 1-800-443-0395, and website, <http://www.hc-sc.gc.ca/hl-vs/iyh-vsv/prod/insulation-isolant-eng.php>, that have been active since April 1, 2004; issued an information bulletin to health care professionals across Canada and environmental health officers working on reserves; and distributed fact sheets to building trade associations, building supply stores, real estate associations, et cetera.

Through its home energy efficiency retrofit programs, the government has informed, and continues to inform, homeowners when vermiculite insulation is observed during an energy evaluation, and provides relevant publications. It also provides advice to first nation communities on vermiculite insulation. upon request.

In the case of housing for the Canadian Forces, the Department of National Defence has assessed 100% of the Department of National Defence housing portfolio.

The government continues to monitor emerging scientific information on the potential health risks related to vermiculite insulation and will inform Canadians if further information becomes available.

**Question No. 623—Ms. Ruth Ellen Brosseau:**

With regard to the Shawinigan Tax Centre: (a) is there a study or report on the economic impacts of closing or maintaining the Centre and, if so, what are these impacts; (b) is there a study or report on the social impacts of closing or maintaining

the Centre and, if so, what are these impacts; (c) what are the results of the most recent performance appraisal of the Centre; (d) how does the performance of the Shawinigan Tax Centre compare with that of other Centres across the country; (e) how much would the government save by closing the Centre; and (f) if the government is currently re-evaluating the need for the Centre, when will a final decision be made?

**Hon. Gail Shea (Minister of National Revenue, CPC):** Mr. Speaker, with regard to parts (a) to (f), as part of its contribution toward the reduction of the federal deficit, the Canada Revenue Agency, CRA, has examined all of its processes, activities, facilities and operations.

The CRA will not be able to respond in the manner requested concerning the future of any of its processes, activities, facilities and operations until such time as formal announcements have been made in accordance with its contractual obligations as required under the applicable collective agreements—that is, information must first be provided to affected employees and their unions.

\* \* \*

[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. 610, 611, 612 and 625 could be made orders for returns, these returns would be tabled immediately.

**The Speaker:** Is that agreed?

**Some hon. members:** Agreed.

[Text]

**Question No. 610—Ms. Anne Minh-Thu Quach:**

With respect to the Canadian Food Inspection Agency (CFIA): (a) does the 2012 Economic Action Plan (Budget 2012) provide for decreases or increases in the financial and human resources allocated to the CFIA; (b) what impact will Budget 2012 have on the financial and human resources allocated to Canada's food safety system; (c) what impact will Budget 2012 have on the number of employees at the CFIA; (d) what impact will Budget 2012 have on the CFIA's services; (e) what are the government's plans to streamline and accelerate the food regulatory process; (f) will these plans have an impact on the number of employees or the availability of CFIA programs and services; (g) how will the introduction of a label verification tool for consumers affect CFIA employees and services; (h) will the introduction of the label verification tool for consumers enable the CFIA or the department to save money; and (i) is the CFIA still responsible for food labelling and for reporting labelling errors to the companies concerned?

(Return tabled)

*Routine Proceedings*

**Question No. 611—Ms. Kirsty Duncan:**

With respect to the government's plans for resource development, as described in the section entitled "Responsible Resource Development" in Chapter 3.2 of Budget 2012: (a) what are all examples of federal environmental laws that are stronger than provincial laws and how will the proposed legislative changes to the Canadian Environmental Assessment Act (CEAA) affect the assessment of environmental impacts of industrial projects that cross provincial borders; (b) what research, action, or investment has the government undertaken to study impacts of the proposed legislative changes to the CEAA on (i) regulatory decision-making, (ii) risk of project-specific and cumulative environmental impacts, (iii) risk mitigation by developers, (iv) Canada's reputation; (c) what briefing notes, memos, or any other documentation, including, for each, the details of its findings and recommendations, have been provided to the Prime Minister, Minister of Natural Resources, Minister of the Environment, their respective Parliamentary Secretaries, their respective Deputy Ministers, and their respective staff members, regarding impacts of the proposed legislative changes to the CEAA on (i) regulatory decision-making, (ii) risk of project-specific and cumulative environmental impacts, (iii) mitigation by developers, (iv) Canada's reputation; (d) will the proposed legislative changes to the CEAA give any consideration to (i) measuring negative impacts of development, (ii) managing negative impacts of development; (e) by what date will the government bring forth new "legislation to streamline the review process for major economic projects" (Budget 2012, p. 89); (f) what are the projected costs of changes to the CEAA for each province and territory; (g) what assessments of the adequacy of the environmental assessment process in each province and territory have been conducted, (i) what were the dates of any such assessments, (ii) what were the recommendations and conclusions; (h) what are the details of any research or evidence in the government's possession indicating that the proposed "modern regulatory system" will contribute to (i) "better environmental outcomes", (ii) "offer new opportunities for Aboriginal businesses", (iii) "generate well-paying jobs for Aboriginal peoples near their communities", (iv) "improve consultations with Aboriginal peoples" (Budget 2012, p. 91); (i) what is the government's rationale for extending support for consultations with Aboriginal peoples for a period of only two years; (j) what research, action, or investment has the government undertaken regarding how changes to the current environmental review process may impact the Northern Gateway pipeline project, including (i) intervenors in the project, (ii) project proponents, (iii) regulators of the project; (k) given its plan for resource development, how does the government plan to ensure that the Canadian Environmental Assessment Agency and the National Energy Board (NEB) will have adequate financial and technical resources, and how will the resource levels of these organizations change given the expected growth in resource development projects; (l) what is the cost of having enforceable environmental assessment decision statements, (i) what resources will be allocated to ensure that these decision statements will be enforced, (ii) what will be the consequence if a proponent does not comply with required mitigation measures to protect the environment; (m) will there be Criminal Code penalties for violating the CEAA and the NEB Act; (n) how will the government define whether or not a provincial process is equivalent to the federal process; (o) how will the government determine which major projects will continue to receive oversight from the federal assessment process; (p) what proportion of current assessments will no longer receive federal oversight given the proposed changes; (q) what is a detailed accounting of the investments being made in the Major Projects Management Office Initiative versus the Canadian Environmental Assessment Agency; (r) by what dates will the government bring forth (i) legislation to "enhance the existing tanker inspection regime" (Budget 2012, p. 98) and what specific actions will be taken to ensure enforcement of the legislation, (ii) "appropriate legislative and regulatory frameworks related to oil spills, and emergency preparedness and response" (Budget 2012, p.98) and what specific actions will be taken to ensure enforcement of the legislation; (s) how will an independent international panel of tanker safety experts be chosen and, specifically, (i) why was it decided that an international panel is needed to assess handling processes, (ii) what will be the specific process for, and who will be involved in, choosing the members of the international panel, (iii) who will have the ultimate decision-making authority on the appointments to the international panel, (iv) when will the international panel be chosen, (v) what will be the selection criteria for the panel, (vi) how will all potential conflicts of interest of members of the international panel be recorded, confirmed, and publicly declared; (t) by what date will the government bring forth "new navigational products, such as updated charts for shipping routes" (Budget 2012, p. 98) and, specifically, what other navigational products will be provided; (u) what monies will be provided for "research to improve our scientific knowledge and understanding of marine pollution risks, and to manage the impacts on marine resources, habitats and users in the event of a marine pollution incident" (Budget 2012, p. 98), (i) when will the monies be available, (ii) to whom will monies be available; (v) what is the government's rationale for implementing funding for strengthening pipeline safety for a period of only two years; (w) will

funding for strengthening pipeline safety include funding for the NEB to (i) monitor whether regulated companies have prepared emergency-procedures manuals according to established legislation, standards, and NEB expectations, (ii) communicate any deficiencies to the regulated companies, (iii) ensure any deficiencies are corrected; (x) how does the role of the Northern Pipeline Agency compare to that of the NEB and, specifically, (i) what is the Agency's mandate, (ii) what is its organizational structure, (iii) who are its key people, (iv) to whom will the Agency report and how often; and (y) what is a detailed accounting of the government's investments in environmental monitoring, protection, and enforcement as it compares with the government's investments in promoting Canada's oil and gas industry?

(Return tabled)

**Question No. 612—Ms. Kirsty Duncan:**

With respect to changes to environmental programs resulting from the announcements in Budget 2012: (a) specifying how each identified cut is projected to impact the government's access to scientific information required for the development of public policy, the number of people to be cut, and the amount of money to be cut, what are all areas of scientific research and partnerships to be cut, including, but not limited to, (i) air pollution, (ii) emergency preparedness and response, (iii) industrial waste, (iv) water quality; (b) what briefing notes, memos, or any other documentation, including, for each, the details of its findings and recommendations, have been provided to the Prime Minister, Minister of Natural Resources, Minister of the Environment, their respective Parliamentary Secretaries, their respective Deputy Ministers, and their respective staff members, regarding impacts of research and partnership cuts on the government's access to scientific information required for the development of public policy; (c) what, in detail, does "sufficient data is available to support the dissemination and validation of the UV Index forecast" mean, (i) what does "we will continue to have enough data for EC to track and report on ozone" mean, (ii) in detail, will the government maintain the integrity of the ozone monitoring program, (iv) in detail, will the government maintain Canadian contributions to the global observing system for climate in support of the United Nations Framework Convention on Climate Change (UNFCCC), (v) what studies have been undertaken to assess the impact of streamlining ozone monitoring on Canada's international reputation, and what were any findings and recommendations; (d) what briefing notes, memos, or any other documentation, including, for each, the details of its findings and recommendations, have been provided to the Prime Minister, Minister of Natural Resources, Minister of the Environment, their respective Parliamentary Secretaries, their respective Deputy Ministers, and their respective staff members, regarding (i) impacts of streamlining ozone data collection, (ii) the integrity of the ozone monitoring program, (iii) Canada's contributions to the UNFCCC, (iv) Canada's international reputation; (e) what studies have been undertaken to assess the impact on Canada's international reputation of the decision to no longer house and manage the Global Environmental Monitoring System Water Program of the United Nations Environment Programme, and what were any findings and recommendations; (f) what, in detail, is the government's rationale for eliminating the National Round Table on the Environment and the Economy, (i) what other organization has a direct mandate from Parliament to engage Canadians in the generation and promotion of sustainable development advice and solutions, (ii) which organizations will provide domestic, independent research and analysis on sustainable development and what are the sources of their funding; (g) what monies are to be spent on the two dimensions to clean energy, namely (i) the clean-up of non-renewable sources of energy such as coal and the oil sands by reducing their environmental and climate change impacts, (ii) opportunities to compete in renewable energy production and more efficient energy consumption; and (h) what research, action, or investment has the government undertaken to identify those investments which are necessary (i) to develop a clean energy industry in Canada, (ii) to help Canada to transition to the green economy, (iii) to have Canada be a leader in the green economy?

*Government Orders*

(Return tabled)

Question No. 625—**Ms. Judy Foote**:

With regard to Canadian Forces operations since January 1, 2006, how many times have Canadian Forces aircraft been dispatched, at the request of provincial authorities, to conduct an emergency medical transportation and, for each such dispatch: (a) which provincial authority made the request; (b) which aircraft asset was involved; (c) from which Canadian Forces establishment was the aircraft dispatched; (d) from what location was the patient or patients picked up; (e) to what location was the patient or patients transported; (f) what was the date of the medical transportation; and (g) was a news release or other statement issued to the media concerning the incident, and, if so, on what date was the release or statement made?

(Return tabled)

*[English]*

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

**The Speaker:** Is that agreed?

**Some hon. members:** Agreed.

**GOVERNMENT ORDERS***[English]***POOLED REGISTERED PENSION PLANS ACT**

BILL C-25—TIME ALLOCATION MOTION

**Hon. Peter Van Loan (Leader of the Government in the House of Commons, CPC)** moved:

That, in relation to C-25, An Act relating to pooled registered pension plans and making related amendments to other Acts, not more than five further hours shall be allotted to the consideration at the third reading stage of the bill; and

at the expiry of the five hours, any proceedings before the House shall be interrupted, if required for the purpose of this order, and in turn every question necessary for the disposal of the said stage of the said bill shall be put forthwith and successively, without further debate or amendment.

**The Speaker:** Pursuant to Standing Order 67(1) there will be a 30-minute question period. We will try to keep the questions and comments to about a minute and the responses to a similar length of time to accommodate as many people as possible.

**Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP):** Mr. Speaker, it is with no great joy that I rise today to again address questions to the government about the need to invoke closure and shut down debate in the House. A record is being set. This is the 24th time the government has invoked such a motion to shut down debate and discussion in Parliament, the very name of which means a place where members discuss things.

Just because the government has the power to do this, which it does in its majority position, does not mean that it should invoke this power with such frequency and, if I may suggest, such joy. To continue to shut down discussions on such important things as pensions before there can be an actual debate about it shows a certain lack of courage by the government.

I will read a quote in my question for the parliamentary secretary. The Minister of Canadian Heritage and Official Languages stated:

Mr. Speaker, here we go again. This is a very important public policy question that is very complex and we have the arrogance of the government in invoking closure again. When we look at the Liberal Party [which was in power at the time] on

arrogance it is like looking at the Grand Canyon. It is this big fact of nature that we cannot help but stare at.

That is what the Conservatives used to believe when they were in opposition about invoking closure on important public policy debates.

If the government has the courage of its convictions and believes that it has the evidence on its side, why the need, for the 24th time, to invoke closure on Canada's Parliament? Why the need to shut down debate, to shut down open and transparent government for the 24th time?

● (1010)

**Hon. Ted Menzies (Minister of State (Finance), CPC):** Mr. Speaker, we realize the urgency of getting this pooled registered pension plan in place because the provinces, frankly, are waiting for it. Quebec is one province that has a large number of people who do not have a workplace pension plan at this time. The Quebec finance minister, Raymond Bachand, and I have had many discussions about this and he continually urges me to get this through our legislative process. I suggest that it is very critical that we get this done. Frankly, the only people who have written to me who say that pooled registered pension plans are not a very good option that we should be pursuing are those who now have a pension.

I am here to push this forward to ensure we provide an option for the 60% of Canadians in the workforce who do not have the luxury of a pension plan.

**Mr. Kevin Lamoureux (Winnipeg North, Lib.):** Mr. Speaker, what is very clear is that the government has no qualms in abusing its power. It is important that we recognize that the government has now introduced time allocation on major variations of all types of legislation, budget proceedings and so forth, everything from the budget itself to the Canadian Wheat Board, to back-to-work legislation and yet again today.

I would emphasize, for the Conservative backbenchers in particular, that when they start to think about what will happen next week during the hours and hours of potential voting that might take place, I want them to reflect on the ability of the government House leader. The ability of the government House leader has been dismal. I have worked under NDP and Conservative majority governments in the province of Manitoba for many years and never before have I seen a House leader fail in his or her responsibility in providing adequate and proper debate on a wide variety of legislation.

Why has the government failed so miserably to work with either the official opposition or the Liberal Party to ensure that there is fair and adequate debate, therefore allowing for true accountability on the wide and important issues facing Canadians today?

**Hon. Ted Menzies:** Mr. Speaker, why is it that the hon. member can only talk about process? There is ample opportunity to debate today. He could have asked me a question about the substance of a pooled registered pension plan, how it works, how it will help Canadians or how it will provide another option for them. What does he ask? He asks a process question, probably identical to the one that he has asked every other time that he has stood in the House.

*Government Orders*

I did not get elected by telling my constituents I would come here and debate process. I told them I would come here and debate substance and do what is right for Canadians.

**Ms. Peggy Nash (Parkdale—High Park, NDP):** Mr. Speaker, we are in fact debating a time allocation motion, which is debating the abuse of process that the government insists on following whereby for the 24th time it is limiting democratic debate on fundamental issues affecting Canadians.

What sparked this crisis around pensions was the crash of the private markets that were speculating, fraudulently, wildly, rampantly in the private sector. What we need and what there is general consensus on is the strengthening the public pension system, public pensions that are best represented by the Canada and Quebec pension plans.

Why would we ask Canadians to again trust their money to the private market which has dashed the hopes of so many for retirement security? Why would we trust it again now? Why would we allow it to make profits on the lack of security for most Canadians?

How can we ask the two-thirds of Canadians who do not have the extra money to put into private speculation to put even more money aside when they are having trouble making ends meet with a higher than ever personal debt level in Canada today? How can the minister justify that?

•(1015)

**Hon. Ted Menzies:** Madam Speaker, I chastised my Liberal colleague for not talking about substance and now I see that you have provided latitude to the following questioners to actually get into the substance of it, which is good because we should be talking about that. That is what Canadians want us to talk about here. Can we provide a better option for people to help save for their own retirement? The answer is, yes. We put forward pooled registered pension plans as an option for that. That did not just come out of my mind. That was through extensive consultation with seniors and actuaries across this country who provided very sound advice on how we could best help Canadians save for themselves. It also included very extensive consultations with all of the provinces.

The hon. member should know, with her experience in dealing with provincial legislatures, that we do not have the authority to make an arbitrary change to the Canada pension plan without two-thirds of the provinces agreeing, as well as two-thirds of the population in those provinces agreeing to make a change. We did not have that. What we did have was unanimous consent from all the finance ministers from all across this country to pursue the framework for a pool registered pension plan. That is what we are doing.

**Hon. Scott Brison (Kings—Hants, Lib.):** Madam Speaker, the pooled registered pension plan is a small step that would provide another vehicle for savings. The NDP is quite right in pointing out that it is not an actual pension plan, but it is another savings vehicle.

Another idea that could be implemented to strengthen the option of the pooled registered pension plan and help keep fees competitive would be a voluntary supplemental Canada pension plan that would give Canadians, on a voluntary basis, the opportunity to invest in what is a Canada pension plan fund that is well-managed, well-diversified across asset class, well-diversified geographically and

sectorally and also has a very low management fee because of the scale of it.

The Canadian Federation of Independent Business, CFIB, has endorsed and supports the Liberal proposal of a voluntary supplemental CPP, as has the Canadian Association of Retired Persons, CARP. It would not lead to a significant or big increase in payroll premiums at a time of high unemployment, which is the concern the minister has expressed about the New Democrat proposal. However, it would help keep fees low for the financial services companies providing options in terms of pooled registered pension plans.

Will the minister express the government's view on this option that the Liberals have put forward, which could co-exist with the pooled registered pension plan and is endorsed—

**The Deputy Speaker:** Order, please. Before I recognize the hon. Minister of State for Finance, I would ask all members to ask their questions as briefly as possible and provide brief answers so that I can recognize as many of the members as I see rising as I can. As the Speaker has often said, we treat this like question period, recognizing, for the most part, members of the opposition, but I will recognize a couple of government members.

The hon. Minister of State for Finance.

**Hon. Ted Menzies:** Madam Speaker, I, too, shall try to keep my answers brief, and I appreciate that.

However, I do want to reflect on the fact that we actually have a question on substance, and that is what we should be talking about. We should use every minute we have in this House to actually talk about substantive issues.

The hon. member asked a very good question. As part of our consultation, we looked at whether there should be an increase to the Canada pension plan. Our officials in the finance departments of all the provinces and territories, as well as the federal finance department, are still looking at options in order to ensure the Canada pension plan reflects the new environment we are living in.

However, we also looked at a voluntary supplementary Canada pension plan. We actually talked to the Canada Pension Plan Investment Board and asked the question outright: could it accommodate a voluntary supplementary pension plan? They said, not without increasing the cost.

That is why we are putting forward a low-cost, very accessible pension option for the 60% of Canadians who now do not have that option.

•(1020)

[*Translation*]

**Mr. Hoang Mai (Brossard—La Prairie, NDP):** Madam Speaker, the first thing I must say is that this is a time allocation motion. Once again, this is an attack on democracy, which is a big problem.

We had a chance to hear the minister of state answer questions. He talked about how there were consultations with the provinces to improve the federal pension plan and the Quebec pension plan.



*Government Orders*

In light of these discussions, we can see that the government is acting unilaterally. The government is imposing its decision regarding transfers to the provinces without any discussion. With respect to employment insurance, the government is once again making a unilateral decision that affects the Atlantic provinces in particular.

My questions are for the minister of state. How can the government say that it will negotiate in good faith and talk with the provinces when it is acting unilaterally? When the government does this, how can it expect to sit down as equals with the provinces, to benefit the retirees who worked for Canada and who built the country we know today?

[*English*]

**Hon. Ted Menzies:** Madam Speaker, it is very easy to answer “yes” to that, because we have actually held the consultations.

We recognized the challenges that future retirees were facing, early in 2008. Our finance minister recognized that, and he asked two pension experts, retirement experts, to draft consultation papers for the federal-provincial-territorial finance ministers to scrutinize in December 2008.

This is before the NDP ever thought there were any issues with retirement. We started consulting then with the provinces, our partners in this. The consultation has already taken place all across this country. I have travelled to every province and every territory in this country to consult with those who have been impacted and will be impacted. This is the consensus that comes from the provinces and the federal government, and it is exactly what Canadians are asking for.

**Mr. Bob Dechert (Parliamentary Secretary to the Minister of Foreign Affairs, CPC):** Madam Speaker, I would like to take this opportunity to tell the minister how much I, as the member from Mississauga, very much appreciate the bill.

For many years throughout Canadian history, the small business people, who have really built this country, have never had this kind of savings vehicle available to them, especially in Mississauga, where we have so many new Canadians who come to Canada and often find it very difficult when they first arrive to get hired by large industrial companies that have traditional pension plans. They start small businesses and they employ friends and neighbours. This is a plan that I think is important to them.

I wonder if the hon. member would talk a bit about how important it is to small business people, and new Canadians in particular.

**Hon. Ted Menzies:** Madam Speaker, I thank my colleague, not only for his work on this matter, but for a very intuitive question. This is the challenge that many small businesses have dealt with. They have raised this with us in our consultations. They want to be able to provide some assistance. Not every business, but many businesses said, “We want to be able to help provide an option for our employees.”

New companies starting up and many of the long-time companies would like to offer a pension option to their employees. However, for the type of registered plan that most employers can offer, the employer carries the fiduciary responsibility. If something does not

go right with that investment, who are the employees going to blame? They are going to blame their employer.

That is the beauty of the pooled registered pension plan. All the employer would have to do is offer it to his or her employees. The fiduciary responsibility would be on the pension plan provider.

• (1025)

[*Translation*]

**Mrs. Anne-Marie Day (Charlesbourg—Haute-Saint-Charles, NDP):** Madam Speaker, this morning is all about time allocation. The Conservatives have told us to be silent 24 times. However, it is important for us to be able to speak on various issues.

There are tax-free savings accounts for the richest members of this society, and the government plans to increase the maximum amount that can be deposited into such accounts to \$10,000 per year. There are RRSPs for people who are able to save and who choose to go that route. And we are familiar with the public pension funds that are already protecting all Canadians—the Quebec pension plan and the Canada pension plan.

Why take risks? There was a white collar crime scandal not too long ago that jeopardized some people's savings. These people were putting money away every day from their net income—not their gross income—to try to have a pension. They lost \$10,000, \$20,000 and sometimes even more. Why risk Canadians' savings by investing their pension funds in the stock market?

[*English*]

**Hon. Ted Menzies:** Madam Speaker, the hon. member raises a very good question, which is, how well protected are seniors' investments?

We had a very serious conversation with our provincial partners. We were putting forward a Canadian or a common securities regulator. We put forward the legislation to be able to protect those investments. Unfortunately, the opposition members voted against that. They did not see far enough down the road to see that they were leaving investors vulnerable.

The question the member asked me might not have happened if we had a common securities regulator in place, that not only makes it simpler for businesses that want to invest in this country and employ more Canadians, but helps protect investments that are already made, whether they are in pension funds or mutual funds.

However, I guess the opposition really does not care about protecting Canadians' money.

**Mr. Frank Valeriote (Guelph, Lib.):** Madam Speaker, yesterday I asked the Treasury Board President, with respect to the 19,200 jobs lost and the \$5.2 billion cuts in the budget, if he would be more specific and explain it all to the PBO, the Parliamentary Budget Officer, and to Parliament. His answer was:

*Government Orders*

...I would remark that we are reporting to Parliament precisely in the normal means, through the estimates, the quarterly financial reports and the public accounts.

In effect, he is saying the government will let us know as it goes along.

If this were a public company and the CFO was asked by the board of directors to explain the budget, where the cuts were and why those amounts, and he or she said, “We’ll let you know as we go along”, he or she would be fired on the spot.

My question to the hon. member is, when will the government be more specific about the cuts and where they will most dramatically hit?

**Hon. Ted Menzies:** Madam Speaker, staying on subject, I think what the member actually wanted to ask me is, why is it that the Liberals and the NDP are not standing up for Canadians, the Canadians who do not have a pension plan they can count on?

If I were a Canadian watching this debate, I would be quite aghast at that sort of comment that, once again, is simply about process. That hon. member and obviously the rest of the opposition have completely forgotten what we are here for. We are here to help Canadians, not debate process.

**Ms. Irene Mathyssen (London—Fanshawe, NDP):** Madam Speaker, I find it absolutely fascinating that the government would talk about being here to watch out for Canadians and then refuse to allow us to do our job and ask the questions that are essential in regard to this pooled pension scheme. It is nothing but a scheme. We know it is the employees who will take all the risk. We know it does not provide a defined benefit plan.

In other words, employees will not have any idea what their so-called pension will be worth. It is not indexed to inflation. It will increase in terms of costs as time goes on because the employees will be expected to make all of the contributions and employers are not required to make contributions.

We have a vehicle. That vehicle was discussed at the Minister of Finance’s meeting. That is the Canada pension plan. It is absolutely solid. No matter what they said years ago about it being in jeopardy and about to evaporate, we know it is solid.

Therefore, my question is, why not take the advice of all of those who know, and simply make sure the Canada pension plan provides the kind of pension that will secure Canadians’ future?

•(1030)

**Hon. Ted Menzies:** Madam Speaker, there were a number of factually incorrect comments in that. Once we completed our triennial review in conjunction with our provincial and territorial partners, we reminded Canadians that the Canada pension plan is actuarially sound for another 75 years. We should get that message out to Canadians. Because of the statement the member just made, obviously the NDP sitting across from me has not even heard that. It bothers me that those members are sending out false statements.

I do need to raise one point. The member for Hamilton East—Stoney Creek was the NDP critic for pensions. I put the emphasis on “was”. He was doing a great job consulting with Canadians. He worked with me. He and I did not always see eye to eye, but we were

supportive of the main goal. He is no longer the critic, and I find that very disappointing. There is no one over there who has the depth of knowledge that the member for Hamilton East—Stoney Creek had on pensions.

**Mr. Ron Cannan (Kelowna—Lake Country, CPC):** Madam Speaker, I would like to thank my hon. colleague the Minister of State (Finance) for his outstanding job on this file. He has been working on this pooled pension fund project for a couple of years now. He has travelled across the country and met with a variety of stakeholders, small independent business owners, moms and dads, and the gamut of business operations and individuals across this country.

In the remaining time that my hon. colleague has left, I wonder if he could share with the House how many hours of debate has taken place. Could he tell us what he has done to date with respect to consulting with Canadians? I know he has come to my riding and gone to other communities. And could he tell us the timeline for implementing the act once it is passed by Parliament?

**Hon. Ted Menzies:** Madam Speaker, I will not be able to answer the question in one minute, but we have looked at this. We have had six days, 20 hours, of debate; 63 speeches; 4 days, 6 hours and 40 minutes, at committee; and 26 witnesses appeared. The member for Burlington, who is not sitting in his seat, but he is here, has spoken three times. He gave three 20-minute speeches on this issue.

The Speaker makes sure that time is shared equally on both sides of the House. I would suggest that, not only have our members spoken to the attributes of the bill, the NDP and the Liberals have had lots of opportunity to speak to its attributes as well. Apparently, they do not want to help Canadians.

[*Translation*]

**The Deputy Speaker:** The hon. member for Charlesbourg—Haute-Saint-Charles on a point of order.

**Mrs. Anne-Marie Day:** Madam Speaker, I would like to remind the hon. member that he does not have the right to point out a member’s presence or absence in the House.

**The Deputy Speaker:** That is correct.

The hon. member for Dartmouth—Cole Harbour.

[*English*]

**Mr. Robert Chisholm (Dartmouth—Cole Harbour, NDP):** Madam Speaker, I am pleased to rise for a few minutes and respond to the fact that we are faced with the 24th time allocation motion by the government. If the government is so proud of what it is doing in terms of this legislation and other bills, why does it keep bringing in motions to limit debate?

Let us understand that the reason Canadians have a crisis in terms of saving is because they are not making enough money to be able to put money aside to save for their retirement. It has been shown that the best way to deal with that is through the Canada pension plan. There is less overhead, less cost and it provides more safety for retirees.

*Government Orders*

The reason we have this hatched up bill is because the Minister of State (Finance) and the Minister of Finance did not have the courage or the fortitude to deal with the provincial ministers of finance to get a deal on the Canada pension plan. That is why we are dealing with this mess right now.

● (1035)

**Hon. Ted Menzies:** Madam Speaker, is that hon. member suggesting we should have rammed our views down the throats of the provincial finance ministers? That is not the way we work with our provincial partners.

We actually work with our partners. That is why we are bringing forward pooled registered pension plan options for Canadians, because the provinces all agreed it was the best framework available at this time.

**Mr. Charlie Angus (Timmins—James Bay, NDP):** Madam Speaker, I am not surprised that the government is trying to shut down debate on its bogus pension plan, because it does not have the courage to go talk to the senior citizens of the country. This is a government that went to Davos to talk to the millionaires to say it was going to make senior citizens work another two years. That kind of myopic contempt is reflected here.

I look at the member for London—Fanshawe, who has tirelessly spoken up again and again for seniors, and then I see the clowns on the backbenches laughing at them. That is completely unacceptable.

**Hon. Ted Menzies:** I have a point of order, Madam Speaker.

**The Deputy Speaker:** On that point of order, I will hear the hon. member, but I would like to ask all members to be judicious in their use of language in the House. It is not permitted to use offensive language in speaking about other members.

I assume we can move on.

The hon. minister.

**Hon. Ted Menzies:** Madam Speaker, I appreciate the fact that you find that sort of language offensive in this place. We are all here for one purpose, and that is to help Canadians, not to call each other names. That is deplorable, and I would ask you to ask the hon. member to apologize.

**The Deputy Speaker:** I am asking the hon. member for Timmins—James Bay to withdraw that comment.

**Mr. Charlie Angus:** Madam Speaker, I would be more than willing to withdraw that comment, but I want to say that we are here to represent our constituents and to debate, and what is happening with the government is a shutdown of debate because it will not do the honest thing and stand up and speak. That is what is intolerable in the House.

**The Deputy Speaker:** I consider that the hon. member has stated that he is withdrawing that statement.

I must advise all members that it is my duty to interrupt these proceedings.

On that last point of order, the hon. parliamentary secretary.

**Mrs. Shelly Glover:** Madam Speaker, I have been here only a little short of four years now, and it boggles my mind that this type of behaviour continues under your watch, Madam Speaker. I would

appreciate it if you would actually listen as I speak, because the member ought to apologize, which is what is required, not retract and then attack again. I would ask, Madam Speaker, to please—

**The Deputy Speaker:** Order, please.

I must interrupt these proceedings, but according to the rules of order the hon. member's comments have been accepted as the equivalent of an apology. I will close the matter now.

● (1040)

[*Translation*]

It is my duty to interrupt the proceedings and put forthwith the question necessary to dispose of the motion now before the House.

The question is on the motion. Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.

**Some hon. members:** No.

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

**Some hon. members:** Yea.

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

**Some hon. members:** Nay.

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

*And five or more members having risen:*

**The Deputy Speaker:** Call in the members.

● (1120)

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

(*Division No. 274*)

## YEAS

## Members

Ablonczy	Adams
Adler	Aglukkaq
Albas	Albrecht
Alexander	Allen (Tobique—Mactaquac)
Allison	Ambler
Ambrose	Anders
Anderson	Armstrong
Ashfield	Aspin
Bateman	Benoit
Bernier	Bezan
Blaney	Block
Boughen	Braid
Breitkreuz	Brown (Newmarket—Aurora)
Brown (Barrie)	Bruinooge
Butt	Calandra
Calkins	Cannan
Carmichael	Carrie
Chisu	Chong
Clarke	Clement
Daniel	Davidson
Dechert	Del Mastro
Devolin	Dreeshen
Duncan (Vancouver Island North)	Dykstra
Fantino	Findlay (Delta—Richmond East)
Finley (Haldimand—Norfolk)	Flaherty
Fletcher	Galipeau
Gallant	Gill
Glover	Goguen

*Government Orders*

Gosal	Gourde	Julian	Kellway
Grewal	Harris (Cariboo—Prince George)	Lamoureux	Larose
Hawn	Hayes	Latendresse	Laverdière
Hiebert	Hillyer	LeBlanc (LaSalle—Émard)	Leslie
Hoback	Hoepfner	Liu	MacAulay
Holder	James	Mai	Marston
Jean	Kamp (Pitt Meadows—Maple Ridge—Mission)	Martin	Masse
Keddy (South Shore—St. Margaret's)	Kenney (Calgary Southeast)	Mathysen	May
Kent	Kerr	McCallum	McGuinty
Kramp (Prince Edward—Hastings)	Lauzon	McKay (Scarborough—Guildwood)	Michaud
Lebel	Lemieux	Moore (Abitibi—Témiscamingue)	Morin (Chicoutimi—Le Fjord)
Leung	Lizon	Morin (Notre-Dame-de-Grâce—Lachine)	Morin (Laurentides—Labelle)
Lobb	Lukiwski	Morin (Saint-Hyacinthe—Bagot)	Mulcair
Lunney	MacKay (Central Nova)	Murray	Nantel
MacKenzie	McLeod	Nash	Nicholls
Menzies	Merrifield	Nunez-Melo	Pacetti
Miller	Moore (Fundy Royal)	Papillon	Patry
Norlock	O'Connor	Péclet	Perreault
O'Neill Gordon	Obhrai	Pilon	Plamondon
Oda	Oliver	Quach	Rae
Opitz	Payne	Rafferty	Ravnat
Penashue	Poilievre	Raynault	Regan
Preston	Raitt	Rousseau	Saganash
Rajotte	Rathgeber	Sandhu	Savoie
Reid	Rempel	Scott	Sellah
Richards	Rickford	Sgro	Simms (Bonavista—Gander—Grand Falls—Wind-
Ritz	Saxton	sor)	
Schellenberger	Seeback	Sims (Newton—North Delta)	Sitsabaiesan
Shea	Shiple	St-Denis	Stewart
Shory	Smith	Sullivan	Thibeault
Sopuck	Sorenson	Toone	Tremblay
Stanton	Storseth	Turmel	Valeriote — 126
Strahl	Sweet		
Tilson	Toet		
Toews	Trost		
Trottier	Truppe		
Tweed	Uppal		
Valcourt	Van Kesteren		
Van Loan	Vellacott		
Wallace	Warawa		
Warkentin	Watson		
Weston (West Vancouver—Sunshine Coast—Sea to Sky Country)			
Weston (Saint John)			
Wilks	Williamson		
Wong	Yelich		
Young (Oakville)	Young (Vancouver South)		
Zimmer — 147			

## PAIRED

Nil

**The Speaker:** I declare the motion carried.*[English]*

## THIRD READING

The House resumed from June 4 consideration of the motion that Bill C-25, An Act relating to pooled registered pension plans and making related amendments to other Acts, be read the third time and passed.

**Mr. John Rafferty (Thunder Bay—Rainy River, NDP):** Mr. Speaker, I am pleased to stand today to speak on this bill. Members will remember Bill C-501 in the last Parliament, my bill to protect workers' pensions in case of bankruptcy. Although it was not successful and the parliamentary session ended before there was a chance to pass it into law, I was very pleased to see a number of Conservatives stand to support Bill C-501. As they did, it was very clear to the government in the last Parliament that something needed to be done about pensions.

This is the government's answer to protecting pensions for all Canadians. As this bill does not guarantee an actual pension, it is best to refer to this as a savings scheme. That would be a better term for it. I will not go into detail about how it is set up, but there are some problems with it and I would like to outline some of those today.

This pooled pension or savings plan would be managed at a profit by financial institutions, banks, insurance companies and trust companies, and by the very nature of it, there will be an administrative cost on the money everybody puts into the plan. There is no regulation in this bill to regulate the costs that could be charged, and I guess the government's reasoning is that, by doing that, the costs will remain low because there will be competition among the institutions.

## NAYS

## Members

Allen (Welland)	Andrews
Angus	Atamanenko
Aubin	Ayala
Bellavance	Bennett
Benskin	Bevington
Blanchette	Blanchette-Lamothe
Boivin	Borg
Boulerice	Boutin-Sweet
Brahmi	Brisson
Brosseau	Byrne
Caron	Casey
Cash	Chicoine
Chisholm	Choquette
Chow	Christopherson
Cleary	Coderre
Comartin	Côté
Cotler	Crowder
Cullen	Davies (Vancouver Kingsway)
Davies (Vancouver East)	Day
Dewar	Dion
Dionne Labelle	Donnelly
Doré Lefebvre	Dubé
Duncan (Etobicoke North)	Duncan (Edmonton—Strathcona)
Dusseault	Easter
Foote	Freeman
Garneau	Garrison
Genest	Genest-Jourdain
Giguère	Godin
Goodale	Grogné
Harris (Scarborough Southwest)	Harris (St. John's East)
Hassainia	Hsu
Hughes	Jacob

*Government Orders*

By the way, I will be sharing my time with the member for Brossard—La Prairie.

Unlike other pension plans we have seen in the past, workplace plans and the like, this particular pooled plan would not require matching contributions from employers. That is problematic in itself. I suppose there would be some provincial regulations put in place when the plan is set up on whether employers would have to be part of it, but in the bill right now there is nothing like that.

The first big problem with the pooled savings scheme is that it is not indexed to any kind of inflation. Workers would be putting their money aside for their retirement, which is a good thing, money would be deducted for administrative costs over the course of 20 or 30 years or however long they are putting money into this plan, and they would not have an opportunity to take advantage of inflation.

In addition to that, the other problem is that they are not really protected. Because it is not indexed, people will not be protected from the vagaries of the marketplace. As we have seen in the last couple of years, people who have been saving for most of their working lives and had RRSPs, which are not unlike this particular plan because they are privately managed by institutions, in many cases saw the value of their RRSPs drop by 25% or 30%. People have come to my office in Thunder Bay and talked about a 35% drop in the value of their RRSPs. Therefore, there is no real protection.

I would suggest to the government that there is another much simpler way to help Canadians save for their retirement, with fewer fees, indexed to inflation, and the money will be guaranteed to be there when they retire. In fact, they will have a pretty good idea of how much they will be receiving when they do retire. That is using the best pension plan we have in this country, which is the CPP. We put money into the CPP now and most Canadians are happy to do that. I see the benefits of that every day when people come to my office and ask me to help them apply for their CPP or CPP disability, OAS, GIS and these sorts of things. It is wonderful that we have this in the country.

● (1125)

However, what we could have done, and what we still can do, instead of a savings scheme like this, is we could open up the CPP. We could open up the CPP so that people could contribute to the CPP over the course of their working life, at a higher rate for example, or people who are self-employed could pay into it, or people could pay on behalf of a spouse who might be a stay-at-home mom or dad. They could pay into this scheme over the next 20 or 30 years.

Let us just say for example that people were allowed to pay double the contributions they are making now. If they did that, they would of course reap the benefits of CPP because right now they get out of CPP what they put into it, so it would still work.

What happens is that we reduce all those fees. I understand that the government is interested in having private business involved in pension plans. I understand where it is coming from that on that. What I am suggesting is that is not the best way to go about doing this.

If someone were to double their contributions to CPP, if they were allowed to do that over the course of their working life, and that kind

of change is not going to help people like me who are nearing retirement, but let us just think about the people who are in their 20s and working. Not many people in their 20s think about retirement.

CPP would be a wonderful vehicle for them to start planning for their retirement. If they did that now, then 10 years down the road the benefit would be somewhere in the neighbourhood of about \$1,900 a month when they retire. If it were a gradual shift, a gradual increase in contribution, let us say doubling over the next 10 years, that is what it would be worth. I think it is actually \$1,920.

Imagine younger workers being able, over the next 10 years, to double their contributions. There can be an assumption, I suppose, that people who are working will have their wages increase over that time. They are not going to take a disposable income hit to make that investment.

If people did that, we would not be caught in a situation, as the government seems to think we would be, where OAS would have to be raised to 67 from 65. It thinks a big crisis is coming. We can avoid all of that kind of talk. We can avoid that situation by simply doubling the CPP over the next 10 years and allowing a wider contribution pool for people to get into it.

It is safe. It is secure. The market does not affect it at all to the same extent as private savings plans, RRSPs for example. We would have a very secure fund.

The other reason I like the CPP, and I am talking about that as the alternative to these pooled savings plans, is of course that the government cannot get its hands on it. I think that is critical. It is an important part of the CPP and how it is managed today.

There is a protected pension fund that is guaranteed to be there. People know what they are going to have. It is a defined benefit plan. We have seen what has happened in the past with defined benefit plans. We have seen what happens when organizations like Nortel go bankrupt and people are left out in the cold.

In the pooled plan, I wonder what is going to happen. First of all employers are not required to put any portion into it. It is simply a savings plan, an RRSP-related kind of savings plan, for people to have for their retirement. My understanding from the bill is that it is portable.

If employers are not required to match or make contributions, and I suppose some will, perhaps with some kind of collective agreement, but what happens if that company goes bankrupt? What happens to that employer's contributions? Are they safe and secure? There are some very serious concerns about this.

From 2008, when I introduced—

● (1130)

**The Deputy Speaker:** The hon. member's time has elapsed, but he may add some comments in response to questions and comments.

*Government Orders*

The hon. Parliamentary Secretary to the Minister of Transport, Infrastructure and Communities and for the Federal Economic Development Agency for Southern Ontario.

**Mr. Pierre Poilievre (Parliamentary Secretary to the Minister of Transport, Infrastructure and Communities and for the Federal Economic Development Agency for Southern Ontario, CPC):** Madam Speaker, the hon. member talked a lot about the Canada pension plan.

I think we all agree that this is a very well run national plan that helps Canadians prepare for their future. The board has obtained good returns on its investment.

However, in the same sentence as praising the CPP, he went on to suggest that it is not dependent upon the mercurial nature of the stock market.

If we look at the holdings of the Canada pension plan, we will find that about half of them are invested in the stock market. It is very much dependent, therefore, upon the profitability of the business sector. Of course, a stock in a company is only worth what that stock can pay out in dividends over time. So, the CPP, which the NDP purports to cherish, depends very much upon after-tax corporate profit.

Would he join with me in supporting lower taxes on Canadian business so that after-tax profit would be higher and the benefits to plans like the CPP would be increased?

**Mr. John Rafferty:** Madam Speaker, I know the member is very concerned about pensions and the future of Canadians and how they retire and so I thank him for that question.

However, in response to that, I have a couple of quotes.

Jon Kesselman, Canada Research Chair in Public Finance at Simon Fraser University, says:

Expanding the CPP is the best option for improving Canadian workers' retirement income security; it can ensure results that none of the many alternative reform proposals for private schemes can provide.

I will not read the whole quote, but in part a *Calgary Herald* editorial states, at the end of 2010:

The CPP already covers almost all Canadian workers and thus spreads the risk and management fees. It is fully portable, offers guaranteed income to all retirees, and is the only risk-free investment broadly available to workers.

So, Madam Speaker—

• (1135)

**The Deputy Speaker:** I regret to interrupt the hon. member, but I must allow time for more questions.

Questions and comments.

The hon. member for Winnipeg North.

**Mr. Kevin Lamoureux (Winnipeg North, Lib.):** Madam Speaker, the Liberal Party has talked about this particular fund as a potential small tool that would be able to facilitate a number of individuals who are aging and are thinking in terms of their pension plan.

However, we are very much concerned about the bigger picture, with regard to the CPP.

What we are looking for is stronger leadership coming from the Prime Minister and the government, in terms of sitting down at the table with the different provinces to try to get some sort of an agreement that would enhance CPP benefits for all individual Canadians who are working.

I wonder if the member might want to comment on the importance the federal government has, in terms of demonstrating leadership in negotiating with the provinces.

**Mr. John Rafferty:** Madam Speaker, the problem with this savings scheme, as the government outlines it, is that it misses a whole demographic in Canada that CPP would be able to cover. I am talking about those who are living in poverty.

According to Statistics Canada, more than 14% of senior women on their own are living in poverty. To increase the availability of CPP and GIS, for example, would be enough to eliminate poverty in our lifetime and the next generation's lifetime. More than half, 52.1%, of lone mothers of children under the age of six live in poverty. They would not really have any kind of access at all to the savings plan. Therefore I think what the government should be doing, as the member suggests, is showing leadership, real leadership, to include all Canadians in a retirement scheme in this country.

[*Translation*]

**Mr. Hoang Mai (Brossard—La Prairie, NDP):** Madam Speaker, I am pleased today to speak to Bill C-25, An Act relating to pooled registered pension plans and making related amendments to other Acts.

At first glance, this measure seems to be a good one. However, it turns out to be a half measure when we take a closer look. That is exactly what was done by the House of Commons Standing Committee on Finance and even more so by the NDP in the House. This bill really has holes and problems. It has to be studied in its entirety, and we must figure out why the government has introduced this bill.

In Bill C-38, the Conservatives attack seniors. That is clear. Just look at the provisions concerning the old age security program and the guaranteed income supplement.

The government has decided to increase the retirement age from 65 to 67 without providing any explanation. We posed questions to the Minister of Finance at the Standing Committee on Finance. The opposition was very insistent and, in the end, the government admitted that the savings would amount to \$10.8 billion in 2030. The government is therefore balancing its budget at the expense of seniors and future generations, and that is a problem. We must understand where the government is coming from when we study this bill.

One of the first things that is obvious about the RPPP is that this product is very similar to an existing product, the RRSP.

In fact, RPPPs are more comparable to RRSPs—because they are administered by banks and financial institutions that will invest the money in the markets—than to a pension plan for seniors or future retirees.

*Government Orders*

On the weekend, one of my constituents told me that when he was younger, people talked about retiring at 55. They believed that if they invested as much as their advisor told them to into a retirement plan or their RRSP, they would be able to retire at 55, no problem. Today, that constituent is still working even though he is over 55 because these retirement investment products fluctuate with the market and the market has been turbulent lately. The investor's retirement income depends on the market.

What we are talking about today is exactly the same thing. It seems like the government has learned nothing from past mistakes and is doomed to repeat them. It claims it is introducing a product for the people who need it. Obviously everyone wants to have a stable and guaranteed retirement. However, this product does not offer such guarantees.

I would say it is like an RRSP because the employee is told to invest in this plan, but the employer is in no way forced to contribute to it. Therefore it is the employee who assumes all the risk. Of course, the employer might contribute, but that depends on his goodwill.

The government currently has tools such as the Canada pension plan and, in Quebec, the Quebec pension plan. These are solid plans.

No one across the way can deny that the Canada pension plan works, that it is well run and ensures a good retirement for those who are lucky enough to benefit from it: workers, self-employed workers, and people in the public and private sectors.

This plan exists and that is why we are saying that instead of creating a product that is similar to RRSPs or TFSAs, which we already have, the government should be investing in a plan that works. According to witnesses at the Standing Committee on Finance, the cost-benefit ratio for taxpayers is very high. It costs less to administer the CPP than to create a new product.

• (1140)

One problem is that this product is administered by financial institutions that want to generate profits. We know this; it is normal. At whose expense are these financial institutions going to make their profits? At the expense of those who have invested in this product. In this case, there is no guarantee. We talked about the fact that regulations might be brought in to ensure that the fees are not too high. However, there can be no guarantee that those fees will not go up over time. And when those fees go up, who loses? Who will have less money in the end? The people who paid in will lose. In this case, it will mainly be employees.

Rather than helping employees and people who are going to retire, the government is helping financial institutions, which, clearly, are already at an advantage thanks to the choices this government has made with previous budgets and the most recent budget. All the government is doing is continuing to reduce their tax rate so they can generate more profits. However, those profits do not go back to the common people. They do not go to those who want to retire with dignity and prepare for their future. Once again, clearly, this government does not have the best interests of seniors at heart.

My colleague from Thunder Bay—Rainy River introduced a bill to protect pension plans in case of bankruptcy. During the last election campaign, I met people. One person came to see me to say

that we had come up with a very good idea, something that would protect them. He had spent a good part of his life working for Nortel, investing, working hard and keeping the economy going. Money was invested in his pension for the future. He was promised that he would be protected when he retired. We all know what happened in the end. Nortel went bankrupt. Because pensions were not protected, he is now living in misery. That is what he told me. This man's plight touched me deeply. He had tears in his eyes when he said that he had worked, he had invested, he had done everything he was expected to do, and yet the government failed to protect him.

What I find so difficult to understand is why the government does not really want to protect seniors, the people who truly helped build this country, who worked very hard. Thanks to these people, Canada has made progress in terms of the economy and quality of life. The government should be thanking them and telling them that they have worked hard, but what is it doing instead? It is giving them the cold shoulder. Not only that, but it is also attacking them. They worked hard and set money aside, but the government does not even want to protect them. What a shame to see that kind of attitude from the government.

As I said, that is what we are seeing in the budget, in Bill C-38. All of that and various changes have resulted in a record gap between rich and poor. That gap has been growing steadily since the Second World War. Of course, former Liberal governments have to take some of the blame, but so does the Conservative government.

The Conservative government is aware of the situation. The Conference Board of Canada and the OECD are saying it. The facts are there. The gap between the rich and poor is growing wider and wider, particularly in Canada, where it is growing more rapidly than in the United States. Imagine that. The United States has always seemed to be the prime example when it comes to this gap. Of the industrialized countries, Canada has surpassed the United States and other countries in how fast this gap is widening. It is because of measures like the budget and this bill that we are seeing these differences. Why? It is because the government is not helping those who need it most.

When we talk about old age security and the guaranteed income supplement, we are talking about people—seniors who are living on the edge of poverty. This government's solution is to tell them to work two years longer—to increase the age of retirement from 65 to 67—and that things might be better for them later. This is a completely ideological way of doing things. As the OECD said, there is no problem; this is purely a government decision.

• (1145)

**Mrs. Anne-Marie Day (Charlesbourg—Haute-Saint-Charles, NDP):** Madam Speaker, I would like to thank the hon. member for Brossard—La Prairie for his speech. We know that, of the 75 or so members who could speak, he is one of the few who will be allowed to do so because the government has just imposed a gag order.

The cat is finally out of the bag. We heard it recently from the Conservative member for Nepean—Carleton. The plan is to make entrepreneurs, companies and business leaders pay less while workers pay more. This is a disguised tax. Employers will not be required to contribute to the pension fund and all of the responsibility will fall on workers' shoulders.

*Government Orders*

I would like the hon. member to explain this aspect in greater detail. Why is the government not asking employers to pay their fair share of their workers' pension funds?

**Mr. Hoang Mai:** Madam Speaker, I thank my hon. colleague for the very good question. That is really at the core of this bill and it is truly what we oppose.

Generally speaking, the bill looks good. However, upon closer examination something very important stands out. It is not mandatory for the employer to contribute, and therefore the employee is told to set aside some money and maybe the employer will contribute. If the objective is to protect employers rather than employees—the people who will be retiring—it is not mandatory for employers to contribute. In that case, the employee assumes all the risk.

That is why I repeated that it is the same as an RRSP. It is about putting money aside. The employer does not have to contribute.

I would like to read a statement by Michel Lizée, coordinator of UQAM's Service aux collectivités, who sits on the Université du Québec retirement committee:

We should first expand the Quebec pension plan in order to increase universality and income security. An enhanced QPP could reduce employers' current service costs, and consequently their funding risk and administrative burden, while levelling the playing field with respect to competition among businesses.

Clearly, the government is not even going with what makes the most sense.

● (1150)

[*English*]

**Mr. Kevin Lamoureux (Winnipeg North, Lib.):** Madam Speaker, I know the Liberal Party critic was quite strong on the point of the importance of CPP, but also emphasized that this was something we classified as a relatively small tool that many consumers would be able to utilize. There are other tools.

I recall the Crocus fund, for example, in the province of Manitoba. The NDP provincial government promoted it as a fund for seniors to invest in to get the tax breaks and so forth.

Does the member believe seniors or individuals looking at retirement should have other options outside of CPP? If so, what should those options be?

[*Translation*]

**Mr. Hoang Mai:** Madam Speaker, I want to thank the hon. member for his question. In terms of the options to be considered, why look elsewhere when we have a program that works?

The Canada pension plan and the Quebec pension plan work. They help those who are eligible. Accessibility can be changed and expanded, but that is a discussion to be had with the provinces. If a product is working and helping those who benefit from it, then we have to invest in that product. That is why in the NDP, we have said that this program works. It has been shown to have lower costs and higher profits. Who benefits from those profits? People taking their retirement; that is who. The program works.

We have heard the government say that it has to negotiate these things with the provinces. However, when we look at the government's current approach to negotiating with the provinces,

we see that it is less about negotiating and more about imposing things. Just look at the health transfers to the provinces. This government makes unilateral decisions. The same goes for employment insurance. The government imposes its decisions, end of discussion. Then it turns around and says it consulted the provinces. When the federal government imposes its way of doing things and tells the provinces what they are going to receive, where is the opportunity to negotiate?

We think this should be discussed with the provinces. There are ways to improve the pension plan and I agree that there are ways to go about it. However, above all, we have to talk to the provinces, which the government is not doing.

**Ms. Joyce Bateman (Winnipeg South Centre, CPC):** Madam Speaker, I will be sharing my time today with the hon. member for Crowfoot.

[*English*]

I am honoured today to add my voice in support of the work our government continues to do for Canadians regarding pensions and retirement income security.

Promoting the retirement income security of Canadians is an important goal of the Government of Canada, and we will continue to ensure that our policies, programs and services meet the evolving needs of Canadians.

In the wake of economic shocks from beyond our borders, Canadians are concerned about the long-term viability of their pension plans. We are listening to their views on how we can leverage Canada's financial sector advantage to strengthen the security of pension plan benefits and ensure the framework is balanced and appropriate. We are working toward a permanent long-term solution to protect the pensions of Canadians.

In our efforts to achieve greater retirement security for Canadians, our government is building on the inroads we have already made to strengthen the framework for federally regulated private pension plans. In 2009, we consulted Canadians from coast to coast to coast on these earlier initiatives and subsequently introduced a number of significant changes based on the advice of individual Canadians.

● (1155)

[*Translation*]

Why were pooled registered pension plans, or PRPPs, created? Canada's aging population and the global economic crisis brought the issue of retirement security to our attention. It is a very important issue. In this context, a joint federal-provincial working group was established in May 2009 to undertake an in-depth examination of retirement income in Canada.

The working group found that, overall, the Canadian retirement income system was performing well and providing Canadians with an adequate standard of living for retirement. However, some Canadian households, especially middle-income households, were living with the risk of not saving enough for retirement. The ministers worked together to analyze the wide range of ideas put forward in order to address the issues raised by the research report.



This exhaustive research led the Minister of Finance and the provincial ministers to agree on a framework for pooled registered pension plans in December 2010.

[English]

Since taking office in 2006, our government has also introduced several improvements to the tax rules for registered pension plans and registered retirement savings plans. If I have a moment I will get back to those important initiatives as well, but the pooled registered pension plans really are the crux of this bill.

Pooled registered pension plans, or PRPPs, will mark a significant step forward in advancing our retirement income agenda and will be a vital improvement to Canada's retirement income system.

[Translation]

What is a pooled registered pension plan? PRPPs are a new kind of defined contribution pension plan that will be available to employers, employees and the self-employed. PRPPs will improve the range of retirement savings options for Canadians. In fact, they will give all Canadians an opportunity to save for their retirement by providing an accessible, straightforward and administratively low-cost retirement option for employers to offer their employees.

They will allow individuals who currently do not participate in a pension plan—over 60% of the population—such as the self-employed and employees of companies that do not offer a pension plan, to make use of this new kind of plan.

More people will benefit from the lower investment management costs that result from the economies of scale of membership in large pooled pension plans, while allowing employees to transfer their accumulated benefits from one system to another and ensuring that funds are invested in the best interests of the plan members.

● (1200)

[English]

Some Canadians may also be failing to take full advantage of the discretionary savings opportunities offered to them through individual structures like RRSPs. In fact, the average Canadian has about \$18,000 in unused room in their RRSP, unused for possible contributions. Research indicates that a portion of Canadians are not saving enough, and as I said, more than 60% of Canadians do not have a pension plan. We are trying to provide them with a means to save for their future.

PRPPs will address this gap in the retirement income system by providing a new, accessible, large-scale and low-cost defined contribution pension option to employers, to employees and to the self-employed.

We will allow individuals who currently may not participate in an employer-sponsored pension plan the same opportunity to save for the future. This is very, very important.

[Translation]

What are the advantages of pooled registered pension plans? PRPPs are innovative retirement savings plans that will address the lack of large-scale, low-cost retirement options for many Canadians. Some Canadians cannot take advantage of savings opportunities provided by individual structures, such as RRSPs.

### *Government Orders*

For example, the average Canadian has about \$18,000 in unused contribution room. Many Canadians have access to a pension plan only if their employer offers one. Many employers refuse to take on the legal and administrative burden related to a pension plan. PRPPs will eliminate most of the usual barriers that may have discouraged some employers from offering a pension plan to their employees in the past.

[English]

Since these plans will involve large pooled funds, plan members will benefit from the lower investment management costs associated with the scale of these funds. Essentially, they will be buying in bulk.

The design of these plans will be straightforward. They will remove barriers that might have been in the way of people who want to save for their future and for the future of their families.

We all understand that Canadians want their governments to work in partnership with them to provide and deliver results, and the bill today does exactly that.

Canada's seniors have worked hard to build a better country for future generations, and today's workers should be given every chance to follow in their footsteps.

Our record shows that our government is committed to the financial well-being of Canadian seniors, as well as those Canadians who are currently still working to realize their retirement dreams.

**Mr. Wayne Marston (Hamilton East—Stoney Creek, NDP):** Mr. Speaker, I want to thank the member for her presentation, but the reality is that 12 million Canadians have no savings and no pensions whatsoever. The PRPP will not address that because it is not mandatory. The biggest problem with the bill is that those same people who are not investing now will not invest unless they are put into a position where they must invest. The other problem with the bill is that the fees are not capped.

When we made the proposition that we should increase the Canada pension plan, it was on the basis that the Canada pension plan was portable and mandatory. The cost to a person who makes \$40,000 a year to double the Canada pension plan in 30 years would be \$161 a year, roughly \$9,000 over their working career. Where can we invest \$9,000 today and look forward to having \$1,800-plus per month in the future? The reality is that the PRPP fails.

Also, the government has announced that it is going to make seniors work two extra years. People on disability or welfare who looked forward to moving up when they got OAS and GIS will now have to wait two more years to have that money.

● (1205)

**Ms. Joyce Bateman:** Mr. Speaker, it is my pleasure to explain a few more details to my colleague opposite.

First, the reality right now is that more than 60% of Canadians do not have pension coverage. That is a very serious reality. Given that, with this legislation we are enabling Canadians to help themselves, to take charge.

*Government Orders*

We have just created 750,000 new jobs, but if the average experience in the Canadian workplace applies to those jobs, some of them may not have entitlements. We have created those jobs, and now we are creating an opportunity for those people to save for their future, enabling them to accept that responsibility and to be helped with lower-cost opportunities for that saving.

[*Translation*]

**Mr. Hoang Mai (Brossard—La Prairie, NDP):** Mr. Speaker, I would like to thank my hon. colleague for her speech.

However, I want to make it clear that this product will merely encourage people to save; it will not guarantee anyone's retirement income.

My colleague said that people can invest in these pension plans, but consider TFSAs, which are a similar product to help people save tax-free. Only 41% of Canadians have a TFSA, and nearly half of them earn \$100,000 or more per year. Only 24% of those surveyed said they are using their TFSA to save for retirement. The product envisaged in Bill C-25 is the same as an existing retirement product.

Why does my colleague say that people will invest more if they are not required to, even though he knows that people who do not have money do not invest for their retirement?

**Ms. Joyce Bateman:** Mr. Speaker, I thank my colleague from the opposition, but I must clarify some facts so that he better understands our bill.

Our bill will help all Canadians. In fact, it will give Canadians the opportunity to save for their retirement. How? People who are not currently part of a pension plan, such as self-employed workers and business owners without a retirement plan, will be able to use the new PRPPs. When we save money, we set that money aside for retirement.

The hon. member addressed another part of our strategy to help all Canadians.

[*English*]

**Mr. Kevin Sorenson (Crowfoot, CPC):** Mr. Speaker, it is an honour to rise in this place and represent the constituents of Crowfoot and speak on their behalf in this House of Commons.

I realize that the introduction to this will not necessarily deal immediately with the pooled registered retirement plan, but over the last couple of days here on Parliament Hill we have had some major announcements about some things that I had never heard about.

Two days ago, the Minister of Health and a couple of other ministers made an announcement about a drug known as “bath salts”, which was a negative part of the drug culture and basic culture around the world, where people, young and old, were using this new drug, and so we banned it. My point is that our government was stepping forward to protect Canadians from something that some of our young people may not have even realized at the time would be such a potent, devastating tragedy just waiting to happen.

Yesterday, we had another announcement about human trafficking where we stepped up and said that we would protect Canadians.

Our government is implementing plans across the country and across a wide scope of areas to protect Canadians. We are

implementing plans to create jobs and enable small businesses to provide opportunities for retirement, which is what we are here debating today, because we want Canadians to be secure on our streets, in a job and in retirement. Bill C-25 is part of that plan.

Our Conservative government's efforts to help Canadians save for their retirement do not begin with a pooled registered pension plan. It begins with a vast number of other plans that we want to see stable and secure. We see and have heard that our CPP is stable and strong. In the 75-year projection, CPP will be very strong and it will be there when Canadians need it.

However, not always does one size fit all. Not always can we tell Canadians that only if they wait CPP will take care of them at the end of the day. I think every economist and all individuals who are trying to better their life or pass on some financial instruction to their children would encourage their children to save, not just to go out and get a job and pay into CPP, but that they look at a number of different avenues in which they can protect their retirement and have a strong retirement.

This is a modern-day effort to assist Canadians who are self-employed or who work for small firms or businesses that do not have part of a benefits package that includes a pension plan. Our intent is to help Canadians who work where there is no pension plan. Sometimes the opposition members stand back and say that we should just throw more money into CPP or we should have that wealth transfer so the wealthy can put more money into it and we will all get a bit more. The CPP is strong and maybe we can make it stronger, but there need to be more avenues than just the CPP and more avenues than just this pooled retirement pension plan.

Many constituents in my riding of Crowfoot do not have access to a pension plan. The colleague who just spoke said that 60% of Canadians do not have access to a pension plan. I live in a rural riding and I believe that is true in most rural or remote ridings in Canada.

● (1210)

I spoke to this bill at second reading. When I had town hall meetings, met with constituents and had satellite office days, constituents came to me and asked me about the pooled registered retirement savings plan. I explained to them that we were not trying to incorporate a mandatory plan for all Canadians. I told them that it was not another tax grab, that it was not another opportunity for the government to put more of a premium down on CPP or any one plan. I told them that this was an opportunity, if they so chose to do it, to invest in a pooled registered retirement plan.

Around our place this summer, we will have a different type of summer. My oldest child, my daughter, is getting married. With that has come all the fun things with being involved in wedding planning. For years we have sat down and talked to our children about planning for the future and about some day in the future buying a home. We have told them that even when they come right out of college they should purchase an RRSP, that they should look into all of those different avenues.

*Government Orders*

Now, as my daughter is preparing to get married, she and her fiancé have asked me to go with them to look at a house. They are just out of college and yet they want to invest in a home. I have for years told my children that they want to buy a home with 20% to 25% down. Now my daughter is telling that, even though I always told her that it was important to have that 20% to 25% to put down, she does not have 5% to put down, which is why she needed me to look at a home. The point is that some of these lessons are learned. Our children learn that it is important to have equity in a home and that it is important to invest and prepare for the future. As a father, I want to be able to help where I can.

As a government, we also want to be able to help where we can. As a government, we want to be able to say that we will not only be satisfied with the CPP, that we will not only be satisfied with the tax-free savings account and that we will not only be satisfied with a pooled pension plan, we want people to pick and choose and perhaps invest but to prepare.

In the rural constituency that I represent there are many farmers and many agricultural based companies who do not have a pooled registered pension plan. This is one of those opportunities. I commend our government for bringing this forward. I encourage the opposition to get off the bandwagon of one-size-fits-all and to recognize that when people have a registered plan they have something to count on.

Not only do we have agriculture in Crowfoot but many people also work in the oil patch in Crowfoot. Many people today will be contracted to work for one company but in a year or two will be working for a different company. The thing I like about this plan is that people would be able to take the plan with them because it is a plan in which they invest. When they leave that company, maybe after two years, they would not need to decide whether to pull out that little chunk of money they put away in a pension plan and put it into an RRSP, which is really the only way to protect that money. There is the tax-free savings account, but to save some taxes people can invest in an RRSP.

Now, as people switch from one company to another, one job to another or one contract to another, the pooled pension plan would remain constant. Now, when they go to the next place of employment that does not provide a pension plan, they would have this tool in their toolbox. It is something they will appreciate.

I encourage the opposition to recognize that there are many Canadians with many different groups. People cannot always reach into their toolbox and pull out a hammer. We reach in and pull out the tool that best suits our needs for the job that we are doing.

•(1215)

We are fortunate sitting here because we have pension plans. That is the topic of discussion, as well, in my constituency. I think it is time to say that this opportunity needs to avail for all those who want to take advantage of it. Our government is providing that tool and I congratulate it.

**Mr. Wayne Marston (Hamilton East—Stoney Creek, NDP):** Mr. Speaker, we in the NDP have said that we should have a comprehensive view of the retirement security plans for all Canadians. That has been our position for a number of years.

The member spoke about town halls and previous speakers spoke about the parliamentary secretary doing town halls in 2009. I did 20 town halls that summer. The next year I did 20 more, and I have done 7 this year so far. Overwhelmingly, people have told me that the type of plan the government talks about in the PRPP is not what suits their needs. We have a difference of view. I am not saying that the government is not making attempts to do things, because it is. In fact, I have had discussions with members regarding the enhancement of the Canada pension plan. I still think that is something we will get to at some point in time.

However, the PRPP has two significant flaws, which I have mentioned before: it is not mandatory and there is no cap on fees. It relies on the goodwill of the provinces involved.

The situation in Australia with the Australia superfund, which was a similar type of plan, is that over a 10-year period it did not even keep pace with inflation because of the fees that were applied to it. That is my concern.

If you cap the fees, then you might have something that has some reasonableness to it, but if you do not do that, it will not help Canadians.

•(1220)

**The Acting Speaker (Mr. Barry Devolin):** Again I would remind all hon. members to direct their comments to the Chair rather than to their colleagues.

The hon. member for Crowfoot.

**Mr. Kevin Sorenson:** Mr. Speaker, I know the member has worked on this file. I wish he had been present when the minister gave his speech because he gave the member quite an accolade. I know this is something that is near and dear to the member's heart.

As we heard in the member's question, that is one of the big differences between the New Democratic Party and the Conservative Party. The hon. member said that one of the frustrations he has is that it is not mandatory, but there are other tools that are mandatory.

When people have a job, no matter what the job is, they do pay into the CPP and they do have employment insurance deductions. All of those things are mandatory. RRSPs are not mandatory. Does that make RRSPs wrong? I do not believe that hon. gentleman would suggest that it does. Why, then, would he say that his frustration is that they are not mandatory? This is an option, as we have stated before, an option for people to plan for the future.

Some individuals may have the opportunity to put thousands of dollars into the retired pension savings plan while others may have hundreds of dollars. The beauty of this plan is that it would allow people to make their decisions for their future.

**Mr. Mike Wallace (Burlington, CPC):** Mr. Speaker, my hon. colleague's speech was very similar to the speeches I have made on this particular topic about adding a tool to the toolbox in terms of options and opportunities for Canadians.

We have heard from the other side, particularly on the CPP but even on the RRSP plan, criticism that this would be based on the marketplace of the stock markets and that it was just an investment with no guarantee because it would be invested in the stock market.

*Government Orders*

I would like the member to comment on the wrong thinking of the opposition that the stock market is the wrong place to have retirement investments. What role does the stock market play in all retirement investments in this country?

**Mr. Kevin Sorenson:** Mr. Speaker, if the member is asking for advice on the stock market, he is asking the wrong guy. I know he is not.

A well-diversified portfolio is what is important. There was a very wise man who, a number of days ago, said that it was very important to take a medium to long-range look at one's planning. In an investment portfolio, I would encourage people to have some degree of investment in the stock market, but if we want to have a strong, solid, viable retirement, I would warn against lumping all of our investments into the stock market.

The plan will be well managed. It will there for employees who do not have time to manage their portfolios. This is another avenue for people to take. It will be managed, diversified, secure and registered. The government will be behind it. It is a strong, solid option.

● (1225)

[Translation]

**Mr. Massimo Pacetti (Saint-Léonard—Saint-Michel, Lib.):** Mr. Speaker, I rise today to debate Bill C-25, An Act relating to pooled registered pension plans and making related amendments to other Acts.

[English]

I am trying to bring a little balance to the debate today. I have listened to what the members of the NDP and Conservatives have said. I understand the government has realized that Canadians are worried about their retirement or realized, finally, that something has to be done.

I think it was two years ago that my friend, the Minister of State for Finance, travelled across the country, had consultations and came up with something called a pooled registered pension plan, which is an offshoot of the registered retirement savings plan. Now the government is making a big PR event out of it. Again, I agree with the member for Burlington, that it is an extra tool in the toolbox. That is why we support it. However, that is not the answer to the crisis we are having or the retirement savings and their future that people are worried about.

We have had six years of the Conservative government, with increases in hidden taxes. That has been part of the cause. Canadians have less money in their pockets to put toward retirement. We have had a lot of pressure on Canadians, whether they have lost their jobs or have had to take on other responsibilities. We have seen Canadians of all age groups having less money in their pockets, for various reasons. As I have said, most of this had led to some of the policies of the Conservative government.

Even those who do have savings are worried about retirement. We have seen rates of interest that have been the lowest ever in history. Therefore, even people who have money put away in a savings account are barely getting 1%. A lot of times it has been 0.5% or 0.25%. Canada savings bonds used to pay 10%. They are now paying less than 2% and 3%, if people are lucky because they have

been holding on to the bonds for six or seven years. We expect these interest rates to continue to be low.

Canadians have taken risks. They may be retiring in a couple of years and need to get their retirement savings up. How do they do that? Maybe they take a gamble on something, but are they not sure what it will be. Some people have put it in the stock market.

We saw what happened a couple of years ago with the tech bubble where people put tons of money in companies like Nortel, which was supposed to be the most secure company around. It was an offshoot of Bell Canada. Some people got their shares for free, like my parents. They decided to keep them. The stock went up to \$100 then \$200 a share. They decided to buy some more because it was going to go to \$400, trading in multiples based on sales never heard before. That was the way these tech stocks were evaluated. All of a sudden, overnight, stock portfolios of millions and millions of dollars went down to zero. We are still seeing lawyers making money from the Nortel bankruptcy. People who have disability plans and pension plans with Nortel cannot get their money out. They cannot get paid because the lawyers are holding up the distribution. The government is not willing to help these people. There is some money stuck out in some tax haven and the only people making money are the professionals, and people see this.

As recently as the bank crisis a couple of years ago, people thought it was secure to have stocks in the banks. They put their money in the banks thinking it was as secure as ever. Then we saw the bank closures in the states. We were lucky in Canada, but we cannot put all our eggs in one basket, as most personal investment advisers say. They will also advise to diversify. People who took the advice of professional advisers, they would have lost some money a couple of years ago by having their money in bank stocks.

Again, people are worried. People have invested money in resources. People have invested money in the past in metals such as gold. As recently as a few years ago, gold was at a couple of hundred bucks. Now, if one was lucky enough to have invested in gold, it is at \$2,000 an ounce practically, but who can forecast those things?

Some people have their money invested in secure investments such as bonds, but countries have gone bankrupt and are unable to pay their bondholders. They are being renegotiated. Who is making the big money? It is the big players. I do not see how individuals who are busy trying to raise a family will make any more money than they can make today.

● (1230)

Again, some people are taking more risks, such as in real estate. We see what is happening in the real estate market across the country if one is fortunate enough to buy a condo. It seems like the condo market is fine. Those who live in a condo may buy another one to rent out to maybe make some money. However, as soon as the condo market collapses, as is predicted, they may have to take some money out of their retirement savings to supplement these real estate deals.

*Government Orders*

Therefore, I do not see how the government could think that people can easily put some money into a pooled savings plan that is administered by somebody we do not know and all of a sudden, miraculously, their retirement savings will be secure for a 5, 10, 15 or 25-year period.

For years, the Liberal Party has said that we should start with the Canada pension plan. In Quebec, it is the Quebec pension plan. It survived relatively well in comparison to many of the other private pension plans, so we should be working with that.

Elderly Canadians are not the only ones who are beginning to worry. As I have said before, we have young people who are worried about their future. We see Quebeckers who are going to the streets based on the fact that their tuition fees and cost of living are going up. They see a crisis developing in the next while. That all means they know their retirement will be affected because the Conservative government has told them they will not be able to retire until the age of 67.

This is nothing new. We have had crises, whether it be over pensions or other issues. In the 1990s, the Liberal government recognized that the Canada pension plan was not sustainable and action had to be taken. What did we do? We consulted with individuals and stakeholders, not just our friends. We met with the provinces. We looked at how we could secure the CPP in the long term and we did not just issue talking points.

We realized there was a problem, and we did not turn to private institutions to solve it. We negotiated truly, we invoked thought-provoking discussions and, miraculously, we came to an agreement with all of the provinces. It was not self-imposed. It was not dictated to them, as the current government likes to do. We recently saw that with the health accord. The previous Liberal government sat down with all the provinces and discussed the issues and the needs, came to an agreement and signed a 10-year health accord. The Conservative government has said that it does not need to discuss anything with the provinces. It will give them some money and increase it at a certain level. After that, it is their problem, even though it knows that the cost of health care will increase within five to ten years.

Coming back to the bill, the government says that it will secure people's pensions. In actual fact, the only thing we think it will do is make the banks and insurance companies happy by allowing them to offer pooled registered pension plans to employers and the self-employed in federal jurisdictions. It would also provide a framework for provinces to pass similar legislation.

[*Translation*]

The budget tabled recently in the Quebec National Assembly provides for companies to offer this pooled registered pension plan to their employees, which we have not seen in the other provinces.

[*English*]

I do not believe the province of Ontario passed it in the last budget and there has not been any movement with the other provinces. I am sure somebody on the other side will correct me.

We also think it is great that the administrators of the plans will be regulated. Financial institutions need a special licence from the

Superintendent of Financial Institutions, and we have no problem with that.

The only problem is that most individuals already have trouble saving. A lot of them are working in low-paying jobs. Many of them work for small companies, which do not have the time, energy, resources or ability to set up these plans no matter how easy it is. It will be very difficult to see any of these smaller companies implement a registered pension plan. As an accountant by trade, I just do not see it.

• (1235)

A lot of employers would not want to make RRSP contributions, even for employees who want to have them deducted from their pay cheques and put aside. They do not want to take on that responsibility. There would have to be separate accounting, extra cheques would be involved, for example, and administration. They would have to hold the money in an account, ensure there is enough money in that account a month later to make the remittance, and then ensure the amounts are deposited into the correct employees' accounts. I could go on and on. I do not see why we would not use the tool available to us, which would be the CPP or the QPP.

Companies would have the option of rolling into a plan. If it is not made mandatory and companies would have an option, I am not so sure how many companies would take us up on that, unless of course they have a dedicated payroll resource person and they really need to keep these employees and the employees all agree they need to have this plan.

Again, we are not asking the employer to contribute, and we are not asking all the employees of a certain company to opt in. They have the option of opting out. A company may only have 10 or 20 employees. If only 2%, 3%, or less than 50% of them opt in, I do not see why that company would go to the trouble of setting up a pooled registered pension plan.

Also, the troubling part is that this new option is another private registered savings vehicle, which more than likely would help the financial institutions. I think it was a member from the Conservative Party who stated Canadians, on average, have \$80,000 of unused RRSP contributions. If there were an urgency because Canadians have totally utilized all their RRSP room, I would understand the purpose of coming up with something like this.

Right now, the only people I am aware of who are using their RRSP to the maximum, again, using my background as an accountant and speaking to my accounting friends and bankers, are people who can afford it. That means it is the higher-income people. I do not see the necessity to start a program just for these people.

The Liberals believe the solution is that we do not need to look any further than working with the Canada pension plan and the QPP to help people save for retirement. The CPP and QPP have proven track records. They have been stable and secure. Even through these economic downturns, they have been quite strong.

*Government Orders*

We see it in Quebec. The QPP has rebounded in the last two years, with rates of return close to 10%. There was a bit of a crisis about three years ago where it lost tons of money in certain investments in the banking sector. It changed its management. It changed its direction. It made recent statements that it is going to change direction again. It will be looking at making investments in infrastructure and other areas that would require a lot of money that individuals do not have in their RRSPs.

Even if we wanted to take the example of these pooled registered pension plans, there would not be enough money in these pooled plans to be able to diversify risk, as the CPP and the QPP are doing today. Supplementary CPPs could allow those who want to invest more in a secure retirement vehicle to do so.

Again, we are not sure about the fees. I know we are very worried about the fees. Even if these registered pooled pension plans start with low management fees, it would be a matter of time before the banks and insurance companies get a hold of people's accounts and hold them hostage. If the funds do a good job and the return is high, we know what would happen. All of a sudden, the fees will go up. If there is no return, the fees will stay the same. I do not see how we are going to win with this.

Again, we would be adding another level of complexity to people's options for savings, such as deciding what to do their money when they change employers: "Do I keep it in this pooled retirement savings plan? Do I keep it with the bank? Do I move it to an insurance company. What point am I at in my life? Am I going to be retiring in five years, ten years, fifteen years?"

● (1240)

The administration of what an individual is to do with the money in that pooled registered pension plan would be a headache for unsophisticated investors, and the areas they would want to invest in would add another level of complexity.

We could look at options for opening it up further. One of the options would be for government to look at options to help those who are in the low-paid workforce. These are people who are moving from job to job, and they are the people who need the most help with their retirement savings.

In making these decisions, we need to look at the evidence. Policy decisions, such as retirement savings plans for Canadians, were not made on a whim but rather based on solid evidence.

Somebody also stated that Australia implemented a similar program to the pooled registered pension plans. After 10 years, it was obvious that the only ones making money were the financial institutions. In Australia, \$161 billion of investments were made in pooled pension plans versus \$105 billion in fees that were taken out of these plans. It is not dollar for dollar, but 80¢ was charged for every dollar that was put into the pooled pension plan.

A recent study by the Rotman International Journal of Pension Management found that despite the presumed role of competition, the investment performance of the system continued to be restrained, again by high fees and costs. We think this could be averted by using the CPP or QPP as the supplementary retirement investment tool.

As parliamentarians, we should also be concerned by all of this and perhaps look at how we could improve the pooled registered pension plan, or look at other options. The other option is easily the CPP, QPP.

However, we have seen that the Conservatives have already made up their minds. Like many other things, they will not listen to anyone else's opinion, or reason. They will not even look at evidence on a lot of issues. They will blindly follow this approach and put their hands over their ears and march on.

As we have seen today, the Conservatives have moved time allocation so we can no longer debate this issue. The very reason each and every one of us is elected to this House is for debate, but they decided they have heard enough, or they have pretended they have heard, and have imposed time allocation on this particular bill. This is one of many bills on which they have imposed time allocation. In Parliament, they have imposed time allocation over 60 times, and if we include committees, we are almost at the 300-point mark.

It is important to talk about how we got to a point where we suddenly have to rush through the bill. The minister of state consulted on this for about two years, and then all of a sudden there seems to be a rush to get the bill through. There have been concerns about retirement security for some time, while the Canada pension plan, and I repeat, the Canada pension plan has been secure for at least 75 years. It is not just the CPP that has been secure, but also QPP.

Canadians also need to save more for retirement to live comfortably. We all agree with that.

It was in 2009 that the Conservatives announced the consultation on pension reform. Now, all of a sudden, as I said, it has been a rush. In December 2010, the Conservatives announced this program, I will not call it a scheme, but a program.

I will wrap it up. I have a lot more notes that I could go through.

Retirement income for Canadians is important. Pensions all of a sudden have become an issue. It has always been an issue, but as we get older it becomes a greater issue.

The government has created a crisis by changing the age of retirement for being able to collect OAS. I am in favour of the flexibility the OAS will provide, but I am not in favour of changing the age from 65 to 67. One of the first people it would affect would be me. The government will be taking about \$12,000 out of my pocket, and I have not even got there yet.

I do not see how Canadians could be happy with that. I do not need the money, but imagine how Canadians my age, who are relying on this money, feel about \$12,000 being thrown away overnight like that.

**Mr. Mike Wallace (Burlington, CPC):** Mr. Speaker, I thank my hon. colleague, with whom I sat on the finance committee, for his speech. I disagreed with most of it, but I do appreciate his time.

*Government Orders*

Part of the member's argument is that there should be a voluntary opportunity to contribute to CPP. However, in the same speech the member argued that taxpayers do not have the money to contribute to a pooled registered plan. If they do not have the money for a pooled registered plan, how would they have money for the voluntary aspect of the CPP?

It is a defeatist argument, and it does not make any sense. The member cannot argue in one sense in one area and then argue the opposite in the same speech.

The member talked about how the Liberal Party put the CPP back on its financial feet. However, it was forced to do that after it took all the money out of the plan. They had to get it back on its feet, so they did something in the 1990s.

If this voluntary CPP contribution plan would be effective and the right thing to do, why did they not consider it when they were doing those changes in the 1990s?

• (1245)

**Mr. Massimo Pacetti:** Mr. Speaker, I will address the member's first point.

The speech I gave was totally coherent. It is very easy. If we use CPP as an example, we would not force it upon all companies to contribute for all their employees because some companies cannot afford to, but some companies can.

The reason some companies would not have a pooled registered pension plan, as I stated, is because they are too small to even administer or handle the extra paper, as they are overloaded. That is the reality.

However, if there were enough employees who want to opt in with the CPP, eventually everybody will. It may start with 1¢ a pay, 10¢ a pay, \$1, \$10, or whatever it may be, but at least the system is there and already set up.

We have spoken to the people from CPP and QPP, and they are willing and able to do this. I do not see what the big deal is. I do not know why we have to make bankers and insurance companies richer by setting up a separate program.

Also, the Liberal government did not take money away from anything. The CPP is a totally independent board that administers money independently. None of that money was ever transferred.

[*Translation*]

**Ms. Marjolaine Boutin-Sweet (Hochelaga, NDP):** Mr. Speaker, my former employer set up a pooled registered pension plan, to which the employer contributed, but only a fraction of the employees took advantage of it, probably because most employees worked part-time and did not have the money to invest. It is a similar situation in my riding, because many people have a very tight budget and do not have even \$5 or \$10 to set aside every week.

We know that 74% of Canadians do not invest in RRSPs because they do not have the means to do so. Despite that, the Conservatives' plan today is to pass the bill quickly through a time allocation motion, claiming that there is a huge demand for these plans.

I would like to hear what my Liberal colleague has to say, as he perhaps touched on this issue earlier in his speech.

**Mr. Massimo Pacetti:** Mr. Speaker, I would like to thank the hon. member for the neighbouring riding of Hochelaga. Our ridings are facing similar challenges. In fact, some areas of Hochelaga—Maisonneuve and Saint-Léonard—Saint-Michel are very poor.

The hon. member raised some very important points. According to the Liberal Party, we should start with a voluntary program. Are we going to ask people who work part-time and earn \$100 a week—like my son who has just started working—to contribute 20% of their salary to a retirement plan? That is unacceptable.

For that reason, we believe that we must start by deducting the amounts already set out in the law. Later, we could increase these deductions by establishing criteria that we will have discussed beforehand. This is not something we should impose today. The government should not be imposing a gag order on a bill that should be debated.

I do not understand this government's attitude. There are a number of things that are more important than retirement plans for people who are already rich and are already making significant contributions to their RRSPs. In my opinion, the issues this country must address today are pensions, students and young people.

[*English*]

**Mr. Mike Wallace:** Mr. Speaker, I want to follow up on the response from the member. I want it to be clear and on the record that it was the current government that brought in the process that contributions to CPP cannot be raided of any surpluses by any government in the future. That was our doing, our policy.

Based on the member's comments, I assume the member is in support of and congratulates the government in making sure that future governments cannot raid surpluses, as previous governments have done in the past.

• (1250)

**Mr. Massimo Pacetti:** Mr. Speaker, the only thing this government has done in terms of raiding was to set up an independent unemployment board and dedicate \$1 billion to it. It already has a deficit of \$3 billion or \$4 billion after three years. This government has only been in power for six years and has done nothing but tax Canadians and put them in the situation they are today.

**Mr. John Carmichael (Don Valley West, CPC):** Mr. Speaker, I am delighted to be sharing my time with the member for Brandon—Souris.

Our government understands that hard-working Canadians and seniors want an effective and sustainable retirement income system that will help them achieve their retirement goals. That is why I am pleased to have this opportunity to speak to Bill C-25, an act that would implement the federal framework for pooled registered plans, or PRPPs.

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PRPPs would mark a significant step forward in improving Canada's retirement income system by providing a new pension option to Canadians. Currently, 60% of Canadians do not even have access to a workplace pension plan. Most of these Canadians work for small and medium-sized businesses or are self-employed. Clearly, this represents a gap in Canada's retirement income system, a gap that PRPPs would fill.

PRPPs would allow these Canadians to access a pension plan for the very first time. In short, PRPPs would be a broad-based, low-cost, privately administered pension plan option. We may think of it this way: pooling pension savings would spread the cost of administering the pension funds over a large group of people. This would allow plan members to benefit from lower investment management costs, lower than those typically associated with the average mutual fund. Do members know what this would mean? It would mean that more Canadians would have more money left in their pockets for when they retire.

Simply put, the PRPP is the most effective and targeted way to address the gap in Canada's retirement income system. How will it do that, one might ask? PRPPs would address this gap by providing a new, accessible, straightforward and administratively low-cost retirement option for employers to offer to their employees; allowing individuals who currently may not participate in a pension plan, such as the self-employed or employees of companies that do not offer pension plans, to make use of this new option; enabling more people to benefit from lower investment management costs that result from membership in a large pooled pension plan; allowing for the portability of benefits, facilitating an easy transfer between plans; and, finally, ensuring that funds would be invested in the best interests of plan members.

Clearly, PRPPs are what Canada's retirement income system has been waiting for. This is why it is so important that the provinces follow the lead of our government and implement PRPPs as quickly as possible. Doing so would enable Canadians from coast to coast to take advantage of this great new pension option.

Unfortunately, not everyone feels the same way. While our government is trying to implement PRPPs, the NDP would rather take the irresponsible and reckless route. It wants to double CPP. Do people know what that would do? It would result in higher CPP contribution rates for employers, employees and the self-employed. In the case of small and medium-sized business owners, it would act as a payroll tax, and that is a tax on job creators.

Members need not take my word for it. Let us hear what the Canadian Federation of Independent Business had to say. According to its research, "to double CPP benefits would kill 1.2 million person-years of employment in the short term". Only the NDP would propose something so reckless. That is the difference between our Conservative government and the irresponsible NDP.

While our government is committed to generating economic growth and long-term prosperity, the NDP has no problem jeopardizing Canada's fragile economic recovery by imposing higher taxes on job creators. That, to me, is unbelievable.

●(1255)

It should be clear that doubling the CPP is the wrong decision for Canada and our economy. Unlike the NDP, our government believes that lower taxes help to generate economic growth and create jobs for Canadians.

Let us just look at the facts. Since July 2009, more than 750,000 net new jobs have been created. What is more, *Forbes* magazine ranks Canada as the best place for businesses to grow and create jobs. When it comes to the economy, there is no doubt why Canadians trust this government. This government gets results. That is why Canadians trust this government to keep Canada's retirement income system strong.

I will take a moment to tell the House just how much our government has done to ensure that Canada's retirement income system will continue to be the envy of the world.

Since 2006, our government has increased the age credit amount by \$1,000 in 2006 and by another \$1,000 in 2009. Next, we doubled the maximum amount of income eligible for the pension income credit to \$2,000. Our government introduced pension income splitting, and we increased the age limit for maturing pensions and registered retirement savings plans, RRSPs, to 71 from 69 years of age.

What is more, budget 2008 introduced the tax-free savings account, which is particularly beneficial to seniors as it helps them to meet their ongoing savings needs on a tax-efficient basis. Our record also includes important improvements to several specific retirement income supports. Budget 2008 increased to \$3,500 the amount that can be earned before the GIS is reduced. This means GIS recipients will be able to keep more of their hard-earned money without any reduction in GIS benefits. Budget 2008 also increased flexibility for seniors and older workers with federally regulated pension assets that are held in life income funds.

Budget 2011, the next phase of Canada's economic action plan, announced new measures to improve seniors' financial security and ensure they can benefit from and contribute to the quality of life in their communities. The plan includes a new GIS top-up benefit targeted to the most vulnerable seniors. Since July 1, 2011, seniors with little or no income have been receiving additional annual benefits of up to \$600 for single seniors and \$840 for couples.

The plan also provides an additional \$10 million over two years to enhance the new horizons for seniors program. This additional funding will enable more seniors to participate in social activities, pursue an active life and contribute to their community. It will also provide funding for projects that will increase awareness of elder abuse and promote volunteering, mentoring and improved social participation of seniors.

Canadians just have to look at our record to know that this Conservative government is on their side, and the proposed PRPP is just the latest example. However, members need not take my word for it. The Canadian Chamber of Commerce states:



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PRPPs—with simple and straightforward rules and processes—will give many businesses the flexibility and tools they need to help their employees save for retirement.

Greg Thomas, the federal and Ontario director of the Canadian Taxpayers Federation, says:

Canadians will be able to save more for retirement with this new pension plan. People saving for retirement will enjoy lower costs and more flexibility throughout their working lives.

It seems clear to me and to Canadians that PRPPs are the way to go.

● (1300)

[*Translation*]

**Mrs. Anne-Marie Day (Charlesbourg—Haute-Saint-Charles, NDP):** Mr. Speaker, I would like to thank the hon. member for his speech.

We know that the tax-free savings account is one way of saving available to Canadians and that it is often the wealthiest people who can take advantage of these accounts. In general, it is rich people who can take advantage of these accounts or people who are at a point in their lives where they are transferring their pension funds into tax-free savings accounts to save on taxes and ensure that they have more money for their retirement.

I would like to ask a question about pension funds because we have spoken about them a number of times since this morning. Since when is a pension fund considered to be a withholding tax for employers? Why are we requiring workers, but not employers, to contribute to this pension fund?

[*English*]

**Mr. John Carmichael:** Mr. Speaker, as a small and medium-sized business person in my previous career path, I can tell members that my business struggled with options to provide security to our employees. We used, for example, group RRSPs in our business as one means of providing an option to our staff, our team.

To me, this plan is the perfect opportunity to provide a low-cost, flexible product or option with a greater ability of employees to get in. It will give our staff the opportunity to participate in something that they simply never had before.

**Mr. Kevin Lamoureux (Winnipeg North, Lib.):** Mr. Speaker, the member himself would no doubt acknowledge that the number of individuals who will benefit from this particular legislation is somewhat limited.

There are a large number of Canadians, and there is some value in terms of establishing this fund. It can be used as a tool to facilitate additional retirement funds for many seniors going forward. However, the vast majority of Canadians are quite concerned about the future of CPP. They are looking for the Government of Canada to sit down with the provinces and look at ways to enhance the quality of life for future retirees by making a more sincere, genuine investment in CPP.

Can the member provide his perspective on CPP versus this particular pooled pension plan, and whether it would be worth the government's time and effort to work with the provinces to improve the CPP?

**Mr. John Carmichael:** Mr. Speaker, my colleague has asked a good question that is obviously at the root of the decision process that evolved the PRPP.

First, two years ago the government met with finance ministers across the country and tried to arrive at a solution for reviewing CPP. There was no unanimity. The finance ministers unanimously agreed that PRPP would provide a new and more flexible tool that would bring more Canadians into the net of those who would like to participate in such a program.

The hon. member asked about CPP versus PRPP. Clearly, when I look at CPP and some of the comments that have been made today and in previous debates about doubling CPP, the extra cost to employees and employers and the tax costs to employers make it untenable and tremendously expensive for an employer in a small or medium-sized business or someone who is self-employed to participate, whereas the PRPP truly gives the benefit of that flexibility and a new opportunity.

● (1305)

**Mr. Merv Tweed (Brandon—Souris, CPC):** Mr. Speaker, I am pleased to stand and speak to Bill C-25.

I would think that all members of the House would see this as a benefit to all Canadians, particularly, as previously stated, the self-employed, small and medium-sized businesses and organizations that are probably too small to have their own plan but would like to offer another form of investment in the people they employ and an opportunity for people to grow within that company and stay with it based on the fact that they would have a plan at the end of the day that provides for their retirement.

As many are aware, our government understands the importance of a secure and dignified retirement for people who spent their entire lives building a better and more prosperous Canada and for their families themselves. This legislation would take Canada's retirement income system one step further by helping more Canadians realize their retirement goals.

A lot of work was put into developing this proposal. Canada's retirement system is strong, but that does not mean it cannot be improved, that we cannot offer enhancements to pick up those individuals outside of the circle and offer them something better and an opportunity to invest for their retirement. This legislation addresses exactly that.

We all have memories of the crisis of 2008 and how it brought out concerns with regard to retirement. We all asked ourselves if our pension would be adequate, if we would be able to retire in the style we choose. I suspect upon reflection many people found they would not be able to. Things changed dramatically after 2008. If people were in the stock market or in RRSPs or in any type of investment, they took a hit. There is no question about it. The proposal we are putting forward would address that.

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We did not do this blindly. We did it through co-operation and discussion with provinces and finance ministers across Canada, with people in our communities and, as the previous speaker mentioned, small business people. I was a small business person too. We always looked for opportunities to provide our employees with better security and better programs. Quite often we had to make the decision that we could not afford it.

This would address many of those issues. As I said, we did not do this blindly. We did it with a lot of consultation. We are trying to provide Canadians with an adequate standard of living upon retirement, and that is what everyone wants.

During the consultation period we found out that modest and middle income Canadians risked facing retirement with insufficient savings. Of particular concern was the declining participation in employer-sponsored RPPs. The proportion of working Canadians with such plans declined from 41% in 1991. Canadians are not taking full advantage of other retirement saving tools, like the RRSP.

I have been told that there is \$600 billion in unused RRSP room. That is a clear indication that Canadians have priorities, and their families are their priorities. Sometimes we make those decisions and forget about the future. We need to always be aware of that and have that in our view.

With these findings, our government went to work on behalf of Canadians. We consulted, we met with provincial and territorial counterparts and held discussions with many businesses and we came to today's legislation.

In short, PRPPs are a new, innovative, privately administered, low-cost and accessible pension option to help Canadians meet their retirement goals.

PRPPs are particularly important and significant for small and medium-sized businesses. It is quite often unaffordable for business owners to provide these types of benefits. The bill would give them that opportunity, because it would enable owners and employees alike to have access to a large-scale, low-cost private pension plan for the first time. We basically would piggyback on larger corporations. We would get a better buy-in and we would get a better return because of the pooled funds.

• (1310)

Professional administrators would be subject to a fiduciary standard of care to ensure that funds were invested in the best interests of the plan. That is obviously a given, but I think it needs to be said.

By pooling pension savings, PRPPs would offer Canadians greater purchasing power. Basically, we would be buying in bulk. We would be getting a bigger, better deal for less money. By achieving lower prices than would otherwise be available to Canadians, it would mean more money left in the pockets of those same Canadians when they retire.

The design of the plan would also be straightforward to allow for simple enrolment and management. People in small and medium-sized businesses, the self-employed, I suspect, and the employees themselves will like the simplified form.

Finally, they are intended to be largely harmonized from province to province, which further lowers administrative costs and makes the transferability a lot easier to deal with.

Overall, these design features would remove any of the traditional barriers that might have kept some employers from offering pension plans to their employees.

It is my belief that this would lead to a greater willingness for small and medium-sized businesses to offer PRPPs. That is crucial. It is crucial because, incredibly, more than 60% of Canadians do not have a workplace pension plan. That is a huge number. When the members opposite look at it and talk to their friends, they will see it would include a lot of the people who support them and work with them in their day-to-day lives, and it is important that we try to include them in the discussion.

With PRPPs, participation would be encouraged by automatic enrolment of employees into a PRPP where an employer offered one. The automatic enrolment would encourage regular savings by making participation the default choice of employees who do not actively make a decision to opt out.

I remember the best advice I ever received as a young person entering the workforce in a family business was from a financial advisor who told me to just take a little bit off my cheque every month as I would never miss it. Then, as I grew older and my needs changed and my income earnings changed, I could increase it. It is the best advice I have ever received and the best advice I have ever given my children or their friends.

Canada's finance ministers decided to proceed with the PRPP framework precisely because it was considered an effective and appropriate way to target the modest and middle-income individuals who may not be saving enough for retirement, particularly those who currently do not have access to an employer-sponsored pension plan. These PRPPs would strike the right balance.

I know that if the NDP members had their way they would double CPP benefits and increase payroll taxes on small and medium-sized businesses, but that is not the way this government operates. At a time when Canada's economic recovery is still fragile, imposing a job-killing tax on the creators of those very jobs would be simply irresponsible.

PRPPs would be an efficiently managed privately administered pension plan that would provide greater choice to employers and individuals and promote pension coverage and retirement saving.

Once the provinces put in place their PRPP legislation, the legislative and regulatory framework would be operational. This would allow administrators to develop and offer plans to Canadians and their employers. Working together with the provinces, I know and I am confident that we can get these important new retirement vehicles up and running for Canadians in a timely manner.

*Government Orders*

It is important to remember that PRPPs would not just stand by themselves. They would be part of a bigger picture, part of Canada's retirement income system. We must always remember that. This bill is designed to help the many who do not qualify or are unable to have a pension plan within the confines of where they work. I know the Minister of State for Finance has gone to great lengths to listen to Canadians and to hear what they asked for and what they need. I believe this bill responds to their needs in a very positive way.

I encourage all Canadians and all members of Parliament to support this legislation.

● (1315)

[*Translation*]

**Ms. Francine Raynault (Joliette, NDP):** Mr. Speaker, I thank my colleague for his speech.

Something similar was tried in Australia more than a decade ago, and the results were not encouraging. After a dozen or so years, people did not have more money. Their investments did not do better than the rate of inflation.

The members of this House know that the Canada pension plan has barely lost any ground, with barely a 1% drop in interest, while the stock market, in which the government would like Canadians to invest more of their pension and retirement savings, has declined by 11%. I would like to hear what he has to say about that.

[*English*]

**Mr. Merv Tweed:** Mr. Speaker, the fact that 60% of the Canadian working public does not have access to this type of plan is the very reason we are considering it.

We have spoken to provinces, employers and employees. This appears to be the best vehicle for them to move forward with. It would be tightly managed by professionals. I believe very firmly that this would be an ideal opportunity for employers and employees to work together on a pension for each other.

**Mr. Ben Lobb (Huron—Bruce, CPC):** Mr. Speaker, I would first like to say that we could pick any point in time to suit an argument on the returns of the stock market.

The whole point behind the PRPP is that it is over a lifetime, with the dollar cost averaging over 40 years. With a tax-free savings account, RRSPs and now this program, we would provide Canadian working families a great opportunity for their retirement future.

I wonder if the member could talk about the importance of fiscal and financial literacy for Canadians of all ages moving forward for their retirement.

**Mr. Merv Tweed:** Mr. Speaker, it is extremely important. When we are moving into a program that is new to a lot of people, the understanding of it is very important. The member for Edmonton—Leduc has put forward a bill regarding financial literacy, which is of utmost importance.

As I said earlier, as a young first-time employee, it was the experience and depth of a senior statesman who gave me the advice I needed. Trust was a big part of it, but I believe and think it is imperative that all Canadians understand what they are signing up for, what the benefits are and what the long-term benefits are for their families.

[*Translation*]

**Mr. Alain Giguère (Marc-Aurèle-Fortin, NDP):** Mr. Speaker, we clearly do not have the same definition of financial security. This bill clearly indicates that the administrator administers all the plan assets, pays himself management fees, a margin, bonuses and that anything left over goes into the fund.

The plan member has no guarantee of a return. Even worse, the member cannot plan his retirement because he will have absolutely no idea of the amount accumulated. Can that be called a pension plan? It certainly cannot. Above all, there should not be closure on this bill, especially in light of the fact that Nortel could lose \$7 billion that could be directed into its pension fund. And yet, the government is not doing anything. Why not?

[*English*]

**Mr. Merv Tweed:** Mr. Speaker, like anything in this world, we can look at it as the glass being half full or half empty. We on this side look at the world as the glass being half full and wonder how to continue to add to that glass.

The bottom line is that 60% of all working Canadians do not have any form of pension plan within their area of work. The bill is designed to address that. It is based on a collection of information from the owners of businesses, employees and professionals across the world. I wish I could give every member a guarantee in life, but that is not how it works. What we have to do is give them the best opportunity.

● (1320)

**Mr. Pat Martin (Winnipeg Centre, NDP):** Mr. Speaker, it should come as no surprise that I disagree profoundly with my colleague from Brandon—Souris, as I disagree with his party on the policy direction they are taking. I even disagree with just about everything the Parliamentary Secretary to the Minister of Finance said. I think those guys are going down the wrong road and are doing the dirty work for corporate Canada once again.

Here are the origins of the bill. Thomas d'Aquino, when he was the head of the Business Council on National Issues, and then John Manley, when he became the president of the chief executive officers, or whatever they call themselves—the Grand High Poobahs of, really, the unelected Prime Minister of Canada, which is essentially what he is—declared that what was really holding back Canadian productivity was “legacy costs”. That is a nice way of saying those dirty pensions that our predecessors got into in the 1930s, 1940s, 1950s, 1960s and 1970s. That was back when we used to negotiate fair wages for working people, back when working people and their employers would sit down and put together a sensible benefit package with a real benefit plan for their retirement years. All of a sudden, the corporate world has declared that unaffordable and it does not like having the burden of legacy costs.

*Government Orders*

We can even look at what happened in 2008 with the economic downturn. As soon as the auto industry got into trouble, what did the executives of the auto industry say? It had nothing to do with the cars they were producing or their management skills or the way that they had dropped the ball and made products that nobody wanted to buy anymore. Right away they said that the reason they were not productive was because of the legacy costs. They said that it was the pension plans that were dragging them down. They said that something needed to be done about the pension plans so they trooped down here to their friends, the guys who they bought and paid for and put into power, and complained to them that they had to do something about these pensions.

Mr. Speaker, I forgot to say that I will be splitting my time with the member for Châteauguay—Saint-Constant.

The Conservatives put it in fine print so the world can see. They put in place this disingenuous bill with a title that actually uses the words “registered pension plan” in the title. This is another example of the creative writing class that takes place somewhere down in the bowels of the Conservative Party's black operations department. They develop these names that have nothing to do with the bill. In fact, they are 180 degrees opposite to the true intent.

There is nothing about this that is a pension plan. It does not bear any resemblance to a pension plan. It is a savings scheme that, frankly, is no different from what ordinary workers could do today if they were lucky enough to make enough to set money aside in an RRSP. They could put a little more money aside in an RRSP and have the same net effect as this, except that they would be gouged even further by the financial sector that also stands in the wings waiting to benefit from this huge shift of money that should normally be going into a pension vehicle such as a proper registered retirement pension plan or, the best retirement vehicle that we have, the Canada pension plan.

And you wonder, Mr. Speaker, why I have strongly held views on this issue?

I represent the riding of Winnipeg Centre and that, frankly, has been the home of two of the greatest champions of social justice that our country has ever known. In 1919, the Government of Canada wanted to send J.S. Woodsworth to prison for his role as a leader of the 1919 general strike. The good people of Winnipeg Centre sent him to Parliament instead where he became the founder and first leader of the CCF. He served there until 1942 when he died. Then the good people of Winnipeg Centre elected the person who came to be known as the father of the Canada pension plan, Stanley Knowles.

J.S. Woodsworth, while he was here, managed to wrestle old age security out of the Liberal government of the day. William Lyon Mackenzie King had a minority government. J.S. Woodsworth had two members, A.A. Heaps and J.S. Woodsworth were called the Ginger group. They were the Independent Labour Party, predating the CCF. They went to Mackenzie King and told him that they would support his government and prop it up if he would introduce old age security.

●(1325)

We have a letter on file at the NDP headquarters today that is signed by William Lyon Mackenzie King agreeing to that. It took him seven years to do it. It was 1926 by the time he actually fulfilled that promise. However, William Lyon Mackenzie King yielded to the pressure of the ginger group. The member of Parliament for Winnipeg Centre managed to negotiate some semblance of pension.

When Stanley Knowles was elected, he not only brought in the Canada pension plan, the second initiative was the indexing of the Canada pension plan. Now, at a 1% operating cost, the Canada pension plan with a small amount of contribution yields a guaranteed benefit to Canadians in the neighbourhood of \$900 or \$1,000 a month. That is a good return. That is in the best interests of Canadians.

I am worried that as the government puts in phony bills like this and phony diversions like this, it will siphon off attention to, contributions in and participation in vehicles that work, like the Canada pension plan. It is as if it is throttling down the emphasis on the Canada pension plan.

We, when we form government in 2015, intend to undertake a comprehensive overhaul of the Canada pension plan, which will be meaningful support in old age security for Canadians. It has been charted out and it is part of our platform. It will be the most effective investment vehicle ever. Even if the Canadian pension plan as we know it were doubled, as being proposed by the NDP, the total old age security coming from that would still be less than social security in the United States. Social security in the United States has a maximum benefit of about \$30,000 a year. If we take the CPP as it is today, even adding on the old age security of under \$7,000 a year, that still only comes up to about \$19,000 a year. We are well behind other countries, even the United States, in our social security benefits for seniors.

It frustrates me how disingenuous the Conservatives are when they introduce a bill that purports to be a pension plan for ordinary Canadians. I just heard the member for Don Valley West saying that his employees could never have a pension plan if it were not for this. He said that he had worked for years and all his employees never had any benefits. Maybe if he had given them a raise in pay they would have been able to buy some old age security. Why did the member not put a pension plan in his company? That is what we used to do in the old days, we had corporate social responsibility. We had capitalists with a social conscience. That seems to be gone.

Capital has no conscience. If it were not for the NDP here to impose some conscience into that party, it would just be following loyally and faithfully behind the Business Council on National Issues, the Canadian Taxpayers Federation and all the other dummy outfits that undermine the basic needs of Canadians for their own selfish self-interest.

We can look at the handout this is to the financial sector. We can look at the dough they will make by managing all this dough again. It is appalling, frankly, how they gouge, and the percentages they take for moving money around. The best bargain is the Canada pension plan with an operating cost of less than 1%.

*Government Orders*

This bill diminishes and undermines the systems that work and would put in place a system that will not be effective and will be no better than issuing a piggy bank. The Conservatives might as well give every Canadian a piggy bank and say, "I know you have not had a raise for seven or eight years but here is a piggy bank. Put more money into it and you will have more money to spend when you retire."

That is not creative. There are no financial geniuses over there. That is like pulling a sedated rabbit out of a tattered old top hat and trying to convince people it is magic. It is not magic.

• (1330)

**Mr. Robert Sopuck (Dauphin—Swan River—Marquette, CPC):** Mr. Speaker, one does not know where to begin except to correct my hon. friend across the way.

The Parliamentary Secretary to the Minister of Finance is the female member from Saint Boniface, an MP we are all very proud of.

I would also remind the member of that great saying, "Socialism works until you run out of other people's money to spend". Many countries in Europe are finding out that other people simply do not have any money.

Given the member's evident disdain for corporations and the corporate world, when will the member be making the recommendation to all of his union friends and the unions he knows and purports to represent that they should divest all of their pension funds from the nasty corporations, especially the energy and financial corporations?

Will the member have the courage to recommend that kind of divestiture?

**Mr. Pat Martin:** Mr. Speaker, I am very proud of the years that I have spent negotiating on behalf of ordinary working people as a trade unionist. We believe that fair wages and benefits benefit the whole community.

I was in the United States recently and saw a bumper sticker that read, "At the least the war on the middle class is going well". That is about the size of it. There is a war on the middle-class. For some reason, the government is trying to lower our expectations so we will accept globalization unquestioningly, that we have to expect less and that there is no way we can afford a living wage, fair wages or to live as well as our parents did.

On this side of the House, we have dedicated our lives to elevating the standard of wages and working conditions for working people. That side of the House seems determined to undermine and diminish the wages and standard of living of Canadians. Why would anyone elect a government that would cut his or her wages? We had this debate yesterday on the Fair Wages and Hours of Labour Act. It seems it is one thing after another. It is this war on labour on the left.

In whose interest is it to undermine the retirement and social security of Canadians by pieces of paper like this that are not worthy of the consideration of the chamber? Legacy costs are not the answer.

[*Translation*]

**Ms. Marjolaine Boutin-Sweet (Hochelaga, NDP):** Mr. Speaker, 74% of Canadians do not contribute to RRSPs, mainly because they cannot afford to.

In my hon. colleague's opinion, why do the Conservatives believe that people could afford this program more than an RRSP?

[*English*]

**Mr. Pat Martin:** Mr. Speaker, I believe the figure is 64% of Canadians made no contributions to RRSPs. They do not have the money. They cannot afford it. This is another instrument that would encourage them to save more. It is like pushing the onus on individuals. I do not mind individuals standing up for themselves in their own best interests, but if they do not have the money to save currently, where will they find the money to contribute to this new savings scheme?

There is nothing that adds to the retirement security of ordinary Canadians in this bill. It is an illusion. As I say, it is not sorcery. It is bad magic. The government is trying to snow Canadians by putting the words "pension plan" in the title of a bill. It has nothing to do with a pension plan. It is a phony piece of work. Canadians should not fall for it. They deserve better.

**Mr. James Rajotte (Edmonton—Leduc, CPC):** Mr. Speaker, I always enjoy listening to my friend across the way. I rarely agree with him, but I do enjoy listening to him.

I want to get back to the bill itself and the pooled registered pension plan. He talked about labour. In fact, Mr. Phil Benson with Teamsters Canada made a presentation to the committee on this bill and he put forward some very practical suggestions in terms of dealing with it at the regulatory stage. I will Mr. Benson. He stated:

No single solution will resolve the retirement savings issue. I think the PRPP proposal will move the ball closer to the goal line. Improving savings, reducing risk, and reducing costs is a winning formula. We think our suggestions will make this an even better product.

Would the member opposite, who has a very strong labour background, respond to the endorsement by Mr. Phil Benson with Teamsters Canada of the pooled registered pension plan? This is a very large union in Canada that has endorsed our government's initiative with respect to providing retirement options for people, particularly the 60% of Canadians who do not currently have a retirement option.

• (1335)

**Mr. Pat Martin:** Mr. Speaker, if we are trading quotes, I will read what this guy from the EES Financial Services, a mutual fund fee organization, said. He stated:

In general terms, the PRPP program is no different than an RRSP. Contributions generate tax deductions, enable tax-deferred growth, tax is payable on withdrawals and for the most part, will be invested in mutual funds – pooled investments that according to a 2006 report...are subject to far higher fees in Canada than in any other country. It's no wonder the investment and insurance industries are applauding the introduction of PRPPs.

*Government Orders*

It is like handing over a gift to Bay Street. It is like giving it a half a billion dollars worth of management fees per year to manage the investment of this new mutual fund. All this is is a glorified mutual fund. If people did not have enough money to buy an RRSP before, they probably will not have enough money to participate in this PRPP baloney.

[*Translation*]

**Mr. Sylvain Chicoine (Châteauguay—Saint-Constant, NDP):** Mr. Speaker, I am pleased to speak today to Bill C-25, the Pooled Registered Pension Plans Act. I would like to say from the outset that like my colleagues from the NDP and from all the opposition parties, I am very disappointed in this bill, because contrary to what the title suggests, this can hardly be called a pooled pension plan.

Before getting into the details of the bill, I would like to put into context the situation with pension plans and the Canadians who are depending on them. According to the Conference Board of Canada, 1.6 million seniors in Canada are living below the poverty line, and this bill will do nothing to help them. What is more, according to the Canadian Labour Congress, 12 million Canadians lack a workplace pension plan. Unfortunately, we do not believe that this bill will do much to help those 12 million Canadians gain access to a pension plan either.

By OECD standards, the CPP and QPP systems are relatively inadequate. Other similar countries have guarantees and much more generous public pension plans than ours. In the United States, maximum social security benefits are about \$30,000 a year. Here in Canada they are about \$12,000 a year and, if we add the \$7,000 a year from old age security for the less fortunate, that is still far from what is being done in the United States.

According to the Canadian Centre for Policy Alternatives, most Canadian workers do not have RRSPs. Over the past few years, only roughly 25% of Canadians have contributed to their RRSP, which is far from what it should be. That suggests that, unfortunately, Canadians do not have the means to contribute.

In fact, I am disappointed because this bill will simply create a new type of savings plan enabling the funds from plan members' accounts to be pooled in order to reduce the costs associated with the management of investments and of the plan itself. The program is called a pooled registered pension plan, but it would be more appropriate to call it a savings plan, because this bill cannot guarantee that it will provide any retirement income.

This bill is designed for self-employed individuals and employees of small and medium-sized businesses, which are often unable to manage a private sector pension plan. The system created by the passage of this legislation would be a defined contribution plan. Employees would contribute a portion of their earnings to a retirement fund, and that money would be invested in stocks, bonds, mutual funds, and so on. Some companies might match their employees' contributions, up to a certain percentage.

The account grows through contributions and investment income until retirement. However, with this kind of defined contribution plan, there can be no guarantee about the amount of money that will be available upon retirement. Thus, it is the individual, the employee, who assumes all of the risks associated with the investments. With this kind of system, the amount of money

available upon retirement depends on market fluctuations, and markets have not exactly been stable over the past 10 years. I invested in RRSPs and I have less money now than when I invested 10 years ago. These investments are not reliable; they are risky.

Defined contribution plans do not provide the same level of income security as defined benefit plans, such as the CPP and the QPP, which guarantee a certain payout upon retirement. Pooled registered pension plans would be managed by regulated financial institutions, such as banks, insurance companies and investment companies. The latest numbers on CPP investment returns show that the plan has lost hardly any ground over the past few years—less than 1%—while the stock markets, in which the government wants Canadians to invest their savings through pooled registered pension plans, have declined by about 11%.

Pooled registered pension plans will not provide workers with greater retirement income security because they will simply encourage families to gamble their retirement savings on the stock market, which often goes down instead of up.

● (1340)

As I said, anyone who has ever watched his RRSP take a dive knows how risky it is to invest his savings in the stock market. The government is so out of touch with reality that it is encouraging families to double down on what has turned out to be a system that does not work very well. With such an unstable economy, families do not need to take on any more risk. They need the stability of the Canada pension plan and the Quebec pension plan. Many economists and provincial leaders have said as much over the past few years, but the government has turned its back on families and refused to consider this solution.

Bill C-25 does not cap administrative fees or costs and assumes that competition will keep costs low. Once again, the government is dreaming in colour because it is relying on the invisible hand of the market and hoping that that alone will keep administrative costs and fees as low as possible, but as the Australian experience proves, that hope is in vain. More than 10 years ago, Australia created a similar plan. The results were disappointing, to say the least. The plan had been in existence for 12 years when the Australian government-ordered review of it showed that even though people were saving money through mandatory contributions, the returns on their investments were no greater than inflation. In many years, returns were lower than inflation.

The report attributed these disappointing results to the very high costs, despite the fact that it was originally thought that competition among companies would lead to lower costs. That was unfortunately not the case. However, the Conservatives do not want to learn from the Australians' experience, which was essentially a failure. With this bill, the government would rather hide behind its ideological ideas and make decisions without truly examining the issue.

*Government Orders*

In six years, the government has unfortunately not done much to help provide security for Canadian retirees. This bill appears to have been hastily drafted in response to pressure from union groups, seniors' groups and political parties, particularly the NDP, which, after the last election campaign, proposed an increase in Canada pension plan and Quebec pension plan benefits.

Bill C-25 is a half measure, when what we truly need is some real, concrete action. Canadians deserve and want more than what the government is proposing. Once again, the Prime Minister is putting the interests of Bay Street giants and insurance companies ahead of the interests of Canadians. It is time for the government to take real action to increase the number of Canadians who have access to retirement security and to lower the current number of 12 million Canadians who do not have access to these plans. Bill C-25 will not help achieve that objective.

Canadians do not need new private, voluntary savings plans. They really need concrete measures to ensure that they will be able to retire with dignity.

The NDP is proposing doubling the benefits provided by the Canada pension plan and the Quebec pension plan to a maximum of close to \$2,000 a month. The NDP wants to work with the provinces to make it easier for workers and employers who want to make voluntary contributions to individual public pension accounts. The NDP also wants to amend federal bankruptcy legislation to move pensioners and long-term disability recipients to the front of the line of creditors when their employers file for bankruptcy protection. The NDP also wants to increase the annual guaranteed income supplement in order to lift every senior in Canada out of poverty immediately.

The NDP understands that Canadians want more than what the government is proposing with the pooled registered pension plan. The NDP will obviously not support this bill because it merely offers a new type of savings plan and does not even come close to solving the problem of making pension plans accessible.

In closing, the NDP urges the government to abandon Bill C-25 at third reading and to come up with a real plan that will help the 12 million Canadians who do not have a pension plan and the 16 million seniors who are living below the poverty line.

• (1345)

**Mr. Matthew Dubé (Chambly—Borduas, NDP):** Mr. Speaker, I would first like to congratulate my colleague on his speech. I would like him to say a little more about how we can protect pensions. He gave the example of an individual who invests in RRSPs for 10 years and loses money when the value of the RRSPs then falls. So we lose money we invest for our retirement. He also said the measures proposed in the bill do nothing to provide better protection.

In addition, we might think of examples like Nortel, where the corporation came ahead of the employees. My colleague is certainly aware of that case. When we talk about retirement security for people who have worked hard all their lives and who invested their money, it is extremely important to protect their retirement pension. I would like to let my colleague talk some more about how we can better protect that, so it is better than what is proposed in this bill.

**Mr. Sylvain Chicoine:** Mr. Speaker, I thank my colleague for his question. The example of Nortel is in fact a good example, to show how unprotected pensions are. Last year, a number of people in my riding saw their pensions cut in half as a result of the liquidation of Nortel's assets. That is simply scandalous.

We should bring back the bill that was introduced by the NDP, which proposed putting employee pension plans ahead of creditors. That would be a very good solution to protect Canadians from bankruptcies, when cases like Nortel occur. It would be an ideal solution to protect Canadians' pension funds. However, the government bill before us simply adds another savings plan. Apart from people who are already contributing to an RRSP, there are really no more Canadians who will be contributing to it. In our opinion, it is a waste of effort.

[*English*]

**Mr. Bob Zimmer (Prince George—Peace River, CPC):** Mr. Speaker, I am confused as to why the hon. member would not take up this opportunity.

The demographic we are talking about in the pooled pension system being offered is usually a demographic that is not covered by normal pension systems. I am a little confused as to why he would not be supportive of a measure like this since it would help people. I am curious to know what his alternative is and why he is opposed to it.

[*Translation*]

**Mr. Sylvain Chicoine:** Mr. Speaker, I thank my colleague for his question. There are a range of registered savings plans available. Unfortunately, companies do not use them very much. This will essentially be an additional plan being made available, but there are already numerous plans and they do not help Canadians to contribute to a pension plan.

We think the solution is to increase Canada pension plan and Quebec pension plan benefits. That would cover all Canadians, who could contribute more and benefit more from it. These plans already exist; they are defined benefit or defined contribution plans. People know what they will be getting when they retire and so that tool, which already exists, makes it easier to plan for retirement.

• (1350)

[*English*]

**Hon. Ted Menzies (Minister of State (Finance), CPC):** Mr. Speaker, it is a pleasure to stand and take us through to the beginning of question period.

I have listened to many of the debate today, or the false information, I would suggest to you, Mr. Speaker, and I am sure you have been able to recognize this, having listened to many of these debates. We have certainly given this fulsome debate in the House as well as in committee. We have brought in witnesses who talked about the benefits of the pooled registered pension plan.

*Government Orders*

It has been said many times, but not enough and it deserves repeating, that this will be a low-cost option to those Canadians, 60% of those in the workforce, who do not now have available to them a workforce pension plan that their employer can choose to contribute on their behalf. That is the option of the employer.

We, on this side of the House, think that option is exactly what our businesses want. They have asked us for an opportunity so they can choose to offer this pension option, this retirement option, this savings option to their employees and, if so, they can choose to contribute as well on their behalf.

We see it as accessible, which has been mentioned many times, by any Canadian. In many forums I have been asked if this is this only for small businesses. Absolutely not. It is available to any business that chooses to offer it.

For the first time in history, this is available to self-employed Canadians who can contribute to their retirement. A lot of self-employed Canadians have not had the option to become part of a larger pool at low cost, where the administration costs are low.

I have heard lots of comments from the other side that are very much ill-informed. Canada has been accused of having very high MER rates, management expense ratios, to put it in layman's terms, and of course the industry will complain that those are required because of the complications of the pensions they offer.

We have simplified it down so the parties that are interested, once they qualify, in offering the pooled registered pension plans. They have told us that they can bring their costs down very low.

We are trying to provide a realistic low-cost option so Canadians can actually participate in a larger pool, the same type of pool that the Canada pension plan and the Quebec pension plan is. That is what makes sense for Canadians.

The NDP continues to harp on the fact that all we should do is double the Canada pension plan. That absolutely negates the position in which many Canadians are. They do not want another mandatory reduction from their paycheque, and it would be mandatory, because that is the makeup of the Canada pension plan. Many people are saving in other ways and they do not want it deducted from their paycheque.

Many businesses have said that they are struggling to hire new people and make their businesses profitable. Now is not the time to add another cost, albeit a tax, on them contributing on behalf of their employees. This gives those businesses an option if they feel comfortable to offer a savings plan for their individual employees. That is very important.

We have a very good system in our country. The NDP loves to talk down our economy, our seniors and what a great country this is in which to live. We should be proud of the fact that we have a great country, a great financial system and a great retirement system for our seniors. It is the envy of the world.

I have spoken at many pension conferences in Canada and around the world, and I have also listened. Many approach us and ask how we have done it in Canada and could they follow our model. Many have asked about the pooled registered pension plan. They think it is

a good idea and they would like to adopt it in their countries. Some people recognize that, but obviously not the opposition.

● (1355)

The opposition members stand over there and say that we have done little for seniors. We have done a lot for seniors. We have given the largest increase in the guaranteed income supplement for those low-income seniors. We on this side of the House thought that was a great idea. Apparently, the NDP did not like it because its members voted against it. They stand in here and say that they support seniors, yet they voted to keep them as low-income seniors. That is an incredible position for them to take.

We have the Canada pension plan. As I have said before, it is actuarially sound for 75 years. We co-share the jurisdiction of that with the provinces. It is in good shape. We have discussed whether we can increase that, and that discussion continues among our officials. As well, the Quebec pension plan is there for seniors.

We have the tax-assisted registered pension plans and registered retirement savings plans. Those are good. They have had some struggles, but, over the years, averaged out, they have done well.

However, we think there is an option that is missing, and that is the option for so many of our Canadian workers who do not have that.

In the last few minutes I have, let me just share a bit of the chronology from where we started.

In 2008, when we saw some of the insolvent pension funds in trouble, we realized we needed to look at those that were federally regulated. The Pension Benefits Standards Act had not been changed since 1985. We took a serious look at that, through consultation. We have improved that to protect the federally-regulated ones. We moved from there. We saw the challenges that individual pension funds were facing, so we moved to make improvements to them through a working group.

We did extensive analysis and we found out what segment of the Canadian population was not saving enough for their retirement. This is directed toward the middle section of income earners who need the support to help them save. This process will help them save and they are sharing in the contributions for that. Most Canadians think that is only fair that they help save for their own retirement.

We know the socialists love to share everybody else's money but their own. We would like to suggest that is probably not the way most Canadians think.

We have shared this challenge with our partners, the provinces.

I mentioned earlier how progressive the Quebec government had been on this. In fact, in its last two budgets, it has addressed this. It wants to move forward with it.



*Statements by Members*

It is very unfortunate that the NDP is the sole roadblock in us being able to move forward, the Quebec government being able to move forward and other governments that actually want to put in place mirror legislation to this so we are able to provide pooled registered pension plans to those Canadians who want them and those Canadians who need them.

**The Acting Speaker (Mr. Barry Devolin):** Order, please. The time for government orders has expired. The hon. minister of state will have 11 minutes remaining when this matter returns before the House.

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## STATEMENTS BY MEMBERS

[*English*]

### WORLDSKILLS COMPETITION

**Mr. LaVar Payne (Medicine Hat, CPC):** Mr. Speaker, one of my constituents has made his fellow citizens very proud. Jordy Bartman won the gold medal for post-secondary auto repair at the Skills Canada competition in Edmonton a short while ago. His win in the autobody repair apprentice division means that Jordy will now go on to represent Canada at the WorldSkills competition in Leipzig, Germany in July 2013.

At just 20 years old, Jordy is a journeyman welder and is working on his autobody repair apprenticeship with Pat Stenger of Brooks Collision. Jordy credits his mechanically inclined family members, like his dad Sandy, for having supported him and taught him many of the things he knows today. Jordy's mom Cindy said, "I'm over-the-top proud", and she has every right to be so.

We salute Jordy and we are rooting for him to come home victorious from Leipzig, Germany.

\* \* \*

• (1400)

[*Translation*]

### BANKRUPTCY AND INSOLVENCY ACT

**Ms. Isabelle Morin (Notre-Dame-de-Grâce—Lachine, NDP):** Mr. Speaker, today, I am calling upon the members of the House to address an issue that has been discussed many times over, but the impacts of which are still affecting the people of my riding, who are writing to me every day and are still just as distraught.

This issue is the Bankruptcy and Insolvency Act and the main file associated with it, that of Nortel. I would also like to add that soon the Aveos employees will find themselves in the same situation as Nortel employees, whose pension funds are being given away to private entities.

If the government stubbornly refuses to amend this law so that from now on employees are considered preferred creditors, thousands of people will continue to feel the effects of someone else's poor choices.

I would really like to know when the government is going to decide to change this law. As it now stands, it clearly does not serve the people who are not only one of the most vulnerable segments of our population but who have also worked all their lives to make our

wonderful society work. The government must start acting in the best interest of Canadian workers rather than in the interest of its friends, the banks and corporations.

\* \* \*

[*English*]

### HURON—BRUCE

**Mr. Ben Lobb (Huron—Bruce, CPC):** Mr. Speaker, I rise today in the House to recognize one of Canada's greatest tourist destinations. Huron—Bruce borders on Lake Huron and boasts over 100 kilometres of coastline with world-class beaches and breathtaking sunsets.

People can take the lighthouse tour starting at Point Clark or the Bruce County adventure passport. Tourists can hike the renowned Bruce and Maitland Trail or dock at the picturesque marinas. If theatre is their style, they can experience a play at the Blyth Festival, Huron Country Playhouse or the Bluewater Summer Playhouse.

How about festivals? Huron—Bruce is host to the Goderich Celtic Roots Festival, Goderich Bluesfest, Kincardine Scottish Festival, the Kincardine Summer Music Festival and the Bach Music Festival in Exeter.

Huron—Bruce also boasts Canada's largest motocross event at Walton TransCan and Lucknow's Music in the Fields, this year featuring Travis Tritt and Terri Clark. How about Port Elgin's Pumpkinfest?

I encourage all members and their constituents to visit Huron—Bruce and experience Ontario's west coast.

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### 1972 SUMMER OLYMPICS

**Hon. Irwin Cotler (Mount Royal, Lib.):** Mr. Speaker, the 2012 London Olympics marks the 40th anniversary of the worst terrorist atrocity in Olympic history: the hostage murder of 11 Israeli athletes in Munich in 1972 that would spawn the wave of international terrorism. For 40 years, there has been no official Olympic remembrance, no honouring of memory, no moment of silence.

An international coalition of civil society groups and political leaders has called on the International Olympic Committee to hold a moment of silence at the opening ceremonies of the summer games to commemorate the Munich massacre. This week the Prime Minister of Australia joined her opposition counterpart in sending a letter expressing all-party support for such a moment of silence.

I believe Canada should join in this movement and recall the victims of 1972 at this poignant moment of remembrance and reminder. I will be seeking unanimous consent on a motion in this regard soon.

Let us solemnly observe this 40th anniversary of remembrance.

[*Translation*]

It is our duty to observe a moment of silence to remember. We remember. Never again.

[*English*]

Never again, not for Jews, not for anyone.

*Statements by Members*

[Translation]

**NATIONAL CAPITAL REGION**

**Mr. Royal Galipeau (Ottawa—Orléans, CPC):** Mr. Speaker, since the 1950s, one of the projects that has attracted much attention in the national capital region has been the construction of a fourth interprovincial bridge linking Ottawa and Gatineau.

[English]

As yet another round of public consultations on this project is about to begin, I reaffirm my commitment to protect the greenbelt. It must remain as envisaged by the great urban planner, Jacques Gréber.

[Translation]

We must respect the integrity of the Gréber plan, which provided for a link between the Aviation Parkway and Montée Paiement.

[English]

Every study in the past 60 years has confirmed the wisdom of the Gréber plan. The bridge must span Kettle Island.

[Translation]

At the last minute, however, the provincial governments on both sides of the river have begun meddling in this project and are jeopardizing the future of the narrow greenbelt bordering on Orléans.

[English]

I urge all residents of Orléans to attend the next public consultation, which will take place Tuesday, June 12, from 3:00 to 9:00 p.m. at the Shenkman Arts Centre next to my office.

\* \* \*

• (1405)

**TRIBUTES TO JACK LAYTON**

**Ms. Olivia Chow (Trinity—Spadina, NDP):** Mr. Speaker, as Parliament will not be in session in August, I want to take this opportunity to thank my colleagues for their support this year. I rise to thank Canadians everywhere for their inspiring tributes to the former leader of the opposition, Jack Layton.

I thank the City of Toronto for naming the Jack Layton Ferry Terminal and the Town of Hudson, Quebec, for the Jack Layton Memorial Park.

The Layton family thanks the many organizations that have named buildings, lounges and rooms in Jack's honour, planted trees, created sculptures and mosaics and carried out many other creative forms of commemoration.

There are also many inspiring fellowships and scholarships named to encourage young people to participate in making our country a better place for everyone.

Most of all, I thank the many Canadians, young and old, who have created poems, paintings, songs and films, keeping alive the spirit of love, hope and optimism.

[Translation]

Thank you.

We must continue to work together to build a better world.

\* \* \*

[English]

**TYEE HA'WILTH BERT MACK**

**Mr. James Lunney (Nanaimo—Alberni, CPC):** Mr. Speaker, it is with great sadness that I rise in the House to announce the passing of Tyee ha'wiltth Bert Mack, hereditary chief of the Toquaht First Nation on Vancouver Island. He was in his 89th year.

Chief Mack worked in the forestry industry for 40 years. He was instrumental in the development of a community forest. He was one of the driving forces that saw his people persevere in treaty negotiations with Canada and British Columbia as part of the Maa-nulth Treaty. The treaty means a new world of opportunity for the Toquaht people, through cash settlements and lands adjacent to spectacular Barkley Sound.

For 67 years Chief Mack, affectionately known as King Bert, led his community with grace and compassion. He had a great love for learning, for his culture and his people, and especially his family. He was married to his wife Lil for over 60 years and had three children.

In 2009 his youngest daughter, Anne, inherited the chieftainship from Mack.

Bert's vision and leadership have positioned his people to carry on with a great legacy. Respected by all and a gentleman, King Bert will be sadly missed but fondly remembered by all who knew him.

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**EVENTS IN WINNIPEG SOUTH CENTRE**

**Ms. Joyce Bateman (Winnipeg South Centre, CPC):** Mr. Speaker, I would like to share highlights from my riding this past weekend.

Friday night I was at Grant Park High School's outstanding production of *Les Misérables*.

Saturday morning, I wished almost 1,500 ALS walk participants well and then enjoyed meeting constituents at the Academy Road carnival. One of the highlights was the concert by the jazz bands of École River Heights and École Kelvin high schools.

Saturday night, I was pleased to meet past and present students of St. Ignatius School for their 100th anniversary celebration.

On Sunday I attended the Coptic Heritage Festival, which was a wonderful celebration of community. That night, I celebrated with the Jewish community's GrowForward group.

Late Sunday night, I represented the Minister of Veterans Affairs at the moving candlelight remembrance service for the Diamond Jubilee.

I am privileged to serve a constituency that is so active and so engaged.

*Statements by Members*

[Translation]

**LAMARCHE SLAUGHTERHOUSE**

**Mr. Réjean Genest (Shefford, NDP):** Mr. Speaker, I am pleased to rise today to extend my sincere congratulations to the Lamarche slaughterhouse in Racine for obtaining its operating licence from the Canadian Food Inspection Agency.

Over 20 direct jobs and a number of indirect jobs have now been created in Racine and its neighbouring communities through the hard work and perseverance of François Lamarche, his wife, his son and their associate, and through the ongoing support of their family.

These visionaries believed in their skills and potential. They believed in the importance of creating a business in the region that would reduce the impact on the environment and contribute to reducing animal cruelty.

The cuts that the government made to the Canadian Food Inspection Agency are having a direct negative impact on small and medium—

● (1410)

**The Acting Speaker (Mr. Barry Devolin):** The hon. member for Saint Boniface.

\* \* \*

[English]

**THE ECONOMY**

**Mrs. Shelly Glover (Saint Boniface, CPC):** Mr. Speaker, the NDP leader is yet again advocating reckless economic policies that would hurt Canada in these times of global economic uncertainty.

Our government's economic policies, such as economic action plan 2012, which is a plan for jobs, growth and long-term prosperity, have made Canada an island of stability in a troubled global economy, but the NDP leader wants to send billions of Canadian dollars to bail out wealthy European countries before those countries take necessary actions to fix their own problems.

[Translation]

Unlike Canada, Europe has refused to address its own economic problems. This is not the time to twiddle our thumbs and wait for Europe's financial situation to improve. Action must be taken to boost investor confidence.

The last thing Canada needs is the dangerous economic incompetence of the NDP leader, who would pose a serious threat to Canada's economic recovery.

\* \* \*

**QUEBEC'S DISABILITY AWARENESS WEEK**

**Mr. José Nunez-Melo (Laval, NDP):** Mr. Speaker, this year, the Semaine québécoise des personnes handicapées has run from June 1 to 7. The theme is "Living Life to the Fullest". I would like to take this opportunity to renew my support for the many organizations in my riding that help persons with disabilities, especially the Regroupement des organismes de promotion de personnes handicapées de Laval.

This week provides an opportunity to remember the importance of working together to help all people achieve their potential. The goal is to raise public awareness of the importance of respecting differences in society. Bringing to light aspects of the lives of persons with disabilities will promote their professional and social integration. This week is also a unique opportunity to fight prejudice and discrimination against persons with disabilities.

The Conservative government is ignoring this message. According to human resources departments, almost 85%—

**The Speaker:** I regret to have to interrupt the member for Laval. I now recognize the hon. member for Prince Albert.

\* \* \*

[English]

**THE ECONOMY**

**Mr. Randy Hoback (Prince Albert, CPC):** Mr. Speaker, the NDP thought it was not enough to promote policies that will cripple the Canadian economy and kill Canadian jobs, nor was it enough to divide Canadians between east and west and badmouth entire sectors of the Canadian economy. The leader of the NDP now wants Canadians to tighten their belts so they can hand out billions of dollars to Europe to pay for Greece's excessive welfare state and its gigantic debt.

If NDP members bothered doing the math, granted that they are able to do it, they would realize that such a reckless plan would kill jobs and put a huge burden on the economy here at home.

This is another example of why the NDP is dangerous for the Canadian economy and dangerous for Canadian families.

\* \* \*

**BRAIN INJURY AWARENESS**

**Ms. Kirsty Duncan (Etobicoke North, Lib.):** Mr. Speaker, June is National Brain Injury Awareness Month and highlights awareness of the causes and effects of brain injury.

Automobile and cycling accidents, falls, sports injuries, strokes, tumours and other non-degenerative conditions are leading causes of brain injury in Canada. A silent epidemic, brain injury is the number one killer of people under the age of 44. Unfortunately, there are no drugs or techniques that can cure a brain injury, and the emotional, social and economic costs are devastating to families.

It is time to take concerted action on the brain, to designate 2014 as the year of the brain and to fight for a national brain strategy to improve the quality of life for all Canadians, families and caregivers living with a neurological disease, disorder or injury.

We honour the courage and strength of all families living with a brain condition.

*Oral Questions***THE ECONOMY**

**Mr. Bernard Trottier (Etobicoke—Lakeshore, CPC):** Mr. Speaker, the NDP's dangerous economic ideas are a threat to the Canadian economy and the recovery.

While our government's economic action plan 2012 has contributed to making Canada an island of stability in a troubled global economy, the NDP leader wants to send billions of Canadian tax dollars to Europe to bail out wealthy European countries before Europeans take their own action to fix their problems. Europe's refusal to deal with its economic problems should be the priority of Europeans.

The socialist, high-tax, anti-trade, anti-development, anti-jobs NDP should reconsider its reckless economic ideas. That party is a threat to Canadian families and to the Canadian economy.

\* \* \*

**GENDER EQUALITY**

**Mr. Randall Garrison (Esquimalt—Juan de Fuca, NDP):** Mr. Speaker, last night was an historic occasion for Canada, the LGBTQ community and transgender, transsexual and gender variant Canadians.

I want to thank the 150 members of Parliament who voted in favour of my legislation on gender identity and gender expression as members from all parties joined together to get Bill C-279 to committee. I want to thank them all sincerely for their support.

I want to thank in particular the Conservative members of Parliament who helped demonstrate that through dialogue across the aisle we can make progress in the interests of all Canadians. Together we have taken an important step toward full equality for transgender Canadians.

I look forward to continuing to work with members of all parties on Bill C-279 in committee and when the bill returns to the House. I look forward to the day when full equality and full inclusion for all Canadians becomes a reality.

\* \* \*

● (1415)

**THE ECONOMY**

**Mr. Pierre Poilievre (Nepean—Carleton, CPC):** Mr. Speaker, yesterday the NDP leader attacked our government for refusing to provide a bailout to European debtor nations with Canadian tax dollars. However, many of them have governed abroad the way the NDP and Liberals would govern at home.

Greek and Portuguese debt has been downgraded to junk. Nine other euro-currency countries have now been reduced in their credit status. They have taxed to the max, borrowed to the brink and are seeking a bailout to continue spending what they do not have. They will not get it from Canada.

This Prime Minister will not force hard-working Canadian taxpayers to bail out sumptuous European welfare state countries and the wealthy bankers that lend to them. Under our government, Canadian money will stay in the Canadian economy to create Canadian jobs.

**ORAL QUESTIONS***[Translation]***PENSIONS**

**Mr. Thomas Mulcair (Leader of the Opposition, NDP):** Mr. Speaker, the Prime Minister was in France today, where, I hope, he learned that they are planning to lower the retirement age from 62 to 60. The Conservatives are doing the exact opposite here—raising the retirement age from 65 to 67.

As we know—

**Some hon. members:** Oh, oh!*[English]*

**The Speaker:** Order, order. We have just started. The hon. Leader of the Opposition has the floor, and I am having difficulty hearing him.

The hon. Leader of the Opposition.

**Mr. Thomas Mulcair (Leader of the Opposition, NDP):** You are right, Mr. Speaker. We are only getting started with them.

*[Translation]*

As we know, the Prime Minister likes to make important economic announcements when he is travelling abroad. Perhaps he could use his trip to France as an opportunity to announce that he is reversing the cuts to old age security and restoring the retirement age to 65.

What do the Conservatives say to that?

**Hon. Peter Van Loan (Leader of the Government in the House of Commons, CPC):** Mr. Speaker, we are making changes to old age security in order to ensure the sustainability of the system. This is very important for the future, for future generations of seniors. The opposition parties do not understand the situation. It is not a question of saving money, but rather one of making the old age security program viable so that it can continue to exist when Canadians need it.

\* \* \*

*[English]***THE ECONOMY**

**Mr. Thomas Mulcair (Leader of the Opposition, NDP):** Mr. Speaker, for months now New Democrats have been sounding the alarm about the risks facing the global economy. The Prime Minister has painted a rosy picture. He has told Canadians we do not need a new plan; he has told us we should just stay the course, but this week in London he changed his tune. Suddenly, after months of insisting that all was well, the Prime Minister has started musing about catastrophic economic scenarios on the horizon. We are running out of runway, he has told us.

Which is it? Is everything under control, as the Conservatives say, or are we on the brink of collapse?

*Oral Questions*

**Hon. Jim Flaherty (Minister of Finance, CPC):** Mr. Speaker, our government's economic policies, and Canadians know this, have made Canada an island of stability in the world of relative economic unhealth. It is true that some of the eurozone countries have not dealt with their financial crisis and they need to deal with it, not only for the sake of the eurozone but for the rest of the world, to avoid banking contagion and another credit crisis like we had several years ago. The solution is not, as the NDP leader suggests, to take billions of Canadian tax dollars and give them to wealthy European countries.

• (1420)

**Mr. Thomas Mulcair (Leader of the Opposition, NDP):** That is the type of pure fabrication one resorts to when one does not have any arguments, Mr. Speaker.

[*Translation*]

In 2008, the same Conservative minister went after Jack Layton when he declared that we were on the verge of a new recession. The Conservatives said that there was nothing of the sort, that it was not true. We were eventually proven right.

So what is the government going to do? Is it once again going to wait until we are caught with our pants down?

Since the Conservative budgets have left Canadians in an unstable financial position, when will the Conservatives change their approach and bring in a real economic action plan?

[*English*]

**Hon. Jim Flaherty (Minister of Finance, CPC):** Mr. Speaker, I am glad the Leader of the Opposition brought up what happened during the great recession and the fact that the Conservative government brought forth the economic action plan, which was a remarkable plan, voted on in the House, the subject of the budget in January 2009, a seminal document, and the NDP voted against it. This was the document that created the economic action plan that led to a Canadian recovery, which is the best among the developed countries in the world, which led to the creation of 750,000 jobs. This is another demonstration of the economic incompetence of the Leader of the Opposition.

**Ms. Peggy Nash (Parkdale—High Park, NDP):** And the Conservatives denied there was even a problem going into the previous election, Mr. Speaker.

[*Translation*]

An economic storm seems to be brewing on the European horizon, but lecturing European leaders will not solve the problem. The Prime Minister said that Europe was a half-done project, but he was not able to explain his own recovery plan.

If we are on the verge of a new recession, what will the Conservatives' plan be? Do they have one, or do they simply plan on blaming Europe?

[*English*]

**Hon. Jim Flaherty (Minister of Finance, CPC):** Mr. Speaker, certainly we have been working with our European colleagues. In fact we have been working with them, I and the Prime Minister, for several years now with respect to the European challenges.

The United States dealt with its issues in the fall of 2008 and recapitalized its banks. We dealt with our economic issues in Canada, and now we have secure and solid economic and fiscal fundamentals in this country, the best in the G7.

It is time, and we have encouraged our European allies to move forward, to seize the day and to address the major fiscal issues that they have, without Canadian tax dollars bailing them out, which the Leader of the Opposition suggests.

**Ms. Peggy Nash (Parkdale—High Park, NDP):** Mr. Speaker, let us talk about seizing the day.

The Prime Minister is in Paris today, saying that Europe is only "half-done". The Prime Minister says he has a plan if there is another serious fiscal crisis, but he will not say what that plan is. That is far less than half done; that is not even getting started.

In 2008, the Conservatives adopted stimulus measures only when the government's very survival was threatened. What is the contingency plan? Will it be 2008 all over again and will Canadians have to wait for a last-minute makeshift plan? Which is it?

**Hon. Jim Flaherty (Minister of Finance, CPC):** Mr. Speaker, Canadians know that the government is fully capable of economic management, unlike the opposition.

The opposition, in fact, when it was presented with the stimulus plan, the economic action plan in January 2009, at a time when we were very worried about millions of Canadians being unemployed, they voted against the plan. The plan worked despite the New Democratic Party, despite the incompetence of NDP leadership on economic issues.

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**THE BUDGET**

**Hon. Bob Rae (Toronto Centre, Lib.):** Mr. Speaker, I wonder if I might draw the attention of the government to Bill C-38, which is in fact the 750-clause piece of legislation that deals with the environment and in one clause changes the entire Environmental Assessment Act; it deals with old age pensions, raising the age of access to old age pensions to 67; it cuts EI dramatically, with details that are still forthcoming, and we still do not know what they all are; and it deals with environment and fisheries.

I would like to ask the government: Does it not see the fairness and the logic of dividing up this bill, of giving this House the opportunity to deal with it, of giving the provinces and the premiers—

**The Speaker:** The hon. government House leader.

**Hon. Peter Van Loan (Leader of the Government in the House of Commons, CPC):** Mr. Speaker, our economic action plan 2012 is a comprehensive plan. It is a comprehensive plan focused on job creation and prosperity in the short term and in the long term.

### Oral Questions

It takes advantage of the resources that Canada has, talented human resources, the most skilled workforce in the world, and how we make that even better to respond to our needs in the future; the fact that we have tremendous natural resources, and how we harness those to create jobs and prosperity for the future, to ensure that we balance our budget, so again future generations are not paying the costs of expenses of the past.

These are all part of ensuring Canada has a strong fiscal footing, job creation and prosperity for generations to come.

● (1425)

[Translation]

**Hon. Bob Rae (Toronto Centre, Lib.):** Mr. Speaker, the problem is that the government is transferring the costs of the change to the public, the provinces and municipalities, without any consultation.

The Prime Minister of Canada is going to France and Great Britain. He is meeting with European leaders. He is not meeting with the premiers. He is not meeting with the mayors of Canadian municipalities.

What is his problem? Why does he not consult people before taking action and transferring the burden onto them?

**Hon. Peter Van Loan (Leader of the Government in the House of Commons, CPC):** Mr. Speaker, we have increased transfers to the provinces to the highest levels in Canadian history. That is this government's record. We have given the provinces the tools they need to do this work in their own jurisdictions.

Compare what we are doing now with the actions of the Liberal Party, which made massive cuts to transfers when it tried to balance the budget. Much like the former NDP premier of Ontario, the Liberal Party of Canada is familiar with the consequences of such a decision.

\* \* \*

[English]

### NATIONAL DEFENCE

**Hon. Bob Rae (Toronto Centre, Lib.):** Mr. Speaker, yesterday the government House leader announced, in all solemnity, that the Department of Foreign Affairs had conducted a full and open competition with respect to the cost of \$20,000 limos in Davos, Switzerland.

If the government can conduct a full and open competition for limousines in Davos, can the government please tell us why it cannot have a full and open competition for a \$9 billion purchase of F-35 planes?

**Hon. Peter Van Loan (Leader of the Government in the House of Commons, CPC):** Mr. Speaker, as we know, Canada's aging CF-18 aircraft are nearing the end of their lifetimes. Therefore it is necessary, if people believe in supporting the military, something the Liberals do not have a record of doing, as we do by purchasing new equipment and by providing them with the equipment they need to do their jobs, to make a commitment to purchasing those aircraft.

We have established a secretariat to deal with the purchase of new aircraft to meet those needs. We have in place a seven-point plan that

deals with the best process to ensure the military gets the equipment it needs and taxpayers' interests are protected.

\* \* \*

[Translation]

### EMPLOYMENT INSURANCE

**Mrs. Anne-Marie Day (Charlesbourg—Haute-Saint-Charles, NDP):** Mr. Speaker, the Conservatives keep making decisions behind closed doors, where they do not have to face public opinion or the unemployed they are attacking so unscrupulously. The minister has decided to throw together a change to employment insurance that penalizes certain regions and certain sectors of the economy. She could at least have the decency to go talk to the stakeholders.

Will she promise to tour the country and consult the public before making this change?

**Hon. Diane Finley (Minister of Human Resources and Skills Development, CPC):** Mr. Speaker, we know that there is a labour shortage across the country. That is why we want to help people receiving EI to find out about these positions, apply for them and start working. We also want to ensure that these people improve their standard of living by working, not by continuing to collect EI. We want to help families.

**Mrs. Anne-Marie Day (Charlesbourg—Haute-Saint-Charles, NDP):** Mr. Speaker, the minister did not and will not consult anyone because she is afraid to face workers.

When the Conservatives are proud of their policies, they hold press conferences across the country, but when they make changes they are not proud of, they announce them in Davos, hide them in a Trojan Horse and limit debate.

If the minister were truly confident about her changes, she would go talk about them with seasonal workers and Atlantic fishers. Why is she not doing that?

**Hon. Diane Finley (Minister of Human Resources and Skills Development, CPC):** Mr. Speaker, I wonder why the NDP wants to prevent workers from working. If workers can contact employers and get work, they will have a better standard of living, which will be better for them, for their families, for employers, for the economy, for the regions where they live and for the rest of Canada. We want to help them contact employers and get better jobs.

● (1430)

[English]

**Ms. Megan Leslie (Halifax, NDP):** Mr. Speaker, it is not for the regions, because the Atlantic premiers met yesterday. Not surprisingly, the Conservative attacks on EI were at the top of their agenda. These premiers understand how critical employment insurance is to the economy. They know Conservative EI restrictions will hurt these industries and force workers out of their communities.

*Oral Questions*

Lobster does not grow in a tank in the seafood section. The next time Conservatives sit down to their lobster dinner, will they take even a moment to think about the workers, the employees, the employers and the communities that they are targeting?

**Hon. Diane Finley (Minister of Human Resources and Skills Development, CPC):** Mr. Speaker, once again, we see examples where the NDP does not want the Canadian economy to grow. We have employers all over the country who are desperate for workers. We are having to bring in tens of thousands of temporary foreign workers because Canadian employers cannot find Canadian workers to do the jobs.

We want to help the Canadian workers who are unemployed, with those skills, find the jobs in their area. That way the employers are better off, they produce a better product more economically and the families are better off. That is better for their communities and for the provinces.

**Ms. Megan Leslie (Halifax, NDP):** Mr. Speaker, Atlantic Canadians, the premiers and seasonal businesses all know that the Conservatives are targeting them. What is most troubling to the premiers is the secrecy around these changes. Consultation does not mean having a chat with a Conservative backbencher. It requires communication with premiers, with employers and with workers. Even New Brunswick's Progressive Conservative premier said there are a lot of concerns because "there is a void of information".

Why do they not do the reasonable thing? Why do they not do the common-sense thing and put these changes on hold and have real consultations for EI?

**Hon. Diane Finley (Minister of Human Resources and Skills Development, CPC):** Mr. Speaker, we have listened to Canadians. Canadians say they want to work. We want to help them connect with the jobs in their skill range that are available in their areas. We have also heard from employers who desperately need and want Canadian workers to produce their products, to go to a second shift. That is good for the employer. It is also good for the workers. They would make more money with the changes we want to bring in. That is good for their families. That means there is more money spent in their communities, which is good for those communities. If we do that in enough communities, it is good for the provinces. Who could object to that?

**Mr. Malcolm Allen (Welland, NDP):** Mr. Speaker, these EI changes will have sweeping impacts on the agriculture sector.

The Conservatives are attacking communities that rely on seasonal industries, like fruit growers, horticultural growers, beef farmers, the fisheries and many more, and none of these farmers were consulted. When the minister makes major policy announcements without any consultations, she puts those very businesses and farms at risk.

Why did the Conservatives choose to ignore farmers and why did they choose not to consult with those businesses that will be greatly affected?

**Hon. Diane Finley (Minister of Human Resources and Skills Development, CPC):** Mr. Speaker, coming from beautiful Haldimand—Norfolk as I do, much of our economy is seasonal work. In fact, as over half of our economy is agriculture, I am very sensitive to those needs. However, I also know that I have a lot of employers

who are looking for temporary foreign workers because they have challenges finding Canadians who will do those jobs.

We want to connect Canadians who are unemployed with the jobs available in their areas. That is better for them.

When it comes to agriculture, I have a quote I will share with the House. It reads, "We took a look at them", being the EI reforms, "but we did not find anything that was a warning sign". Who said that? Ron Bonnett, the president of the Canadian Federation of Agriculture.

**Mr. Malcolm Allen (Welland, NDP):** Mr. Speaker, if we actually had them come before the agriculture committee we could actually have ask them some question, but then, of course, they did not actually come before the committee, did they?

This is what the chair of the Canadian Agricultural Human Resource Council told the committee because he had to go before a different committee. He said, "We will have a net negative effect on agriculture". This is an employer who is looking for employees. It represents over 300,000 employees across the agricultural sector, the manufacturing sector and the food processing sector and it says that there is a major issue.

When will the Conservatives stop rushing this bill, take a step back, take a deep breath, consult farmers, consult the industry and find a way to make this work properly?

● (1435)

**Hon. Diane Finley (Minister of Human Resources and Skills Development, CPC):** Mr. Speaker, one could get whiplash listening to the NDP's economic philosophy.

First, the NDP does not want Canadian workers to work. It des not want us to give them help in finding new jobs. Instead, it wants to have a 45-day work year, depriving employers of much needed skills resources.

The NDP previously said publicly that it did not want us to bring in temporary foreign workers because it would be bad for Canadians workers, whom they do not want to work either. Who is supposed to do the work around here?

We want to help all Canadians get work, do the work they can and be better off.

\* \* \*

[Translation]

**ABORIGINAL AFFAIRS**

**Mr. Jonathan Genest-Jourdain (Manicouagan, NDP):** Mr. Speaker, the changes to employment insurance are not the only area where the Conservatives have nothing to be proud of.

*Oral Questions*

Last evening, the Minister of Aboriginal Affairs and Northern Development, with the help of the chair of the committee, refused to answer simple questions concerning his department. Because they refused to answer yesterday, I am going to give them another chance today.

Food security is a serious problem for the first nations, the Inuit and the Metis. It was even underscored by the United Nations Special Rapporteur on the Right to Food.

What is the department's short-term plan to solve the food security problem?

[English]

**Mr. Greg Rickford (Parliamentary Secretary to the Minister of Aboriginal Affairs and Northern Development, for the Canadian Northern Economic Development Agency and for the Federal Economic Development Initiative for Northern Ontario, CPC):** Mr. Speaker, we are committed to providing northerners with healthy food choices at affordable prices.

We welcome input from northerners, retailers and suppliers. We created an advisory board made up of northerners to take stakeholder concerns and provide those recommendations to the government as the nutrition north program continues to develop.

We want to protect the food security for northerners and we are getting it done.

**Ms. Jean Crowder (Nanaimo—Cowichan, NDP):** Mr. Speaker, that is not a satisfactory answer to a question that is critical to so many first nations

According to the Prime Minister's own rules, ministers must "answer all questions pertaining to their areas of responsibility", but at committee the minister said, "I should not be subject to criticism for appearing here", and was not there to, "Talk about whatever comes up".

A minister's job is to answer to Canadians on all issues, not just the ones that the minister likes.

Why did the minister hide behind the committee chair? Does he not know what is going on in his own department?

**Mr. Greg Rickford (Parliamentary Secretary to the Minister of Aboriginal Affairs and Northern Development, for the Canadian Northern Economic Development Agency and for the Federal Economic Development Initiative for Northern Ontario, CPC):** Mr. Speaker, this gives me an opportunity to thank the minister for coming to committee and answering questions on a motion tabled by that member on supplementary estimates (A). That is what he was available for and he was happy to answer anybody who asked questions on supplementary estimates (A). That is what he did and we appreciate that.

**Mr. Dennis Bevington (Western Arctic, NDP):** Mr. Speaker, the Conservatives cannot seem to answer questions here and they will not in committee.

Yesterday, when I asked the minister if he would be cutting funding for the Northwest Territories protected area strategy, a vital program that allows northerners to determine what areas should have enhanced environmental protection, he refused to answer.

My question is for the chair of the aboriginal affairs committee. Instead of stopping questions for the minister in a fit of partisanship, will he be scheduling another meeting so that the minister can answer these reasonable questions?

**Mr. Greg Rickford (Parliamentary Secretary to the Minister of Aboriginal Affairs and Northern Development, for the Canadian Northern Economic Development Agency and for the Federal Economic Development Initiative for Northern Ontario, CPC):** Mr. Speaker, it is unfortunate that the member was not able to be prepared and organized enough to answer questions on a motion written by his critic for aboriginal affairs on supplementary estimates (A).

Furthermore, the minister said that he would be happy to come back to the committee to answer questions on other matters, as he has always been.

We did not write the motion for supplementary estimates (A). The NDP did. Why did the NDP members not ask questions on supplementary estimates (A)?

\* \* \*

**ETHICS**

**Mr. Scott Andrews (Avalon, Lib.):** Mr. Speaker, there is no more denying the facts. The Parliamentary Secretary to the Prime Minister is under active and serious investigations by Elections Canada for election fraud.

How can the Conservative member for Peterborough conduct himself as Parliamentary Secretary to the Prime Minister and hold his position on the ethics committee while he is being investigated for breaking the rules at Elections Canada?

My question is for the member for Peterborough. Why do you not do the honourable thing, step aside as the Prime Minister's private parliamentary secretary and step aside from the ethics committee while you are under active investigation?

● (1440)

**The Speaker:** I would remind the hon. member to address his questions through the Chair and not directly at other members.

The hon. Parliamentary Secretary to the Prime Minister.

**Mr. Dean Del Mastro (Parliamentary Secretary to the Prime Minister and to the Minister of Intergovernmental Affairs, CPC):** Mr. Speaker, I did not know there was anything private about me being the Parliamentary Secretary to the Prime Minister.

I think the member has served on committee long enough with me to know a couple of things about me. One is that I serve with integrity and conviction. While the member and I have not always agreed, he does know those qualities about me.

My statements that were provided in 2008, some four years ago, accurately reflect all expenditures incurred by both my campaign and my association. Anything that I paid on their behalf was refunded to me. I stand by those. I have never been contacted by Elections Canada on this matter.



*Oral Questions*

**Hon. Carolyn Bennett (St. Paul's, Lib.):** Mr. Speaker, Helena Guergis was removed from cabinet and thrown out of the Conservative caucus based on mere allegations to the Prime Minister by some private eye.

The Parliamentary Secretary to the Prime Minister is facing a serious investigation by Canada's independent election authority.

My question is for the Prime Minister. Why is the member for Peterborough still his parliamentary secretary and why is he the government's spokesperson on election fraud?

**Mr. Pierre Poilievre (Parliamentary Secretary to the Minister of Transport, Infrastructure and Communities and for the Federal Economic Development Agency for Southern Ontario, CPC):** Mr. Speaker, the Parliamentary Secretary to the Prime Minister has already indicated that, as long as four years ago he filed documents with Elections Canada with respect to the 2008 campaign. They were audited, approved and he has not heard anything from Elections Canada ever since, nor have we seen a single scintilla of evidence to the contrary.

What we do know is that the Liberal member for Guelph made illegal and false phone calls to his constituency, a fact that he was forced to concede after he was caught red-handed.

We will take no lessons from the sponsorship party on these matters.

[*Translation*]

**Hon. Denis Coderre (Bourassa, Lib.):** Mr. Speaker, that is edifying. The Parliamentary Secretary to the Minister of Transport has just said that the system may have been gamed four years ago, and because no one got caught at the time, it is acceptable.

The reality is that there was a cheque for \$21,000. The reality is that there was \$17,000 more than he was allowed to spend. That person is liable to a fine of \$5,000 and could get as much as five years in prison. The reality is that that person is trying to make out that he is squeaky clean. It is as if he had dropped a big plate of spaghetti in his lap. Is that person going to resign from his position as parliamentary secretary?

A person who lectures everyone and sullies everyone's reputation has no business being here.

**Mr. Pierre Poilievre (Parliamentary Secretary to the Minister of Transport, Infrastructure and Communities and for the Federal Economic Development Agency for Southern Ontario, CPC):** Mr. Speaker, yelling like a crazy person will not erase the fact that the Liberals have no evidence to support their allegations.

The Parliamentary Secretary to the Prime Minister filed the documents nearly four years ago. Those documents were independently audited and accepted by Elections Canada. There is no evidence; quite the contrary. Moreover, the member in question has not even been contacted by Elections Canada.

The Liberal Party is the one that has admitted to breaking the law.

**MINISTERIAL EXPENDITURES**

**Mr. Alexandre Boulerice (Rosemont—La Petite-Patrie, NDP):** Mr. Speaker, as the saying goes, speech is silver but silence is golden. Given the Minister of International Cooperation's expensive taste, no wonder she has so little to say.

She amended her claims for Korea, Haiti and Africa, but she is still refusing to say why. She tried to put one over on people, but after getting caught with her hand in the cookie jar over the London limousine episode, she clumsily tried to erase all traces of the scandal.

Will she stop hiding behind the government House leader and explain why she changed her claims?

[*English*]

**Hon. Peter Van Loan (Leader of the Government in the House of Commons, CPC):** Mr. Speaker, as I have answered many times in this House, we seek to deliver our services to Canadians with the lowest possible cost to taxpayers. Ministers follow that direction, which is why our costs are significantly lower than they were under the previous government.

In the case of the minister in question, only appropriate costs that were expended have been reimbursed.

[*Translation*]

**Mr. Alexandre Boulerice (Rosemont—La Petite-Patrie, NDP):** Mr. Speaker, if the costs were indeed appropriate, the government should have no trouble showing us the changes and the explanations.

The Minister of International Cooperation's attitude and silence are completely unacceptable. She uses public moneys to fund her expensive taste, all while cutting international aid, closing research centres, telling Canadians to tighten their belts, cutting public services and stealing money from seniors. That is unacceptable.

Right after she was caught red-handed for expenses tied to her luxury London junket, she made three requests to change her expense claims.

People have the right to know. Will she explain how and why her claims were changed?

● (1445)

**Hon. Peter Van Loan (Leader of the Government in the House of Commons, CPC):** Mr. Speaker, as I have already said many times, only appropriate expenses have been reimbursed.

\* \* \*

[*English*]

**ETHICS**

**Mr. Charlie Angus (Timmins—James Bay, NDP):** Mr. Speaker, the problem with defending the minister for luxurious living is the Conservatives are defending the now indefensible, in the same way that the Parliamentary Secretary to the Prime Minister has for months been defending allegations of widespread voter fraud. We now learn that he himself is under investigation. Given the very serious nature of these allegations, it has compromised his ability to do his job.

*Oral Questions*

Will the Prime Minister do the right thing and remove the parliamentary secretary from his position while this investigation is under way?

**Mr. Pierre Poilievre (Parliamentary Secretary to the Minister of Transport, Infrastructure and Communities and for the Federal Economic Development Agency for Southern Ontario, CPC):** Mr. Speaker, the member has already indicated that he filed documents with Elections Canada, with regard to that campaign almost four years ago. They were audited and confirmed and he has not been contacted by Elections Canada ever since.

However, what we do know is that just this week the NDP, yet again, had to accept guilt for breaking the law in accepting illegal union donations. What we do not yet know, because its leader will not reveal it, is how much illegal dirty money it did it take and when and how much it will be paying back.

**Mr. Charlie Angus (Timmins—James Bay, NDP):** Mr. Speaker, it is a general rule in this House that when that members stands, whoever he is defending has been benched, so I guess that is our answer. He has not been put on the backbenches until this investigation is complete.

The Parliamentary Secretary to the Prime Minister is named in court documents for questionable election spending with Holinshed Research Group. In 2009, Holinshed received \$125,000 from the Canada economic plan.

Who signed off on this expenditure and when? Will the government show us the GeoVote application that Canadian taxpayers paid for? Where is it?

**Mr. Pierre Poilievre (Parliamentary Secretary to the Minister of Transport, Infrastructure and Communities and for the Federal Economic Development Agency for Southern Ontario, CPC):** Mr. Speaker, they ask the same question again and again, but they refuse to answer the obvious questions that Canadians are posing to them—

**Some hon. members:** Oh, oh!

**The Speaker:** Order, please. The hon. Parliamentary Secretary to the Minister of Transport has the floor.

**Mr. Pierre Poilievre:** Mr. Speaker, they do not like these facts, which is why they keep interrupting me.

They received illegal donations from unions in contravention of the law.

The only thing that we do not know, because yesterday the leader of the NDP refused to reveal it, is how much illegal money it took and whether it will actually pay it back.

On this side of the House, we follow the rules. Why can the NDP not?

\* \* \*

**ELECTIONS CANADA**

**Mr. Scott Armstrong (Cumberland—Colchester—Musquodoboit Valley, CPC):** Mr. Speaker, the NDP's glass house from which it throws stones is getting larger and larger.

The NDP has been caught breaking election laws twice this year, and we have learned of yet another time when it issued questionable practices. This time, in the 2012 leadership guide "Moving Forward", it had advertising from corporations throughout. Today I will be referring this matter to Elections Canada to investigate how much sponsorship money the NDP collected from these advertisements.

Could the Minister of State (Democratic Reform) please remind the House of the steps our government took to crack down on these types of sponsorships from big business that the NDP is accepting?

**Hon. Tim Uppal (Minister of State (Democratic Reform), CPC):** Mr. Speaker, that type of behaviour is absolutely unacceptable and breaks Canadian election laws.

The Elections Act clearly indicates that corporate and union donations are not allowed. Political parties are required to raise their own money through donations from ordinary Canadians.

In fact, it was this government that brought accountability and transparency to political financing after 13 long years of Liberal rule, such as outright banning of union and corporate donations, in 2006.

The NDP must provide transparency on these questionable and potentially illegal practices.

\* \* \*

● (1450)

[*Translation*]

**THE ENVIRONMENT**

**Mr. Peter Julian (Burnaby—New Westminster, NDP):** Mr. Speaker, to adequately manage the environment and the economy, in-depth knowledge and expertise are required; however, the Conservatives have decided to make do without them. They are shutting out scientists and promoting their ideology without taking the facts into account.

Eliminating the National Round Table on the Environment and the Economy is irresponsible. Who said that? A former Conservative member and environment critic, Bob Mills.

Will the minister listen to his former colleague and the Canadian public, and reconsider his irresponsible decision to shut down the round table?

[*English*]

**Hon. Peter Kent (Minister of the Environment, CPC):** Mr. Speaker, once and for all, the national round table has served its purpose. When it was created a quarter of a century ago, there were very few sources of policy advice on the relationship between the environment and the economy. That is not the case today. This \$5 million can be better spent elsewhere to protect the environment and the economy.

**Mr. Peter Julian (Burnaby—New Westminster, NDP):** Let's be clear, Mr. Speaker, the government still needs facts, and fact seems to be a four-letter word that the Prime Minister is really offended by.

Let us be clear about what we are talking about. Bob Mills is a former Conservative MP and former environment critic. He is harshly criticizing this reckless decision.

*Oral Questions*

The national round table has provided decades of non-partisan, expert advice on managing economic and environmental challenges. The Conservatives are punishing the round table for stating facts.

Why will the Conservatives not end the attack on science and restore the national round table?

**Hon. Peter Kent (Minister of the Environment, CPC):** Mr. Speaker, I thank my colleague for the commercial.

As I've said, the national round table's time has passed.

Unlike the previous Liberal government, and in stark contrast to what the NDP would do, our government has been able to simultaneously successfully create jobs, grow the economy and protect the environment.

We are committed to protecting the environment and growing the economy, which is exactly the opposite of what the NDP would do by sending \$50 billion to bail out—

**The Speaker:** The hon. member for Dartmouth—Cole Harbour.

\* \* \*

**THE BUDGET**

**Mr. Robert Chisholm (Dartmouth—Cole Harbour, NDP):** Mr. Speaker, what we do know is that the Conservatives are ignoring the experts, ignoring Canadians and ignoring the facts.

Last weekend, the Federation of Canadian Municipalities lent its overwhelming support to splitting up the Trojan Horse budget bill and removing, among other things, the changes to the Fisheries Act. The message was clear. Yesterday, the minister stood up in the House and misrepresented the FCM's position.

Will the minister stand up here today and apologize to Canada's mayors? Will he finally agree to do the right thing and split the bill?

**Hon. Keith Ashfield (Minister of Fisheries and Oceans and Minister for the Atlantic Gateway, CPC):** On the contrary, Mr. Speaker. My comments from the day before yesterday were actually reaffirmed by the federation of cities and municipalities in its documents.

It says,

That the Federation of Canadian Municipalities (FCM) request the Government of Canada to ensure that changes to the Fisheries Act continue to protect our fisheries and natural environment while improving administrative efficiency by reducing unnecessary, ineffective and burdensome procedures;

That is exactly what we are doing.

\* \* \*

[*Translation*]

**FISHERIES AND OCEANS**

**Mr. Philip Toone (Gaspésie—Îles-de-la-Madeleine, NDP):** Mr. Speaker, once again, the Conservatives are not listening to Canada's mayors.

The Conservative proposals to change the fleet separation policy are destroying the way of life of fishers on the east coast. Yesterday, the parliamentary secretary admitted that there may be no desire for change, but that he could not say whether he agreed or disagreed.

I will explain clearly what the residents of coastal areas think. No. Is that clear enough for the minister?

When is he going to put an end to his battle against fleet separation?

[*English*]

**Hon. Keith Ashfield (Minister of Fisheries and Oceans and Minister for the Atlantic Gateway, CPC):** Mr. Speaker, I do not know what box of Cracker Jacks the member is getting his information from. We have said nothing in the budget implementation act about fleet separation. I do not know what the gentleman is talking about.

\* \* \*

● (1455)

**NATIONAL DEFENCE**

**Mr. Marc Garneau (Westmount—Ville-Marie, Lib.):** Mr. Speaker, the Minister of National Defence loves having his picture taken, and in fact spent \$47,000 of hard-earned taxpayer money to get a photo op in the cockpit of an F-35.

Since he loves photographs so much, I have a deal for the government. I can arrange for the minister to get a ride in the space shuttle simulator and he can even land the thing, for free, if he promises not to waste taxpayer money. Heck, I will even throw in a trip to Space Camp.

**Hon. Peter MacKay (Minister of National Defence, CPC):** Mr. Speaker, I know the hon. member is so bright and so intelligent, so I will give him the answer he is looking for.

This announcement, as the member knows, was intended to inform Canadians. It was an important announcement about a defence procurement. What happened with the costs—

**Some hon. members:** Oh, oh!

**The Speaker:** Order, please. The hon. Minister of National Defence has the floor. Order.

**Hon. Peter MacKay:** Mr. Speaker, as I said, this particular announcement was intended to inform Canadians. It included video conferencing and translation services. Almost half of the cost was to accommodate the media who were there and the employees who were preparing the event. There were accommodation and travel expenses for members of the Canadian Forces who attended, and a range of—

**The Speaker:** Order, please.

The hon. member for Westmount—Ville-Marie.

[*Translation*]

**Mr. Marc Garneau (Westmount—Ville-Marie, Lib.):** Mr. Speaker, I think I hit a nerve.

I will say it again, in French this time. This minister spent \$47,000 getting photographed in an F-35 fighter jet. We know that he likes to be photographed, so I have a proposal for him. I can arrange a trip to Houston so that he can be photographed in a space shuttle. He can even land the shuttle on the condition that he promises to not spend and waste any more taxpayer money. I can even arrange a trip to the space camp on his behalf.

*Oral Questions*

**Hon. Peter MacKay (Minister of National Defence, CPC):** Mr. Speaker, the joke was very effective the second time round in French. I repeat: I disclosed the cost of this announcement. The purpose of the announcement was to inform Canadians about this extremely important purchase for the Canadian Forces and for Canada as a whole.

[English]

The range of broadcasters who were there, and officials in attendance, demonstrate the importance with which we and the Canadian Forces and the government take this procurement.

We will continue to inform Canadians about the important investments we are making in the Canadian Forces.

\* \* \*

[Translation]

**JUSTICE**

**Ms. Françoise Boivin (Gatineau, NDP):** Mr. Speaker, there was a rare moment of unity last night on the Conservatives' side. With the support of one Liberal member, they voted to eliminate the sections on hate speech from the Canadian Human Rights Act, confusing the concept of freedom of expression with that of hateful expression.

By voting in favour of Bill C-304, the Conservatives are creating injustice for women and reducing the level of protection provided to women, visible minorities and LGBT groups.

Now that Bill C-304 has passed, will the minister commit to immediately filling the legal gap that exists in the Criminal Code regarding gender?

**Mr. Robert Goguen (Parliamentary Secretary to the Minister of Justice, CPC):** Mr. Speaker, this is just further proof that the NDP does not read bills carefully before voting against them. We are amending the Criminal Code to include the groups identified, such as women, and grant them protection under the Criminal Code.

We believe that prosecution under the Criminal Code is the best way to protect people. We are granting this protection to all Canadians. It is time for the opposition to get on board with us in order to protect Canadians.

[English]

**Mr. Randall Garrison (Esquimalt—Juan de Fuca, NDP):** Mr. Speaker, it is the Internet that is quickly becoming a haven for all sorts of anonymous hateful acts. Gay and lesbian teens have been bullied to the point of suicide. Islamophobia and anti-Semitism are rampant online, with neo-Nazi groups continuing to spread hate. In 2010 alone, police reported over 1,400 hate crimes in Canada. Yet, last night's repeal of an important piece of hate crime legislation gives the green light for these intolerant acts to continue.

Do the Conservatives have any proposals for protection against Internet hate crimes that could fill the void left by the passage of Bill C-304, which they like to applaud so vigorously? Anything that will not require a squad of lawyers and thousands—

**The Speaker:** The hon. Parliamentary Secretary to the Minister of Justice.

**Mr. Robert Goguen (Parliamentary Secretary to the Minister of Justice, CPC):** Mr. Speaker, bullying is unacceptable and should

not be tolerated. In our view, Bill C-273 raises criminal law policy concerns which may end up creating more problems than solutions.

The courts have already interpreted criminal harassment in a provision of the Criminal Code to apply to behaviour committed via the Internet. The Senate is currently looking at the issue of cyberbullying, and we look forward to receiving its report. We should let the Senate continue its important work.

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● (1500)

**CANADA REVENUE AGENCY**

**Mr. Daryl Kramp (Prince Edward—Hastings, CPC):** Mr. Speaker, earlier this week the Minister of National Revenue met with a senior official from the OECD regarding the global problem of offshore tax evasion. I understand that since 2006, CRA has audited thousands of cases, and through its aggressive efforts has identified more than \$4 billion of unpaid taxes.

This is compared to just \$174 million in the final year of the Liberals. Our government has taken this issue very seriously after it was largely ignored by the previous Liberal government.

Can the minister bring the House up to date on her discussions with the OECD?

**Hon. Gail Shea (Minister of National Revenue, CPC):** Mr. Speaker, I know the member for Prince Edward—Hastings has great passion for accountability in government.

Mr. Saint-Amans is a leading expert from the OECD, and he acknowledged our important contributions and efforts on this issue. He noted Canada's excellent progress since 2009 with respect to negotiating tax information exchange agreements with other countries. We now have 89 tax treaties in force, a significant improvement over the last government.

CRA will continue to focus on aggressive audit efforts to find money that is hiding in offshore accounts. We look forward to the finance committee hearings on this issue.

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**FOREIGN INVESTMENT**

**Hon. Ralph Goodale (Wascana, Lib.):** Mr. Speaker, the Saskatchewan government has raised the same concerns that I have about Glencore's foreign takeover of Viterra. One issue is the adverse affect on competition in the farm input business. Another is whether Glencore, with its checkered history, will keep its promises for a regional headquarters in Regina and \$100 million in new investment.

*Oral Questions*

When will Investment Canada rule on this takeover? Will explicit conditions be attached? Will they be made public, and will Glencore be required to post a bond to make its promises readily enforceable?

**Mr. David Anderson (Parliamentary Secretary to the Minister of Natural Resources and for the Canadian Wheat Board, CPC):** Mr. Speaker, we knew that when we brought marketing freedom to western Canadian grain farmers that people would come from around the world to invest in western Canada. We welcome that investment.

Farmers are eagerly looking forward to this summer's crop harvest and delivering their crops across Canada to a variety of companies. They now have choice that they have never had in the past.

\* \* \*

[Translation]

**CANADA REVENUE AGENCY**

**Mr. Hoang Mai (Brossard—La Prairie, NDP):** Mr. Speaker, the report of the Taxpayers' Ombudsman that was released yesterday highlights the Conservatives' lack of transparency. According to the report, the Canada Revenue Agency's backlog of access to information requests has risen from 25% to nearly 40% of total requests since the Conservatives came to power. The Canada Revenue Agency received the most complaints of all government entities. The Conservatives' solution: \$250 million in cuts.

How are the Conservatives going to correct this pathetic record?  
[English]

**Hon. Gail Shea (Minister of National Revenue, CPC):** Mr. Speaker, the Office of the Information Commissioner noted that CRA has the largest volume, 1.1 million pages, requiring review in 2010-11. The CRA had a 46% increase in the number of ATIP requests compared to 2008-09.

It also noted the CRA's ATIP operations continue to be severely impacted by bulk requesters. For instance, two bulk requesters accounted for one-third of CRA's ATIP inventory in 2010-11 and 78% of the complaints. That is for just two people.

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**PUBLIC SAFETY**

**Mr. Kevin Sorenson (Crowfoot, CPC):** Mr. Speaker, the opposition has falsely claimed that the government's tough-on-crime bills would create a wave of new prisoners. One ridiculous guess was a \$19-billion price tag, more prisons and huge rising costs. Obviously, it was wrong again. The government has announced the closure of prisons and safety for Canadians without the added cost to the taxpayer.

Could the Minister of Public Safety update the House on the current prison population?

**Hon. Vic Toews (Minister of Public Safety, CPC):** Mr. Speaker, the prisoner influx predicted by the NDP and the Liberals simply has not materialized. We have always said that we are not creating new prisoners, merely stopping the revolving door of justice. The numbers show that we are right. Over the last year the prison population has only increased by 85. We are closing prisons that are costly and ineffective in order to protect taxpayer dollars.

Corrections union Ontario vice-president Jason Godan said today, "Is Kingston Penitentiary conducive to modern-day rehabilitation? Maybe not". That is a big admission for a big union boss.

\* \* \*

● (1505)

[Translation]

**HEALTH**

**Ms. Annick Papillon (Québec, NDP):** Mr. Speaker, counterfeit products are becoming an increasingly dangerous problem for Canadians.

Today, we learned from a compelling report by the Canadian Chamber of Commerce that one in three products poses a real risk to Canadians' health and safety. We are not talking just about jeans and purses. We are also talking about drugs that can contain uranium and lead.

What is the Conservatives' plan to address this serious problem? Why cut funding to relevant departments when Canadians' health and safety are at risk?

[English]

**Mr. Colin Carrie (Parliamentary Secretary to the Minister of Health, CPC):** Mr. Speaker, the health and safety of Canadians is a priority for our government. The department is putting a better process in place to ensure that products on the market are safe, efficient and reliable for all Canadians. We are making improvements on how Health Canada responds to reports concerning products that are on the market.

\* \* \*

[Translation]

**INTERNATIONAL CO-OPERATION**

**Mr. Louis Plamondon (Bas-Richelieu—Nicolet—Bécancour, BQ):** Mr. Speaker, the Conservatives clearly cannot do enough for the Queen of England. After unveiling a \$100,000 portrait, they are now making a big fuss about a trust with a solely English name, The Queen Elizabeth Diamond Jubilee Trust.

While they are making cuts to international aid and penalizing recognized humanitarian aid organizations, the Conservatives are putting \$20 million into a Queen's trust.

Instead of piling on monarchy-related initiatives, why does the government not simply increase the existing international aid envelopes?

*Points of Order*

**Hon. Maxime Bernier (Minister of State (Small Business and Tourism), CPC):** Mr. Speaker, as we know, Canada is a democratic country with a parliamentary system, and under the Constitution, Canada's head of state is the Queen of England. Unlike the Bloc Québécois, we are not ashamed that the Queen is our head of state.

We know that the Bloc Québécois would like to destroy this country and make Quebec an independent country. That is not—

**Some hon. members:** Oh, oh!

**The Speaker:** Order, please.

The hon. member for Skeena—Bulkley Valley now has the floor for the Thursday question.

[*English*]

**Some hon. members:** Oh, oh!

**The Speaker:** Order, please. The hon. member for Saint-Laurent—Cartierville has to come to order.

The hon. member for Skeena—Bulkley Valley.

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## BUSINESS OF THE HOUSE

[*English*]

**Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP):** Mr. Speaker, what an exciting way to end question period. I encourage my friend's enthusiasm. We have not seen that kind of vigour in a while.

As we proceed through the budget implementation act, the more than 425-page omnibus Trojan Horse bill that is only a budget bill in name, in title but not in effect, we now know there will close to 1,000 or more amendments preceding to this bill, a situation that could have been avoided if the government had listened to reason at the beginning of this process and actually divided the bill into its component parts so Canadians could understand it and so members of Parliament could do our work. This will occupy the House for some time, I believe at the beginning of next week.

The question for the government is this. What will follow, if possible, in the days to come?

[*Translation*]

**Hon. Peter Van Loan (Leader of the Government in the House of Commons, CPC):** Mr. Speaker, I am not quite as enthusiastic as the member for Saint-Laurent—Cartierville, but I will try.

This morning, my hon. friend, the member for Edmonton—Leduc and chair of the hard-working Standing Committee on Finance reported to this House that Bill C-38, the Jobs, Growth and Long-term Prosperity Act, has passed the committee and been recommended for adoption by the House.

I am pleased that the Standing Committee on Finance followed the lead of the House with respect to the longest debate on a budget bill in the past two decades. The committee gave this bill the longest consideration for a budget bill in at least two decades. That is in addition to the subcommittee spending additional time to consider the responsible resource development clauses.

[*English*]

This very important legislation, our budget implementation legislation, economic action plan 2012, will help to secure vital economic growth for Canada in the short, medium and long term. Given the fragile world economy that is around us, this bill is clearly needed, so we must move forward. Therefore, I plan to start report stage on the bill Monday at noon.

In the interim, we will consider second reading of Bill C-24 this afternoon. This bill would implement our free trade agreement with Panama, which I signed when I was international trade minister, some 755 days ago. It is now time to get that bill passed.

Tomorrow, we will consider third reading of Bill C-31, the protecting Canada's immigration system act, so the Senate will have an opportunity to review the bill before it must become law, within a few weeks' time.

Next week I plan to give priority to bills which have been reported back from committee. It goes without saying that we will debate Bill C-38, our budget implementation bill. I am given to understand that there is a lot of interest this time around in the process of report stage motion tabling, selection and grouping.

Additionally, we will finish third reading of Bill C-25, the pooled registered pension plans act, and Bill C-23, the Canada–Jordan economic growth and prosperity act.

The House will also finish third reading of Bill C-11, the copyright modernization act. The bill is a vital tool to unlock the potential of our creative and digital economy. It is time that elected parliamentarians should have their say on its passage once and for all. I would like to see that vote happen no later than Monday, June 18.

If we have time remaining, the House will also debate second reading of Bill C-24, the Panama free trade act, if more time is necessary, as well as for Bill C-7, the Senate reform act, and Bill C-15, the strengthening military justice in the defence of Canada act.

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● (1510)

## POINTS OF ORDER

BILL C-38

**Mr. Marc Garneau (Westmount—Ville-Marie, Lib.):** Mr. Speaker, I would like to take this opportunity to respond to the point of order that was raised earlier this week by the member for Saanich—Gulf Islands concerning Bill C-38.

Simply stated, I wish to reiterate that we in the Liberal Party also have deep concerns about this legislation. That the government's argument for putting it forward in its current form is that it is all essential in order to help us stimulate our fragile economy is completely disingenuous and frankly very misleading.

*Points of Order*

For example, the government's plan to change the age for receiving old age security from 65 to 67 beginning in 2023 is hardly a critical budget decision that must be taken at this time and within this bill. I dare say most of us will not even be here 11 years from now.

[*Translation*]

Another example has to do with all of the changes to environmental and fisheries legislation. The government would have us believe that these changes have to happen right away to protect our fragile economy, but these laws will have serious repercussions and must be debated in the context of their own bills.

[*English*]

What has happened with Bill C-38 is quite astounding. This now infamous budget megabill has caused outrage from one end of the country to the other and the remarks of the hon. member for Saanich—Gulf Islands certainly mirror the concerns expressed by Canadians. Simply put, there is no common thread uniting all the elements of this massive bill. What is more, many of the elements are not even of a budgetary nature, even by the wildest stretch of the imagination. As such, Bill C-38 is not a legitimate omnibus bill.

[*Translation*]

We know that budget bills can be quite lengthy, but clearly, this government has brought the meaning of the term “omnibus” to an unprecedented level.

The Leader of the Government in the House of Commons can tell us that the bill does have a common thread—the budget—but I beg to differ. The government should not be using the budget as a catch-all to introduce everything including the kitchen sink.

[*English*]

For example, if we look at clause 52 of the bill, we will see that it enacts an entirely new piece of legislation called the Canadian environmental assessment act, 2012, within a single clause of a 753 clause bill. This clause only received a maximum of 15 minutes consideration at committee.

The rules and practices surrounding omnibus bills are in place for a reason. How can members of Parliament adequately study such a bill when its content is so wide ranging and disjointed. Dare I say it, perhaps that is what the members on the other side were counting on.

I must underline, in the strongest possible terms, the fact that legislation such as this makes it almost impossible to scrutinize properly. A budget bill dealing with financial measures and taxation is one thing. The hodgepodge of clauses impacting more than 60 pieces of federal legislation before us is a completely different proposition.

● (1515)

[*Translation*]

In conclusion, I truly hope that the government splits this bill into several parts, because the fact is that Canadians want several parts of Bill C-38 to be addressed separately. I trust that you will rule accordingly, Mr. Speaker, and I thank you for that.

[*English*]

**The Speaker:** I receive the hon. member's further contributions on this point.

QUESTIONS ON THE ORDER PAPER

**Hon. Irwin Cotler (Mount Royal, Lib.):** Mr. Speaker, on a different point of order, I rise in relation to a question on the order paper in my name, to which the government replied with an answer that was not only insufficient and incomplete, it was effectively a non-answer.

I do this in light of the recent ruling that you issued, Mr. Speaker, on the matter of a question raised by the member for Laurier—Sainte-Marie concerning the government's response to written Question No. 410.

My Question No. 588 related to the budget and asked in part:

(a) with how many groups and organizations did the Department of Finance consult on?

It then asked specifically how many were represented by women and how many were led by women respecting the individuals, groups and organizations consulted by the Minister of Finance or Department of Finance in preparation of budget 2012.

The answer I received to these questions states that the department and minister sought, and I quote, “the input of countless individuals and groups of both genders”.

As you noted, Mr. Speaker, in your ruling on April 3, and I quote:

...order paper questions are a very important tool for members seeking detailed, lengthy or technical information that helps them carry out their duties.

While you note the limited power of the Speaker in these matters, and I appreciate that, you go on to observe that in the case of the member for Laurier—Sainte-Marie, the government indicated that it would table additional information. To quote your ruling:

The original response to Question No. 410 tells us that this is how the government intends to proceed in this case, just as we have recently seen the government provide such supplementary responses to other questions.

Mr. Speaker, the government has not indicated in any way that it will table any further information or further respond to my question. Therefore, the situation that I raise is distinguishable from the case brought forward by the member for Laurier—Sainte-Marie.

Let me be very clear respecting the remedy I am seeking.

You have ruled, and O'Brien and Bosc agree, that quibbles over the content of responses do not rise to the level of a breach of privilege, and I am not referring to that.

That said, previous rulings of O'Brien and Bosc do note that the ministry's “failure” to answer a question, and this is what I am referring to here, is grounds for referral of the matter to a standing committee. As such, this point of order is to ask you to refer the government's failure to answer the question to the Standing Committee on Finance.

*Government Orders*

I want to be clear as to why this is a failure to respond. Simply put, this House cannot allow situations where the government puts whatever words it wants on a page and deems that an acceptable response regardless of the question. All hon. members would agree that there has to be some correlation between the question and the response.

The rules regarding your purview, Mr. Speaker, I understand are such—and you have ruled on this matter—that you will not engage as to matters of accuracy and completeness of response. I am not referring to the issue of accuracy or the completeness of response on the part of the government to my question. I am referring to the utter lack of any response to the question.

While we could quibble about whether the word “countless” is an appropriate response to the question of “how many” groups the Department of Finance consulted, there is no way anyone can argue that the word “countless”, even with “both genders” added, is in any way a response to the question of “How many of the groups were represented by women?”, and even more specifically, “How many of the groups were led by women?” There simply is no answer in what I received.

If this were allowed as a response, it would make a mockery of our written questions process.

• (1520)

**Hon. Peter Van Loan (Leader of the Government in the House of Commons, CPC):** Mr. Speaker, I will say initially that in terms of budget consultation, we had probably the broadest public consultation in Canadian history in preparation of this budget. Literally hundreds of consultations were done by the Department of Finance. As well, cabinet ministers and members of Parliament prepared summaries and submitted them to the Department of Finance for its consideration in preparation of this budget. That is why, when the word “countless” is used, it is actually quite accurate.

I carried out a number of those myself, and I cannot recall how many women were involved, how many women led the groups with whom we spoke, or whether I could say that someone was the leader of a group of not.

Mr. Speaker, while I appreciate that the member may wish that there was some kind of excessive record keeping when we consult the Canadian public, I think you will see that the nature of the consultation—how broad it was, and how many thousands of Canadians participated in the many consultations—makes what he is seeking difficult to provide. In any event, I expect I will be back with some further submissions on this.

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## GOVERNMENT ORDERS

[*Translation*]

### CANADA-PANAMA ECONOMIC GROWTH AND PROSPERITY ACT

BILL C-24 — TIME ALLOCATION MOTION

**Hon. Peter Van Loan (Leader of the Government in the House of Commons, CPC)** moved:

That, in relation to Bill C-24, An Act to implement the Free Trade Agreement between Canada and the Republic of Panama, the Agreement on the Environment between Canada and the Republic of Panama and the Agreement on Labour Cooperation between Canada and the Republic of Panama, not more than seven further hours shall be allotted to the consideration at second reading stage of the bill; and

at the expiry of the seven hours, any proceedings before the House shall be interrupted, if required for the purpose of this Order, and in turn every question necessary for the disposal of the said stage of the said bill shall be put forthwith and successively, without further debate or amendment.

[*English*]

**The Speaker:** As we have done in the past, we will have a 30-minute questions and comments period. We will ask members to keep their questions or comments to about a minute and their responses to a similar length of time.

[*Translation*]

**Ms. Nycole Turmel (Hull—Aylmer, NDP):** Mr. Speaker, once again, the government wants to invoke closure. Why? Why has the government invoked closure time and again on all issues for the past year?

We must have a discussion about whether or not it is in Canada's interests to enter into this free trade agreement. The government must answer to Canadians. It must fully explain to them the reasons for the agreement and not hide again behind closure in order to impose on Canadians matters that affect them directly.

I want an answer. Why is the government acting in this way?

[*English*]

**Hon. Peter Van Loan:** Mr. Speaker, the real question is why the New Democratic Party continues to resist any measure that brings into place legislative measures that are designed to achieve economic growth and prosperity for Canadians. The purpose of this bill to implement the Canada–Panama free trade agreement is to create economic opportunities for Canadians.

In 2011, Canada's exports to Panama totalled \$111 million. That was a 20% increase over just two years earlier. We export a wide variety of goods and services to that country, and the result is the creation of jobs and economic growth and prosperity here in Canada.

We want to see those exports grow. We want to see those markets grow so that Canadians have more opportunity to benefit from the jobs that would result. The real question is why NDP members always resist, to the fullest extent possible, such measures to create jobs for Canadians.

**Mr. Kevin Lamoureux (Winnipeg North, Lib.):** Mr. Speaker, what we are really talking about here is the issue of process.

The government has continually brought in time allocation and has made it a part of standard procedure. This is the 25th time. This happens to be on a freer trade type of agreement with regard to Panama and the environment, but the real issue that Canadians need to be concerned about is the attitude of the Reform-Conservative government in wanting to stifle debate in the House of Commons.



*Government Orders*

Does the government House leader not recognize that there is a need for the government House leader to work in co-operation with the opposition House leaders to ensure adequate debate on bills that both the government and the opposition see as important? It is called democracy. Does the government House leader support the need to work with opposition parties in dealing with legislation before the House?

• (1525)

**Hon. Peter Van Loan:** Mr. Speaker, the hon. Liberal member said that the real issue here is parliamentary procedure. I know we are taking advantage of the standing rules and moving forward on that, but I think for Canadians the real issue is actually the economy. The real issue is job creation and economic growth, and the real question is whether the people here in the House of Commons are committing themselves to making decisions that reflect the interests of Canadians and advancing those objectives of job creation and economic growth for all Canadian.

For example, people working in the sector of manufacturing machinery are exporting products to Panama right now, but they know that they face very steep tariffs. They would like to see those tariffs removed. For over two years we have had a free trade agreement with Panama that seeks to do that, but we have to pass the law in this Parliament in order to have the benefits of that agreement.

Canadian manufacturing workers want the benefits of that agreement so that their products can be exported to new markets, so that their jobs will be more secure, so that we will have prosperity into the future. Those are the issues I think Canadians are most concerned about, not parliamentary procedure.

[*Translation*]

**Mr. Philip Toone (Gaspésie—Îles-de-la-Madeleine, NDP):** Mr. Speaker, I think that Canadians agree entirely: they want a strong economy. However, the economy is not what is being debated here. The bill is not even up for debate. We are debating the fact that there is yet another gag order. As my colleague just pointed out, this is the 25th occasion. It demonstrates a lack of democracy and transparency.

We want a bill that benefits from consulting Canadians and getting their feedback. That is not achieved in half an hour. It takes time to develop good legislation.

The government House leader cannot convince us that his bill is faultless, that it is perfect and that it would not benefit from debate. Debate is par for the course. The reason debates are held in the House of Commons is so that the government can take advantage of the opportunity to consult Canadians.

I would like to ask the government House leader the following question: does he think that he is in a kingdom or a democracy?

[*English*]

**Hon. Peter Van Loan:** Mr. Speaker, there has been ample democracy in this case. We have already had six days of debate and some 65 speeches in this House of Commons this session. As well, this measure dates back to previous Parliaments; we had eight days of debate in the previous Parliament and seven days at committee. There has been lots of ample debate. The problem is that the NDP does not want to see this pass and, as they so often do, they are

willing to resort to every measure to stop job creation and economic growth measures.

The member asked why it has to be passed now. It has to be passed now because we are in a fragile world economic situation. Canada has had strong economic growth but remains threatened by conditions elsewhere, and Canadian workers and Canadians are looking for the economic growth, job security and opportunities that flow from an agreement like this.

We want to see those tariffs reduced so that Canadian manufacturers of machinery, farmers who are exporting meat, people in the mineral and fuel sectors, and those in the paper and paperboard-producing sectors of the economy who have been challenged recently can be more secure by exporting more to Panama and seeing their personal economic prosperity benefit, as well as that of their communities.

• (1530)

**Mr. Massimo Pacetti (Saint-Léonard—Saint-Michel, Lib.):** Mr. Speaker, to clarify what the government House leader said in response to my colleague's question, I just want to put this on the record to make sure that I did not inappropriately understand. Did the House leader say that Canadians do not understand parliamentary procedure, so it is not important? Is that what he said? To me, that is what it sounded like.

Does the fact that Canadians do not understand parliamentary procedure mean that the government does not have to follow parliamentary procedure and can therefore just bully everybody around and pass these bills willy-nilly? Is that what I heard?

**Hon. Peter Van Loan:** Mr. Speaker, I can confirm that the member did mishear me. I said that the priority for Canadians is not, as his colleague from Winnipeg suggests, parliamentary procedure. That is not their priority. Their priority is the economy, job creation and economic growth, and that is our priority, a priority we share in mind.

That is what we believe Canadians sent us here to do: to make decisions on legislative proposals that will advance job creation and economic growth. That is what we are doing with our economic action plan 2012. It is also what we are doing with our free trade agreements, including the one that we are talking about here, the one that was signed over two years ago, the Canada-Panama free trade agreement, and our legislative efforts to implement it.

This agreement would have enormous benefits for Canadian sectors, including the economy of Quebec. As this hon. member comes from Quebec, he would be interested in knowing that his pork producers in that province will benefit from this agreement. Industrial and construction machinery manufacturers from Quebec will benefit. Pharmaceutical exports to Panama from Quebec are common; they will also benefit. There are many more sectors of the Quebec economy that stand to benefit from this agreement.

[*Translation*]

**Mr. Romeo Saganash (Abitibi—Baie-James—Nunavik—Eeyou, NDP):** Mr. Speaker, once again, the government wants to shut down debate on an important bill. This is the same story all over again. Last time it was a free trade agreement with another country in the same region, Colombia.

*Government Orders*

What lessons have been learned? We had concerns about that agreement, and yet the Conservatives and Liberals supported it. We had serious misgivings regarding the rights and freedoms of Colombians. We have the same concerns about this agreement and would like to debate it.

Why are we not being allowed to do so? The lessons learned from the agreement with Colombia should be helpful this time around in this august House. That is why we believe that it is important to continue the debate on this agreement.

[English]

**Hon. Peter Van Loan:** Mr. Speaker, I am not sure I heard the hon. member correctly. I do believe that Panama is a democracy with a solid human rights record. No one has raised issues of that in the past that I am aware of. Certainly it is the kind of country with which we are proud to be a trading partner. In fact, we already are. Many Quebec companies, businesses, enterprises and farmers are already trading with Panama.

I am sure they would be disappointed to hear that this hon. member and many of his colleagues from Quebec are trying to shut down trade with Panama and do not want to see this free trade agreement implemented, which was entered into over two years ago.

The aerospace sector in Montreal is very significant. It exports to Panama. It would like to be able to export more. If the NDP has its way, it will not be able to. The engineering and construction sectors in Quebec are proud organizations that have done a great deal, particularly some of the engineering companies on the world stage. They would like to do more. The NDP wants to stop them from doing more.

This will only lead to more challenging times in the Quebec economy and the Canadian economy at a time when we are seeking to grow those economies for the benefit of all Canadians and to create jobs.

**Hon. Laurie Hawn (Edmonton Centre, CPC):** Mr. Speaker, in Parliament for the last year and change, we have been discussing parliamentary procedure and the use of it. I would suggest to the government House leader that there is such a thing as the tyranny of the minority.

In the case where the opposition, as is its right, uses parliamentary procedure to stall legislation, and it has become pretty apparent to me in the last year and change that the opposition does not want us to pass any legislation of any kind whatsoever, it will use parliamentary procedure, that is, debating ad nauseam and indefinitely on every piece of legislation.

From my point of view, and I would like the House leader's comments on this, we are simply using legitimate parliamentary procedure to in fact move ahead the legislation on behalf of the Canadian public in spite of the tyranny of the minority.

• (1535)

**Hon. Peter Van Loan:** Mr. Speaker, I thank the hon. member for that insightful question.

Obviously the hon. member for Edmonton Centre has been spending a fair bit of time in this House, observing the practices of the various parties and their approach to legislation.

Our approach as a government has been to ensure a productive, hard-working and orderly Parliament. Part of being a productive, hard-working and orderly Parliament is to allow ample debate. We have had that. We have had that in the case of this legislation. By the time we are finished, we will have had close to two weeks of debate in this House.

That is a lot of debate before making a decision. It is more than most people do in their homes. It is more than most people do in their workplaces when they take an issue and decide whether to come to a decision.

After that, it is not finished. It still has to go to committee, report stage, third reading and then over to the Senate. There still will be days and days, weeks, months, and if the opposition has its way, years more debate.

We do have an obligation at some point to actually make decisions here in this House. Nowhere is that more important than on legislation that touches on questions of economic growth and job creation in a time of a fragile world economy.

That is why we need to vote on this bill at second reading and get it on to committee to be studied there in detail.

**Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP):** Mr. Speaker, I would like to quote my friend who worries about the tyranny of the minority. When in opposition, the Minister of Citizenship, Immigration and Multiculturalism spoke about the Liberal government's use of these tactics to shut down debate on a bill, which we are debating right now. At that time, the current Minister of Immigration said:

I am displeased that the bill represents the 75th time that the government has invoked closure or time allocation since it came to power...abusing that very significant power to limit and shut down debate in this place more than any other government in Canadian history.

The problem with the current government is it is seeking to break the record of the previous Liberal government's tactics in shutting down debate, and it now claims that the use and abuse of these tools is somehow good.

My question for my hon. friend is this. He said he is not aware of any human rights concerns within the state of Panama, yet we have a human rights report from the UN, which I know he is a big fan of, that says:

...the absence of a process of consultation to seek the prior, free and informed consent of communities to the exploitation of natural resources in their territories; the ill-treatment...

of first nations people.

I do not know why the government members do not see that as a concern and pause, yet they do not. What they want to do instead is say they do not see any evidence of any human rights concerns in Panama or Colombia or, in fact, anywhere in the world. All they want is trade deals, regardless of what is in them, because they think they are good by their very nature.

*Government Orders*

The NDP has said that there are good trade deals and bad ones, but what must be respected in this place most is this place. The government members, when they were in opposition, used to believe in this principle. They used to respect the practices, and now we see a government that is growing increasingly addicted to such worrisome tendencies.

**Hon. Peter Van Loan:** Mr. Speaker, a report that says perhaps one should perhaps improve one's processes for consultation with one's communities is hardly evidence of human rights violations. We are always trying to find better ways to consult with elements of our population.

However, we can proud if we implement an agreement like this and create more opportunities for Canadian mining and resources companies to participate in the Panamanian economy and create jobs there and prosperity in Canada. However, they will be doing so abiding by principles of good corporate citizenship that Canadian companies have demonstrated all around the world, and we are very proud of that. The key thing is that they have the opportunity to do that.

Canadian foreign investment in Panama has been significant and so have the exports of financial and other services to Panama from Canada. Those have all created jobs in Canada. Economic growth, job creation and prosperity here; that is the focus. That is why we are moving forward on this. Our approach is one of allowing ample debate. This bill has seen that in the House of Commons, but it is time also, from time to time, to do what we were sent here by Canadians to do and actually make decisions. That is what we want to ask this House of Commons to do on this particular bill, in principle.

[*Translation*]

**Mr. André Bellavance (Richmond—Arthabaska, BQ):** Mr. Speaker, this is the 25th gag order that has been imposed on us. At this rate, an unenviable record is going to be set. In 2015, I am convinced that Canadians will remember the way the Conservative government ran this country.

I also have some examples for the Leader of the Government in the House of Commons, who is telling us that Panama is fantastic and that we are going to trade with this country. Panama is certainly one of the most prosperous countries in Central America. However, some members gave examples earlier about workers' rights in that country, and I have a few more. In 2010, Panama passed a law against protests. Workers are treated like criminals when they take to the streets to protest, and people have been killed at such demonstrations.

Furthermore, the OECD considers Panama to be one of the world's worst tax havens.

I have a question for the Leader of the Government in the House of Commons. Before signing this type of free trade agreement, why not sit down with the authorities in these countries and urge them to comply with international tax treaties and workers' rights, among other things?

● (1540)

[*English*]

**Hon. Peter Van Loan:** Mr. Speaker, occasionally we even have demonstrations on the streets here in Canada, so I will take from that what it is worth.

The focus for us in this government is job creation and economic growth. An important part of that is finding new markets for Canadian manufacturers, workers and farmers so we can, by having those new markets, create jobs and prosperity here. Canada is a relatively small country in terms of population and market. We depend to a magnificent extent on exports abroad to other countries for our jobs and economic growth. That is the nature of Canada. We are integrated into the world economy. That is why we are so aware of the challenges of the global economy that other parties seem to ignore. That is why we are so focused on ensuring we take every step possible to secure the long-term prosperity of Canadians. Being able to trade in those marketplaces is part of securing that long-term prosperity.

This bill is part of that important agenda of securing markets abroad to ensure our long-term prosperity and ensure jobs for Canadians, not just today but for years and generations to come.

**Mr. Jasbir Sandhu (Surrey North, NDP):** Mr. Speaker, the purpose of debating bills in the House is to come up with informed decisions. When the Conservative government shuts down debate, I do not think that leads to informed decisions being made in the best interests of Canadians. When we debate bills, we gather information from experts and constituents. That would lead to better decisions being made in Parliament.

We like to see trade agreements that will have net benefit to Canadians. Why are the Conservatives so afraid to debate these very fundamental issues in the House, so we can make decisions that are based on information and facts?

**Hon. Peter Van Loan:** Mr. Speaker, there are many who have accused the NDP of being excessively academic in its approach. I understand that in common rooms at universities it is fashionable to talk about things for a long time and maybe never take decisions, or maybe debate issues for years and years but never actually do anything. However, once people graduate from university, go into the real world, try to create jobs and try to secure futures for their families, they actually have to do things and, in the process, make decisions. They are in the real world and the real economy.

That is what we are doing here for Canadians, and that is what Canadians asked us to do when they sent us to Parliament, not to be just a talk shop. We are not here just to philosophize and have ideas, all of which is important, but at the end of those debates constituents want us to make decisions. That is all we are asking.

*Government Orders*

With regard to the Canada-Panama free trade agreement that has been around for more than two years since we completed negotiations, that has had literally weeks of debate in Parliament and that has already been passed at second reading in a previous Parliament, all we are asking is that we have that vote again, send it to committee, allow it to be studied in detail and then we can have the debates in committee, at report stage and third reading and, guess what, do the same thing over again in the Senate. A lot of debate is still ahead, but it is about time we made a decision in principle on the bill.

**Hon. Lisa Raitt (Minister of Labour, CPC):** Mr. Speaker, I would like to take the opportunity to tell the House as Minister of Labour that, as part of the free trade agreement, there is a labour co-operation agreement, and in it we provide something called technical help. I had the great pleasure of visiting my counterparts and the leadership of the Panama Canal this past year in order to ensure they understood that we are here to help and want to trade our best practices. Indeed, I had great conversations not only with management and government but also with trade unions in Panama. They indicated to us that they want more information about inspection and help with best practices, which we are providing through the labour program.

My question to the minister is this. From the perspective of the trade side, is there an urgency for us to finalize this agreement for the betterment of the Panama Canal coming online in the next couple of years and, indeed, for the overall economy of our country?

• (1545)

**Hon. Peter Van Loan:** Mr. Speaker, I thank the hon. Minister of Labour not only for her question but for her involvement in this file. She has taken a great interest in the issues and the parallel agreements to cover labour issues and has seen to their advancement.

With regard to Panama, one of the hopes when this agreement was signed, which can be seen in the statements made by me and others at the time, was that we would be able to take advantage of the massive opportunities created by the expansion of the Panama Canal, for which Canadian companies were ideally suited to win contracts. Unfortunately, because of the delays and obstruction by the NDP in the House of Commons, we are sitting here more than two years later without this agreement being in place.

I bet there are not too many contracts left. Most of that work is completed. There may be a few dollars left here and there, but the reality is that those opportunities have been lost and jobs have been missed because the NDP has obstructed this bill for over two years.

Let us get on with it. Let us at least send this bill to committee so we can make decisions on it and so we do not face more lost opportunities for Canadian workers and for Canadian businesses to create jobs for workers.

[*Translation*]

**Mr. Dany Morin (Chicoutimi—Le Fjord, NDP):** Mr. Speaker, I am very dissatisfied with the answer from the Leader of the Government in the House of Commons. He mentioned earlier that 65 people have spoken about this issue and that he believes that justifies cutting short the debate and preventing members who represent their constituents from speaking.

I have news for him. I had prepared a speech on this issue for today. The people of Chicoutimi—Le Fjord oppose this bill, which would result in trade agreements with a tax haven just when the people of my riding are about to get hit with reductions in employment insurance, which will be increasingly limited.

I have the right to speak in the House of Commons and that right has just been taken away. I find that unacceptable. For that reason, I am rising in the House today. Unfortunately, it is not to voice my opposition to the bill, but to condemn the government's actions. There have been 25 time allocation motions. That is simply irresponsible. However, it does not surprise me, because the government is irresponsible.

[*English*]

**Hon. Peter Van Loan:** Mr. Speaker, with 65 speeches in this Parliament so far, 66 in the previous Parliament and 35 witnesses at the parliamentary committee, we have been getting an awful lot of content.

I know the hon. member is keen. He could, hopefully, prevail upon his whip to allow him to speak in the balance of this debate. If not, maybe he could speak during report stage debate. Maybe he could ask to appear on the committee and participate there. Maybe he could ask to have a chance to speak during third reading.

My point is that there has been ample debate already and there is ample debate yet to come. The difficulty is that the hon. member from the NDP does not want to ever have to make a decision, and that reveals his real motive.

The fact is that the NDP members oppose free trade agreements reflexively in every circumstance. That is their position. They are opposed to free trade. It is simply ideologically rejected. They do not want us to take a vote on this matter because they wish to obstruct it for another two or three years if they have the opportunity to repeat what they have done in the past.

[*Translation*]

**Mr. Romeo Saganash (Abitibi—Baie-James—Nunavik—Eeyou, NDP):** Mr. Speaker, once again I cannot believe what I am hearing. That has been their mantra for months. It is not true. We are in favour of free trade, but it has to be free and fair trade. We are in favour of free trade that respects the environment. We are in favour of free trade that respects social justice all around the world. That is what we want.

We are not against this bill in principle. We are opposing it because we want to improve it. That is what we want to do. Earlier the minister said that there are no human rights problems in Panama, but the Human Rights Council confirms its concern over human rights in its recent report on Panama. That is what we want to bring to this debate in order to improve the content of this free trade agreement and this legislation.

*Government Orders*

**Hon. Peter Van Loan:** Mr. Speaker, in the previous Parliament, the NDP opposed the free trade agreement with Panama, the free trade agreement with Colombia, a free trade agreement with Israel, a free trade agreement with the United States and NAFTA. In fact, they have opposed every free trade agreement proposed in this House

The NDP still has the same position. They are against the principle of free trade because they have a different vision. According to them, Canada is a small island and we can have an isolated economy here. That plan will create poverty across Canada. It is impossible. We need trade and we need to conclude agreements with other countries. That is the purpose of this bill and the other free trade bills that we introduce.

• (1550)

**Mr. Marc-André Morin (Laurentides—Labelle, NDP):** Mr. Speaker, this morning I saw the report on our free trade with Colombia. I think part of this report should have focused on human rights and workers' rights, but there was nothing of the sort in the report.

The problem is that the government is asking us to blindly believe all of its claims, but when we want to see proof or ask for statistics and facts, it has nothing to give us. The difference between us and the Conservatives is that we need to see it to believe it, but the Conservatives say we have to believe it to see it. That is the difference.

[*English*]

**Hon. Peter Van Loan:** Mr. Speaker, members of the NDP have voted against free trade agreements with Colombia, with Chile, with Peru, with Israel, with the United States and with Mexico. They have taken positions with Panama. They have taken positions in this House, often in question period and elsewhere, opposing free trade agreements with the 26 countries of the European Union. Those, obviously, are motivated by human rights concerns, too, I guess. Is that the case? No. The fact is that they are against free trade as a principle. That is where the NDP stands. It has always opposed free trade as a principle.

We have an opposite view because we recognize that Canada benefits from free trade. After the free trade agreement with the United States and the North American Free Trade Agreement, Canada has seen tremendous success and literally hundreds of thousands of jobs created.

We, and, I think, most Canadians, recognize that the tales of doom and gloom that were told by NDP before that have not come to pass but rather are entirely wrong. It said that we would lose our culture, but, guess what—it is still here. We even have Celine Dion and Shania Twain. It said that we would lose our water, but guess what—others remain hungry for it, but it is still here. It said that we would lose our wine. Sadly, they were right. Baby Duck has gone, but now Canada has a heck of a lot of first-rate, world-class wines.

Those were all the things that the NDP said would happen, but they did not come to pass. What did come to pass was literally hundreds of thousands of jobs for Canadians and prosperity for us. We need to extend that into other markets around the world, including the European Union, including India and, of course, including the free trade agreement that we already have in place with

Panama and have had for two years but which we need to actually get through this House of Commons.

[*Translation*]

**The Acting Speaker (Mr. Barry Devolin):** It is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the motion now before the House.

The question is on the motion. Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.

**Some hon. members:** No.

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

**Some hon. members:** Yea.

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

**Some hon. members:** Nay.

**The Acting Speaker (Mr. Barry Devolin):** In my opinion, the yeas have it.

*And five or more members having risen:*

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

• (1635)

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

(*Division No. 275*)

## YEAS

## Members

Ablonczy	Adams
Adler	Aglukkaq
Albas	Albrecht
Alexander	Allen (Tobique—Mactaquac)
Allison	Ambler
Ambrose	Anders
Anderson	Armstrong
Ashfield	Aspin
Bateman	Benoit
Bernier	Bezan
Blaney	Block
Boughen	Braid
Breitkreuz	Brown (Newmarket—Aurora)
Brown (Barrie)	Bruinooge
Butt	Calandra
Calkins	Cannan
Carmichael	Carrie
Chisu	Chong
Clarke	Clement
Daniel	Dechert
Del Mastro	Dreeschen
Duncan (Vancouver Island North)	Dykstra
Fantino	Findlay (Delta—Richmond East)
Finley (Haldimand—Norfolk)	Flaherty
Fletcher	Galipeau
Gallant	Gill
Glover	Goguen
Gosal	Gourde
Grewal	Harris (Cariboo—Prince George)
Hawn	Hayes
Hiebert	Hillyer
Hoback	Hoepfner
Holder	James
Jean	Kamp (Pitt Meadows—Maple Ridge—Mission)

*Points of Order*

Keddy (South Shore—St. Margaret's)	Kenney (Calgary Southeast)	Morin (Notre-Dame-de-Grâce—Lachine)	Morin (Laurentides—Labelle)
Kerr	Kerr	Morin (Saint-Hyacinthe—Bagot)	Murray
Kramp (Prince Edward—Hastings)	Lauzon	Nantel	Nash
Lebel	Lemieux	Nicholls	Nunez-Melo
Leung	Lizon	Pacetti	Papillon
Lobb	Lukiwski	Perreault	Pilon
Lunney	MacKay (Central Nova)	Plamondon	Quach
MacKenzie	McLeod	Rafferty	Raynault
Menzies	Merrifield	Regan	Rousseau
Miller	Moore (Fundy Royal)	Saganash	Sandhu
Norlock	O'Connor	Savoie	Scarpaleggia
O'Neill Gordon	Obhrai	Scott	Sellah
Oda	Oliver	Sgro	Simms (Bonavista—Gander—Grand Falls—Wind-
Opitz	Payne	tor)	
Penashue	Poilievre	Sims (Newton—North Delta)	Sitsabaiesan
Preston	Raitt	St-Denis	Stewart
Rajotte	Rathgeber	Stoffer	Thibeault
Reid	Rempel	Toone	Tremblay
Richards	Rickford	Turmel	Valeriote — 114
Ritz	Saxton		
Schellenberger	Seeback		
Shea	Shipley		
Shory	Smith		
Sopuck	Sorenson		
Stanton	Storseth		
Strahl	Sweet		
Tilson	Toet		
Toews	Trost		
Trottier	Truppe		
Tweed	Uppal		
Valcourt	Van Kesteren		
Van Loan	Vellacott		
Wallace	Warawa		
Warkentin	Watson		
Weston (West Vancouver—Sunshine Coast—Sea to Sky Country)			
Weston (Saint John)			
Wilks	Williamson		
Wong	Yelich		
Young (Oakville)	Young (Vancouver South)		
Zimmer — 145			

PAIRED

Nil

**The Acting Speaker (Mr. Barry Devolin):** I declare the motion carried.

[English]

**The Acting Speaker (Mr. Barry Devolin):** 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 Charlesbourg—Haute-Saint-Charles, Status of Women; the hon. member for Saanich—Gulf Islands, Fisheries and Oceans.

\* \* \*

## POINTS OF ORDER

BILL C-38

**Hon. Peter Van Loan (Leader of the Government in the House of Commons, CPC):** Mr. Speaker, I want to rise to offer some supplementary comments to the point of order raised on Monday by the hon. member for Saanich—Gulf Islands, and further to the submissions that were just advanced by the House leader for the Liberal Party.

The hon. member for Saanich—Gulf Islands in her arguments went on to cite at some length some academics and some press clippings, but not really zeroing in on the full content of Speakers' rulings.

She did reference a few Speakers' rulings and did the odd selected quotation from them, but I think it would be useful for the House to hear some more complete citations or quotations from those decisions of the Chair that actually capture the essence of those decisions on how a bill such as Bill C-38 should be dealt with.

In the ruling on the 1982 energy bill, Madam Speaker Sauvé said, at page 15532 of *Debates*:

It may be that the House should accept rules or guidelines as to the form and content of omnibus bills, but in that case the House, and not the Speaker, must make those rules.

Therefore, having heard argument and having examined Bill C-94, I must now rule on the basis of existing precedents, which do not support the proposition that the bill should be divided or struck down.

I emphasize “or struck down” because that is what she is asking you to do in this case.

## NAYS

Members

Allen (Welland)	Andrews
Angus	Atamanenko
Aubin	Ayala
Bélanger	Bellavance
Bennett	Benskin
Bevington	Blanchette
Blanchette-Lamothe	Boivin
Borg	Butlerice
Boutin-Sweet	Brahmi
Brisson	Brosseau
Byrne	Caron
Casey	Cash
Choquette	Christopherson
Cleary	Coderre
Côté	Cotler
Crowder	Cullen
Davies (Vancouver Kingsway)	Davies (Vancouver East)
Day	Dewar
Dion	Dionne Labelle
Donnelly	Doré Lefebvre
Dubé	Duncan (Etobicoke North)
Duncan (Edmonton—Strathcona)	Dusseau
Easter	Foote
Freeman	Garrison
Genest	Genest-Jourdain
Giguère	Goodale
Grogulé	Harris (Scarborough Southwest)
Harris (St. John's East)	Hassainia
Hsu	Hughes
Jacob	Kellway
Lamoureux	Larose
Latendresse	Laverdière
LeBlanc (LaSalle—Émard)	Leslie
Liu	MacAulay
Mai	Marston
Mathysen	May
McCallum	McGuinty
McKay (Scarborough—Guildwood)	Michaud
Moore (Abitibi—Témiscamingue)	Morin (Chicoutimi—Le Fjord)

*Points of Order*

Madam Speaker Sauvé also ruled on June 20, 1983, at page 26538 of *Debates*, on the western grain transportation bill, as follows:

—although some occupants of the Chair have expressed concern about the practice of incorporating several distinct principles into a single bill, they have consistently found that such bills are procedurally in order and properly before the House.

This bill does not even meet that test of distinct principles. It is all one principle, the implementation of our budget.

The hon. member for Saanich—Gulf Islands also quoted some decisions of Mr. Speaker Fraser, including one reference which even she acknowledged was “at best obiter dicta”.

In his June 8, 1988 ruling on the Canada-U.S. Free-Trade Agreement, he cited the 1982 ruling of Madam Speaker Sauvé, who called it, at page 16257 of *Debates*, “the Chair’s traditional position”. That led Mr. Speaker Fraser to say:

Until the House adopts specific rules relating to omnibus Bills, the Chair’s role is very limited and the Speaker should remain on the sidelines as debate proceeds and the House resolves the issue.

He cited himself in his later rulings on April 1, 1992, at page 9149 of *Debates*, and December 7, 1992, at page 14735 of *Debates*.

Underpinning her submissions were what the member for Saanich—Gulf Islands described as Mr. Speaker Lamoureux’s so-called misgivings in a January 26, 1971, ruling.

Let me add to the record the paragraph she left out on page 284 of the *Journals*, which immediately followed the one quoted by the member for Saanich—Gulf Islands.

The Speaker went on to say:

At the time, having now reached second reading and having had this bill before us for some time, I doubt whether we should take the very drastic and extreme position, as I suggest to hon. members it would be, of saying that this bill is not acceptable to the House, that it should not be put by the government and that it should not be considered by hon. members. In my view it should be the responsibility of the Chair, when such bill is introduced and given first reading, to take the initiative and raise the matter for the consideration of the House by way of a point of order.

Indeed, as the hon. member for Saanich—Gulf Islands opined in her opening remarks, at page 8719 of Monday’s *Hansard*:

—I still think there is a compelling case that the House must act to set limits around omnibus legislation.

Later, at page 8720, she conceded that:

It is clear that the Speaker is not, at present and in absence of rules from the House to limit the length and complexities of omnibus bills, entitled to rule that an omnibus bill is too long, too complex or too broad in scope.

What she is seeking to do, through a point of order, is try to have the Speaker in fact implement new rules, effectively new Standing Orders. That is, of course, not the proper way of proceeding. Moreover, it is worth noting that over the decades of the prevailing status quo, the House has not availed itself of any opportunities to vary the status quo with regard to the Standing Orders in this matter.

I will not repeat myself from Monday afternoon when I articulated the consistent theme of Bill C-38, as it related to the implementation of this year’s budget, economic action plan 2012. It is a comprehensive suite of measures designed to ensure jobs, economic growth and long-term prosperity, a package which, as you will recall, Mr. Speaker, was endorsed by a vote of the House on April 4.

Therefore, in conclusion, Bill C-38 is not only built around a consistent theme, but its construction is not, as noted by your predecessors, for the Chair to veto.

● (1640)

**Ms. Elizabeth May (Saanich—Gulf Islands, GP):** Mr. Speaker, I wish to respond briefly to my hon. friend the government House leader.

I am aware of the fact that the official opposition has requested time to present its view on this extremely important point of order. I say that not out of any personal hubris but because I think it is a matter that should occupy us, and it has occupied previous Parliaments, but not in the form in which the House leader misconstrued my argument.

I was not selective in quotes. When I quoted Speaker Lamoureux, it was to point out that what he referred to was the problem of omnibus bills—

● (1645)

**Hon. Peter Van Loan:** Nice try.

**Ms. Elizabeth May:** Excuse me, Mr. Speaker, I would like to speak without the hon. gentleman trying to interrupt me.

What I was speaking to was that if it is a proper omnibus bill—in other words if it has a theme, if it has a single purpose or relevancy—then it is not for the Speaker to intervene. However, it is clear on the precedents I cited, particularly Speaker Fraser’s ruling from 1988 on the free trade agreement, that a bill must first be accepted as a proper omnibus bill. That is the first test. It does not require a rewrite of the standing rules. It is a matter of precedent. If it is not a proper omnibus bill, it violates Standing Order 68(3).

I will not replace my arguments at this time or repeat them. I want to merely distinguish for you, Mr. Speaker, that every thing the government House leader has said misses the entire legal point that I made.

A Speaker will not intervene to change the complexity, length or number of bills within an omnibus bill if it is properly an omnibus bill. This one fails that test. It is not derived from items solely found in the budget. It is not derived solely from anything that can be called one theme. There is no excuse for putting in sections that have to do with changing the oversight of the Canadian Security Intelligence Service, altering fish habitat legislation or changing the role of Parks Canada wardens.

The number and scope of the changes that were never mentioned in the budget itself, combined with the number of things that hon. members from Privy Council believe to actually be in the bill, which clearly are not there, suggests the bill, as the French version of the rules says is, incomplète, or the English version, imperfect. It is imperfect in shape and form. It is not a proper omnibus bill.

*Government Orders*

I would invite you, Mr. Speaker, to await arguments from the official opposition. I look forward to what I hope and trust will be an impartial, fair judgment in the interest of protecting Westminster parliamentary democracy and the institution of this Parliament itself.

\* \* \*

[*Translation*]

**CANADA-PANAMA ECONOMIC GROWTH AND PROSPERITY ACT**

The House resumed from May 28 consideration of the motion that Bill C-24, An Act to implement the Free Trade Agreement between Canada and the Republic of Panama, the Agreement on the Environment between Canada and the Republic of Panama and the Agreement on Labour Cooperation between Canada and the Republic of Panama, be read the second time and referred to a committee, and of the motion that this question be now put.

**The Acting Speaker (Mr. Barry Devolin):** Resuming debate.

The hon. member for Longueuil—Pierre-Boucher has seven minutes remaining.

**Mr. Pierre Nantel (Longueuil—Pierre-Boucher, NDP):** Mr. Speaker, I have been waiting for a long time to have the opportunity to speak on this exciting subject. It was so exciting to once again witness a vote to stop us from speaking. It is rather pathetic. I do not think it is right. I am smiling a little, but there is nothing funny about this. In fact, it is completely disgusting. There is no other word for it.

The people at home who are watching the proceedings of the House of Commons are saying to themselves that, at some point, their member of Parliament will be allowed to speak, but then they realize that he was not allowed to do so or that he was allowed to speak for only two minutes instead of five.

Since this 41st Parliament began, the people in the riding that I represent have been finding that I do not speak very much. The members do not really have the opportunity to speak because 25 gag orders have now been imposed on us. The cynic in me would like to point out that this is our silver gag order. When you get married, you celebrate your silver anniversary after 25 years, so this is our silver gag order. At the rate things are going, we will be celebrating our golden gag order before Christmas. It is absolutely pathetic.

I would like to add that after a while, unfortunately, we get used to this dictatorship and the extreme lack of respect for democracy demonstrated by the members opposite.

I will get back to the matter at hand because, clearly, the Conservatives are amused by my objections to how they are treating us.

With regard to Panama, I read a short paragraph on the Amnesty International website that summarizes the situation. It states:

[*English*]

Safeguards of the human rights of Indigenous Peoples remained inadequate, especially in the context of large infrastructure projects built on Indigenous land. There were concerns about restrictions on freedom of expression.

[*Translation*]

That is written on the Amnesty International website, and I will come back to this in a moment. However, I would point out that the publication *L'État du monde* is no more encouraging.

Anyone who follows current events, watches the news and hears anything about free trade with a country might think that this is a free trade agreement with the United States, and that it makes sense because they are our neighbours and we need to make things easier. When one realizes that we are talking about Panama, one might find that strange and decide to do a little research. That is what we did.

Clearly, during the many committee meetings when we discussed this potential trade agreement, our representatives stated repeatedly how important it was to be cautious and express our concerns about this agreement with Panama. One such person was the hon. member for Burnaby—New Westminster.

The Canadian government even made some requests of Panama, which refused to sign a tax information exchange agreement. That is another issue. The way I am addressing this is somewhat awkward, but the reality is that Panama is not a simple county to enter into an agreement with.

The Conservatives are saying that this agreement may be a bit complicated, but that we have to trust them. Excuse me? How can we trust them? Do they take us for fools? I am asking the question today for the second time: do they think I am that easily manipulated? It does not make any sense that they want to teach us a lesson and that they are surprised that we want to continue to debate and discuss this subject. Really.

The Conservatives are not proposing something clean and simple; rather, they are proposing a free trade agreement with a country that it is completely legitimate to have doubts about. But no. We do not have the right to do that, apparently. This is another example of the bad faith of this government, which claims that we are against the economy, against progress and against trade. Come on. The Conservatives are always trying to sneak things through and do things at the last minute. They keep everything to themselves and are really the champions of poor communication.

One thing I would like to address is the report found in *L'État du monde*. It is worth reading a few excerpts.

The second year of Ricardo Martinelli's mandate was marked by considerable tension. His popularity declined rapidly. Many criticized the president's entrepreneurial rhetoric [that sounds familiar], his authoritarian decisions and lack of dialogue.

Goodness me. These are the Conservatives' pals.

Labour code reforms affected unionization conditions and the right to strike, resulting in major demonstrations and a general strike on July 13, 2010...

How about that? It is clear who they have been swapping houses with.

Violent clashes between demonstrators and police in banana production regions resulted in the deaths of at least two people.

Fantastic. Reading that really makes me think, gee, maybe we should trust the Conservatives and let them ram this down our throats without a word of protest. It makes no sense.

Moving on. Here is another really excellent part.



The president's anti-judge [and anti-government official] decisions, appointments of friends to strategic positions and frequent about-faces on critical issues were also the subject of much controversy.

I understand.

I have only one minute left. It is too bad that time is so short. What can I say? We do not have time to fool around here. We put as many bills through the machine as the public can handle. As soon as the Conservatives' popularity plunges, they will become very nice and come and tell us that they want to listen.

• (1650)

[English]

**Mr. Gerald Keddy (Parliamentary Secretary to the Minister of International Trade, for the Atlantic Canada Opportunities Agency and for the Atlantic Gateway, CPC):** Mr. Speaker, my question is direct. The NDP members have delayed this bill, not only in this Parliament but in the former Parliament, at committee in the former Parliament and at committee in this Parliament.

It begs two questions. First, what do the NDP members have against trade? Second, if they are willing to pass the free trade agreement with Jordan, which is built on exactly the same template as the free trade agreement with Panama, why would they not pass the Panama free trade agreement? They are identical agreements with identical templates.

[Translation]

**Mr. Pierre Nantel:** Mr. Speaker, I thank my hon. colleague for the question.

This is nice; at least we are having a conversation, but really, we are going in circles. This is certainly not because of our questions, but more because of their answers.

The big difference is what is written practically everywhere. Try Googling “Panama” and the first thing you see is “tax haven”. Everyone is talking about that. That is a huge difference, and I think that is enough.

**Mr. Jamie Nicholls (Vaudreuil—Soulanges, NDP):** Mr. Speaker, we often hear the government side say that they are all about law and order, and are against criminals.

However, when it comes time to sign a free trade agreement with a country that is a known tax haven and that protects money laundering for criminal organizations like the Chinese triads, the Cosa Nostra and drug traffickers, it is a different story. In 2010, old friends of Manuel Noriega were part of the government with which this agreement was reached. I am old enough to know what happened in the 1980s with Manuel Noriega. It was the same gang.

Can my colleague explain why we might have some concerns about giving carte blanche to that country by signing this free trade agreement?

• (1655)

**Mr. Pierre Nantel:** Mr. Speaker, I would like to thank my colleague for his comments.

His question is very eloquent. I know how proud we can be of our team in the New Democratic Party, because we have a lot of people who are very well-informed on these subjects. I am thinking of my

### Government Orders

colleague from Vaudreuil—Soulanges who just asked me a question, or our member from Ottawa. They are experts in the field and they are the first to stand up and tell young people to pay attention: the Conservatives are trying to pull a fast one. That is what we are watching out for.

Obviously, in situations like this, we do not have a history of good works, of inclusive consultations and of consensus. I even wonder whether the Conservatives understand the translation of those words. They are words that they are obviously not at all familiar with. If they at least had that past, if they had that approach to doing things, we could say we have major doubts about the subject, but we will discuss it. But no; there is no discussion; everybody has to be quiet and that is it; we have to pass the bill. That is what they expect.

[English]

**Mr. Gerald Keddy:** Mr. Speaker, the hon. member cannot have it both ways. He talks about money laundering and got his information from Google. We can find just about any information we want on Google, but we cannot read part of it and ignore the rest. We need to read the entire thing. If he had read the entire thing, he would have found out that Panama is no longer on the OECD grey list. It has been removed from the list because its tax agreements with other countries have improved and its transparency has improved. It is a country that is making improvements, is moving into the rest of the world and is off the money laundering list and what does the NDP want to do that country? It wants to punish it.

[Translation]

**Mr. Pierre Nantel:** Mr. Speaker, it is funny, in fact, because they are obviously making fun of me. They are saying that I get my information from Google.

We also have people who are well-informed and work hard. We have researchers and members who are very conversant with this subject. We have no trouble finding nonsense on Google, as I know some of his colleagues do among themselves.

We must not believe everything we see on Google. He is looking at me, but let him look at me; he may as well do it and may as well make fun of me. Thank you.

[English]

**The Acting Speaker (Mr. Barry Devolin):** The time for questions and comments has expired. I would remind all hon. members to direct their comments through the Chair rather than to their colleagues.

The hon. member has 10 seconds remaining to complete his answer.

[Translation]

**Mr. Pierre Nantel:** Fine, Mr. Speaker. Thank you.

In fact, Panama has made efforts to meet the criteria so it would no longer be on the grey list, but the fact remains that it is refusing to sign a tax information exchange agreement. I think we are entitled to wonder about that, and they are not entitled to shove it down our throats.

*Government Orders*

[English]

**Mr. Gerald Keddy (Parliamentary Secretary to the Minister of International Trade, for the Atlantic Canada Opportunities Agency and for the Atlantic Gateway, CPC):** Mr. Speaker, we have had copious and lengthy debate on the bill already but we will continue to debate the bill because it is an important bill for Canadian businesses, for Canadian industry, for Canadian workers and, quite frankly, for Panama.

The biggest issue for me when we look at these free trade agreements, regardless of which countries around the world we are entering into an agreement with, is that we are already trading with Panama. The NDP want us to spell it out that somehow this is a rogue nation with which no one is trading. When the Panama Canal is finished, 5% of all the containers on the world's oceans will go through the Panama Canal. That is an extremely important nation in our hemisphere. We are trading with it already. How can it hurt to put a rules based system in place so we know and can expect how our trading relationship will unfold?

I find it extremely troublesome that all the NDP members can do is find a reason not to support something, instead of looking for all of the good parts and the positive parts of this agreement.

As I said when I stood up, I am pleased to rise to speak to Bill C-24, the legislation to implement the Canada-Panama free trade agreement. I will spend a few moments today talking about how this agreement fits into Canada's engagement in the Americas.

Five years ago, while on a week-long tour of the Americas that included Bogota, Colombia and stops in Barbados and Haiti, the Prime Minister declared that reviving and expanding Canada's political and economic engagement in the Americas would be a major foreign policy goal of our government.

Last summer, the Prime Minister and the Minister of International Trade made a highly successful visit to Brazil, Colombia, Costa Rica and Honduras. During that visit, the Prime Minister made it clear that Canada was an active player in the hemisphere, strengthening economic ties with its partners, improving market access and promoting security, all things that I would think every member in this House could support.

Our commitment to the Americas is evident through the 175 ministerial visits to Latin America since we formed government in 2006, and the 20 countries in the Americas with which we have signed or are pursuing free trade agreements.

Canada is committed to playing an even larger role in the Americas, and doing so for the long term. Part of this commitment involves fostering closer economic ties with regional partners to promote trade, investment and prosperity across the hemisphere.

The Canada-Panama free trade agreement will support job creation and economic growth in Canada and Panama, which, in turn, will contribute to advancing security and democratic governance in the region. It is an important part of our job creating free trade plan.

Our government is in the midst of the most ambitious free trade plan in Canada's history. Our government understands that one in five jobs and 60% of our GDP depends upon trade. Jobs and

prosperity in communities across Canada depend on the opportunities that free trade agreements, like the Canada-Panama economic growth and prosperity act, create.

Since 2006, we have concluded free trade agreements with nine countries and we are in negotiations with many more. That includes negotiations with the European Union and India. Just recently, the Prime Minister and Prime Minister Noda of Japan announced the launch of negotiations toward a free trade agreement that will deepen the trade and investment ties between Canada and Japan.

Free trade agreements help our businesses compete in global markets and, when our business succeed in global markets, Canadians succeed.

I will take a moment to talk about the opportunities in Panama for Canadian business, for Canadians and s for Panamanians in Canada. Panama is often referred to as the gateway to Latin America and its critical role in connecting the Latin American region also enhances the importance of a Canada-Panama free trade agreement.

● (1700)

Panama has long been considered a logistic centre and international connection point in the Latin American region. Over the years, Panama has evolved to become the pre-eminent air transportation hub and is now ranked as having the highest air connectivity in the Americas by the International Air Transport Association. Panama is also a central point for goods travelling to Latin America, a nexus for international trade and a strategic hub for the region.

According to Panamanian estimates, 5% of the world's trade passed through the Panama Canal in 2010. The Panamanian government's large investment to expand the Panama Canal means that Panama is positioned to play an increasingly important role in the Latin American region.

Panama's unique and influential position in the global trading system is significant. It represents an entry point for the broader region thereby enabling access to neighbouring markets. A free trade agreement with this strategically positioned partner would serve as a gateway for an increased Canadian commercial presence in both the Caribbean and Latin America.

As our results clearly demonstrate, Canada has provided global leadership throughout these difficult economic times by encouraging free trade and open markets. Our commitment to free trade is key to Canada's economic strength.

We will continue to open doors for Canadian companies in the Americas and around the world. We are enhancing trade and investment in the Americas by encouraging deeper commercial relationships and engaging in free trade negotiations, and with great success.

For example, our free trade agreements with Peru and Colombia are now enforced, and Canadian companies are taking advantage of the new opportunities these agreements have produced.

*Government Orders*

In August 2011, Canada and Honduras announced the conclusion of negotiations toward a Canada-Honduras Free Trade Agreement. The same month, Canada also announced that it would work with Costa Rica to modernize and broaden the scope of the Canada-Costa Rica Free Trade Agreement. An updated free trade agreement with Costa Rica stands to lower remaining tariffs on goods and would remove trade barriers in a broad range of sectors, creating new potential opportunities for Canadian construction, manufacturing and agriculture industries.

In April 2012, Canada and Chile signed an agreement to amend the Canada-Chile Free Trade Agreement, including the addition of a financial services chapter, which will ensure that Canadian financial institutions enjoy preferential access to the Chilean market.

We are not stopping there. As was announced last year, Canada is also engaged in exploratory discussions with Mercosur to enhance our trade relationship with this regional bloc, which includes Argentina, Brazil, Paraguay and Uruguay.

The trade agreements that Canada has negotiated or is looking to negotiate give our businesses an additional competitive edge that will help them succeed in these regional markets. That is why I am asking members to pass Bill C-24, implementing the Canada free trade agreement.

Our commitment to further liberalize trade and investment is a key component to our engagement in the Americas. Through the lowering of tariffs and the promotion of investment and commercial relationships, our government is supporting the efforts of Canadian businesses by helping them establish a strong presence in these foreign markets.

I am pleased to say that our businesses have seized the opportunity. Canadian firms have been forging commercial ties in the region for decades. Today we can find Canadian businesses, goods, services, expertise and investment dollars at work throughout Latin America and the Caribbean. This is a result of diverse opportunities and strong commercial ties throughout the region that are facilitated through free trade agreements. Many products manufactured in the region are using Canadian inputs before being sold domestically across Latin America and around the world.

I would repeat, once again, that I ask my Liberal and NDP colleagues here in the House to put partisan politics aside and look at what is to be gained here. This is not a complicated trade agreement. For example, there is a small company that makes oil and gas equipment in my riding of South Shore—St. Margaret's, in Nova Scotia. They have another company in Mexico. Mexico has no tariff for goods going into Panama. However, we pay an 18% tariff. The product that the company is making today and selling in Panama is being made in Mexico so it can avoid the 18% tariff.

● (1705)

If we bring down the tariff walls, there are advantages there for Canadian businesses and for Panamanian businesses. Everybody gains. The hemisphere gains. Canada is a sought-after partner in the Americas.

We need to take advantage of the position we are in, the hard work that our government and other—

● (1710)

**The Acting Speaker (Mr. Bruce Stanton):** Questions and comments, the hon. member for Vaudreuil-Soulanges.

**Mr. Jamie Nicholls (Vaudreuil—Soulanges, NDP):** Mr. Speaker, I thank my colleague across the way for his speech. We agree on one thing. Rules-based trade is a great place to start in these agreements. Once we are working within the rules, things can improve.

Trade can bring improvement, not only to Canada, but also to impoverished peoples worldwide. That is, when we are trading on the basis of our economic strength: the high-skill, value-added, high-wage sectors. If we are just exporting raw resources, then it is not such an advantage for the people of that nation.

However, I want to get back to rules. The member mentioned that we have been blocking the legislation, and there are reasons for that. We asked them to sign a tax information exchange agreement. We asked them to put this into the free trade agreement. They refused.

My question is, why has there been the exclusion of this simple rule?

**Mr. Gerald Keddy:** Mr. Speaker, it is not an exclusion of a simple rule. The reality is that Panama has made great strides in suppressing money laundering. It is off of the OECD "grey list". It is moving in the direction that we want to move.

We have a double taxation agreement with Colombia already. For this trade agreement, that is what is required on our side. We believe the Colombians are living up to that.

The advantages of trade with the Colombians, the advantages of trading with somebody in our own hemisphere and in our time zone, are huge. We are a sought-after partner in Central America, in South America, in the southern hemisphere.

I can tell members that we need to take advantage of this, because the opportunity is now.

**Ms. Lois Brown (Parliamentary Secretary to the Minister of International Cooperation, CPC):** Mr. Speaker, students of economics always look at the issues of absolute and comparative advantage.

We know that Panama has many opportunities in absolute advantage that Canada does not have. The last time I looked, it was impossible for us to grow bananas here, for instance.

When I look at the opportunities for trade for a country like Panama with Canada, I know there are going to be products in which they have comparative advantage over Canada. We know when countries enter into relationships where comparative advantage is looked at, there are opportunities there for Panama to trade with Canada.

When we look at the lifestyle or we look at where Panama is currently, we know there are people who are living in poverty. However, we know that trade can open doors for job opportunities.

*Government Orders*

I wonder whether the parliamentary secretary would comment on what those opportunities are for Panamanian people to grow opportunities and jobs and build a new lifestyle.

**Mr. Gerald Keddy:** Mr. Speaker, I think there are tremendous opportunities in Panama for Panamanians. There are also tremendous opportunities in Panama for Canadian businesses and for Canadians.

The reality is that Panama is both the gateway to the Caribbean and the gateway to Latin America. It is the joining factor between the Atlantic and the Pacific. It is in a very enviable position in Central America. Nothing will change that. That is geography. Panama has a huge geographical advantage over its neighbours, and the only canal that joins the Atlantic Ocean and the Pacific Ocean.

The hon. member spoke about the complementary aspect of Canadian trade with Panama. There is a huge complementary aspect.

Last year, our exports to Panama totalled \$111 million. That is small on a world scale, but that is extremely important to Canadian businesses and extremely important to Panama. We trade machinery, semi-precious stones and metals, meat, aerospace products, mineral fuels and oil, vegetables—primarily lentils, peas and frozen potato products—electrical and electronic equipment, paper and paperboard and pharmaceuticals.

There is a myriad of issues that we trade with Panama and a number of issues and expertise that we trade with Panama, with great opportunities and procurement in the twinning of the Panama Canal, the building of the copper mine, the copper-gold deposit in northern Panama. The opportunities are endless.

• (1715)

[*Translation*]

**Ms. Isabelle Morin (Notre-Dame-de-Grâce—Lachine, NDP):** Mr. Speaker, I rise today to speak to Bill C-24, An Act to implement the Free Trade Agreement between Canada and the Republic of Panama, the Agreement on the Environment between Canada and the Republic of Panama and the Agreement on Labour Cooperation between Canada and the Republic of Panama. The title of this bill, which suggests this legislation will provide excellent economic spinoffs for our country and for the country with which the agreement was reached, is somewhat misleading. Over the course of my speech, hon. members will come to understand what I mean by that. They will also understand that, for obvious reasons, my party and I are against this bill.

Let us begin with some background. Bill C-24 came out of the 2010 negotiations between the Government of Canada and Panama. At the time, Panama was still considered to be a tax haven under OECD tax haven criteria. Does wanting to conclude a free trade agreement with such a country not strike my colleagues as questionable? Let us not forget the problems related to tax havens.

Each year the Government of Canada loses \$9 billion in taxes to tax havens. Obviously, this \$9 billion is not being spent on programs and services for Canadians. By signing agreements with countries like Panama, the government is indirectly encouraging the rich and corporations to avoid paying their fair share to Canadian society, which means Canadians lose money. Clearly, that forces the middle

class and the poor to make up the difference. Where is the logic in this?

The Prime Minister is also making cuts to several programs, organizations and services, such as Rights and Democracy, employment insurance, old age security, the experimental lakes program, the Canadian fisheries sector, and the list goes on.

An application for a lousy \$12,000 to install a ramp for the disabled was denied recently in my riding on the pretext that the government has to tighten its belt and make cuts. The application was rejected in spite of the fact that it met all the eligibility criteria set by the minister. This application was denied at a time when \$9 billion is being lost to tax havens. Again, where is the logic in that?

Evidently, cuts are often made to services that benefit the middle class and the poor. The government justifies that by saying that there is not enough money in its coffers, when on numerous occasions it could have replenished the government coffers, as is currently the case.

Of course, the government will say that Panama no longer meets the criteria because it signed 12 tax information exchange agreements with France. That is what the minister of state just told us. I would like to remind members, however, that that is the minimum number of agreements to get through the crisis. So, evidently, the government is expecting the minimum. What kind of logic is this?

This is not evidence of the Panamanian government's genuine intention to resolve these issues because these problems are due to the fact that Panama is a tax haven. All this demonstrates is Panama's desire to no longer be labelled a tax haven, because otherwise I would imagine that Panama would take a number of other steps to ensure that it in no way meets the four criteria for tax havens.

Furthermore, the New Democrats and many people in my riding of Notre-Dame-de-Grâce—Lachine and that of my colleague from Chicoutimi—Le Fjord—who was unable to speak because closure was invoked by this government—as well as people in the 308 ridings in our country, cannot believe that Canada would enter into a free trade agreement with a country that refuses to sign a tax information exchange agreement, given Panama's reputation.

The government believes that the double taxation convention is enough. Let us be serious. Given that Panama engages in many illegal financial activities such as money laundering, it is quite naive to be satisfied with a convention that requires Panama to disclose only its legitimate revenues. Come on.

It is as though the government were unaware of the importance of money laundering to the country's business and unaware that Panama's tax haven policies make it a place that cannot be ignored.

*Government Orders*

As Todd Tucker said in November 2010, when he appeared before the committee studying this matter, “major Colombian and Mexican drug cartels, as well as Colombian illegal armed groups, use Panama for drug trafficking and money laundering purposes. The funds generated from illegal activity are susceptible to being laundered through Panamanian banks, real estate developments, and more.”

The government does not seem to realize that by doing business with Panama, it is encouraging this whole industry. That is what the Conservatives want. Well, no. They are muzzling us in order to hide the truth from Canadians and to make sure they get this agreement, no matter what the consequences. They are invoking closure to ensure that the opposition does not say anything embarrassing.

• (1720)

The government cannot remain indifferent to these facts, for as Françoise Héritier said, “Evil begins with indifference and resignation.” We in the NDP still believe that fair trade is possible and that we do not have to remain indifferent to the challenges that exist in other countries in order to create economic agreements that are sound and beneficial for all parties involved.

Another key point in this bill that prevents the NDP from supporting it is the notion of respect for workers' rights. There is absolutely nothing in this agreement to protect the fundamental rights of workers. There is nothing to ensure that these rights will not be denied in the future, as they were in 2010, when collecting mandatory union dues was prohibited, when the boss could fire striking employees, when roadblocks became illegal and when the police were protected from all criminal charges, legitimate or not. There is no protection against this.

The Conservatives seem to think that we can enter into an agreement with Panama and everything will magically work itself out, unless the Conservatives do not like workers' rights and are not really interested in them. Who knows. Clearly, I could talk about other questionable aspects, but there is not enough time.

At least I had time to speak. Many of my colleagues have not been able to represent their constituents because of the Conservatives' time allocation and closure motion.

I repeat: the NDP believes that it is possible, and desirable, for an effective trade strategy to make room for social justice, public-sector social programs and the gradual elimination of poverty.

[English]

**Mr. Gerald Keddy (Parliamentary Secretary to the Minister of International Trade, for the Atlantic Canada Opportunities Agency and for the Atlantic Gateway, CPC):** Mr. Speaker, I have to ask the same question to the hon. member that I asked to the previous speaker from the NDP. Hopefully, she will give a different answer.

The question is simple. We have negotiated this agreement with Panama based on the same template that we used in negotiating the Colombia and Jordan agreements. The agreements are practically identical, yet the NDP picks and chooses to support Jordan, apparently. We have not seen it support Jordan yet, but we will find out.

However, it does not choose to support Panama. It is in our own hemisphere. It is an area that certainly needs a hand up, an area that needs a good, fair and honest trading partner. My question for the hon. member is—and I do not want the nonsense about money laundering, because Panama is no longer on the OECD grey list—why support Jordan and not Panama?

[Translation]

**Ms. Isabelle Morin:** Mr. Speaker, as I took the time to mention in my speech, we obviously do not have the same expectations, because we think that the minimum is not enough. For me, the minimum is not enough. To tell us that Panama met the 10 minimum criteria is not enough.

I would also like to take the time to say that money laundering occurs in Panama, that Panama is a tax haven and that it has a law against protests. It also does not respect workers' rights.

As a result of all these things, we believe that we need to discuss this now, while we are debating this bill. Unfortunately, the Conservatives imposed a 25th gag order on us today. Two gag orders today; it is rather harsh. We believe that we need to continue to discuss this and that there are essential things that need to be added to protect the rights of Panamanian workers before we sign this agreement.

[English]

**Mr. Tyrone Benskin (Jeanne-Le Ber, NDP):** Mr. Speaker, we hear the government talk about the fact that it wants to export Canadian values on top of that. In Canada we work to respect the rights of workers, including the rights of workers to be protected, to work in safety and to earn a wage on which they can raise their families. Do we not have a responsibility to make sure that the agreements we enter into are mirrored in that way in the countries that we have these agreements with?

I wonder if my hon. colleague could comment on that.

• (1725)

[Translation]

**Ms. Isabelle Morin:** Mr. Speaker, clearly, it is important that we export our values to Panama. The NDP is very aware of workers' rights. On this side of the House, we believe that it is essential to discuss workers' rights before signing any type of agreement. Other concerns reflect our values—certainly not those of the government but those of the NDP—including sustainable development in Panama, responsible investments, the protection of workers' rights, and collective bargaining. These are all things that are important to us, and we want to see them reflected in this agreement before we sign anything.

If the government would listen to us instead of imposing gag orders, we could come to an agreement, but things are definitely more difficult when the government silences us and we are told that, in any case, the government will refuse all of our proposals without even checking to see if they are worthwhile.

[English]

**The Acting Speaker (Mr. Bruce Stanton):** Before I recognize the hon. member for London West, I will let him know that I will need to interrupt him at 5:30, this being the end of the time allocated for government orders.

*Private Members' Business*

The hon. member for London West.

**Mr. Ed Holder (London West, CPC):** Mr. Speaker, it is my privilege today to speak on behalf of the Canada–Panama free trade agreement.

After hearing some five dozen-plus speeches on this that have gone on in the House during this Parliament and some five dozen-plus speeches in the last Parliament, I am reminded of something that my Cape Breton mother once said about politicians. She said, “After it is all said and done, there is a lot more said than done”.

I respect the fact that those members who are currently on the trade committee and those who are making comments did not sit on the trade committee in the last Parliament, so they did not have the experience from the last Parliament that they are garnering this time.

However, having sat on the trade committee since I was elected almost four years ago, and now going through some 125 to 130 speeches that we have heard on free trade with Panama, it is clear to me that there is nothing that is brand new. There is not one thing that is new that we have not heard time and time again. For the benefit of newer members, we have heard these issues over many years and we would have had a free trade agreement in place had we not had an election forced upon us back in May of last year. That agreement would have been put in place. It would have been better for Canada and it certainly would have been better for Panama.

As my colleague, the illustrious Parliamentary Secretary to the Minister of International Trade, said so eloquently, we already do trade with Panama. What we are now saying is that we are looking to put in place a rules-based system that would ensure that in the event of disputes, there would be a mechanism in place to more quickly resolve issues relating to trade.

We have also issues relating to labour rights, and we have an ILO-approved standard by which we are asking Panama to increase its standards. At the same time, Canada has that provision and has the ability to work with Panama to ensure that it is put in place.

If there is a reality that I have seen in my time in trade, it is clearly this: if we want to engage with and promote better conduct in countries around the world, we do not do that by shunning them. We do that by engaging them. We do that by trying to increase their standard of living. We do that by trying to increase trade with those countries. It betters Canada, absolutely, but it betters the other country with which we do business. That is the honourable thing to do. It is the right thing to do for Panama.

I say to members across both sides of this House that if we really have that humanity about trying to raise the level of human rights, trying to raise the level of business, trying to raise the level of people so that they are in a position where they can improve their lifestyles, we do that in part by trade. To members opposite who have said they support trade, I would ask them then to please support trade. Again, in my four years I have not yet seen members in the official opposition support one free trade deal. It would be great if they could get behind Panama to improve the standard of living for those people and to improve job opportunities for Canada, which has a huge impact.

I will leave it there at this point. I hope I will have an opportunity to address this Parliament again, but I sincerely ask all members of

this House for their thoughtful consideration as we work towards Panama. We could do a great thing together.

● (1730)

**The Acting Speaker (Mr. Bruce Stanton):** The hon. member for London West will have six minutes remaining for his speech and the usual five minutes for questions and comments when the House next returns to debate on the question.

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## PRIVATE MEMBERS' BUSINESS

[English]

### STUDY ON INCOME INEQUALITY

The House resumed from April 25 consideration of the motion.

**Hon. John McKay (Scarborough—Guildwood, Lib.):** Mr. Speaker, it is a great honour to rise today in support of Motion No. 315 by the member for Kings—Hants, in which he quite properly raises the issue of income inequality, a growing inequality in this country and others in the OECD.

This country is blessed to have some very able civil servants, none more able than Mark Carney, the Governor of the Bank of Canada. When he was asked about what he thought about the Occupy Wall Street movement, he did not lapse into bankerspeak. He did not lapse into the mumbo-jumbo that passes for rarefied conversation among bankers and to which very few are admitted as privileged conversationalists. Rather, he said what he thought. He said that the movement actually has a point that there is growing inequality among people, particularly in the U.S.

I do not particularly care to isolate or point to the United States, because what is true there is also true here, but the U.S. operates on a much larger scale than we do. Indeed, the Occupy Wall Street movement pointed to an income inequality that is far more exaggerated there, I would say, than here. Some of the executives on Wall Street have incomes and wealth comparable to the GDPs of small countries, but with a dubious contribution to actual wealth generation. In many instances, it is just moving money around in various circles with no corollary whereby actual wealth is increased.

In Canada we are developing a similar problem. Article after article talks about the difference between Main Street and Bay Street, but both the left and the right of the political spectrum are aware of the problem. I do not often quote David Frum, but he had the issue quite well nailed when he stated:

Equality in itself never can be or should be a conservative goal. But inequality taken to extremes can overwhelm conservative ideals of self-reliance, limited government and national unity. It can delegitimize commerce and business and invite destructive protectionism and overregulation. Inequality, in short, is a conservative issue too.

For those who think that tax cuts or market deregulation are the be-all and end-all both in industrial policy and in addressing the issues of income inequality, I would encourage them to read Mr. Frum's thoughts in his article on this matter. Those, of course, on the Liberal side see social equality as a goal in and of itself. Regardless of where one finds oneself on the political spectrum, if Mark Carney says we have a problem, then we have a problem.

*Private Members' Business*

Lack of opportunity leads to a sense of hopelessness and a withdrawal from the basic grease that makes society function. If it can be observed that people do not participate in NGOs, charities or various social functions, et cetera—and that has been observed in the literature—then the core of our social fabric starts to fray.

This, in turn, leads to some forms of anti-social behaviour, not necessarily among those who do not participate; increased criminality, which is a draw on the resources of the state for security; and other forms of cost. In other words, costs go up, cohesion goes down and frustration runs rampant.

● (1735)

The policy-thinkers on both left and right recognize the importance of designing policies that respond to these issues. To carry on with my theme of our being blessed with very able civil servants, I will quote the deputy governor of the Bank of Canada, Tiff Macklem:

Markets work better than anything else. They have proven over time to be the best generator of prosperity. But markets need to be guided by sound policy frameworks with clear rules that must be enforced with consistency and transparency. Effective inflation control, combined with well-regulated financial systems, are critical ingredients to sustained economic growth and shared prosperity.

The forces of globalization and technological change that have propelled global growth and driven rising inequality within many countries are not likely to abate. We need to harness these sources of growth while increasing opportunity for all our citizens.

That is not exactly what one would expect from a deputy governor of the Bank of Canada. It is an insight into the fact that not all of the people can hoard the wealth.

I would point to, as well, this month's *Atlantic Monthly*, which has a discussion about the issues of capital ratios. I know that will put a lot of people to sleep, and my colleague from Kings—Hants is snoring as we speak.

The issue is: In the great recession, what precipitated that? Was it capital ratios or was it incentives? The author argues in the article that we had the wrong incentives, particularly in the United States, but not so much here. However, we had the wrong incentives.

The capital ratios, how much capital we have to keep compared to how much money we are lending, were not all that different from historical norms. However, we had the wrong incentives.

The wrong incentives were essentially greed incentives. People who are brokers have to do the churn because their income is based upon the churn. People who are CEOs have to make that quarterly dividend or they are out the door. The market has a responsibility and so also do governments.

It is not as if the governments, and by that I mean both Liberal and Conservative governments, have been unaware of this issue. I remember when I was in finance, we worked on the working income tax benefit. It was probably one of the most intellectually intriguing but also intellectually challenging issues. I remember sitting around the finance table, trying to grapple with this as we would try to move it into the budget.

I am pleased to see that in fact the momentum of that initiative has gone forward with the current government. The universal child tax benefit was another issue dealt with. Again, it is an attempt to

recognize not only the benefit of bringing children into the world and the costs of raising those children but also the social inequality that comes from parenting. The Canadian child tax benefit, as well, is a less subtle way of dealing with that issue.

As I finish, I want to urge all members to support the hon. member for Kings—Hants in his quest or attempt to address issues of income inequality. I think it is a worthy motion. I think it is a thoughtful motion. I think it would be worthwhile to refer it to the finance committee and report it back to this House.

● (1740)

**Mr. Jim Hillyer (Lethbridge, CPC):** Mr. Speaker, there are two general reasons to reject the Liberal motion to study various income equality and tax issues. The more obvious fact is that there is content with which we fundamentally disagree, but there are a few points with which we do agree, so why should we reject the motion altogether? Is that not like throwing out the baby with the bathwater? No. We are already taking action on the sensible parts of the motion. We have a nice clean baby and the motion wants to throw the baby back into the dirty bathwater.

The finance committee will already be engaging in its annual prebudget consultations this fall, where the member can raise the issues in the motion. The Senate is already engaged in studying and examining the sensible points of the motion. It has been studying social inclusion and cohesion in Canada since November. So the issues reflected in today's motion are already being or will be examined.

When I conduct prebudget consultations in my riding, and whenever I meet with constituents in general, I find that there is one thing that frustrates Canadians. If there is one thing they want us to cut back on, it is government waste. They want the government to quit wasting money and quit wasting time. With that in mind, I am confident that the majority of constituents in my riding would not support the establishment of another study to study something that is already being studied.

[*Translation*]

I do not have a problem with wanting to improve or increase equality for Canadians when it comes to opportunities and prosperity for all. However, we need to take action to get to that point.

[*English*]

We need action. Please do not let me give the House the impression that our commitment to concrete actions based on sound understanding is the only way we differ from the Liberals. Another fundamental issue on which our Conservative government cannot agree with the Liberal Party is the issue of taxation, which is core to today's debate.

In recent years our government has made decisions to reduce taxes, whether it be lowering the GST, lowering business taxes or lowering income taxes and leaving more money in the hands of Canadians to support their families and grow their businesses to create more jobs. The Liberal Party has made it clear that it believes those decisions are the wrong decisions.

*Private Members' Business*

Our Conservative government is committed to continue to lower taxes for all Canadians, building on our record of lowering taxes 140 times and saving the average Canadian family more than \$3,100 per year in taxes. The Liberal Party has unsuccessfully fought against these measures every step of the way.

The motion talks about looking for tax regimes that would increase per capita GDP, that would increase prosperity for all Canadians. The Liberals want to look for a plan that they have already voted against. The best thing a government can do, the best social program it can provide, is to help create jobs for Canadians.

However, the Liberals have voted against and campaigned against our low-tax plan that has helped fuel job creation in Canada. Since we formed government in 2006, Canada has seen more than 1.3 million net new jobs created, the best record in the entire G7.

The motion talks about looking for ways to eliminate disincentives for paid work that may exist as part of a welfare trap. Now I know why the Liberals are rejecting reforms to the employment insurance program that do exactly what they are looking for, because if they accept it, they will have to stop looking for it. It seems that, for the Liberals, looking is better than finding and better than implementing.

Let me remind the House what the motion's sponsor, the Liberal finance critic, once believed and what he said in this very chamber only a few years ago. He was already a Liberal at the time. He said:

Innovative, forward-thinking governments globally have proven that we can build a competitive economy with dramatic reductions to corporate taxes...

We only need to look at the Netherlands, Sweden.... Australia and New Zealand.... They have reformed their tax system to make their economies magnets for capital and talent....

The old globophobic, socialist, Luddite nonsense that somehow innovative and forward-thinking economic policy is contrary to good social policy is wrong.

I could not agree more with these words. In fact, it seems as if I agree with them more than the member agrees with them.

The member's political evolution is indicative of the entire Liberal Party. The Liberals have turned their back on supporting lower business taxes, a policy they once said they supported. Instead they have chosen to align their policies with the extreme left, anti-business NDP.

● (1745)

“Another study”, they say, “another review”. There is nothing wrong with study and review, but struggling Canadians cannot be helped by the study of potential action alone. What they really need is targeted support and concrete action. We will continue to look for ways to improve the lot of all Canadians, but that will not stop us from acting on those proven principles of freedom, happiness and prosperity.

The NDP and Liberal members will tell us that our tax cuts have only benefited a select few ultra-rich, but the facts clearly show that nothing could be further from the truth. Besides the fact that corporate tax cuts actually do help create jobs, one-third of all the personal income tax relief provided by the Conservative government is going to Canadians with incomes under \$42,000, even though they pay less than 15% of all taxes in Canada.

Furthermore, because of measures taken in 2006, more than one million low-income Canadians, including about 380,000 seniors, have been removed from the tax rolls altogether, and we have introduced unique targeted tax relief for low-income Canadians to help them engage in the workforce, by removing financial barriers to work. In other words, we have not only identified disincentives to paid work; we have implemented measures to remove them.

Another noteworthy example is the working income tax benefit, or the WITB. Since it was introduced in 2007, the landmark WITB has made work pay for low-income individuals by combating perverse policies that penalize them for taking a job.

For years under the Liberal government we had situations where taxes, reduced income support and loss of benefits often discouraged individuals receiving social assistance from working, because it would claw back nearly 80% of their working income.

Consider an example of a single, unemployed father living in Nova Scotia with a five-year-old daughter receiving \$15,020 in combined federal and provincial benefits. If he were to find a part-time job and earn \$15,000 a year, his provincial social assistance benefits would be reduced to about \$4,800, and his overall income would now be about \$19,810. In other words, he would only gain \$4,790 by making the decision to go to work, but now with the WITB refundable tax credit, he would see an extra \$1,605, or 34% more due to his decision to go to work.

Overall, over \$1 billion in working income tax benefits is provided to individuals and families every year. Clearly, this is a major, positive development, and many diverse third-party organizations like the OECD, TD Economics, Food Banks Canada and the United Way have welcomed it. Even the member for Kings—Hants who sponsored this motion welcomed it, at least at one time. The February 3, 2009, edition of the *Hants Journal* quotes him as saying:

The Working Income Tax Benefit...has helped many working families...helping make work pay.

Again, this is concrete action that our Conservative government has already taken to support low-income Canadians, rather than simply studying potential ways to help them.

Here are some more examples of concrete Conservative action.

The universal child care benefit provides all families with up to \$1,200 a year for each child under the age of six to help cover their child care costs.

We have introduced the child tax credit, improved the Canada child tax benefit and improved the national child benefit supplement.

We recently enhanced the guaranteed income supplement by providing a top-up of more than \$600 a year for a single senior and \$840 a year for couples.



*Private Members' Business*

We have made significant investments in housing, and our Conservative government provides record amounts in social and health transfers for the provinces, and these amounts are not only insured, but they are committed to grow.

I could go on, but in summary, I just want to suggest that our record of action bodes well, and our Conservative government is committed to continuing its record of action.

I would like to end with a quote from an *Ottawa Citizen* editorial that dealt with the subject matter of this motion:

This isn't a problem we can tax our way out of...

The thing we should be discussing is how to broaden our economy so that more people have a chance of earning a decent living. In the end, that's what Canadians really want, and need.

● (1750)

[*Translation*]

**Ms. Isabelle Morin (Notre-Dame-de-Grâce—Lachine, NDP):** Mr. Speaker, today I rise in the House to discuss an issue that is now a primary concern for Canadians: growing income inequality in our country. My Liberal Party colleague moved Motion M-315 to instruct the Standing Committee on Finance to undertake an in-depth study on income inequality in our country. When I hear a speech like the one by the member for Lethbridge, it is clear to me that we need just such a study. Statements such as those we were just subjected to are appalling.

This situation is alarming. A few weeks ago, the United Nations Special Rapporteur on the Right to Food was in Canada and made the following remarks:

What I've seen in Canada is a system that presents barriers for the poor to access nutritious diets and that tolerates increased inequalities between rich and poor, and Aboriginal [and] non-Aboriginal peoples...Canada has redistributed to the rich. Maybe it's now time for Canada to redistribute to the poor.

He could have added that income inequality between men and women, between generations and between Canadians and newcomers is also growing steadily.

In the wake of the occupy movement, inequality is now ranked as one of Canada's main problems, and the polls show that it has become Canadians' number one concern.

Although the Conservatives cannot stop telling us that they care about Canadians' welfare, the statistics paint quite a different picture.

Although often cited as an example of an open, tolerant and welcoming society, attracting thousands of newcomers every year, Canada lags behind other OECD countries and is ranked 12th out of 17 countries in terms of equality, far behind many European countries.

Canada is experiencing economic growth and yet Canadians' standard of living has not increased. In fact, it has even gone down in the poorest segment of the population. Here are a few statistics: the real income of 60% of Canadians has stagnated over the past 33 years. That is 60%. At the same time, the richest 1% of Canadians have seen their income climb steadily. They now possess 14% of the nation's wealth, whereas in the 1970s, this figure was only 8%. It has almost doubled. Yet the Conservatives say there is no need for a study.

According to Statistics Canada, there are 61 billionaires in Canada. They alone possess 6% of the private wealth in Canada. Together, those 61 people have twice as much wealth as 17 million Canadians. It is quite absurd, but it does not stop there: whereas the average billionaire got \$100,000 richer in 2010, the average Canadian only earned \$524 more. Statistics show that the taxes of the wealthiest Canadians have gone down. That is exactly what my colleague wants to discuss, in committee, with experts who will be able to confirm this trend. We represent the public and the issues. We make decisions based on facts, even if the party in power does not like the facts. I think that if a committee were to consider the issue, the facts, and perhaps solutions, might come to light.

From 1980 to 2005, the income of the wealthiest segments of the population has risen by 16.4%, whereas the income of those at the bottom of the ladder has dropped by 20%.

What is even more worrying is the speed at which these gaps are growing. Canada has always been more egalitarian than its American neighbour, and yet now, income inequality is rising twice as fast here as it is in the United States.

The government claims to be building a fair and egalitarian society, but it would rather help the oil companies than help Canadians. The Conservatives are cutting social programs and employment insurance, aggravating the problem instead of tackling it head-on. Thousands of workers will be forced to accept very low-paying jobs, which will only exacerbate the income inequality problem and reinforce the economic disparity between the have and have-not provinces.

Across Europe we are seeing that austerity policies lead to a dead end, but austerity programs are exactly what the government is proposing. Furthermore, the public has clearly rejected these policies in recent elections in a number of countries. We cannot wait for 2015. In some European countries, youth unemployment has reached alarming, huge, never-before-seen proportions. Up to 46% of young people have been hung out to dry.

● (1755)

Is that the kind of society the government wants to leave for our children? Way to go.

Today's new generation carries more debt than the previous generation did at the same age, and job prospects for young people have considerably deteriorated compared to those that existed 10 years ago. Today, a student finishes school with \$30,000 in debt. This means that a couple starts their new life together with \$60,000 in debt. How is it possible to start a family with \$60,000 in debt? My parents did not have \$60,000 in debt when they finished their schooling. They were able to buy a little house in the suburbs and have a family life. When we were young, my sisters and I would play in the yard and have a lot of fun.

I am a member of Parliament. I have been fortunate in life and I have come through all right, but I have friends who finished university two years ago and who are still trying to pay their debts. Couples are living in three-bedroom apartments and working very hard to pay their debts. Maybe in 10 years, when they are 37 and it is a bit late to raise children, they will think about putting money aside to buy a house.

*Private Members' Business*

That is what is going on right now. These are the kinds of inequalities that are being created.

Today more than ever, having a post-secondary education is key to getting a job. The numbers speak for themselves: the income and wealth gaps between people with a university degree and people who have only a secondary school education continue to grow. That is why the NDP has always come out in favour of higher education being affordable and accessible to everyone. That is why we are talking about education transfers these days.

Canadians are borrowing more and more and going into debt to make ends meet. At this time, Canadians owe more than \$1.50 for every dollar of annual income. In these circumstances, more and more Canadian families are having to make sacrifices. When nearly 10% of the population in a developed country like ours has to go to food banks, and three million Canadians are living in poverty, including 600,000 children, that is not acceptable. In this country, 600,000 children are living in poverty. And yet we have a Conservative member telling us that there is no inequality. We have a special rapporteur telling us there is famine in Canada and the Conservatives tell us there is no famine. That is why it is important to have a study, so they can be enlightened a little.

In conclusion, income disparities are not the only kind of inequality. We are talking about inequality in health care, in education and in access to food. People cannot even eat because the disparities are so great. Amartya Sen, the recipient of a Nobel Prize in economics, called this “capabilities”: being able to do things like read, write, choose where to live, eat properly and enjoy good health.

By doing nothing here in Canada, we are widening the gulf in this regard and telling certain people, telling the 61 billionaires in this country, that they are entitled to all of that, but we are telling the others they were not born in the right place, they were not born into the right family, and they have to stay the way they are: they will have to eat poorly and they will get less health care and fewer educational opportunities.

To summarize, there are income inequalities between men and women. Women have always been poorer than men, and this means that a more egalitarian society will improve the welfare of women more, proportionally speaking. The same is true for young people. And yet here we are, leaving the most enormous environmental, economic and social debt to our future generations, while we continue to widen that gulf.

I will close by talking about the occupy movement that we see everywhere. I think that society is starting to wake up and I am quite pleased. The purpose of the occupy movement, which began a little over a year ago, was to criticize the fact that there are people in our societies who have a great deal of wealth. The question is, what do they do with that money? I, personally, earn a good salary. I earn \$150,000 a year. I do not necessarily need all that money. To me it is only proper that I should pay a bit more tax than someone who earns \$35,000 and yet I hear people say that they do not want their taxes to increase. We are not talking about taking an arm and a leg. We just want to make sure that people pay their fair share so that we can have a fair and egalitarian society where everyone's basic needs can be met.

● (1800)

I support Motion M-315, moved by the hon. Liberal member, and I commend him for it. I hope that by the time we vote, the Conservatives will agree to study the matter. I think it is very important.

[English]

**The Acting Speaker (Mr. Bruce Stanton):** Resuming debate. Accordingly, I invite the hon. member for Kings—Hants for his right of reply. The hon. member has five minutes.

**Hon. Scott Brison (Kings—Hants, Lib.):** Mr. Speaker, I thank members from all parties who have expressed support for Motion No. 315.

Canadians do believe that the growing income inequality in Canada is an incredibly important issue. In fact, they believe that members of Parliament ought to be serious about studying it and addressing it.

The motion simply asks that the finance committee study the issue, make recommendations and report back to the House. During the study, we will have the opportunity to review Canada's system of income taxes and income support in order to understand how they may be contributing, inadvertently and unintentionally, to income inequality. We will be able to identify some of the gaps in the systems. We will be able to look at some best practices across Canada in terms of provincial governments that may be doing things well, in some cases, and look at other countries that have been able to combine innovative economic policy with progressive social policy. Finally, we would be able to propose solutions to help combat this growing issue of income inequality and equality of opportunity in Canada.

During my first intervention on the motion, I discussed our moral responsibility as parliamentarians to address the issue of income inequality and equality of opportunity. Today, I would like to lay out the business case and why it is good for business to address income inequality.

We have heard from economic voices, including the Conference Board of Canada, the Rotman School of Management dean, Roger Martin, and the Bank of Canada governor, Mark Carney. All have warned us that income inequality could limit Canada's economic growth and threaten sustainable prosperity.

While inequality can be bad for society, it can also be bad for business as it comes with great economic and social costs. The real threat to the economy and to society is when income inequality becomes so great that it starts to threaten equality of opportunity.

As American Nobel Prize winning economist Joe Stiglitz has said, “growing inequality is the flip side of something else: shrinking opportunity”.

Canada benefits from good public education, public health care and a strong society safety net. These essential foundation blocks of equality of opportunity are key to why we are doing better than some other countries. Along with our natural resource sector, our natural wealth, it is our people and giving our people a good start with good education and good opportunities are the keys to economic growth and sustainable prosperity.

However, not all Canadians have access to the tools they need to prosper. For instance, aboriginal and first nations communities have the fastest-growing and youngest population in Canada, but they are also Canada's most economically disadvantaged and socially disenfranchised population. If we fail to address this issue faced by our aboriginal peoples, this is a demographic, social and economic time bomb.

All Canadians have a responsibility and a vested interest to narrow and eliminate the gap between aboriginal and non-aboriginal Canadians. The long-term social costs of inequality and loss of opportunity are far more costly than the measures to address it.

I will put it another way. Looking out for the other guy is not just good for the soul, it is good for business. Business should also be concerned that the public could lose faith in a market-based economy if they no longer have hope for economic and social success. When people lose faith in the system, they can be drawn to class warfare and to economically dangerous anti-market policies, and that could be really bad for business.

The issue here is too serious a problem and too important an issue to allow partisan politics to get in the way of finding solutions. The fact is that this is a problem that has grown under federal governments and provincial governments of all party stripes. No one party has all the answers and no one party is to blame.

I am not naive enough to believe that a study of this issue will fix the problem, but it is a start because we need to understand the issue better and we need to move forward toward building public policy that will address growing income inequality.

In contemplating how to vote on Motion No. 315, I hope that members will be guided by their hearts, their heads and their desire for good public policy.

Earlier tonight, a Conservative member spoke of the working income tax benefit. That actually was introduced in the last Liberal budget in the fall 2005 by the then finance minister, the member for Wascana.

• (1805)

We are pleased with the working income tax benefit that the Conservatives continued to maintain in their fall budget. That is a case where two parties, two governments, worked together on an issue to address inequality.

We can work together across party lines in the House. The start will be on the vote for Motion No. 315. I will appreciate the support and Canadians will appreciate the support for this first step toward addressing this important issue.

**The Acting Speaker (Mr. Bruce Stanton):** The question is on the motion. Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.

**Some hon. members:** No.

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

**Some hon. members:** Yea.

### *Adjournment Proceedings*

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

**Some hon. members:** Nay.

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

*And five or more members having risen:*

**The Acting Speaker (Mr. Bruce Stanton):** Pursuant to Standing Order 93 the division stands deferred until Wednesday, June 13, immediately before the time provided for private members' business.

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## ADJOURNMENT PROCEEDINGS

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

[*Translation*]

### STATUS OF WOMEN

**Mrs. Anne-Marie Day (Charlesbourg—Haute-Saint-Charles, NDP):** Mr. Speaker, thank you for being willing to listen to this adjournment debate and for allowing me to express myself.

Over the past five years, the Conservatives have reduced funding for organizations that do research about and for women, organizations striving to eliminate the inequality that women face every day. Without awareness activities and research, Canadian women will never achieve full equality.

On March 8, International Women's Day, I asked the government if it would restore funding for research and awareness with respect to the status of women.

I would like to share two examples that show how deep these cuts have gone. The first, from May 23, 2012, is about an aboriginal group. Next year, in 2013, funding for research, capacity-building, networking and partnerships for aboriginal women in Quebec will be cut.

Here is the second example: the women's health contribution program. The program was in place for 16 years. It supplied essential information and evidence about women's health and examined the negative impact of cuts to programs and services for women.

There were six federally funded organizations devoted to research and communication in women's health; they learned in April 2012 that their funding will end on March 31, 2013. This program is critical to funding innovative social policy research, building community partnerships and providing important mentorship opportunities for students in women's health. Within a year, the affected organizations will be forced to either close their doors permanently or attempt to find funding elsewhere.

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I will tell you about them. The Women's Health Contribution Program supports the Réseau québécois d'action pour la santé des femmes, the Canadian Women's Health Network, the Atlantic Centre of Excellence for Women's Health, the British Columbia Centre of Excellence for Women's Health, the Prairie Women's Health Centre of Excellence and the National Network on Environments and Women's Health, located across the country from Vancouver to Halifax. We are talking about the entire country, from sea to sea.

The effect of this decision by Health Canada is yet another strong sign that the federal government is pulling away from its responsibility to gender equality. The centres and networks funded by the Women's Health Contribution Program provided policy input to federal government departments on a broad range of women's health issues, including: the women's health implications of the federal government's regulation of toxic chemicals; the hypersexualization of girls; the intergenerational legacy of residential schools for aboriginal women and their families; the need for trauma-informed counselling for women with addictions; and a working guide for conducting sex- and gender-based analysis in health research. Those are just a few examples.

Through its actions, the government is proving that equity and the status of women are at the bottom of its political agenda.

The Conservatives' Trojan Horse budget is also hiding the abolition of the Employment Equity Act, which will no longer apply to federal contracts. Roughly 925 employers who do business with the government and more than 1 million workers are affected by this measure. These employers will no longer be bound by legislation to avoid discrimination in hiring.

Will the minister admit that her party is stalling any progress made on the status of women and even setting us back a few decades in some areas? If this government truly wants to narrow the gender gap in Canada, then can the minister explain to Canadians where the investments are for research and awareness? What is the plan of action? What are the stated objectives? Why are there so many unjustified cuts? Why is there so much contempt for women?

• (1810)

[English]

**Mrs. Susan Truppe (Parliamentary Secretary for Status of Women, CPC):** Mr. Speaker, the member opposite should know that this government over any other government has increased funding for women to its highest level ever. Since 2007, we have approved more than 500 projects from coast to coast to coast that support women and girls. I know that in my riding of London North Centre some organizations are only able to help women and girls because of the funding they have received from Status of Women Canada.

We are working hard with Canadians across the country to promote greater economic prosperity for, end violence against and encourage the leadership of women and girls. More groups are applying than ever before because our practical approach is working. The organizations carrying out these initiatives frequently share information and lessons learned with other groups, as well as the Canadian public.

For women and girls in Canada, this translates into real and lasting change. I will provide some examples.

Late last year we supported a project that strengthened the economic security of women in Saint John, New Brunswick. The Saint John community loan fund provides women with tools and support to promote and sustain businesses. Many colleges and universities were happy to send in applications when a call for proposals came out to engage young people and prevent violence against women and girls in post-secondary institutions. In March of this year, our government announced support for a wide range of new projects that addressed issues of violence and economic security affecting women and girls in rural and remote communities and small urban centres.

These are only a few examples that illustrate how hard we are working to advance women and girls.

[Translation]

**Mrs. Anne-Marie Day:** Mr. Speaker, this government can shout all it wants about providing the highest level of funding for women in the history of Canada, but it is very difficult to believe in light of all the cuts I just mentioned.

What we need to see are the results. As far as I know, discrimination and gender gaps remain prevalent. Let us just talk about wages. Women earn 73% of men's wages. Great strides have been made, but there is still work to be done. Without awareness initiatives and research, Canadian women will never achieve full equality.

Under the Conservatives, instead of making intelligent investments we have taken a step backwards in pay equity, and there is no affordable national child care strategy for women who want to work. There are even backbenchers who want to criminalize abortion.

What does the minister plan to do to reassure all the Canadian women who are seeing their rights and status being eroded and who, in addition, are more and more likely to face a life of poverty?

• (1815)

[English]

**Mrs. Susan Truppe:** Mr. Speaker, the member opposite said that were claiming to have increased funding for women. We are not claiming to have increased it; we have increased funding for women to its highest level ever.

Since 2007, we have approved more than 500 projects that help women and girls all across Canada. We are working hard with Canadians every day across the country to promote greater economic prosperity for, end violence against and encourage the leadership of women and girls all across the country. As I said before, more and more groups are applying for funding because it helps women and girls in Canada.

## FISHERIES AND OCEANS

**Ms. Elizabeth May (Saanich—Gulf Islands, GP):** Mr. Speaker, I rise today to pursue a question that was first put on June 1 to the hon. parliamentary secretary for fisheries and oceans.

I am very glad that we have this procedure of adjournment proceedings, because, as we all know, it is very difficult in the very short time available in question period to put a question together to fully explain the context, so I am going to return to my question, explain it more fully and put it again to the parliamentary secretary.

I started my question by quoting a quite extraordinary letter written by four former ministers of fisheries and oceans: the Honourable Tom Siddon, the Honourable John Fraser, the Honourable Herb Dhaliwal and the Honourable David Anderson. They all happen to be from British Columbia, but they do not happen to be in the same party. There are two Liberals and two Progressive Conservatives.

These four gentlemen are calling on the government to withdraw from the omnibus budget bill those sections that have no place being there, the sections destroying the Fisheries Act.

What they said at one point in the letter was:

With respect to process, we find it troubling that the government is proposing to amend the Fisheries Act via omnibus budget legislation in a manner that we believe will inevitably reduce and weaken the habitat-protection provisions. Regrettably, despite the significance of the legislation, to date the responsible ministers have provided no plausible, let alone convincing, rationale for proceeding with the unusual process that has been adopted.

This is the section that I quoted in my question to the hon. member:

Quite frankly, Canadians are entitled to know whether these changes were written, or insisted upon, by the Minister of Fisheries or by interest groups outside the government. If the latter is true, who are they?

In putting this question forward on June 1, I added, “Where are they, in Canada or in Beijing?”

I know my hon. friend found that, in his words, a strange question, so let me elaborate on why I think that is the question.

We are looking at a lot of changes in Canadian environmental assessment law, changes that would make cabinet superior to the National Energy Board for decision-making purposes. We are looking at changes to the Navigable Waters Protection Act, the Fisheries Act and the Species at Risk Act, and they are in aid of what is described as a great urgency to approve projects.

I have had some experience with projects of the Government of Canada. The case I will relate involved the previous government of the Right Honourable Jean Chrétien. In a feverish attempt to sell nuclear reactors to China, the government actually loaned China the money to buy our reactors and wanted to evade environmental review. At the time I was with the Sierra Club of Canada, and I actually took them to court. Unfortunately, due to a number of procedural delays imposed on us by Atomic Energy of Canada Limited, the matter never got litigated. However, the crux of it is this: when Canada deals with China, in my experience, Canada reduces its environmental reviews.

In this instance we have a tremendous number of changes that make no sense to Canadians. They make no sense to people who

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have worked in Fisheries and Oceans. They particularly make no sense to these four former fisheries ministers, nor to the Federation of Canadian Municipalities, which voted in an emergency resolution this week to seek to withdraw those changes.

What is driving it? It seems to me that the Prime Minister gave us a sense of that with two statements. One was on May 10 in the House in response to the hon. leader of the Liberal Party. On reducing environmental assessments, the Prime Minister said, “It is vital to the certainty of our investors”. At the same time, we know that the Prime Minister already promised the leadership in Beijing when he was visiting China that the Enbridge supertanker project would proceed.

Therefore, it seems to me that it is a very relevant question. Who is driving these changes, Canadians or investors in the Communist Party of China?

• (1820)

**Mr. Randy Kamp (Parliamentary Secretary to the Minister of Fisheries and Oceans and for the Asia-Pacific Gateway, CPC):** Mr. Speaker, the short answer to the question that the member for Saanich—Gulf Islands included in her question originally is that the latter is not true.

Let me provide a little more information. The Fisheries Act was originally established to protect Canada's fisheries resources and define federal responsibilities for the management of fisheries and the related protection of fish and fish habitat.

The current habitat protection provisions of the Fisheries Act are broad in scope, requiring protection of all fish habitat, regardless of their value to Canadians. Concerns about the broad and even unintended scope of the application of the existing regulatory regime have been raised by stakeholders across this country. This country, not China.

Farmers and landowners have criticized the department for applying its mandate and resources to areas with low contribution for fisheries. In addition, significant risk to fisheries have emerged that are not appropriately considered in the Fisheries Act, such as those posed by aquatic invasive species.

Many stakeholders over the years have asked us to focus on the significant impacts to significant fisheries. Many stakeholders have also asked us to find ways to work more effectively with the provinces and conservation groups. They have asked us to apply our resources strategically to ensure that Canada's fisheries can benefit Canadians today and for future generations.

In response to these challenges, the Government of Canada is proposing to renew and strengthen its current approach to management and fisheries protection through amendments to the Fisheries Act. These amendments would focus the government's protection efforts on recreational, commercial and aboriginal fisheries.

*Adjournment Proceedings*

It would also draw a distinction between vital waterways that support Canada's fisheries and those that do not contribute to productive fisheries, such as drainage ditches in some cases and storm water management ponds.

They would identify and manage important threats to the fisheries, including direct impacts to fish, habitat destruction and aquatic invasive species.

Let me be clear that the rules will continue to protect Canadian fisheries waters from pollution, as they have in the past, and the proposed legislative amendments would provide additional clarity on the application of the law.

Proposed in Bill C-38 are a new suite of tools that help strengthen our protection of commercial, recreational and aboriginal fisheries. We will now be able to identify ecologically significant areas, such as critical spawning habitat for sockeye salmon and provide enhanced protection for those critical zones.

In addition, infractions under the Fisheries Act will now be aligned with those set out in the environmental enforcement act, which provides higher maximum penalties. This will ensure that those who break the rules are subject to stiffer penalties.

Through these amendments, we will also be able to establish new, clear, and accessible standards for projects in or near water. It makes good common sense that the government should be able to minimize or eliminate restrictions on routine activities that pose little or no threat to fisheries, while at the same time maintaining appropriate, reasonable and responsible protection for Canada's commercial, recreational and aboriginal fisheries.

A renewed Fisheries Act will provide us with the tools to develop effective regulations prohibiting the import, transport and possession of live aquatic invasive species, such as Asian carp, which are threatening the Great Lakes.

The Government of Canada takes the protection of our country's commercial, recreational and aboriginal fisheries very seriously. Given the importance of the fisheries from coast to coast to coast, we must focus our efforts on the effective protection of these fisheries. Their long-term sustainability and productivity are our priority.

**Ms. Elizabeth May:** Mr. Speaker, my hon. colleague, Parliamentary Secretary to the Minister of Fisheries and Oceans has put forward that his goal is to renew and strengthen fisheries protection.

If that is his goal, he should join me in trying to stop this legislation. It does nothing of the kind. The four former fisheries ministers, whom I referenced earlier, have concluded in their letter that unless there are changes in this legislation, we are in very serious trouble.

I will quote again. They are commenting on these claims that the current legislation is so woefully inadequate. What they say is:

...we can only judge from our own experience, which suggests that the shortcomings of the existing legislation have been greatly overstated and that the remedial action proposed—

In other words, this horrible legislation.

—is vastly out of proportion to the issues they have referred to, but only vaguely. In short, we have the impression that the ministers are using a sledgehammer to swat a fly.

This legislation is deeply flawed, and I urge the parliamentary secretary, and all ministers, to reconsider.

• (1825)

**Mr. Randy Kamp:** Mr. Speaker, we have given this very careful consideration. In fact, two of the ministers to whom she referred issued policies. For example, it was the hon. Tom Siddon's habitat policy written in 1986 that clearly says that our focus needs to be on the protection of those habitats that support recreational, commercial and aboriginal fisheries.

Then, in 1998, during the time of the Honourable David Anderson, the government issued another policy document that expanded on the habitat policy that allowed the decision makers to know how to apply section 35 of the act. That again states very clearly that the focus must be on commercial, recreational and aboriginal fisheries, and that is what we are doing with this legislation.

[*Translation*]

**The Acting Speaker (Mr. Bruce Stanton):** The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 6:27 p.m.)







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