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(HANSARD)

Wednesday, May 29, 2013

Speaker: The Honourable Andrew Scheer

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HOUSE OF COMMONS

Wednesday, May 29, 2013

The House met at 2 p.m.

Prayers

• (1405)

[English]

The Speaker: It being Wednesday, we will now have the singing of the national anthem, led by the hon. member for Chatham-Kent—Essex.

[*Members sang the national anthem*]

STATEMENTS BY MEMBERS

[English]

DAY OF THE HONEYBEE

Mr. Bruce Hyer (Thunder Bay—Superior North, Ind.): Mr. Speaker, there is more than just honey that comes from honeybees.

One of every three bites of food eaten worldwide depends on pollinators, especially honeybees. Many crops rely completely on them. In Canada, over \$2 billion a year in agricultural production depends on honeybees.

However, bees are dying and disappearing in record numbers. Pesticides, parasites and pathogens are killing one-third of all colonies each year, and it is getting worse. A threat to the honeybee is a threat to our food and to us all. Today is the day of the honeybee in 185 municipalities and 3 provinces, including Thunder Bay. I hope the members of this House will join me in supporting efforts to make May 29 our national day of the honeybee.

I invite Thunder Bay citizens to join me this Saturday for a day of honeybee celebrations at the Thunder Bay Country Market.

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NATIONAL HEALTH AND FITNESS DAY

Mr. John Weston (West Vancouver—Sunshine Coast—Sea to Sky Country, CPC): Mr. Speaker, I rise today to emphasize the need for us all to work together to promote health and fitness for all Canadians. We are facing the terrible situation of raising the first generation of children who may not live as long as their parents will. That is why we need to improve our health level now and show our children that we can do better.

This is one of the reasons that colleagues all around this House and I have worked together to create National Health and Fitness Day, the first Saturday in June, this year being June 1.

Over the last few months, more than 40 towns and cities across Canada have proclaimed the day, including Pond Inlet, Yellowknife, Whistler, Calgary, Ottawa and Halifax. In Ottawa, there is a cycling event planned at city hall with national leaders. In Vancouver, we will have a run with Olympian Ashleigh McIvor and the Minister of Transport.

We also have the strong support of the Running Room and the Fitness Industry Council of Canada, which has encouraged over 500 private clubs across Canada to waive their drop-in fees for June 1.

I thank all my colleagues, from all parties, who are promoting better health for all Canadians. It shows the next generation that we can work together to make Canada the fittest nation on earth.

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WORLD MS DAY

Mr. Mike Sullivan (York South—Weston, NDP): Mr. Speaker, today is World MS Day. Multiple Sclerosis is a neurological disorder that causes disability. Most diagnoses occur between the ages of 25 and 31, afflicting about twice as many women as men. It is not known what causes this disease, and as yet there is no cure.

MS puts hard demands on the health and income of family members acting as caregivers. There are three important changes that we could make to help people with MS and their caregivers stay in the workforce and ease their financial hardships.

Employment insurance sickness benefits should be made more flexible so people with MS and other disabilities can get support when and how they need it. The criteria for receiving disability credits and benefits should be eased to help people with MS and other disabilities to qualify because their health condition varies over time. Finally, disability and caregiver tax credits should be refundable to improve income support for caregivers, particularly those in need.

These steps would help people with MS and their families cope better until a cure is found.

*Statements by Members***IRAN**

Mr. David Sweet (Ancaster—Dundas—Flamborough—Westdale, CPC): Mr. Speaker, as the regressive clerical military dictatorship in Iran goes through its mockery of fair elections, a brutal crackdown has been unleashed. That is why many members are taking part in the Iran accountability week. We are shining the light of truth on what is happening inside Iran.

I want to draw attention to a few such examples. First, Navid Khanjani, a Baha'i student, was denied the right to go to university because of his faith and was sentenced to 12 years of brutal imprisonment in Tehran's Evin prison.

It reconfirms the wilful pattern of abuse by this regime. Members will recall that I spoke last year in the House about Pastor Youcef Nadarkhani, a Christian pastor who has been sentenced to death for practising his faith.

Another Christian pastor is also in jeopardy right now. Pastor Saeed Abedini is a dual American-Iranian citizen who was arrested, beaten and sentenced to eight years. His health is now deteriorating because of his beatings.

We renew our call on the regime to release Navid Khanjani, Pastor Youcef Nadarkhani, and Pastor Saeed at once.

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SOMALI-CANADIANS

Ms. Kirsty Duncan (Etobicoke North, Lib.): Mr. Speaker, my warm, loving Somali community left a war-torn country to come to our peaceful country, only to have many of their children die at the hand of violence, often gun violence.

Almost 50 young Somali-Canadian males have been killed in Ontario and Alberta since 2006. In 2012, between June and October, six of 33 Toronto shooting homicides befell Somali-Canadian men. That means the Somali community, making up less than 100,000 of Toronto's population, had 18% of the city's shooting deaths. Our Toronto Somali-Canadian community faces poverty, education challenges, job challenges, imported guns from the United States, and the overwhelming fear to report the violence.

Our resilient Somali-Canadian community hopes the government will investigate these deaths, develop federal-provincial job programs supporting Somali-Canadians, develop job opportunities with the RCMP, and examine witness protection.

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MANITOBA WOMEN ENTREPRENEURS

Mr. Robert Sopuck (Dauphin—Swan River—Marquette, CPC): Mr. Speaker, I rise to honour two business people from my riding, Judith Mccaskill, owner of the Sandy Lake Hotel, and Marsha Trinder, owner of the T.W. Ranch, finalists for the 2013 Manitoba Woman Entrepreneur of the Year Awards.

I also want to congratulate Ms. Mccaskill for winning the contribution to community award. Judith Mccaskill has owned the Sandy Lake Hotel for 12 years and has turned her business into a gathering place for Manitobans from all walks of life. She has worked to make her community a better place, raising \$223,000 for charity, establishing the Sandy Lake Merchants Association and

improving the health of her community. Marsha Trinder has operated the T.W. Ranch since 2006, where she raises Tennessee walking horses for sale across Canada.

Women entrepreneurs are one of the fastest-growing groups within the Canadian economy and are crucial to the success of rural communities, not only in my riding but throughout all of Canada.

Congratulations to these two business people for their exemplary work and success.

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● (1410)

[*Translation*]**BULLYING**

Mr. Dany Morin (Chicoutimi—Le Fjord, NDP): Mr. Speaker, this week was particularly upsetting for me.

In the last few days, young Taylor Moldvan, 17, from Milton, Ontario, and Ann-Élisabeth Belley, a 14-year-old from Jonquière, in my area, took their own lives. They were both victims of bullying.

Again, Canada has failed to protect its children. As legislators, we have a unique role to play and we need to find solutions. This means funding and promoting bullying prevention. It means working with the provinces, parents and young people to ensure that tragedies like these do not happen again. It means that a national bullying prevention strategy must be adopted. This is a duty we owe our children.

On behalf of the NDP, I wish to extend my condolences to the Belley and Moldvan families as well as their loved ones. I promise that we will continue to work until Canada adopts a national bullying prevention strategy.

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[*English*]**ONE HEART WINNIPEG**

Mrs. Joy Smith (Kildonan—St. Paul, CPC): Mr. Speaker, this past Sunday I attended the 4th Annual One Heart Winnipeg event. One Heart Winnipeg is part of a two-week focus called "Love Winnipeg", encouraging the sharing of God's love through random acts of kindness within the community.

Over 90 city churches joined together on Sunday morning to attend One Heart Winnipeg. This is the first event to be held at the Investors Group Field, the new home to the Winnipeg Blue Bombers.

Pastors and more than 12,000 attendees prayed for the City of Winnipeg, for its leaders and its safety, and to seek God's blessing. Speakers at One Heart included dignitaries, such as Mayor Sam Katz and Bombers legend Milt Stegall, along with many church leaders from across the region.

I hosted students from Faith Academy on Monday here in Ottawa, and I want to congratulate these students, and everyone involved with Love Winnipeg and One Heart Winnipeg. These students wore their yellow T-shirts saying “Love Winnipeg”.

Random acts of kindness are a wonderful way to live out one's faith and strengthen our communities.

* * *

IRAN

Mr. Costas Menegakis (Richmond Hill, CPC): Mr. Speaker, I rise to recognize the 25th anniversary of the largest systematic violation of human rights committed by the Iranian regime.

In the summer of 1988, the Iranian regime tortured and executed five thousand political prisoners and buried them in mass graves for simple activities like distributing pamphlets. They deny it to this day. The tyranny of Ayatollah Ali Khomeini showed no respect for democracy or human rights. The gangsters who carried out this brutal, deliberate massacre remain in powerful positions. We condemn these despicable crimes against humanity.

This is the same Iran that as of yesterday is shamelessly leading the UN Conference on Disarmament. I am proud to note that Canada's envoy walked out in protest.

With supposed elections in Iran in the coming month, we encourage Iranians and the Iranian diaspora to visit www.theglobaldialogue.ca to catalogue the repression that this brutal regime continues to this day.

I call on all Canadians to join us in the effort to highlight the ongoing human rights atrocities in today's Iran.

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GIRLS GOVERNMENT PROGRAM

Ms. Peggy Nash (Parkdale—High Park, NDP): Mr. Speaker, today I was honoured to meet with grade seven and eight girls from schools in my riding: St. Cecilia, Annette Street public school, and High Park Alternative. A delegation from their program called Girls Government Initiative introduces young girls to politics and encourages them to consider politics as a career option.

After more than a decade since being a co-founder of Equal Voice, I regret that only 25% of our parliamentarians are women. Though that number is much higher in the NDP, at 40%, Canada still has a long way to go to truly reflect Canadian diversity here in Parliament.

The girls told me about issues they are determined to change, things like factory farming and mental health stigma. These young people are brimming with passion, creativity and optimism.

Today I want to make a prediction. I predict some of these girls one day will stand in this House, and I say “bravo”.

Statements by Members

● (1415)

[Translation]

THE SENATE

Mr. Jacques Gourde (Lotbinière—Chutes-de-la-Chaudière, CPC): Mr. Speaker, yesterday the Senate adopted our Conservative government's 11 tough new rules governing Senate travel and expenses proposed by Conservative senators.

Our government is focused on delivering meaningful reform to the Senate—including elections, term limits and tough spending oversight.

Canadians understand that our Senate, as it stands today, must either change or, like the old upper houses of our provinces, vanish.

While we are bringing tougher accountability measures for Senate expenses, the leader of the Liberal Party has come out as the champion of the status quo, demanding that the Senate remain unelected and unaccountable, because it is an advantage for Quebec.

The Liberal leader is once again trying to pit Canadians against each other. He also said that those who spoke only one official language were lazy, which is unacceptable.

We said we would fix the Senate's rules governing travel and expenses, and we delivered.

* * *

[English]

HENRY MORGENTALER

Ms. Niki Ashton (Churchill, NDP): Mr. Speaker, today I rise to pay tribute to Dr. Henry Morgentaler, whom we lost this morning. We extend our deepest sympathies to his family and loved ones.

[Translation]

We recognize Dr. Morgentaler's courage and perseverance.

[English]

We recognize his courage, his dedication and the way he changed the course of Canadian history. As a champion for reproductive justice and women's rights, he took our country forward. Thanks to Dr. Morgentaler's fight, a generation of Canadian women have had access to choice.

Dr. Morgentaler was honoured with the Order of Canada for his tireless efforts for nearly half a century, putting his life and freedom at risk so that Canadian women could have access to safe abortion services.

Twenty-five years ago, the Supreme Court ruled in his favour, declaring that women have the right to choose. Unfortunately, even today, access to reproductive services remains unequal. We must remain vigilant against repeated attempts to roll back these rights. New Democrats will continue Dr. Morgentaler's fight and the pursuit of equality.

*Oral Questions***LEADER OF THE LIBERAL PARTY OF CANADA**

Mr. Jay Aspin (Nipissing—Timiskaming, CPC): Mr. Speaker, our party and our government is demanding real accountability in the Senate, including thorough, tough new expense rules we pushed through yesterday.

On the other hand, the leader of the Liberal Party champions the status quo in the Senate. It is no wonder Canadians abandoned the Liberal Party in the last election. It is exactly this type of poor judgment on the Senate's status quo that Canadians reject.

The leader of the Liberal Party's poor judgment does not end there. The Liberal leader has known for weeks that a Liberal senator is hiding \$1.7 million in an offshore bank account. This senator only remains in the Liberal caucus because of the Liberal leader's poor judgment. He is clearly in over his head.

* * *

DIGITAL ANIMATION GRADUATE

Ms. Judy Foote (Random—Burin—St. George's, Lib.): Mr. Speaker, I rise today to recognize a talented young man from Ramea, a small, isolated town with a population of 525, in the riding of Random—Burin—St. George's. Zachary Green is a graduate of the digital animation program offered by the Bay St. George campus of the College of the North Atlantic in Stephenville.

In 2012, Zachary produced a short film called *The Collector*, an exceptional piece of digital art for which he received national and international recognition. Recognized by the Toronto *Applied Arts* magazine, Zachary received the Digital and Character Animation Award. His film has been screened in Seattle at the National Film Festival for Talented Youth and at Chicago CineYouth, sponsored by the Chicago International Film Festival. Zachary credits the exemplary program and instruction he received at the College of the North Atlantic for his success.

He is currently employed in St. John's as a 3D modeller with GRI Simulations Incorporated.

I ask all members to join me in wishing Zachary Green continued success as he pursues a career in digital animation.

* * *

ETHICS

Mr. John Carmichael (Don Valley West, CPC): Mr. Speaker, the media has revealed that a Liberal senator is the beneficiary of a \$1.7 million trust set up in an offshore tax haven in the South Pacific.

Weeks have gone by, yet this Liberal senator has refused to come clean with Canadians. She refuses to confirm she has made the proper disclosures of her offshore wealth to the Senate Ethics Officer. The leader of the Liberal Party and the Liberal Senate leader are aware of the situation but are refusing to take responsibility.

Canadians deserve to know. Why is this Liberal senator stashing money in offshore tax havens? The fact that Liberals are hiding this information and that this tax-evading senator still remains in the Liberal caucus is yet more evidence of the Liberal leader's lack of judgment.

● (1420)

ETHICS

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, last night both Conservative and Liberal senators feigned shock and horror to learn that Mike Duffy had been engaged in partisan politics while milking the Senate, but the reality is it is a time-honoured tradition. Lots of senators are full-time political operatives for their parties, with their salaries, their staff and their travel fully paid by the taxpayer. This has been going on for decades, but not a single Conservative or Liberal blew the whistle on any of these senators. Why would they? Just like there is no fix for an egg-sucking dog, once the senators got a taste for that juicy subsidy, there is no way to ever make them stop.

No wonder the Prime Minister's Office orchestrated a cover-up. How many other senators were working the last federal election while collecting a senator's salary?

In a few moments, the Prime Minister will again face simple, straightforward questions from the Leader of the Opposition. I implore the Prime Minister, out of respect for Canadians, to leave his talking points alone and tell Canadians the real story behind the Mike Duffy cover-up.

* * *

[Translation]

MEMBERS OF THE NEW DEMOCRATIC PARTY

Mr. Robert Goguen (Moncton—Riverview—Dieppe, CPC): Mr. Speaker, our government has cut taxes for all Canadians more than 150 times since 2006. They have saved an average of \$3,200.

Canadians are proud of that record, and they expect each and every one of us to pay our fair share. Our government has taken strong action to crack down on tax evasion.

Unfortunately, paying their fair share does not seem to be a priority for opposition members. Canadians were shocked to learn that more than two members of the NDP owe tens of thousands of dollars in unpaid taxes. They are also furious that the NDP knew about the problem and hid the information from honest taxpayers.

How can they want to impose new taxes on Canadians without first setting a good example by paying their own taxes?

Taxpayers in my riding are disappointed in the NDP's attitude and want them to hear this message: pay your taxes.

ORAL QUESTIONS

[English]

ETHICS

Hon. Thomas Mulcair (Leader of the Opposition, NDP): Mr. Speaker, yesterday the Prime Minister acknowledged the existence of the email in which Mike Duffy wrote that he stayed silent on the orders of the Prime Minister's Office.

Who in the Prime Minister's Office has a copy of that email?

Oral Questions

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, this is an email, I understand, of Mr. Duffy, a former Conservative senator. As we know well, the activities of Mr. Duffy are being looked into by the appropriate authorities. Of course, any and all information we have will be shared with those authorities.

Hon. Thomas Mulcair (Leader of the Opposition, NDP): Mr. Speaker, has the RCMP contacted the Prime Minister's Office to obtain that email or all other documents that it has in relation to this matter?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, to my knowledge we have had no such contact. Of course that would be very different, I understand, than the leader of the NDP who, after 17 years of apparently knowing about the activities of the mayor of Laval, who is now charged with various offences, did not reveal that information to the public and the police until very recently.

Any information we have that is relevant we will reveal immediately.

[*Translation*]

Hon. Thomas Mulcair (Leader of the Opposition, NDP): Mr. Speaker, who did the Prime Minister task with—

Some hon. members: Oh, oh!

The Speaker: Order, please. The hon. Leader of the Opposition.

Hon. Thomas Mulcair: Mr. Speaker, who did the Prime Minister task with managing the crisis surrounding illegal Senate expenses?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, I do not fully understand the question.

Obviously, the Senate is responsible for managing its expenses and business, but because of recent events, the Senate has asked other authorities to investigate. Investigations are ongoing. We are adamant that those who acted inappropriately will be held accountable.

Hon. Thomas Mulcair (Leader of the Opposition, NDP): Mr. Speaker, when was the topic of illegal Senate spending first raised in cabinet?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, the NDP leader knows full well that we cannot discuss cabinet matters.

• (1425)

[*English*]

As a matter of course, while we are sworn not to discuss cabinet matters publicly, I can certainly say that these matters were not matters of public business at any point. In fact, as we have said, I became aware of this matter on May 15. I immediately made that information public, which is very different than the leader of the NDP who withheld information on the wrongdoing of the mayor of Laval for 17 years.

Hon. Thomas Mulcair (Leader of the Opposition, NDP): Mr. Speaker, that is interesting. That was not yesterday's excuse.

[*Translation*]

Does the Prime Minister have proof that the \$90,000 cheque his chief of staff gave Mike Duffy was a personal cheque?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, that is what Mr. Wright told me. I immediately insisted that the public be informed. Mr. Wright is currently being investigated by the ethics officer.

[*English*]

Once again, as I have said repeatedly, as soon as this information was conveyed to me by the former chief of staff, I immediately insisted he go to the appropriate authorities and the information be made public, which is totally different than the leader of the NDP who withheld that information from the public and from the police for 17 years.

Mr. Justin Trudeau (Papineau, Lib.): Mr. Speaker, yesterday it was reported that the RCMP asked the media for that February 20 email that details the \$90,000 arrangement between the Prime Minister's chief of staff and Mike Duffy.

As we know, the Prime Minister's Office has a copy of that email. Will the Prime Minister proactively make that email public?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, I have said repeatedly, we have put in place government authorities to deal with any kind of matters such as this that may arise. We expect the authorities to deal with those matters and they will have the full assistance of the government in doing so.

Mr. Justin Trudeau (Papineau, Lib.): Mr. Speaker, yesterday the Prime Minister said that he did not learn about his chief of staff's \$90,000 payment to Mike Duffy until Wednesday the 15th, yet media contacted his office on the afternoon of Tuesday the 14th to comment on the payment. His office and Mike Duffy then released identical statements on the source of that payment.

How does the Prime Minister reconcile his assertion that he did not know about the scandal until Wednesday if his office responded the afternoon before?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, as I have said before, Mr. Wright informed me and informed others of this matter on the morning of May 15. That is why I did not know that in the afternoon of May 14.

On the contrary, it was my understanding, the understanding of the caucus and the understanding of the government that Mr. Duffy had repaid his expenses using his own resources.

Mr. Justin Trudeau (Papineau, Lib.): Mr. Speaker, even the meagre answers provided to us by the Prime Minister do not add up.

[*Translation*]

It is a simple question. How can the Prime Minister explain that he said he knew nothing of his chief of staff's \$90,000 cheque until Wednesday, May 15, yet the PMO and Mike Duffy's office released identical, coordinated statements on the afternoon of May 14?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, once again, those are the facts. I do not like them, but they are clear.

[*English*]

We have been very clear about what the facts are in the situation. When I became aware of such information, I immediately revealed that information to the public.

Oral Questions

On the other hand, the leader of the Liberal Party should explain why he has known for weeks that a member of his caucus, a Liberal senator, is connected to an undisclosed offshore bank account worth \$1.7 million and he has chosen to take no action whatsoever.

• (1430)

[Translation]

Hon. Thomas Mulcair (Leader of the Opposition, NDP): Mr. Speaker, the Prime Minister just told us that, until May 15, he thought that Mike Duffy was repaying his illegal Senate expenses himself. That raises another question.

On what basis did the Prime Minister assume that Mike Duffy had even agreed to repay his expenses? Who informed the Prime Minister of that?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, my understanding was the same as everyone else's, that Mr. Duffy was repaying his expenses himself. He said so publicly.

[English]

Those are the facts. Mr. Duffy himself said that publicly.

However, as little as three years ago, the leader of the NDP said that he knew absolutely nothing about the affairs of the former mayor of Laval, which are now being investigated by the Charbonneau commission. It is up to him to explain why, when he knew such information, he did not think it relevant to tell the public or the courts.

[Translation]

Hon. Thomas Mulcair (Leader of the Opposition, NDP): Mr. Speaker, in a typical day, how many times does the Prime Minister speak with his chief of staff?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, I do not understand the question.

As I have said a number of—

Some hon. members: Oh, oh!

The Speaker: Order, please. The right hon. Prime Minister.

Right Hon. Stephen Harper: Mr. Speaker, the former chief of staff did not inform me of the payment he made until May 15. I have been very clear about this matter. The facts are clear.

Why did the leader of the NDP withhold information about the activities of the former mayor of Laval for 17 years?

[English]

Hon. Thomas Mulcair (Leader of the Opposition, NDP): Mr. Speaker, when did the Prime Minister first speak with Nigel Wright about the whole question of the Senate expenses scandal?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, obviously we all spoke of this as soon as the story was in the news. As I have said repeatedly, I was not aware of any payment made by Mr. Wright before the 15th of May.

What I do not understand is how the entire Quebec construction industry can be mired in a deep scandal involving mayors and public officials all across the province, subject to an inquiry called by the government he was a member of and that for all of those years he did

not think it relevant to inform the authorities and the public that he had been offered considerations by the mayor of Laval.

Hon. Thomas Mulcair (Leader of the Opposition, NDP): Mr. Speaker, the Parliamentary Secretary to the Minister of Transport explicitly said that the \$90,000 cheque was issued "Because we didn't believe taxpayers should have to pay the cost and Mr. Duffy was not in a position to pay them himself". Who is we?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, Mr. Wright has been clear that his motive was he wanted to see the taxpayers recompensed for expenses that we all believed were inappropriate. It is important that those expenses be recovered. It is also important that all the people who have been involved in this be subject to the appropriate investigations and held accountable.

Once again, when we knew this information, it was all rendered public. I contrast this with the leader of the NDP who withheld vital information on the improper activities of the mayor of Laval for 17 years, even during a provincial royal commission.

[Translation]

Hon. Thomas Mulcair (Leader of the Opposition, NDP): Mr. Speaker, did Nigel Wright receive or will he receive severance pay?

• (1435)

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, Mr. Wright will receive only the payments to which he is entitled under the law and nothing more.

[English]

Hon. Thomas Mulcair (Leader of the Opposition, NDP): Mr. Speaker, he is entitled to his entitlements.

[Translation]

Under the law, how much severance pay is Nigel Wright entitled to? Would it just happen to be approximately \$90,000?

[English]

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, we are required to pay certain amounts under law, such as certain accumulated vacation pay. Those policies are clear. The government cannot work around them. Mr. Wright will be paid only those amounts of money.

Once again, we have been absolutely clear about this matter, unlike the leader of the NDP.

Hon. Thomas Mulcair (Leader of the Opposition, NDP): Mr. Speaker, the Prime Minister's Office was first informed of this matter on May 14. Who in the Prime Minister's Office knew on May 14?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, once again, I have been very clear that Mr. Wright informed me of this on May 15. We have been very clear on that. As soon as we knew that information, we made it public. If we had known earlier, we would have made it public earlier, unlike the leader of the NDP who, when confronted with information regarding the improper activities of a mayor, who is now charged with various corruption offences, refused to provide that information to the public or to the authorities for 17 years.

Oral Questions

Hon. Thomas Mulcair (Leader of the Opposition, NDP): Mr. Speaker, has the Prime Minister asked that all emails to and from Nigel Wright's email account in the Prime Minister's Office be examined to see if there is any reference whatsoever to the Mike Duffy affair, or to any and all documents concerning the Mike Duffy affair?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, once again, we have put in place the appropriate authorities to investigate such matters when they arise. We will obviously assist those authorities and we will ensure that anybody who has broken any rules or laws is held accountable. We are doing so promptly, unlike the leader of the NDP who, in spite of the fact he knew about the inappropriate activities of the former mayor of Laval, and has now admitted it after having denied it in public repeatedly, refused to provide that information.

Hon. Thomas Mulcair (Leader of the Opposition, NDP): Mr. Speaker, what has the Prime Minister learned from the audit of Pamela Wallin's expenses that led her to resign from the Conservative caucus?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, as members well know, the audit of Senator Wallin's expenses is not complete. Senator Wallin has chosen to step outside of the caucus until those matters are resolved. She obviously will not be readmitted unless those matters are resolved. If she has in any way acted improperly, she will be subject to the appropriate authorities and the consequences for those actions.

Hon. Bob Rae (Toronto Centre, Lib.): Mr. Speaker, I wonder if the Prime Minister could tell us who in his office was responsible for the discussions with Senator Tkachuk and Senator Stewart Olsen between February and May 15. That is critical for us to find out.

Who exactly in the Prime Minister's Office was responsible for managing this file?

Hon. James Moore (Minister of Canadian Heritage and Official Languages, CPC): Mr. Speaker, the original Senate committee report did reflect the results of the audit and the Senate took new action yesterday. A new report has been out. The RCMP has appropriately been brought in.

More important than that, what Canadians are looking for is the action that was taken yesterday by the Senate, which is 11 new items of accountability to protect the interests of taxpayers. We think that is the action Canadians want to see and that is the action we are taking.

Hon. Bob Rae (Toronto Centre, Lib.): Mr. Speaker, there was no answer to the question. It is clear that the minister is perhaps not aware of the fact that his colleagues in the Senate have to re-eat all the words that they refused to allow in the original report because the original report was completely changed as a result of we do not know what.

I would like to ask the minister a very clear question. Who in the Prime Minister's Office had conversations with Senator Tkachuk and with Senator Stewart Olsen that led to the words being changed? Who was responsible for that?

• (1440)

Hon. James Moore (Minister of Canadian Heritage and Official Languages, CPC): Mr. Speaker, the premise of the question is entirely false.

Yesterday the Senate did two very important things for Canadians. The first was to issue a report that was agreed to unanimously, including Liberal members, to refer this matter to the RCMP, which is entirely appropriate. Second, the Senate took action on 11 specific items to protect the interests of taxpayers going forward.

Those are the things the Senate did and they are exactly what is in line with what taxpayers expect.

[Translation]

Hon. Bob Rae (Toronto Centre, Lib.): Mr. Speaker, the Prime Minister's Office was running this whole thing.

Senator Tkachuk said yesterday that he had conversations with Nigel Wright.

The question we are asking is very clear. It is not hard. Who, other than Mr. Wright, was in the Prime Minister's Office? The Prime Minister refuses to answer the question, but the minister is here.

Who in the PMO was responsible for the conversations with Senator Tkachuk and for managing this important matter?

Hon. James Moore (Minister of Canadian Heritage and Official Languages, CPC): Mr. Speaker, as he said in his statement when he stepped down, Mr. Wright took sole responsibility for this because he was the one involved.

* * *

[English]

GOVERNMENT APPOINTMENTS

Mr. Paul Dewar (Ottawa Centre, NDP): Mr. Speaker, Arthur Porter is in jail under charges of fraud and money laundering. Just two years ago the Conservatives had full confidence in Mr. Porter. They made him the chair of the CSIS watchdog and appointed him to the Privy Council. Despite charges connecting Mr. Porter to one of the largest fraud cases in Canada's history, he remains a member of the Privy Council.

Will the government remove him from the Privy Council?

Hon. Vic Toews (Minister of Public Safety, CPC): Mr. Speaker, as a matter of clarification, Mr. Porter was appointed to SIRC with the support of the NDP and the Liberal leadership.

I would like to congratulate the authorities for a successful arrest.

While I cannot comment on a specific case, anyone involved in corruption must face the full force of the law, unlike the leader of the NDP who knew about corruption, who knew about a bribe attempt, who denied it years later, and has now had to come clean.

[Translation]

Ms. Françoise Boivin (Gatineau, NDP): Mr. Speaker, I do not know whether they realize that they are protecting a man who tried to make a run for it and leave his wife behind in prison. They are allowing that individual to remain a member of the Privy Council.

Oral Questions

The intelligence sharing fiasco in the Delisle case happened under Porter's watch and fraud at the MUHC happened under Porter's watch. It is time to end the charade.

The request to extradite Arthur Porter is currently in the federal government's hands.

Can the minister confirm this information and will he take immediate action to have Mr. Porter tried in Canada?

[English]

Hon. Vic Toews (Minister of Public Safety, CPC): Mr. Speaker, the member says that someone was protected. What we do know is that the Leader of the Opposition denied a specific bribery attempt, and then less than three years later, came clean on this. For 17 years, the Leader of the Opposition knew about a bribery attempt, denied it and has finally had to come clean.

Who is protecting whom?

[Translation]

Ms. Rosane Doré Lefebvre (Alfred-Pellan, NDP): Mr. Speaker, under Arthur Porter's watch at the Security Intelligence Review Committee, Jeffrey Delisle sold state secrets to Russia, and CSIS refused to share that information with the RCMP.

For the past two days, the minister has been asking us just to trust him. The problem is that when we trust him, we end up with cases like Porter and Delisle on our hands.

What corrective measures has the minister taken with regard to collaboration between Canadian security agencies?

[English]

Hon. Vic Toews (Minister of Public Safety, CPC): Mr. Speaker, if the member has any information that any member of our security forces behaved contrary to Canada's interests, I would encourage her to immediately refer to SIRC.

Let us talk about sharing information. What we do know is that it is very clear that the Leader of the Opposition failed to share information that was pertinent to a bribery attempt, which is now what we are hearing about in the province of Quebec.

Why did that particular member fail to disclose pertinent information and fail to share it with the authorities?

• (1445)

Mr. Randall Garrison (Esquimalt—Juan de Fuca, NDP): Mr. Speaker, the minister knows full well that his non-answers are all about protecting his government and nothing more. The Delisle case is an embarrassing litany of failures. It is a failure to fix well-known security problems, a failure to share key information between agencies, a failure to maintain confidence and credibility in the eyes of our intelligence partners. Worst of all, it is a failure to be accountable to Canadians.

I ask the minister once again: What is he doing to restore Canada's reputation with our allies in the wake of this embarrassing mess?

Hon. Vic Toews (Minister of Public Safety, CPC): Mr. Speaker, I have answered that question. If the member has any information that security forces behaved contrary to Canada's interests, I would encourage him to immediately refer it to the Security Intelligence Review Committee.

Let us talk about hiding information. Let us talk about the Leader of the Opposition, who for 17 years, hid attempts by the mayor to bribe him. These matters are now being disclosed in a public enquiry.

Why did the Leader of the Opposition not do his duty?

* * *

[Translation]

NATURAL RESOURCES

Mr. Bernard Trottier (Etobicoke—Lakeshore, CPC): Mr. Speaker, our government is proud of Canada's refining sector.

Canada is a world leader in this sector. It exports more than 400,000 barrels of oil products every year, which is much more than what we can use. We know that the NDP wants to impose a carbon tax that would destroy our refining sector.

Could the Minister of Natural Resources share the latest data on Canada's refining sector with the House?

Hon. Joe Oliver (Minister of Natural Resources, CPC): Mr. Speaker, yesterday, Valero, which operates the refinery in Lévis, said that it may have to close down if line 9B is not reversed.

However, the leader of the NDP has publicly stated that he is opposed to the reversal. The New Democrats are prepared to watch the refinery's 500 unionized workers lose their jobs, just to support their party's ideological crusade against the oil and gas industry.

* * *

[English]

GOVERNMENT APPOINTMENTS

Mr. Robert Chisholm (Dartmouth—Cole Harbour, NDP): Mr. Speaker, the mismanagement and ethical problems at ACOA continue today. We learned that the CEO of Enterprise Cape Breton is under investigation by the federal Ethics Commissioner.

Enterprise Cape Breton is responsible for a budget of \$50 million. I would like to ask the government to explain what it is the Ethics Commissioner is investigating. Given all the mess at ACOA, what is it going to do to restore confidence to that important economic development institution in Atlantic Canada?

Hon. Gail Shea (Minister of National Revenue and Minister for the Atlantic Canada Opportunities Agency, CPC): Mr. Speaker, Enterprise Cape Breton Corporation is an independent arm's-length crown corporation. My expectation is that ECBC conducts its business with integrity, accountability and respect for Canadian taxpayers.

We have ensured that this matter was brought to the attention of the Ethics Commissioner, and we do expect that the CEO will fully co-operate with that investigation.

Mr. Ryan Cleary (St. John's South—Mount Pearl, NDP): Mr. Speaker, Atlantic Canadians want economic development. Instead, ACOA is becoming a home for Conservative mismanagement and ethical breaches.

Oral Questions

Yesterday, Conservatives had the audacity to claim that they did not rig the ACOA hiring process, but the report clearly stated that “decisions in the (hiring) process were based on Mr. MacAdam’s circumstances as a minister’s staff member”.

Then the defence minister’s chief of staff interfered, and he changed the report.

So let us try again today. What consequences did the minister’s chief of staff face for this attempted cover-up?

Hon. Gail Shea (Minister of National Revenue and Minister for the Atlantic Canada Opportunities Agency, CPC): Mr. Speaker, ACOA is very busy supporting economic development in the province of Newfoundland and Labrador.

The Public Service Commission is an independent body, and as such, makes its own determinations on what or what not to include in this report. This was their report.

The independent investigation by the Public Service Commission did not find any evidence of wrongdoing or influence on the part of the ministers, or of any political staff, for that matter. We have taken action in response to the commission’s recommendations.

* * *

[*Translation*]

EMPLOYMENT INSURANCE

Mr. Dany Morin (Chicoutimi—Le Fjord, NDP): Mr. Speaker, I spoke to Vital Tremblay, the president of Sylviculture Tramfor, in Chicoutimi. He and other business owners in the forestry sector are worried about losing expertise at the end of the season in October as a result of the EI reform. His workers will surely find another permanent job and will not want to return to the forest for a few weeks next year.

It takes three years to train a good forestry worker. Will the Prime Minister reconsider his EI reform, which is jeopardizing the financial well-being of the forestry industry?

• (1450)

[*English*]

Ms. Kellie Leitch (Parliamentary Secretary to the Minister of Human Resources and Skills Development and to the Minister of Labour, CPC): Mr. Speaker, as I have said many times in this House, the changes we are making to employment insurance are to make sure that Canadians are better connected to jobs.

I ask the member opposite to maybe read the budget, economic action plan 2013, where we are investing in training to make sure that individuals have an opportunity to do exactly that: train for those jobs that are available, those in-demand jobs. We are connecting employers with employees and employees with employers. We are doing that to make sure we can grow the Canadian economy. I encourage the opposition to get on board.

[*Translation*]

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, this is precisely what spurred a constituent of mine from Acadie—Bathurst to start a petition in the fall of 2012, calling on the government to withdraw its EI reform. More than 34,000 people signed this petition. That is in addition to the 30,000 signatures collected in

Quebec by the CSN and the FTQ and at the massive demonstrations attended by thousands of workers.

The Atlantic premiers have joined forces to oppose the reform, along with the Quebec premier.

Will the Prime Minister continue to ignore half of the country, or does he not give a damn?

[*English*]

Ms. Kellie Leitch (Parliamentary Secretary to the Minister of Human Resources and Skills Development and to the Minister of Labour, CPC): Mr. Speaker, as I have just said, I would encourage the opposition to get on board with what we are doing with economic action plan 2013. We are creating jobs and opportunities for Canadians to be better connected to jobs, whether that be through job alerts or whether that be through the opportunities in economic action plan 2013: 5,000 more internships; the Canada jobs grant, which is an excellent opportunity to train. These are all items we encourage the opposition members to support. We are creating jobs for Canadians, and we encourage them to support us in doing that.

* * *

ETHICS

Hon. Dominic LeBlanc (Beauséjour, Lib.): Mr. Speaker, on February 13, the Prime Minister told this House that he had personally reviewed Senator Wallin’s travel expenses and found them to be perfectly fine. However, once the audit began, Senator Wallin came to a different conclusion, and she has already reimbursed tens of thousands of dollars of expenses that she must have thought were inappropriate or perhaps fraudulent.

Canadians are wondering. Why would the Prime Minister say that these expenses were perfectly fine, when he should have known that the auditors had to go back to the Senate committee to ask for permission to go even further back, because these expenses were so appalling?

Hon. James Moore (Minister of Canadian Heritage and Official Languages, CPC): Mr. Speaker, as my colleague knows, independent authorities are looking into these matters, but I would again refer my colleague back to the statements the Prime Minister made just last Tuesday when he spoke to all Canadians.

He made a very clear statement that everybody in this country who has the privilege to serve in public office should understand that they should never be here if they are planning to enrich themselves, and if they are planning to do so, they should leave right now. That is the truth, whether it is in this House or whether it is in the Senate. It is true whether it is Mike Duffy or whether it is Liberals who have been caught with their hands in the cookie jar.

Oral Questions

Hon. Dominic LeBlanc (Beauséjour, Lib.): Mr. Speaker, the Prime Minister had also said two months previously that the expenses were perfectly fine, but Canadians are wondering, in light of the Duffy-Wright scandal, if the Prime Minister can categorically reassure Canadians that the money Senator Wallin has already reimbursed, with potentially tens of thousands of dollars of further reimbursements to be given by Senator Wallin, were, in fact, her funds personally, or did somebody in the Prime Minister's Office, or perhaps Conservative Party headquarters, reimburse her or give her a gift to cover this appalling reimbursement?

Hon. James Moore (Minister of Canadian Heritage and Official Languages, CPC): Mr. Speaker, of course, it is expected that any individual repay taxpayers from his or her own funds. That is why Nigel Wright took sole responsibility for the behaviour he engaged in, which the Prime Minister said was entirely unacceptable. He resigned, and the Prime Minister accepted that resignation, as taxpayers expect.

* * *

[Translation]

ABORIGINAL AFFAIRS

Mr. Romeo Saganash (Abitibi—Baie-James—Nunavik—Eeyou, NDP): Mr. Speaker, the Nunavik Inuit are struggling with a serious housing crisis, but the Minister of Aboriginal Affairs and Northern Development seems to be too busy to respond to a simple request for a meeting dating back to April 8. This request has remained unanswered for nearly two months.

In committee of the whole the minister stated that, "It takes two to tango". That is fine, but I wonder why the minister is still refusing to meet with Makivik Corporation representatives.

Hon. Bernard Valcourt (Minister of Aboriginal Affairs and Northern Development, CPC): Mr. Speaker, the hon. member's comment is completely untrue.

Yesterday he came to my office to give me a letter from the company in question requesting a meeting. Today, he has the gall to stand up and accuse me of refusing to meet with the Makivik Corporation.

I will continue to do what I have been doing since I was sworn in, namely to meet with as many aboriginal communities as I can, with aboriginal chiefs and youth throughout the country. I will continue doing so according to my schedule, not his.

* * *

• (1455)

[English]

PRIVACY

Ms. Jean Crowder (Nanaimo—Cowichan, NDP): Mr. Speaker, they are too busy to meet with Makivik, but they are not too busy to spy on first nations activists like Cindy Blackstock. Spying on Dr. Blackstock is a new low in the Conservative campaign to stall the human rights complaint. The Privacy Commissioner clearly said that the minister's department crossed the line.

Which other activists are having their privacy rights breached by the government? Will it now drop the campaign against Dr. Blackstock and provide the tribunal with the documents it needs?

Hon. Bernard Valcourt (Minister of Aboriginal Affairs and Northern Development, CPC): Mr. Speaker, if the member is preoccupied with the kids living on reserve in this country, she should also be preoccupied with all of the families on reserve that are deprived of basic rights, which we in the House are trying to give them. I am talking about the matrimonial property legislation, which will come for third reading soon. I hope she votes on the right side of it if she really cares about native families.

* * *

VETERANS AFFAIRS

Mr. Dave Van Kesteren (Chatham-Kent—Essex, CPC): Mr. Speaker, our government remains focused on honouring Canada's veterans for their remarkable contributions to our nation. Canada has and continues to support UN-led missions abroad, and we honour our veterans who have sacrificed in defence of equality, freedom and the rule of law.

Could the Minister of Veterans Affairs please update the House on the significance of today being the International Day of United Nations Peacekeepers?

[Translation]

Hon. Steven Blaney (Minister of Veterans Affairs and Minister for La Francophonie, CPC): Mr. Speaker, I would like to thank the hon. member for Chatham-Kent—Essex for his question about Canadian peacekeeping veterans.

Today I had the opportunity to have lunch with representatives of peacekeeping veterans organizations to express our government's gratitude for their service.

[English]

Today, on the International Day of United Nations Peacekeepers, let us salute the thousands of Canadian Armed Forces personnel who served under a UN banner to defend freedom and the values we hold dear. Few words can express our shared appreciation and respect for each and every Canadian UN peacekeeping veteran for the great things they have accomplished.

Lest we forget.

* * *

ETHICS

Ms. Judy Foote (Random—Burin—St. George's, Lib.): Mr. Speaker, look at the Conservative record: an access to information system in tatters, stonewalling Parliament—

Some hon. members: Oh, oh!**The Speaker:** Order, please.

The hon. member for Random—Burin—St. George's.

Oral Questions

Ms. Judy Foote: Mr. Speaker, imagine cheering for an access to information system in tatters, stonewalling Parliament and the Parliamentary Budget Officer, obstructing the election fraud investigation, defending Peter Penashue's indefensible political donations, blatant partisan patronage at ACOA, whitewashing the investigation into that patronage, whitewashing the audit of Conservative senator expenses, and then whitewashing the white-wash.

What happened to transparency and accountability? When did the government become the thing the Conservatives always claimed to hate?

Hon. James Moore (Minister of Canadian Heritage and Official Languages, CPC): Mr. Speaker, if my hon. colleague wants to compare records, let us take a look at the Liberal leader's record so far. He said that Canadians who do not speak both of Canada's official languages are "lazy". He said that Canada is not doing well right now because it is Albertans who control our agenda. He said that he does not believe in reforming the Senate because we have 24 senators in Quebec and there are only 6 for Alberta and British Columbia, and that benefits us.

He does not have a pan-Canadian vision. He attacks different regions of this country. We will be glad to compare the record and leadership of our Prime Minister against the divisive failed-already leadership of the Liberal Party.

* * *

[Translation]

INTERGOVERNMENTAL RELATIONS

Mr. Matthew Dubé (Chambly—Borduas, NDP): Mr. Speaker, the Formula One Canadian Grand Prix, like other major tourist events, is an economic driver for Montreal, Quebec and Canada.

The Conservatives refuse yet again to work with their provincial and municipal partners to keep the Grand Prix in Montreal for the next 10 years.

It is a matter of choice: they can continue to invest in their propaganda or they can invest in something truly worthwhile, like the Formula One.

Will the federal government work with its partners to keep the Grand Prix in Montreal?

• (1500)

Hon. Denis Lebel (Minister of Transport, Infrastructure and Communities, Minister of the Economic Development Agency of Canada for the Regions of Quebec, Minister of Intergovernmental Affairs and President of the Queen's Privy Council for Canada, CPC): Mr. Speaker, the premise of that question is totally false.

In 2010, our government signed a five-year agreement, bringing us up to the 2014 Grand Prix. They were not involved in that agreement and they are just waking up now. We took care of this long before they even realized it. We will continue to work with our partners, as usual.

That being said, we do not negotiate in the public arena. We are well aware of how important the Grand Prix is for Montreal, Quebec

and Canada. We will continue to work with our partners, and of course we will respect Canadian taxpayers' ability to pay for these things.

* * *

[English]

CANADIAN HERITAGE

Mr. Royal Galipeau (Ottawa—Orléans, CPC): Mr. Speaker, this government is proud to celebrate all the things that make Canada the united, strong and free country we are today, the best country in the world.

[Translation]

On July 1, Canadians across the country, including in Orléans, will get together with family and friends to celebrate the 146th anniversary of Confederation.

[English]

Can the Minister of Canadian Heritage please tell this House about the Canada Day celebrations on Parliament Hill this year?

Hon. James Moore (Minister of Canadian Heritage and Official Languages, CPC): Mr. Speaker, Canada Day is a great day, on which I know all members of Parliament take pride in celebrating this country. Indeed, Canada has a great deal to celebrate. We are leading the G7 in job creation. We have the lowest taxes in 50 years. Violent crime rates are down.

We are going to be celebrating Canada Day this year, our 146th birthday, in every part of this country. Here in the national capital, we are going to be welcoming artists like Marie-Mai, Carly Rae Jepsen and Jennifer Gillis, great artists from across the country, to come here and show the brilliance of Canada's artistic community, while we celebrate a country that has never been more "strong and free" than it is right now.

* * *

GOVERNMENT EXPENDITURES

Mr. Mathieu Ravignat (Pontiac, NDP): Mr. Speaker, the Parole Board's last meeting in Edmonton cost Canadian taxpayers a whopping \$250,000. It flew in guest speakers and put everyone up in a five-star hotel. Then the government footed the bill to Canadians. This is yet another example of the Conservative government's double standards. The Conservatives are playing favourites by wasting resources on a three-day meeting for the Parole Board while they tell ministries to cut budgets and front-line staff.

For a government that is so set on reducing spending, how could the Conservatives let this happen?

Private Members' Business

Hon. Vic Toews (Minister of Public Safety, CPC): Mr. Speaker, the New Democrats opposed our measures to cut these conferences in half, in 2012. Because of the action taken by our Conservative government, spending on hospitality is down 25.5%. The opposition members have consistently opposed us in taking strong action to protect taxpayer dollars. In fact, when I indicate that there should be a measure of control over expenditures, the opposition members say I am interfering.

* * *

[Translation]

41ST GENERAL ELECTION

Mr. André Bellavance (Richmond—Arthabaska, BQ): Mr. Speaker, there is yet another chapter in the robocall saga.

The CRTC has just imposed \$369,000 in fines on political parties and individuals who broke the rules on robocalls. The NDP, the Liberal member for Westmount—Ville-Marie and the Conservatives, including the member for Wild Rose, were singled out by the CRTC. All of them made misleading calls to Canadians. The Conservatives alone received over \$92,000 in fines for their inappropriate calls.

Can the government confirm that the Conservatives are going to pay the fine and, more importantly, that they will stop using these unfair tactics?

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, we are pleased that the CRTC has clarified the rules. We are going to pay the fine today. We are going to work with the CRTC so that we are able to follow all the rules in the future.

* * *

● (1505)

[English]

PRESENCE IN GALLERY

The Speaker: On the occasion of the International Day of United Nations Peacekeepers, I would like to draw to the attention of hon. members the presence in the gallery of a delegation of veterans representing Canadian peacekeeping groups.

Some hon. members: Hear, hear!

* * *

BUSINESS OF THE HOUSE

Hon. Gordon O'Connor (Minister of State and Chief Government Whip, CPC): Mr. Speaker, I rise on a point of order. I move:

That, notwithstanding any Standing or Special Order or usual practice of the House, the deferred recorded division on Motion M-432, standing in the name of the Member for Humber—St. Barbe—Baie Verte, scheduled to take place today, immediately before the time provided for Private Member's Business, be deferred anew until today, at the expiry of the time provided for Oral Questions, immediately after the vote on the second reading stage of Bill C-49, Canadian Museum of History Act.

The Speaker: Does the hon. Chief Government Whip have the unanimous consent of the House to propose the motion?

Some hon. members: Agreed.

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

Some hon. members: Agreed.

PRIVATE MEMBERS' BUSINESS

[English]

LAST POST FUND

The House resumed from May 27 consideration of the motion.

The Speaker: The House will now proceed to the taking of the deferred recorded division on the motion.

Call in the members.

● (1515)

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

(Division No. 700)

YEAS

Members

Allen (Welland)	Andrews
Angus	Ashton
Atamanenko	Aubin
Ayala	Bélangier
Blanchette	Blanchette-Lamothe
Boivin	Borg
Boulerice	Boutin-Sweet
Brousseau	Byrne
Caron	Casey
Cash	Charlton
Chicoine	Chisholm
Choquette	Chow
Christopherson	Cleary
Coderre	Comartin
Côté	Cotler
Crowder	Cullen
Cuzner	Davies (Vancouver Kingsway)
Day	Dewar
Dion	Dionne Labelle
Donnelly	Doré Lefebvre
Dubé	Duncan (Etobicoke North)
Duncan (Edmonton—Strathcona)	Dusseau
Easter	Eyking
Foote	Fortin
Freeman	Fry
Gameau	Garrison
Genest	Genest-Jourdain
Giguère	Godin
Goodale	Gravelle
Groguié	Harris (Scarborough Southwest)
Harris (St. John's East)	Hsu
Hughes	Hyer
Jacob	Julian
Karygiannis	Lamoureux
Lapointe	Larose
Latendresse	Laverdière
LeBlanc (Beauséjour)	LeBlanc (LaSalle—Énard)
Leslie	Liu
MacAulay	Mai
Marston	Martin
Masse	Mathysen
May	McCallum
McGuinity	McKay (Scarborough—Guildwood)
Michaud	Moore (Abitibi—Témiscamingue)
Morin (Chicoutimi—Le Fjord)	Morin (Notre-Dame-de-Grâce—Lachine)
Morin (Laurentides—Labelle)	Mourani
Mulcair	Murray
Nantel	Nash

Private Members' Business

Nicholls
 Pacetti
 Patry
 Perreault
 Plamondon
 Rae
 Ravignat
 Regan
 Sandhu
 Sellah
 Simms (Bonavista—Gander—Grand Falls—Windsor)
 Sims (Newton—North Delta)
 Stewart
 Sullivan
 Tremblay
 Valeriotte — 125

Nunez-Melo
 Papillon
 Péclet
 Pilon
 Quach
 Rankin
 Raynault
 Saganash
 Scott
 Sgro
 Stoffer
 Toone
 Turmel

Toet
 Trost
 Truppe
 Uppal
 Van Kesteren
 Vellacott
 Warawa
 Watson
 Sky Country)
 Weston (Saint John)
 Williamson
 Woodworth
 Young (Oakville)
 Zimmer — 151

Toews
 Trotter
 Tweed
 Valcourt
 Van Loan
 Wallace
 Warkentin
 Weston (West Vancouver—Sunshine Coast—Sea to
 Skye)
 Wilks
 Wong
 Yelich
 Young (Vancouver South)

NAYS

Members

Ablonczy
 Adler
 Albas
 Alexander
 Allison
 Ambrose
 Anderson
 Ashfield
 Baird
 Benoit
 Bezan
 Block
 Braid
 Brown (Newmarket—Aurora)
 Bruinooge
 Calandra
 Cannan
 Carrie
 Chong
 Clement
 Daniel
 Del Mastro
 Dreeshen
 Dykstra
 Flaherty
 Galipeau
 Glover
 Goldring
 Gosal
 Grewal
 Hawn
 Hiebert
 Holder
 Jean
 Keddy (South Shore—St. Margaret's)
 Kent
 Komarnicki
 Lake
 Lebel
 Lemieux
 Lizon
 Lukiwski
 MacKenzie
 McColeman
 Menegakis
 Miller
 Moore (Fundy Royal)
 Norlock
 O'Connor
 O'Neill Gordon
 O'Toole
 Payne
 Preston
 Rajotte
 Reid
 Richards
 Saxton
 Seeback
 Shipley
 Smith
 Sorenson
 Storseth
 Sweet

Adams
 Aglukkaq
 Albrecht
 Allen (Tobique—Mactaquac)
 Ambler
 Anders
 Armstrong
 Aspin
 Bateman
 Bernier
 Blaney
 Boughen
 Breitreuz
 Brown (Barrie)
 Butt
 Calkins
 Carmichael
 Chisu
 Clarke
 Crockatt
 Davidson
 Devolin
 Duncan (Vancouver Island North)
 Findlay (Delta—Richmond East)
 Fletcher
 Gallant
 Goguen
 Goodyear
 Gourde
 Harris (Cariboo—Prince George)
 Hayes
 Hoback
 James
 Kamp (Pitt Meadows—Maple Ridge—Mission)
 Kenney (Calgary Southeast)
 Kerr
 Kramp (Prince Edward—Hastings)
 Lauzon
 Leitch
 Leung
 Lobb
 Lunney
 Mayes
 McLeod
 Merrifield
 Moore (Port Moody—Westwood—Port Coquitlam)
 Nicholson
 Obhrai
 Oliver
 Opitz
 Paradis
 Poilievre
 Raitt
 Rathgeber
 Rempel
 Rickford
 Schellenberger
 Shea
 Shory
 Sopuck
 Stanton
 Strahl
 Tilson

Nil

The Speaker: I declare the motion defeated.

PAIRED

* * *

NATIONAL CHARITIES WEEK ACT

The House resumed from May 28 consideration of the motion that Bill C-458, An Act respecting a National Charities Week and to amend the Income Tax Act (charitable and other gifts), be read the second time and referred to a committee.

The Speaker: Pursuant to an order made Wednesday, May 22, 2013, the House will now proceed to the taking of the deferred recorded division on the motion at second reading stage of Bill C-458 under private members' business.

● (1520)

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

(Division No. 701)

YEAS

Members

Ablonczy
 Adler
 Albas
 Alexander
 Allen (Tobique—Mactaquac)
 Ambler
 Anders
 Andrews
 Armstrong
 Ashton
 Atamanenko
 Ayala
 Bateman
 Bellavance
 Bernier
 Blanchette
 Blaney
 Boivin
 Boughen
 Boutin-Sweet
 Breitreuz
 Brown (Newmarket—Aurora)
 Bruinooge
 Byrne
 Calkins
 Carmichael
 Carrie
 Cash
 Chicoine
 Chisu
 Choquette
 Christopherson
 Cleary
 Coderre

Adams
 Aglukkaq
 Albrecht
 Allen (Welland)
 Allison
 Ambrose
 Anderson
 Angus
 Ashfield
 Aspin
 Aubin
 Baird
 Bélanger
 Benoit
 Bezan
 Blanchette-Lamothe
 Block
 Borg
 Boulerice
 Braid
 Brosseau
 Brown (Barrie)
 Butt
 Calandra
 Cannan
 Caron
 Casey
 Charlton
 Chisholm
 Chong
 Chow
 Clarke
 Clement
 Comartin

Government Orders

Côté	Cotler
Crockatt	Crowder
Cullen	Cuzner
Daniel	Davidson
Davies (Vancouver Kingsway)	Day
Del Mastro	Devolin
Dewar	Dion
Dionne Labelle	Donnelly
Doré Lefebvre	Dreeshen
Dubé	Duncan (Vancouver Island North)
Duncan (Etobicoke North)	Duncan (Edmonton—Strathcona)
Dusseault	Dykstra
Easter	Eyking
Findlay (Delta—Richmond East)	Flaherty
Fletcher	Foote
Fortin	Freeman
Fry	Galipeau
Gallant	Garneau
Garrison	Genest
Genest-Jourdain	Giguère
Glover	Godin
Goguen	Goldring
Goodale	Goodyear
Gosal	Gourde
Gravelle	Grewal
Groguhé	Harris (Scarborough Southwest)
Harris (St. John's East)	Harris (Cariboo—Prince George)
Hawn	Hayes
Hiebert	Hoback
Holder	Hsu
Hughes	Hyer
Jacob	James
Jean	Julian
Kamp (Pitt Meadows—Maple Ridge—Mission)	Karygiannis
Keddy (South Shore—St. Margaret's)	Kenney (Calgary Southeast)
Kent	Kerr
Komarnicki	Kramp (Prince Edward—Hastings)
Lake	Lamoureux
Lapointe	Larose
Latendresse	Lauzon
Laverdière	Lebel
LeBlanc (Beauséjour)	LeBlanc (LaSalle—Émard)
Leitch	Lemieux
Leslie	Leung
Liu	Lizon
Lobb	Lukiwski
Lunney	MacAulay
MacKenzie	Mai
Marston	Martin
Masse	Mathysen
May	Mayes
McCallum	McColeman
McGuinty	McKay (Scarborough—Guildwood)
McLeod	Menegakis
Merrifield	Michaud
Miller	Moore (Abitibi—Témiscamingue)
Moore (Port Moody—Westwood—Port Coquitlam)	
Moore (Fundy Royal)	
Morin (Chicoutimi—Le Fjord)	Morin (Notre-Dame-de-Grâce—Lachine)
Morin (Laurentides—Labelle)	Mourani
Mulcair	Murray
Nantel	Nash
Nicholls	Nicholson
Norlock	Nunez-Melo
Obhrai	O'Connor
Oliver	O'Neill Gordon
Opitz	O'Toole
Pacetti	Papillon
Paradis	Patry
Payne	Péclet
Perreault	Pilon
Plamondon	Poilievre
Preston	Quach
Rae	Raït
Rajotte	Rankin
Rathgeber	Ravignat
Raynault	Regan
Reid	Rempel
Richards	Rickford
Saganash	Sandhu
Saxton	Schellenberger
Scott	Seeback
Sellah	Sgro
Shea	Shipley

Shory	Simms (Bonavista—Gander—Grand Falls—Wind-
sor)	
Sims (Newton—North Delta)	Smith
Sopuck	Sorenson
Stanton	Stewart
Stoffer	Storseth
Strahl	Sullivan
Sweet	Tilson
Toet	Toews
Toone	Tremblay
Trost	Trottier
Truppe	Turmel
Tweed	Uppal
Valcourt	Valeriotte
Van Kesteren	Van Loan
Vellacott	Wallace
Warawa	Warkentin
Watson	Weston (West Vancouver—Sunshine Coast—Sea to
Sky Country)	
Weston (Saint John)	Wilks
Williamson	Wong
Woodworth	Yelich
Young (Oakville)	Young (Vancouver South)
Zimmer — 277	

NAYS

Nil

PAIRED

Nil

The Speaker: I declare the motion carried. Accordingly, the bill stands referred to the Standing Committee on Finance.

(Bill read the second time and referred to a committee)

GOVERNMENT ORDERS[*Translation*]**TECHNICAL TAX AMENDMENTS ACT, 2012**

The House resumed from May 28, 2013, consideration of the motion that Bill C-48, An Act to amend the Income Tax Act, the Excise Tax Act, the Federal-Provincial Fiscal Arrangements Act, the First Nations Goods and Services Tax Act and related legislation, be read the third time and passed.

The Speaker: Pursuant to an order made Wednesday, May 22, 2013, the House will now proceed to the taking of the deferred recorded division on the motion at third reading stage of Bill C-48.

● (1530)

[*English*]

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

(Division No. 702)

YEAS

Members

Ablonczy	Adams
Adler	Aglukkaq
Albas	Albrecht
Alexander	Allen (Welland)
Allen (Tobique—Mactaquac)	Allison
Ambler	Ambrose
Anders	Anderson
Andrews	Angus
Armstrong	Ashfield
Ashton	Aspin
Atamanenko	Aubin
Ayala	Baird

Government Orders

Bateman	Bélangier	Nicholls	Nicholson
Bellavance	Benoit	Norlock	Nunez-Melo
Bernier	Bezan	Obhrai	O'Connor
Blanchette	Blanchette-Lamothe	Oliver	O'Neill Gordon
Blaney	Block	Opitz	O'Toole
Boivin	Borg	Pacetti	Papillon
Boughe	Boulerice	Paradis	Patry
Boutin-Sweet	Braid	Payne	Pélet
Breitkreuz	Brosseau	Perreault	Pilon
Brown (Newmarket—Aurora)	Brown (Barrie)	Plamondon	Poilievre
Bruinooge	Butt	Preston	Quach
Byrne	Calandra	Rae	Raitt
Calkins	Cannan	Rajotte	Rankin
Carmichael	Caron	Rathgeber	Ravnigat
Carrie	Casey	Raynault	Regan
Cash	Charlton	Reid	Rempel
Chicoine	Chisholm	Richards	Rickford
Chisu	Chong	Saganash	Sandhu
Choquette	Chow	Saxton	Schellenberger
Christopherson	Clarke	Scott	Seeback
Cleary	Clement	Sellah	Sgro
Coderre	Comartin	Shea	Shipley
Côté	Cotler	Shory	Simms (Bonavista—Gander—Grand Falls—Wind-
Crockatt	Crowder	Shor)	
Cullen	Cuzner	Sims (Newton—North Delta)	Smith
Daniel	Davidson	Sopuck	Sorenson
Davies (Vancouver Kingsway)	Day	Stanton	Stewart
Del Mastro	Devolin	Stoffer	Storseth
Dewar	Dion	Strahl	Sullivan
Dionne Labelle	Donnelly	Sweet	Tilson
Doré Lefebvre	Dreeshen	Toet	Toews
Dubé	Duncan (Vancouver Island North)	Toone	Tremblay
Duncan (Etobicoke North)	Duncan (Edmonton—Strathcona)	Trost	Trottier
Dusseauit	Dykstra	Truppe	Turnel
Easter	Eyking	Tweed	Uppal
Findlay (Delta—Richmond East)	Flaherty	Valcourt	Valeriote
Fletcher	Footé	Van Kesteren	Van Loan
Fortin	Freeman	Vellacott	Wallace
Fry	Galipeau	Warawa	Warkentin
Gallant	Garneau	Watson	Weston (West Vancouver—Sunshine Coast—Sea to
Garrison	Genest	Sky Country)	
Genest-Jourdain	Giguère	Weston (Saint John)	Wilks
Glover	Godin	Williamson	Wong
Goguen	Goldring	Woodworth	Yelich
Goodale	Goodyear	Young (Oakville)	Young (Vancouver South)
Gosal	Gourde	Zimmer — 277	
Gravelle	Grewal		
Groguhé	Harper		
Harris (Scarborough Southwest)	Harris (St. John's East)		
Harris (Cariboo—Prince George)	Hawn		
Hayes	Hiebert		
Hoback	Holder		
Hsu	Hughes		
Jacob	James		
Jean	Julian		
Kamp (Pitt Meadows—Maple Ridge—Mission)	Karygiannis	Hyer — 1	
Keddy (South Shore—St. Margaret's)	Kenney (Calgary Southeast)		
Kent	Kerr		
Komarnicki	Kramp (Prince Edward—Hastings)		
Lake	Lamoureux	Nil	
Lapointe	Larose		
Latendresse	Lauzon		
Laverdière	Lebel		
LeBlanc (Beauséjour)	LeBlanc (LaSalle—Émard)		
Leitch	Lemieux		
Leslie	Leung		
Liu	Lizon		
Lobb	Lukiwski		
Lunney	MacAulay		
MacKenzie	Mai		
Marston	Martin		
Masse	Mathysen		
May	Mayes		
McCallum	McColeman		
McGuinty	McKay (Scarborough—Guildwood)		
McLeod	Menegakis		
Merrifield	Michaud		
Miller	Moore (Abitibi—Témiscamingue)		
Moore (Port Moody—Westwood—Port Coquitlam)			
Moore (Fundy Royal)			
Morin (Chicoutimi—Le Fjord)	Morin (Notre-Dame-de-Grâce—Lachine)		
Morin (Laurentides—Labelle)	Mourani		
Mulcair	Murray		
Nantel	Nash		

NAYS

Members

PAIRED

The Speaker: I declare the motion carried.
(Bill read the third time and passed)

* * *

CANADIAN MUSEUM OF HISTORY ACT

The House resumed from May 28 consideration of the motion that Bill C-49, An Act to amend the Museums Act in order to establish the Canadian Museum of History and to make consequential amendments to other Acts, be read the second time and referred to a committee, and of the amendment.

The Speaker: The House shall now proceed to the taking of the deferred recorded division on the amendment of the member for Longueuil—Pierre-Boucher to the motion at second reading of Bill C-49.

The question is on the amendment.

Government Orders

● (1540)

(The House divided on the amendment, which was negated on the following division:)

(Division No. 703)

YEAS

Members

Allen (Welland)	Andrews
Angus	Ashton
Atamanenko	Aubin
Ayala	Bélangier
Bellavance	Blanchette
Blanchette-Lamothe	Boivin
Borg	Boulerice
Boutin-Sweet	Brosseau
Byrne	Caron
Casey	Cash
Charlton	Chicoine
Chisholm	Choquette
Chow	Christopherson
Cleary	Coderre
Comartin	Côté
Cotler	Crowder
Cullen	Cuzner
Davies (Vancouver Kingsway)	Day
Dewar	Dion
Dionne Labelle	Donnelly
Doré Lefebvre	Dubé
Duncan (Etobicoke North)	Duncan (Edmonton—Strathcona)
Dusseault	Easter
Eyking	Foote
Fortin	Freeman
Fry	Gameau
Garrison	Genest
Genest-Jourdain	Giguère
Godin	Goodale
Gravelle	Grogue
Harris (Scarborough Southwest)	Harris (St. John's East)
Hsu	Hughes
Jacob	Julian
Karygiannis	Lamoureux
Lapointe	Larose
Latendresse	Laverdière
LeBlanc (Beauséjour)	LeBlanc (LaSalle—Énard)
Leslie	Liu
MacAulay	Mai
Marston	Martin
Masse	Mathysen
McCallum	McGuinty
McKay (Scarborough—Guildwood)	Michaud
Moore (Abitibi—Témiscamingue)	Morin (Chicoutimi—Le Fjord)
Morin (Notre-Dame-de-Grâce—Lachine)	Morin (Laurentides—Labelle)
Mourani	Mulcair
Murray	Nantel
Nash	Nicholls
Nunez-Melo	Pacetti
Papillon	Patry
Péclet	Perreault
Pilon	Plamondon
Quach	Rae
Rankin	Ravignat
Raynault	Regan
Saganash	Sandhu
Scott	Sellah
Sgro	Simms (Bonavista—Gander—Grand Falls—Windsor)
Sims (Newton—North Delta)	Stewart
Stoffer	Sullivan
Toone	Tremblay
Turnel	Valeriote — 124

NAYS

Members

Ablonczy	Adams
Adler	Aglukkaq
Albas	Albrecht
Alexander	Allen (Tobique—Mactaquac)

Allison	Ambler
Ambrose	Anders
Anderson	Armstrong
Ashfield	Aspin
Baird	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	Crockett
Daniel	Davidson
Del Mastro	Devolin
Dreeshen	Duncan (Vancouver Island North)
Dykstra	Findlay (Delta—Richmond East)
Flaherty	Fletcher
Galipeau	Gallant
Glover	Goguen
Goldring	Goodyear
Gosal	Gourde
Grewal	Harper
Harris (Cariboo—Prince George)	Hawn
Hayes	Hiebert
Hoback	Holder
James	Jean
Kamp (Pitt Meadows—Maple Ridge—Mission)	Keddy (South Shore—St. Margaret's)
Kenney (Calgary Southeast)	Kent
Kerr	Komarnicki
Kramp (Prince Edward—Hastings)	Lake
Lauzon	Lebel
Leitch	Lemieux
Leung	Lizon
Lobb	Lukiwski
Lunney	MacKenzie
May	Mayes
McColeman	McLeod
Menegakis	Merrifield
Miller	Moore (Port Moody—Westwood—Port Coquitlam)
Moore (Fundy Royal)	Nicholson
Norlock	Obhrai
O'Connor	Oliver
O'Neill Gordon	Opitz
O'Toole	Paradis
Payne	Poillievre
Preston	Raitt
Rajotte	Rathgeber
Reid	Rempel
Richards	Rickford
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
Woodworth	Yelich
Young (Oakville)	Young (Vancouver South)
Zimmer — 153	

PAIRED

Nil

The Speaker: I declare the amendment defeated.

There is a correction on the third reading vote at Bill C-48. The final result was yeas: 276; nays: 1.

Government Orders

The next question is on the main motion.

The hon. Chief Government Whip is rising on a point of order.

Hon. Gordon O'Connor: Mr. Speaker, if you seek it, I believe you will find agreement to apply the results of the previous motion to the current motion, with the Conservatives voting yes.

The Speaker: Is there unanimous consent to proceed in this fashion?

Some hon. members: Agreed.

[*Translation*]

Ms. Nycole Turmel: Mr. Speaker, we agree to apply the vote, and the NDP will vote against the motion.

[*English*]

Ms. Judy Foote: Mr. Speaker, we will apply and we will vote no.

[*Translation*]

Mr. Louis Plamondon: Mr. Speaker, the Bloc Québécois will vote against the motion.

[*English*]

Mr. Bruce Hyer: Mr. Speaker, Thunder Bay—Superior North will be voting yes.

[*Translation*]

Ms. Elizabeth May: Mr. Speaker, the Green Party will vote in favour of the motion.

[*English*]

Mr. Peter Goldring: Mr. Speaker, Edmonton East will be voting yes.

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

(*Division No. 704*)

YEAS

Members

Ablonczy	Adams
Adler	Aglukkaq
Albas	Albrecht
Alexander	Allen (Tobique—Mactaquac)
Allison	Ambler
Ambrose	Anders
Anderson	Armstrong
Ashfield	Aspin
Baird	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	Crockatt
Daniel	Davidson
Del Mastro	Devolin
Dreeshen	Duncan (Vancouver Island North)
Dykstra	Findlay (Delta—Richmond East)
Flaherty	Fletcher
Galipeau	Gallant
Glover	Goguen
Goldring	Goodyear
Gosal	Gourde
Grewal	Harper

Harris (Cariboo—Prince George)	Hawn
Hayes	Hiebert
Hoback	Holder
Hyer	James
Jean	Kamp (Pitt Meadows—Maple Ridge—Mission)
Keddy (South Shore—St. Margaret's)	Kenney (Calgary Southeast)
Kent	Kerr
Komarnicki	Kramp (Prince Edward—Hastings)
Lake	Lauzon
Lebel	Leitch
Lemieux	Leung
Lizon	Lobb
Lukiwski	Lunney
MacKenzie	May
Mayes	McColeman
McLeod	Menegakis
Merrifield	Miller
Moore (Port Moody—Westwood—Port Coquitlam)	
Moore (Fundy Royal)	
Nicholson	Norlock
Obhrai	O'Connor
Oliver	O'Neill Gordon
Opitz	O'Toole
Paradis	Payne
Poilievre	Preston
Raiitt	Rajotte
Rathgeber	Reid
Rempel	Richards
Rickford	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	Woodworth
Yelich	Young (Oakville)
Young (Vancouver South)	Zimmer — 154

NAYS

Members

Andrews
Ashton
Aubin
Bélanger
Blanchette
Boivin
Boulerice
Brousseau
Caron
Cash
Chicoine
Choquette
Christopherson
Coderre
Côté
Crowder
Cuzner
Day
Dion
Donnelly
Dubé
Duncan (Edmonton—Strathcona)
Easter
Foote
Freeman
Garneau
Genest
Giguère
Goodale
Groguhé

Private Members' Business

Harris (Scarborough Southwest)
Hsu
Jacob
Karygiannis
Lapointe
Latendresse
LeBlanc (Beauséjour)
Leslie
MacAulay
Marston
Masse
McCallum
McKay (Scarborough—Guildwood)
Moore (Abitibi—Témiscamingue)
Morin (Notre-Dame-de-Grâce—Lachine)
Mourani
Murray
Nash
Nunez-Melo
Papillon
Péclet
Pilon
Quach
Rankin
Raynault
Saganash
Scott
Sgro
Sims (Newton—North Delta)
Stoffer
Toone
Turmel

Harris (St. John's East)
Hughes
Julian
Lamoureux
Larose
Laverdière
LeBlanc (LaSalle—Émard)
Liu
Mai
Martin
Mathysen
McGuinty
Michaud
Morin (Chicoutimi—Le Fjord)
Morin (Laurentides—Labelle)
Mulcair
Nantel
Nicholls
Pacetti
Patry
Perreault
Plamondon
Rae
Ravignat
Regan
Sandhu
Sellah
Simms (Bonavista—Gander—Grand Falls—Wind-
sor)
Stewart
Sullivan
Tremblay
Valériote— 124

Cotler
Cullen
Davies (Vancouver Kingsway)
Dewar
Dionne Labelle
Doré Lefebvre
Duncan (Etobicoke North)
Dusseau
Eyking
Fortin
Fry
Garrison
Genest-Jourdain
Godin
Gravelle
Harris (Scarborough Southwest)
Hsu
Hyer
Julian
Lamoureux
Larose
Laverdière
LeBlanc (LaSalle—Émard)
Liu
Mai
Martin
Mathysen
McCallum
Michaud
Morin (Chicoutimi—Le Fjord)
Morin (Laurentides—Labelle)
Mulcair
Nantel
Nicholls
Papillon
Péclet
Pilon
Quach
Rankin
Raynault
Saganash
Scott
Sgro
Sims (Newton—North Delta)
Stoffer
Toone
Turmel

Crowder
Cuzner
Day
Dion
Donnelly
Dubé
Duncan (Edmonton—Strathcona)
Easter
Foote
Freeman
Garneau
Genest
Giguère
Goodale
Groguié
Harris (St. John's East)
Hughes
Jacob
Karygiannis
Lapointe
Latendresse
LeBlanc (Beauséjour)
Leslie
MacAulay
Marston
Masse
May
McGuinty
Moore (Abitibi—Témiscamingue)
Morin (Notre-Dame-de-Grâce—Lachine)
Mourani
Murray
Nash
Nunez-Melo
Patry
Perreault
Plamondon
Rae
Ravignat
Regan
Sandhu
Sellah
Simms (Bonavista—Gander—Grand Falls—Wind-
sor)
Stewart
Sullivan
Tremblay
Valériote— 124

Nil

PAIRED

The Speaker: I declare the motion carried. Accordingly, the bill stands referred to the Standing Committee on Canadian Heritage.

(Bill read the second time and referred to a committee)

PRIVATE MEMBERS' BUSINESS

[English]

QALIPU MI'KMAQ FIRST NATION BAND

The House resumed from May 22 consideration of the motion.

The Speaker: Pursuant to the order made earlier today, the House will now proceed to the taking of the deferred recorded division on Motion M-432 under private members' business.

• (1545)

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

(Division No. 705)

YEAS

Members

Allen (Welland)
Angus
Atamanenko
Ayala
Bellavance
Blanchette-Lamothe
Borg
Boutin-Sweet
Byrne
Casey
Charlton
Chisholm
Chow
Cleary
Comartin

Andrews
Ashton
Aubin
Bélanger
Blanchette
Boivin
Boulerice
Brosseau
Caron
Cash
Chicoine
Choquette
Christopherson
Coderre
Côté

Ablonczy
Adler
Albas
Alexander
Allison
Ambrose
Anderson
Ashfield
Baird
Benoit
Bezan
Block
Braid
Brown (Newmarket—Aurora)
Bruinooge
Calandra
Cannan
Carrie
Chong
Clement
Daniel
Del Mastro
Dreeshen
Dykstra
Flaherty
Galipeau
Glover
Goldring
Gosal
Grewal
Harris (Cariboo—Prince George)

NAYS

Members

Adams
Aglukkaq
Albrecht
Allen (Tobique—Mactaquac)
Ambler
Anders
Armstrong
Aspin
Bateman
Bernier
Blaney
Boughen
Breitkreuz
Brown (Barrie)
Butt
Calkins
Carmichael
Chisu
Clarke
Crockatt
Davidson
Devolin
Duncan (Vancouver Island North)
Findlay (Delta—Richmond East)
Fletcher
Gallant
Goguen
Goodyear
Gourde
Harper
Harper
Hawn

Routine Proceedings

Hayes	Hiebert
Hoback	Holder
James	Jean
Kamp (Pitt Meadows—Maple Ridge—Mission)	Keddy (South Shore—St. Margaret's)
Kenney (Calgary Southeast)	Kent
Kerr	Komarnicki
Kramp (Prince Edward—Hastings)	Lake
Lauzon	Lebel
Leitch	Lemieux
Leung	Lizon
Lobb	Lukiwski
Lunney	MacKenzie
Mayes	McColeman
McLeod	Menegakis
Merrifield	Miller
Moore (Port Moody—Westwood—Port Coquitlam)	
Moore (Fundy Royal)	
Nicholson	Norlock
Obhrai	O'Connor
Oliver	O'Neill Gordon
Opitz	O'Toole
Paradis	Payne
Poilievre	Preston
Raitt	Rajotte
Rathgeber	Reid
Rempel	Richards
Rickford	Saxton
Schellenberger	Seeback
Shea	Shiple
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	Woodworth
Yelich	Young (Oakville)
Young (Vancouver South)	Zimmer — 152

PAIRED

Nil

The Speaker: I declare the motion defeated.

I wish to inform the House that because of the deferred recorded divisions, government orders will be extended by 43 minutes.

I understand there has been an agreement to allow the hon. member for Bourassa to say a few words.

ROUTINE PROCEEDINGS

● (1550)

[*Translation*]**RESIGNATION OF MEMBER**

Hon. Denis Coderre (Bourassa, Lib.): Mr. Speaker, it seems that your life is going to be easier starting on Monday. You will have just a little more peace and quiet in the House. A familiar voice you have occasionally had to call to order will no longer be here.

I rise before the House today with great emotion to address my fellow Canadians and my colleagues for the last time as the member for Bourassa.

I am announcing my departure from federal political life as of June 2—16 years to the day from the first time the people of Bourassa gave me the privilege of representing them, a privilege they have given me on six consecutive occasions.

I would like to express my appreciation to my constituents, who have placed their trust in me year after year, in good times and in hard times. Thanks as well to the members of my executive and the thousands of volunteers who made it possible for me to be here for all these years.

I would also like to thank all of my staff—Maurice, Joe, Lise, Sylvia and Rolande—who have always served the people of Bourassa with the greatest professionalism in both Ottawa and Montréal-Nord. Not only did they carry out their duties, but they did so with enormous sensitivity and effectiveness in the most difficult cases. People often come to us as a last resort, and believe me, my staff worked miracles. Thank you, my friends. Thank you, Maurice.

Obviously, 30 years in federal politics and 16 years as a member have forced my family to make many sacrifices. To my wife, Chantale, and my children, Geneviève and Alexandre, go all my appreciation and gratitude for their understanding and sacrifice. I thank my family for always being there for me. I am sorry that I was not always with you, but know that I love you beyond measure.

I would also like to take this opportunity to wish a happy birthday to my mother, Lucie, who is watching us today. Happy birthday, Mom. Thank you, Mom and Dad, for being here with us.

[*English*]

I would like to thank and salute my colleagues in caucus and on both sides of the House. It has been a privilege to work next to them. Of course, we have had fights a few times because we do not understand each other or they do not understand my French expressions. Nevertheless, it has been a privilege to sit with them.

[*Translation*]

Thanks also to the House of Commons employees, and the security guards whom I greeted every morning. They have all my respect. Thanks to the pages, the Sergeant-at-Arms, the Clerk and her staff and the other officers of Parliament. My gratitude goes also to the House interpreters—we do not call them translators, we call them interpreters—for their courage, professionalism and determination as they tried to understand the homegrown expressions I used in the House.

Some hon. members: Bravo!

Mr. Denis Coderre: And well we should applaud them. They must have had smoke coming out their ears at times.

I have enjoyed sitting in the House of Commons, whether as a member or as a minister. I would also particularly like to thank the Right Hon. Jean Chrétien, who allowed me to make a real difference in the world of sport in Canada and to stand up for our country's values at Citizenship and Immigration, especially after the events of September 11. I also want to thank former prime minister Paul Martin for appointing me to the position of minister for La Francophonie and special adviser for Haiti.

Routine Proceedings

I am especially proud to have negotiated the agreement to bring the World Anti-Doping Agency to Montreal, to have created a meaningful policy on sport in Canada and to have assisted our Olympic and Paralympic athletes and their coaches.

I am proud to have taken action to ensure respect for the languages spoken by all of our athletes, be they anglophone or francophone. Thanks to the body that came to be known as the Sport Dispute Resolution Centre of Canada, athletes are no longer at the mercy of their federations.

In immigration, the agreements I signed made regionalizing immigration a priority. I salute my colleague, the Minister of Citizenship, Immigration and Multiculturalism.

[*English*]

The one I am the most pleased with was the one we signed with Manitoba. This was a historical agreement that allowed Manitoba to pick up its own immigrants. It was good for the economy and the people.

[*Translation*]

I promoted francophone immigration across the country, simplified the points system and started major debates on issues such as creating a national identity card and using biometric data offline.

Since I have been sitting in the House for 16 years now, I will take the liberty of sending a few messages to the government and to my colleagues as a whole, regardless of political party.

Canada is a magnificent country, and its wealth derives from its diversity, from its variety. Let us never forget that Canada has two official languages and that no one should be considered a second-class citizen. French exists across the country, and the Government of Canada must ensure by its actions that francophones are respected.

• (1555)

[*English*]

It also means that judges of the Supreme Court should be bilingual.

[*Translation*]

Multiculturalism is an important Canadian value, and we should never have to choose between that value and bilingualism. They are two complementary values that must not be forced to compete with each other.

Let us respect the public service and stop using it as a scapegoat or cannon fodder. Public service employees do an incredible job. They are professionals and part of the solution.

Let us stop pitting the regions against each other. Canada is strong when we respect the uniqueness of every province and territory.

Quebec is a nation, and it must be respected. Let us make sure we do not constantly throw fat on the fire just to provoke flare-ups. Instead let us use this great diversity to strengthen our connections.

Lastly, Parliament needs more transparency. Democracy is fragile, and it is our responsibility to protect it.

My only regret is that I was never able to do justice to Louis Riel, the founder of Manitoba and a father of Confederation. The man is innocent, and we must put right the mistake that was made.

In closing, I quote the Greek philosopher Epictetus, who said, “Do not expect events to unfold as you would wish. Accept them as they occur and you will be happy.”

As for me, I am going home to Montreal, as Ariane Moffatt says in her song. I will stand as a candidate for the mayoralty of Montreal, Quebec's magnificent metropolis.

Be forewarned, however: if anyone thought I acted up in the House just to make myself heard, know that my voice will travel from Montreal to Ottawa. Learn the word of the day: “unavoidable”.

Mr. Speaker, I have loved sitting in the House. It has been an honour to be among you. There is nothing nobler than to enjoy the public's trust. However, we do not own the right to be here; we borrow it, and for varying lengths of time. Let us all remember that.

Thank you, my friends. It has been an honour.

Hon. Christian Paradis (Minister of Industry and Minister of State (Agriculture), CPC): Mr. Speaker, I am very pleased to rise in the House today to pay tribute to the hon. member for Bourassa.

First elected nearly 16 years ago and re-elected five consecutive times, the member for Bourassa has certainly left his mark in the House while performing a number of important duties, both in government and in opposition.

Known for his fiery temper and his straightforward, colourful language, the member for Bourassa never failed to attract attention, either through his speeches in the House or his comments in traditional and social media, not to mention on the street.

The fiery spirit that defines the member for Bourassa reflects his passion for the public service and his love of politics.

I faced this seasoned and experienced politician when I first came to the Hill. Although he did not always go easy on me, it was clear to me that this man has a profound respect for the institution, for his peers and for the various parties.

The hon. member for Bourassa was one of those colleagues who, from the very beginning, showed me that despite the heated debates, camaraderie can still thrive among parliamentarians, and most of all, that everyone wins by supporting it.

On behalf of the government and myself, it is my pleasure to salute the hon. member for Bourassa for his contribution to the House and to federal politics.

I wish him every success in his future endeavours.

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, I am pleased to rise today to pay tribute to my friend and colleague, the hon. member for Bourassa. We were both elected to the House of Commons on June 2, 1997.

I want to quickly wish his mother a happy birthday. I am sure she is very proud of her son.

Routine Proceedings

Since he was first elected, the member for Bourassa has had many roles. I had the opportunity to work with him when he was an MP, and also when he was minister and secretary of state. I also had the honour to work alongside him at meetings of the Standing Committee on Official Languages and during parliamentary trips. Official languages are very important to the member, and he cares a lot about ensuring that people who speak either language can access government services in both official languages.

The member for Bourassa is known for being outspoken, passionate and dedicated, for having integrity and, of course, for being an active tweeter. He is also known for his voice. Whether he is in the front or back of the House, no one has a hard time hearing him. We will miss hearing his voice as we make our speeches.

He was always available and always jumped wholeheartedly into his work. I will always remember the young hockey player—I am sure he does too—from the Acadie-Bathurst Titan. He had visa problems and could not join his team in Bathurst. The member for Bourassa was the citizenship and immigration minister at the time. He put his whole team to work on the issue. I remember it well. The morning of December 25, Christmas Day, I got a call saying that the issue was resolved and that the young hockey player was able to return to the country that very day and continue playing. What a great Christmas present for the Acadie-Bathurst Titan.

The House will be losing an MP who truly cares about his constituents and about Canadians. After 16 years in Parliament, the member for Bourassa has left his mark, both in the House and in committee.

On behalf of the NDP, I want to wish the hon. member all the best in his new endeavour. I look forward to following him on Twitter and Facebook. Good luck, my friend.

• (1600)

Hon. Stéphane Dion (Saint-Laurent—Cartierville, Lib.): Mr. Speaker, I assume that our leader, the member for Papineau, and the Liberal caucus asked me to give this speech on the 16 years the member for Bourassa has spent in federal political life not only because we have been friends for more than 16 years but also because I knew him in his previous life.

At that time, in the late 1980s, I was a young professor. I had a quiet class; the students were studious and they listened. All of a sudden, we were joined by a student who was feisty and who could not be ignored, and the class was turned upside down. Half of the students supported him; the other half did not. He had an opinion on everything and, on top of that, he was a good student. When he came to my office, he never came alone. He always had his gang with him.

I must tell you, Mr. Speaker, that they were federalists, and it was not because of me—I never discussed politics at the university, never—but because of him.

I am telling this part of the story to explain that the member for Bourassa did not choose politics; politics chose him. He fell into it when he was a little boy, and this is where his impressive size comes from.

An hon. member: Like Obelix.

Hon. Stéphane Dion: Exactly; he is a political Obelix.

In conclusion, I would like to say that the personality traits I saw when he was a student were also evident during his 16 years here in the House, at the cabinet table and everywhere in Canada.

He is a man of sharp contrasts: both strong and whole, but also attentive and compassionate; he works like the devil, but he is exuberant and a good friend; colourful, but cultured, even though he tries to hide it. He is committed, which is why he works so hard. He has the courage of his convictions; he is not pushy, but he is persuasive. He is a formidable politician. He is close to people, a populist in the best sense of the word, but at the same time he is a man of principle. I have never known him to shy away from an issue. As he says himself, he is judicious and hard-hitting. He listens, but once he has heard the facts, he will stir things up, as he did with sport and immigration and in all his other areas of responsibility.

[*English*]

I will conclude; otherwise I would speak for days and days about the member for Bourassa. As for the future, I just want to say, as the member for Saint-Laurent on the island of Montreal, Cavendish Boulevard is not completed. This is a shame, and it is about time.

[*Translation*]

Mr. Claude Patry (Jonquière—Alma, BQ): Mr. Speaker, I am pleased to rise today to mark the departure of the member for Bourassa as he begins a new career.

For the past 16 years, he has made his mark on Parliament Hill. He has been a minister three times, and president of the Privy Council. As the former secretary of state for amateur sport, he contributed to the creation of the World Anti-Doping Agency in Montreal. I think that he must wonder sometimes, as we do, what an Olympic hockey team from Quebec would look like.

Although I may not always agree with his political views, I would like to describe the man and not our differences. The member for Bourassa was the first member to congratulate me and offer some encouragement in facing the challenge of being a member of Parliament when I was first elected in May 2011. In doing so, the member for Bourassa showed me that, beyond the debates, the parties and our political differences, respect is still one of the most important qualities in our society. This was striking.

Over the years, the member for Bourassa has become a central player, central to government 2.0 and central to Canada's political scene.

In conclusion, regardless of where his new career will take him, what can I do but wish him all the best in maintaining his sense of commitment and his passion in his future endeavours?

Good luck, Denis, my friend.

• (1605)

Ms. Elizabeth May (Saanich—Gulf Islands, GP): Mr. Speaker, it is also a great honour for me, as leader of the Green Party, to join my colleagues in paying tribute to the hon. member for Bourassa.

At times like these, we are like a small community. We are only 308 people in a small town, with neighbours and friends. We may have political differences, but in our hearts, we stand together as Canadians.

Routine Proceedings

At this time, I want to pay tribute to the hon. member, who is also a friend and colleague. I also want to pass on best wishes from my deputy leader, Georges Laraque, who was one of the hon. member's colleagues in Bourassa. They worked together on a lot of major issues, such as homelessness.

[English]

Our friend the member for Bourassa is not retiring from political life. Some might be disappointed, but after 16 years of service to his country, he is choosing to serve his community more locally. We all wish him well and we will miss him here.

I join all of our friends—and thank you, Mr. Speaker, for the opportunity—in thanking the member of Parliament for Bourassa for service to Canada, and for doing it with such panache.

The Speaker: I wish the hon. member for Bourassa well. I am sure the left ear of the member for Saint-Laurent—Cartierville will not be sad to see him go, but I am sure the rest of us will miss him.

* * *

WAYS AND MEANS

NOTICE OF MOTION

Hon. Peter Van Loan (Leader of the Government in the House of Commons, CPC): Pursuant to Standing Order 83(1), I have the honour to table a notice of a ways and means motion to introduce an act to give effect to the Yale First Nation Final Agreement and to make consequential amendments to other acts.

I ask that an order of the day be designated for consideration of this motion.

I also have the honour to table, in both official languages, the Yale First Nation Final Agreement, the Yale First Nation Tax Agreement, the Yale First Nation Harvest Agreement and the Yale First Nation Final Agreement Appendices.

* * *

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 34 petitions.

* * *

COMMITTEES OF THE HOUSE

FINANCE

Mr. James Rajotte (Edmonton—Leduc, CPC): Mr. Speaker, I have the honour to present, in both official languages, the 19th report of the Standing Committee on Finance in relation to Bill C-60, an act to implement certain provisions of the budget tabled in Parliament on March 21, 2013 and other measures.

[Translation]

The committee has studied the bill and has agreed to report the bill back to the House without amendment.

● (1610)

[English]

RETIREMENT INCOME BILL OF RIGHTS

Hon. Judy Sgro (York West, Lib.) moved for leave to introduce Bill C-513, An Act to promote and strengthen the Canadian retirement income system.

She said: Mr. Speaker, since the Mackenzie King government first introduced the Old Age Pension Act 86 years ago, Liberals have fostered a long history of creating, enhancing and expanding pensions available to Canadian seniors.

From old age security to the CPP and the supplements, we understand the extreme importance of protecting and preserving pension security, adequacy and coverage for all Canadians. Today I am pleased to present a bill called an act to promote and strengthen the Canadian retirement income system or, as I like to call it, the pension income bill of rights. I am seeking to enshrine in law the notion that all Canadians have the right to contribute to a decent retirement plan and to be provided with up-to-date, unbiased and conflict-free information on their retirement savings.

Too often financial illiteracy, inadequate opportunity and economic instability strip away the hard-earned savings of our seniors, and that needs to stop. This is the first bill of its kind ever proposed to better protect our seniors and their nest eggs, and I am proud to present it.

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

* * *

PUNJABI HERITAGE MONTH ACT

Mr. Andrew Cash (Davenport, NDP): moved for leave to introduce Bill C-514, An Act to designate the month of April as Punjabi Heritage Month.

He said: Mr. Speaker, I rise today to introduce a bill to designate the month of April as Punjabi heritage month.

Punjabis have been partners in building Canada for over 100 years. Punjabis have helped strengthen Canada's spirit of giving and generosity through significant contributions in the areas of arts and culture, language, business and sport, among others.

From the beat of the dhol and the festive spirit of baisakhi to the fast-placed sport of kabaddi, and the traditional meal of makki di roti and saag, Punjabis have established growing, vibrant and dynamic forms of cultural expression that are unique to the Punjabi-Canadian experience. New Democrats believe it is time to recognize the contributions of Punjabi Canadians.

The bill would give an opportunity for every Canadian to celebrate the accomplishments and culture of the Punjabi community, and designate every April in Canada as Punjabi heritage month.

I hope all members of the House will support this legislation.

[Member spoke in Punjabi and provided the following translation:]

The recognition of Punjabis, a proud moment for Canada.

Routine Proceedings

[English]

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

* * *

PROTECTION OF LAW ENFORCEMENT ANIMALS ACT

Mr. Costas Menegakis (Richmond Hill, CPC) moved for leave to introduce Bill C-515, An Act to amend the Criminal Code (law enforcement animals).

He said: Mr. Speaker, I am very pleased to rise today to introduce my private member's bill, the protection of law enforcement animals act. This necessary piece of legislation would ensure that the innocent animals that help protect us all are protected themselves.

I look forward to working with all members in the House to ensure that the legislation receives safe passage.

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

* * *

ARTIST'S RESALE RIGHT ACT

Mr. Scott Simms (Bonavista—Gander—Grand Falls—Windsor, Lib.) moved for leave to introduce Bill C-516, An Act to amend the Copyright Act (artist's resale right).

He said: Mr. Speaker, this has been a long time coming for many of us. It is an issue that has been around for quite some time.

First, I want to thank my hon. colleague, the member for Sackville—Eastern Shore. We have had many conversations about the issue. We would also like to thank one of the inspirations, his wife Andrea, who is part of the Society of Canadian Artists.

We call this “droit de suite”, which originated in many countries throughout Europe, and right now we hope to bring it to our country. It is an artist's resale right. When one makes an original piece of art and sell it, one gets the full benefit, but in subsequent sales the value of it may increase substantially but the original artist does not see any benefit from that. That is what the bill hopes to correct. In 70 countries around the world, they have recognized this special right, this resale right for artists.

Currently there are people who are destitute and poor and they are selling their artwork in the streets for \$20, \$10, \$15. Meanwhile, the art they had produced many years prior is selling in art galleries for thousands of dollars. They see nothing of that.

Musical artists and other people do receive great benefits from their prior work, but artists do not. I had the honour of travelling to the convention this weekend to talk about this.

Again, I would like to thank my hon. colleague from Sackville—Eastern Shore. We have spoken of this many times. I hope that the House will adopt this necessary measure for the artists of our nation in order for them to receive compensation for their hard work and their vision. I thank all members in the House for hearing me and also thank my colleague for helping me do the bill.

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

● (1615)

PETITIONS

SEX SELECTION

Mr. Harold Albrecht (Kitchener—Conestoga, CPC): Mr. Speaker, I have the honour to present eight different sets of petitions today. They are all dealing with the same subject matter. The first group is from my riding and the surrounding area. There is another one from Cambridge and Waterloo. The final six are all from the Guelph area.

All of these petitioners are calling on the House of Commons to condemn discrimination against females occurring through sex-selective pregnancy termination.

GENETICALLY MODIFIED ALFALFA

Ms. Jean Crowder (Nanaimo—Cowichan, NDP): Mr. Speaker, I have three petitions to present. The first one calls for a moratorium on GM alfalfa.

The petitioners are calling upon Parliament to impose a moratorium on the release of genetically modified alfalfa in order to allow a proper review of the impact on farmers in Canada.

FOOD AND DRUGS ACT

Ms. Jean Crowder (Nanaimo—Cowichan, NDP): Mr. Speaker, the second petition is calling for an act to amend the Food and Drugs Act.

The petitioners are calling upon the House to support an act to amend the Food and Drugs Act, mandatory labelling for genetically modified foods.

SISTERS IN SPIRIT

Ms. Jean Crowder (Nanaimo—Cowichan, NDP): Mr. Speaker, the last petition regards the stolen sisters.

The petitioners note that research has convinced Canadians that violence against aboriginal women must be stopped and that we need to find strategies, resources and tools to stop the women from disappearing. Therefore, they are calling on the government to fund the important work of protecting women through the Sisters in Spirit initiative and to invest in initiatives recommended by the Native Women's Association of Canada to help prevent more women from disappearing.

EXPERIMENTAL LAKES AREA

Mr. Bruce Hyer (Thunder Bay—Superior North, Ind.): Mr. Speaker, petitions continue to come in requesting that the government rethink its decision to not fund and staff the experimental lakes area due to the national and international importance of this institution for over 50 years.

KETTLE ISLAND

Hon. Mauril Bélanger (Ottawa—Vanier, Lib.): Mr. Speaker, this is the first of what I suspect will be numerous petitions signed by the good citizens of Ottawa asking to bring to the attention of the House and the government the choice that consultants have made for an interprovincial crossing on Kettle Island.

Routine Proceedings

The petitioners state that a bridge that promotes urban sprawl, heavy truck traffic in urban communities, car commuting, and more traffic congestion is an unacceptable 1950s-style planning solution, and a failure of the National Capital Commission's mission to protect and enhance green space and build a world-class national capital region.

The petitioners ask that the Government of Canada not proceed with the funding of this bridge.

• (1620)

IMPAIRED DRIVING

Mr. David Wilks (Kootenay—Columbia, CPC): Mr. Speaker, I have 21 separate petitions to present, all on the same subject.

The petitioners are calling upon the Government of Canada to implement a new mandatory minimum sentence for those persons convicted of impaired driving causing death.

CANADIAN BROADCASTING CORPORATION

Ms. Elizabeth May (Saanich—Gulf Islands, GP): Mr. Speaker, I rise today to present two petitions.

The first petition is primarily from residents of the Ottawa area and deals with the subject of the CBC, our national public broadcaster.

The petitioners are calling for stable, long-term and predictable funding and the independence of the CBC. The petition is particularly timely, given the amendments to the sections of Bill C-60 which would affect crown corporations.

THE ENVIRONMENT

Ms. Elizabeth May (Saanich—Gulf Islands, GP): Mr. Speaker, the second petition is from residents of the Vancouver area.

The petitioners are calling on this Parliament to protect west coast British Columbia from the threat of supertankers bearing oil, or more accurately the pre-crude substance known as bitumen and dilbit, and to keep it a tanker-free coast.

* * *

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. 1284, 1285 and 1287.

[Text]

Question No. 1284—**Hon. Dominic LeBlanc:**

With regard to government communications: (a) what is the (i) headline or subject line, (ii) date, (iii) file or code number, (iv) subject matter of each press release that contains the phrase "Harper government" issued by Infrastructure Canada since February 6, 2006; (b) for each such press release, was it distributed (i) on Infrastructure Canada's website, (ii) on Marketwire, (iii) on Canada Newswire, (iv) on any other commercial wire or distribution service, specifying which such service; and (c) for each press release distributed by a commercial wire or distribution service mentioned in (b)(ii) through (b)(iv), what was the cost of using that service?

Hon. Denis Lebel (Minister of Transport, Infrastructure and Communities, Minister of the Economic Development Agency of Canada for the Regions of Quebec, Minister of Intergovernmental Affairs and President of the Queen's Privy Council for

Canada, CPC): Mr. Speaker, with regard to (a) and (b), links to all Infrastructure Canada press releases can be found by doing a search on the following websites: for Infrastructure Canada, <http://www.infrastructure.gc.ca/media/media-eng.html#nr>; for Marketwire, <http://www.marketwire.com/?lang=en-US>.

With regard to (c), Infrastructure Canada has a contract with Marketwire. Marketwire rates vary depending on the distribution; however, pursuant to paragraphs 20(1)(c) and 20(1)(d) of the Access to Information Act, information regarding rates and invoicing is considered third party information. As this information could reasonably be expected to prejudice the competitive position and the integrity of future competitions of a third party, the information requested in the above question cannot be disclosed without appropriate consultation.

Question No. 1285—**Hon. Dominic LeBlanc:**

With regard to government communications: (a) what is the (i) headline or subject line, (ii) date, (iii) file or code number, (iv) subject matter of each press release that contains the phrase "Harper government" issued by Transport Canada since May 1, 2012; (b) for each such press release, was it distributed (i) on Transport Canada's website, (ii) on Marketwire, (iii) on Canada Newswire, (iv) on any other commercial wire or distribution service, specifying which such service; and (c) for each press release distributed by a commercial wire or distribution service mentioned in (b)(ii) through (b)(iv), what was the cost of using that service?

Hon. Denis Lebel (Minister of Transport, Infrastructure and Communities, Minister of the Economic Development Agency of Canada for the Regions of Quebec, Minister of Intergovernmental Affairs and President of the Queen's Privy Council for Canada, CPC): Mr. Speaker, with regard to (a) and (b), links to all Transport Canada press releases can be found by doing a search on the following websites: for Transport Canada, <http://www.tc.gc.ca/eng/mediaroom/releases-2012.htm>; for Canada Newswire, <http://www.newswire.ca/en/index>.

With regard to (c), Transport Canada has a contract with Canada Newswire, CNW. CNW rates vary depending on the distribution; however, pursuant to paragraphs 20(1)(c) and 20(1)(d) of the Access to Information Act, information regarding rates and invoicing is considered third party information. As this information could reasonably be expected to prejudice the competitive position and the integrity of future competitions of a third party, the information requested in the above question cannot be disclosed without appropriate consultation.

*Routine Proceedings***Question No. 1287—Mr. Dany Morin:**

With regard to the amendments to the Navigable Waters Protection Act in A second Act to implement certain provisions of the budget tabled in Parliament on March 29, 2012 and other measures: (a) what is the amount of funding provided by Transport Canada (TC) to First Nations organizations so they can follow through on the amendments; (b) which First Nations organizations participated in the decision-making process identifying which waterways would be protected under the Act; (c) what are the details of the commitments made by the Minister of Transport, Infrastructure and Communities to the First Nations and organizations consulted, namely (i) the meeting dates and times, (ii) the details of meeting minutes and agendas; (d) which First Nations groups or organizations received TC funding to analyze and comment on the bill; (e) how TC worked with First Nations organizations at the national, regional, provincial and international levels; and (f) what is the total amount of funding provided by TC to the Canadian industry so it could analyze and comment on the bill?

Hon. Denis Lebel (Minister of Transport, Infrastructure and Communities, Minister of the Economic Development Agency of Canada for the Regions of Quebec, Minister of Intergovernmental Affairs and President of the Queen's Privy Council for Canada, CPC): Mr. Speaker, with regard to (a), Transport Canada does not provide funding to third parties to attend consultation sessions.

With regard to (b), (c), (e), and (f), in the fall of 2012, the government introduced Bill C-45 and offered technical briefings to aboriginal and other stakeholder groups once the bill was tabled before Parliament. The parliamentary process continues to be relied upon as the formal consultation process in law-making. Modifications made to the act in fall 2012 reflect long-standing consultation started in 2009 for minor works amendments with many groups across the country, such as the Federation of Canadian Municipalities, the Saskatchewan Association of Rural Municipalities, the Association of Manitoba Municipalities, the Alberta Association of Municipal Districts and Counties, the Alberta Urban Municipalities Association, the Association of Municipalities of Ontario, the Canadian Construction Association, the Assembly of First Nations and provincial governments.

With regard to (d), (d) is not applicable.

* * *

[English]

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons, CPC): Furthermore, if Questions Nos. 1277, 1282, 1289, 1292, 1296 and 1300 could be made orders for return, these returns would be tabled immediately.

The Speaker: Is that agreed?

Some hon. members: Agreed.

[Text]

Question No. 1277—Hon. Ralph Goodale:

With regard to the government's answers to Order Paper questions in the current session of Parliament: (a) why did Transport Canada not provide the detailed response requested in Q-898 and Q-1131; (b) why did Infrastructure Canada not provide the detailed response requested in Q-654, Q-898 and Q-1131; and (c) why did the Economic Development Agency of Canada for Quebec Regions not provide the detailed response requested in Q-654, Q-898 and Q-1131?

(Return tabled)

Question No. 1282—Mr. Scott Simms:

With regard to all physical assets owned by the government, since 2006, what assets have been sold, broken down by (i) date sold, (ii) market value, (iii) sale price, (iv) purchaser, (v) initial purchase price, (vi) time planned for service, (vii) time actually in service, (viii) reason for sale?

(Return tabled)

Question No. 1289—Hon. John McCallum:

With respect to any repayable portion of contributions made under the Economic Action Plan in 2009-2010 and 2010-2011: (a) what businesses received funding; (b) when did they receive the funding; (c) how much repayable funding did they receive; (d) how much of the repayable funding has been repaid as of March 27, 2013; and (e) how much of the repayable contribution is expected to never be repaid?

(Return tabled)

Question No. 1292—Ms. Judy Foote:

With regard to the Joint Rescue Coordination Centre in Halifax, Nova Scotia: (a) how many employees are currently employed and how many were employed in the fiscal year 2010-2011; (b) what are the current base salaries for each individual employee and what were the base salaries for each individual employee in the fiscal year 2011-2012; (c) broken down by month, how many overtime hours and how much overtime pay did each employee receive from 2010-present; (d) broken down by month, how many hours of overtime were paid overall since 2010; (e) broken down by month, since 2010, how many days in a row does the average employee work before receiving two consecutive days off; and (f) how many days in a row does the average employee work before receiving one day off?

(Return tabled)

Question No. 1296—Mr. Ryan Cleary:

With regard to foreign fishing vessels: (a) how many foreign fishing vessels have had permission to fish inside Canada's 200-mile limit off the east coast of Canada since 2003; (b) what are the names of the foreign vessels and their home countries; (c) what species have the foreign vessels fished; (d) of the foreign vessels that have fished inside Canada's 200-mile limit since 2003, have any been cited for illegal fishing violations; and (e) what are the names of the Canadian companies that have chartered the foreign fishing vessels since 2003?

(Return tabled)

Question No. 1300—Mr. David McGuinty:

With respect to advertising paid for by the government, broken down by fiscal year, for each fiscal year from fiscal year beginning April 1, 2006 up to and including the first half of fiscal year 2012: (a) how much was spent for each type of advertising, including, but not limited to (i) television, specifying the stations, (ii) radio, specifying the stations, (iii) print, i.e. newspapers and magazines, specifying the names of the publications, (iv) the internet, specifying the names of the websites, (v) billboards, specifying the total amount of billboards and the locations of the billboards, broken down by electoral district, (vi) bus shelters, specifying the locations, (vii) advertising in all other publically-accessible places; (b) for each individual purchase of advertising, who signed the contracts; (c) for every ad, who was involved in producing it; and (d) for every ad, what were the production costs, both direct and indirect, broken down per advertisement?

(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.

The Speaker: It is my duty, pursuant to Standing Order 38, to inform the House that the question to be raised tonight at the time of adjournment is as follows: the hon. member for Saanich—Gulf Islands, the Arms Trade.

*Points of Order***MOTIONS FOR PAPERS**

Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons, CPC): Mr. Speaker, I ask that all notices of motions for the production of papers be allowed to stand.

The Speaker: Is that agreed?

Some hon. members: Agreed.

* * *

POINTS OF ORDER

STANDING COMMITTEE ON FINANCE

Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP): Mr. Speaker, I rise today on a very specific point of order with regard to Bill C-60, an act to implement certain provisions of the budget tabled in Parliament on March 21, 2013 and other measures, and the work that was done by the committees that were studying this bill, particularly the finance committee, which invoked some measures we believe are not in order and fell well outside of its mandate.

As some context for those Canadians who are not familiar with Bill C-60, this is another piece of omnibus legislation. We rose earlier on similar points of order with respect to how the bill was handled.

In its nature, being an omnibus bill under the current government's watch, with the expansion of omnibus legislation to include so many different matters, the government has faced a difficulty of its own making in that it is not purely a financial bill and it is not simply a bill to implement the budget; it would do much more. While it has an anti-democratic nature and tone for us, in various ways we have struggled with the ability for members of Parliament to properly study and amend legislation that is so broad.

I wish that you would review the motion adopted by the standing committee on May 7, as well as the proceedings that resulted from this specific motion, and that you rule to determine whether these proceedings were in order or not and whether the committee overstepped its authority when adopting this particular motion. I will refer in detail to what the motion accomplished and how it fell outside of the mandate of the committee.

We raised a very similar point of order, if you will remember, around Bill C-45. That was the second omnibus bill that followed on Bill C-38. We had deep concerns about the fact that the Standing Committee on Finance, during its consideration of that massive omnibus bill, went beyond its mandate and usurped the authority of the House when it invited other standing committees to study particular sections of Bill C-45. On their own mandate they started to carve the bill up and send it out. It then allowed these committees that were studying the bill to move amendments and then saw it as if those amendments had been moved by members of the finance committee.

We argued at the time that this went beyond the mandate and the reference from the House, from you as the Speaker.

A similar argument could be made about Bill C-60. It was introduced on April 29.

On May 7, after the government used time allocation to shut down the debate once again on discussions at second reading, it ended with the passage of the following motion, which stated:

...that Bill C-60, An Act to implement certain provisions of the budget tabled in Parliament on March 21, 2013 and other measures, be read the second time and referred to [the Standing Committee on Finance].

Hansard on that day of May 7 specifically quotes you as saying:

I declare the motion carried. Accordingly, the bill stands referred to the Standing Committee on Finance.

It is pro forma and it is how bills are referred to the committee.

The committee acted outside of its powers and authority, those powers conferred on it by this House, when it adopted a motion on that very same day asking other committees to study sections of the bill, namely the standing committees on industry, science and technology; veterans affairs; human resources, skills and development; the status of persons with disabilities; citizenship and immigration; as well as foreign affairs and international development. That is where the government sought to parse out the bill.

It is very difficult to deal with omnibus legislation that is so obviously varied that it implicates so many different committees. The government has pushed, and I would argue broken the democratic limits of our legislature, by packing so much into these individual bills. In essence it is hiding from Canadians what its agenda is as these bills then come back to the House for one single vote on so many matters. This was something that the Conservatives concerned themselves with greatly when they were in opposition. You have heard me mention many of the quotes from the Prime Minister and various ministers in his cabinet on how much they disliked this tactic when the Liberals used it. It is now a tactic that the Conservatives seem to enjoy using with much relish.

Although I believe the Standing Committee on Finance went beyond its mandate to ask these five other committees to study the bill, this is not the principal concern that I want to raise with you today.

The committee went even further this time in going beyond its mandate, by adopting a motion to allow members of Parliament who are not members of a caucus represented on the committee to file amendments to the bill. It went further by directing that any amendments suggested to the committee would be deemed to be proposed during the clause-by-clause consideration on Bill C-60, even if the member who presented the amendment was not present.

● (1625)

Let us take a moment with this. Out of some seeking of convenience, the committee members passed the motion at their own discretion, not by any power given to them by the House, to allow amendments that came from people who do not sit on the committee, who are not recognized parties in the House. They allowed amendments to suddenly appear and be presented as if they came from somebody on committee. This goes against three fundamental principles that we hold dear in the House.

Only the House can appoint committee members. This is well known. It is done at the beginning of every session when we constitute our committees. No committee can self-appoint members. It has to come from an order in the House.

Points of Order

Only committee members who have been appointed by the House can move a motion. In order to move a motion, a member must be present at the time the motion is moved. We just dealt with a piece of private member's legislation before my point of order. A seconder was missing from her particular seat. The House properly waited until that member took her seat so that she was present. Motions cannot be moved if people are not here.

The rules of committee as established by the House specifically prescribe that members of a committee are designated by the House and cannot include members of a non-recognized party. This is a practice and a procedure we have used for many years. The rules established by the House also specifically prescribe that only a member of a committee can move a motion.

[Translation]

According to O'Brien and Bosc's *House of Commons Procedure and Practice*:

Only a member of the committee, or his or her designated substitute, may move an amendment or vote on an amendment.

Standing Order No. 119 stipulates that:

Any member of the House who is not a member of a standing, special or legislative committee, may, unless the House or the committee concerned otherwise orders, take part in the public proceedings of the committee, but may not vote or move any motion, nor be part of any quorum.

The O'Brien and Bosc text, on page 1019, states:

It is the House, and the House alone, that appoints the members and associate members of its committees, as well as the members who will represent it on joint committees.

[English]

The status of member of a committee is accorded to Members of the House of Commons who belong officially to that committee. This status allows them to participate fully in their committee's proceedings: members may move motions, vote and be counted for purposes of a quorum.

The Speaker has ruled that this is a fundamental right of the House. It cannot be taken away. A committee simply cannot move a motion to take such a power away from the House. I am quoting now:

The committees themselves have no powers at all in this regard.

I would like at this point to mention your ruling, Mr. Speaker, from last December. You will recall that at the time, we moved our point of order regarding the last omnibus bill, Bill C-45, specifically with respect to the role and rights of independent members in the context of report stage.

The government House leader argued that the current process by which independent members are not allowed to present motions at committee means that at report stage of bills, a single independent member has the ability, in his words, "to hold the House hostage in a voting marathon", as if voting were somehow connected to a hostage-taking, by submitting numerous report stage amendments.

In response, Mr. Speaker, you suggested that members may try to find ways to accommodate independent members at committee in order to allow them to present motions. You said the following:

Were a satisfactory mechanism found that would afford independent members an opportunity to move motions to move bills in committee, the Chair has no doubt that its report stage selection process would adapt to the new reality.

I understand that the motion adopted for Bill C-60 at committee was somehow a response to this ruling and an attempt by the Conservative Party to cut short the proceedings at report stage. However, I believe that the Conservatives fundamentally misinterpreted your ruling to in fact allow independent members to move motions to amend bills at committees. The Conservatives should have, and must have, sought agreement of the House to allow the members to sit on that committee. That is a power they cannot take away simply by a motion at committee. Indeed, it is from the House that committees derive this power. Committees on their own do not have absolute powers.

While committees are often quoted as being masters of their own fate, I will cite from O'Brien and Bosc at page 1047:

The concept refers to the freedom committees normally have to organize their work as they see fit and the option they have of defining, on their own, certain rules of procedure that facilitate their proceedings.

● (1630)

A second quote, on page 1048 of O'Brien and Bosc, states:

These freedoms are not, however, total or absolute... committees are creatures of the House. This means that they have no independent existence and are not permitted to take action unless they have been authorized/empowered to do so by the House.

A second quote on that same page states:

...committees are free to organize their proceedings as they see fit... committees may adopt procedural rules to govern...but only to the extent the House does not prescribe anything specific.

Members of a committee, and only members of a committee, as well as associate members when they replace those members, are able to attend the committee and thus move a motion at committee.

O'Brien and Bosc further tells us that:

Standing Orders specifically exclude a non-member from voting, moving motions or being counted for purposes of quorum.

The rules also clearly state that a member must be present for the motion. This is a fact. We have never moved away from this fact or this rule or procedure. To suddenly invent a process by which a motion can be moved but the member may be absent contravenes the basic tenets of democracy and representation. We could suddenly have votes where people just call in and speak their intentions rather than be here themselves.

Where a notice of motion has been given, the Speaker will first ensure that the Member wishes to proceed with the moving of the motion. If the sponsor of a motion chooses not to proceed (either by not being present or by being present but declining to move the motion), then the motion is not proceeded with...

This has happened many times in the House. We have seen private member's bills that members chose not to move. They either made themselves absent from the House or they remained in their seats and the motion was not moved forward. Nobody else can do it on their behalf. No one can simply come in and say, "The member intended to be here, but is not. Please allow the member's private member's bill or motion to be considered".

There is a precedent for a Speaker overruling a committee matter, because sometimes Speakers, often, and I think for good reason, have been loath to involve themselves in committee business.

I quote from O'Brien and Bosc, page 775:

Points of Order

Since a committee may appeal the decision of its Chair and reverse that decision, it may happen that a committee will report a bill with amendments that were initially ruled out of order by the Chair. The admissibility of those amendments, and of any other amendments made by a committee, may therefore be challenged on procedural grounds when the House resumes its consideration of the bill at report stage. The admissibility of the amendments is then determined by the Speaker of the House, whether in response to a point of order or on his or her own initiative.

Amendments were moved with no member present who was actually intent on moving that motion. People were made members of the committee, one assumes, by a motion the committee did not have the power to designate.

For the House to now consider, at report stage, Bill C-60, with these amendments in place, is strictly out of order. It is the proper role of the Speaker of the House to intervene to say that things were done improperly and have to be done right.

In 2007, a point of order was raised in the House dealing with the admissibility of three amendments contained in a bill at report stage from the Standing Committee on Human Resources, Social Development and the Status of Persons with Disabilities.

Speaker Milliken ruled two of the amendments out of order, finding that they imported into the bill concepts and terms not present in the bill and were therefore beyond the scope of the bill.

I quote from Speaker Milliken's ruling on February 27, 2007:

...the Speaker does not intervene on matters upon which committees are competent to take decisions. However, in cases where a committee has exceeded its authority, particularly in relation to bills, the Speaker has been called upon to deal with such matters after a report has been presented to the House.

That has happened here today.

In terms of amendments adopted by committees on bills, if they were judged to be inadmissible by the Speaker, those amendments would be struck from the bill as amended because the committee did not have the authority to adopt such provisions.

This means there exists a precedent for the Speaker rejecting amendments to a bill and the process by which it was there.

Mr. Speaker, I ask you to rule and review the motion adopted by the standing committee on May 7, 2013, as well as the proceedings that resulted from that motion, and that you rule to determine whether these proceedings were in order and whether the committee overstepped its authority when it adopted the motion.

The House of Commons and Parliament, and democracy in general, have suffered much abuse under this tactic and use of omnibus legislation. We have presented ourselves many times in defence of the institution and the right of members to speak and the people we represent to clearly understand the legislation the government is attempting to move.

The abuse of omnibus legislation has been a decision by the government. The difficulty it is having in the way amendments are moved and the process by which a bill goes through are of its own making, and it has only itself to blame.

● (1635)

A committee cannot take powers the House did not give it. Simply accepting motions from members who are not part of a committee and are not present to move the motion, contravenes the basic tenets of this place. The presence and acknowledged presence of a standing member of any of these committees is required—it is a basic,

fundamental requirement—for a motion to proceed. These motions were considered improperly. We ask that you rule in this matter.

Hon. Peter Van Loan (Leader of the Government in the House of Commons, CPC): Mr. Speaker, on the first issue raised by my friend regarding the fashion in which the committee chose to seek or invite the assistance of other committees regarding advice on the bill and assistance with study, I think that is a matter that has been thoroughly litigated. My friend is seeking to litigate it again before you. I simply want to address that I think it is a settled and established practice. What the committee did is something it has done quite often.

The more novel issue before you is the invitation to ensure and allow the participation of the independent members of Parliament, those who do not reach official party status. We have a growing number of them in this Parliament, notably the Green Party, members of the Bloc Québécois and some others that represent such members. The effort by the committee was to ensure that they would have an opportunity to participate at the committee stage to propose amendments.

This was not something, I understand, the committee dreamed up on its own. It is obviously a clear effort by the committee to respond directly to the invitation you made in your previous ruling on how this challenge should be particularly responded to. I will quote from your decision when this matter was up before. We were dealing with the question of an inordinate number of report stage votes and the cumbersome fashion of dealing with them. You said the following in your ruling:

It is no secret that independent members do not sit on committees in the current Parliament. In light of recent report stage challenges and the frustrations that have resurfaced, the Chair would like to point out the opportunities and mechanisms that are at the House's disposal to resolve these issues to the satisfaction of all members.

The Standing Orders currently in place offer committees wide latitude to deal with bills in an inclusive and thorough manner that would balance the rights of all members.

That statement by you, Mr. Speaker, is in direct contrast to the very constraining and rigid approach being advocated by the opposition House leader that would freeze out independent members. I will repeat again some of the phrases and words. Your statement was that the "Standing Orders currently in place offer committees wide latitude to deal with bills in an inclusive and thorough manner that would balance the rights of all members".

It is trite, of course, to say that committees are masters of their own process. That is the fact, and what we have here is an example of where the committee has sought to devise an approach to their own process that responds directly to your invitation. I will further quote from your decision:

In fact, it is neither inconceivable nor unprecedented for committees to allow members, regardless of party status, permanently or temporarily, to be part of their proceedings, thereby opening the possibility for the restoration of report stage to its original purpose.

Further on you say:

...there is no doubt that any number of procedural arrangements could be developed that would ensure that the amendments that independent members wish to propose to legislation could be put in committee.

Points of Order

That is exactly what the committee did. The committee did exactly what you in your ruling on this previous matter on report stage votes invited them to do. This what is sometimes called in the world of law a conversation with the courts. In Parliament, on the evolution of rules, with you as Speaker and judge of this place, we are having that conversation with the committee, and the committee is responding to your invitation. It has done so with the motion it put in place and with the processes it followed. Indeed, such amendments did occur at the committee pursuant to the process it put in place, based on your invitation.

I will conclude with your further comments:

Were a satisfactory mechanism found that would afford independent members an opportunity to move motions to move bills in committee, the Chair has no doubt that its report stage selection process would adapt to the new reality.

Mr. Speaker, what you did in your original ruling was wrestle with a difficult problem that was a source of frustration that led to vexatious disputes here. It was having an adverse effect on the ability of this place to function well. You made what I think were some very constructive and practical suggestions on how that could be remedied.

● (1640)

A change in our process and, indeed, your decision, Mr. Speaker, speaks to the fact that what we have, and what we have had throughout the question of dealing with report stage votes, is an evolving process to which there have been responses in the Standing Orders and now to which you invited another set of responses that could occur in the processes that committees adopted. In this case, the committee did exactly that.

As a result of that, there is an expanded ability of independent members of Parliament to participate at the committee stage of the process. They did so in this case. Their amendments were heard and they had an opportunity to proceed. We think that is an appropriate response to the invitation the Speaker provided specifically on bills of this nature, on the processes that we have in place. For that reason, it is one that should be encouraged and rewarded. It is four square within the direction your ruling set out and the invitation you provided, Mr. Speaker, and, as such, I see no fault in the process.

I may wish to come back to you, as I have not had an opportunity to prepare to make these arguments or respond in this fashion, but, on its surface, that is the essence: that the committee has done exactly what you, as Speaker, asked it to do.

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, this is the first time I have had the opportunity to go over some of the things that took place in committee, and we should be concerned.

When the government House leader talks about the evolution of process, what we have witnessed is an evolution that takes away the ability of individual members to perform their duties on numerous occasions.

For example, the government House leader could argue that the usage of time allocation is an evolution of process. That evolution that the government has adopted works against, what we would argue, the best interests of Canadians in limiting the opportunity for individuals to express themselves on a wide variety of bills, including Bill C-60.

Let us take a look at what the government has now proposed to do.

The Conservatives are saying that inside the committee they now want to mandate all members of the House, whether they are part of an officially recognized party or not, to bring forward their amendments to the committee well in advance. However, as one can easily imagine by the way the government has managed this evolution of process, the Conservatives are really trying to prevent independent members who are not part of a recognized political party the opportunity to present their amendments at report stage. This raises a whole spectrum of issues that really needs to be addressed.

I am concerned that if the government were trying to demonstrate good will based on a Speaker's ruling, with all due respect, then this should have been raised at one of the House leader's meetings and received a consensus of support. We have to be very careful when we look at changing rules, which is ultimately what the government House leader has proposed to do. We have to be very careful that there is a consensus from all political entities inside the House to do that. If we take a look at what took place at the committee, members will find that there was not unanimous consent in passing the motion in question, which is important to recognize.

The second issue I would like to raise is the letter that I understand the leader of the Green Party received. Imagine receiving a letter which gives a very clear indication that one has x amount of time to get all of one's information gathered and amendments in place. The letter suggests that must be done by Monday, May 27, at nine o'clock in the morning. Again, I call into question the legitimacy of this.

This issue came up through a point of order by the New Democratic opposition House leader, and there is great merit for that. We will take a look at this matter in more detail and we might want to add further comment on the issue as time progresses.

However, I want to emphasize how important it is when the government House leader makes reference to the evolution of process or rules. Whenever he starts to fantasize or talk about it, in the past, it has not been a positive thing in democracy in the House of Commons.

I raise this issue as a red flag. We need to tread very carefully before making any sort of ruling on that which seeks to deprive individual members, or collective members, the opportunity to do something they have done in the past because the government deems it as not as clean or quick as it would like to see things take place. The Conservatives are bringing in these draconian-type changes or proposals, which are not healthy for democracy in the House of Commons.

● (1645)

[*Translation*]

Mr. André Bellavance (Richmond—Arthabaska, BQ): Mr. Speaker, since the point of order raised by the House leader of the official opposition concerns the non-recognized parties, it is appropriate for us to have our say today. I will reserve the right to add more arguments later because we were not aware that this point of order would be raised today.

Points of Order

With great respect, Mr. Speaker, the ruling you made in December 2012 reminds me of what happened in 2001 when your predecessor, Speaker Milliken, also made a ruling that restricted the use of report stage amendments. Between 1968 and 2001, successive Speakers were rather flexible with regard to report stage amendments.

In your ruling, you asked the government to show some openness to participation by members from non-recognized parties or independent members in certain committees, enabling them to propose amendments in committee. There is an important distinction, Mr. Speaker, and you are well placed to be aware of it. The Conservatives also know this, because in 1993 they were a non-recognized party. The NDP knows it too, because the NDP was also a non-recognized party in 1993.

The problem is that the members of this House fall into two categories. In the House we have an opportunity to ask questions and make speeches. We even have some speaking rights, which unfortunately we can no longer exercise because the government has been imposing time allocation motions on nearly all bills. Still, we feel we have proportional equality with our counterparts in the other parties. It is natural that we will be allocated fewer minutes because we have fewer members.

In committee, on the other hand, it is not the same as in the Quebec National Assembly, where the other parties have given the non-recognized parties—such as Québec solidaire and Action démocratique before it—the right to sit on committees, speak at committee meetings and even vote. Here, none of that is possible. I do not want the non-recognized parties to be treated like a ping pong ball in this dispute between the government and the recognized parties in this House. I think we have something to say on the subject.

The existence of the report stage simply allows us to propose the amendments we were unable to propose in committee, the amendments we have not had an opportunity to discuss. It is the only right we have left, Mr. Speaker, and I would like you to preserve it. We must be careful. The government says this is an invitation, but no party in the House has given us anything since May 2, 2011, and we are not asking for any gifts. We do not want additional privileges; we simply want our rights to be respected.

In committee, however, as happened in the committee studying Bill C-60, the only committee where we have been able to propose amendments, we had a few short minutes to do so, but no opportunity to speak at all. We were not allowed to ask questions of the public servants who were present or vote on the amendments we were proposing. If the government thinks it was giving us a gift, it is mistaken.

We want to preserve our rights. Therefore, we must be able to propose an amendment, discuss it, debate it and vote on it, and be aware of all committee activities, as it is possible to do in the House at report stage.

My first request, Mr. Speaker, is that you ensure that the rights of all members of the House are preserved, especially those who are less numerous, like the members of non-recognized parties.

● (1650)

[*English*]

Ms. Elizabeth May (Saanich—Gulf Islands, GP): Mr. Speaker, first, I thank the hon. House leader of the official opposition for raising this matter.

As you might imagine, Mr. Speaker, I have been in a quandary, unable to imagine exactly how I would put to you the various ways in which I feel my rights are being infringed upon by this turn of events with the finance committee. I would like to reserve the ability to work to put my arguments together for you to present them tomorrow.

I turn to you, Mr. Speaker, as, in your own words in your ruling in April on the matter raised by the member of Parliament for Langley, it is “the unquestionable duty of the Speaker to act as the guardian of the rights and privileges of members and of the House as an institution”. I turn to you as the guardian of my rights and ask that I be allowed the right to present my response tomorrow to the excellent point of order of the House leader of the official opposition.

Hon. Peter Van Loan: Mr. Speaker, I will say that I am bewildered but not entirely surprised. I suppose that some of the independent members, whose rights you sought to protect and the committee sought a process to protect, are now complaining of that. That is a paradox in itself.

I only wanted to rise at this point to respond immediately to two very narrow things. The first is my surprise at the Liberal deputy House leader's position, because it is entirely contrary to the position his party took at committee, where the Liberal finance critic said that he liked the parliamentary secretary's comments welcoming the independents to the committee because the Liberals welcomed the input of the independent members at that stage of their deliberations at committee. That view is a little bit different.

The other point I wanted to address very quickly was his concern that the problem with this process is that in the invitation to the independent members to participate, there was a deadline for them to submit amendments.

There is a deadline for every member of the committee, from all parties, to submit amendments. They are all constrained in exactly the same fashion, so there is no discrimination there. There is no disadvantage to the independent members in that regard. That argument is entirely without any foundation.

As I said, I may come back with more.

● (1655)

Mr. Nathan Cullen: Mr. Speaker, I have two very small points. I appreciate the new-found passion that the Conservatives have for independent members, because we can recall that when an independent member's bill was at committee, the Conservatives were gutting that very same legislation and denied her the ability to even address her own piece of legislation, claiming the very rules that we are talking about here today.

Government Orders

My specific point, and I am not sure if my hon. colleague was present for the entire citation that I used, is that the main argument that we used is if this is the remedy by which the government seeks to satisfy the involvement of independent members at the committee stage, that is a remedy that can be sought, but the power rests here with the House of Commons. It simply does not rest with the committee to invent the power to appoint or adopt motions from members who are not part of a committee. That is a fact.

The committee itself is a creation of the House of Commons. The members who are involved in that committee and any standing members who may be a part of it come from here, not come from any chair or from any motion that has passed.

In his response—and I know he is going to come back and deliberate further on the points that we raised—my hon. colleague needs to address this specific point, because it is the argument that we are making to you, Mr. Speaker. The argument is that the committee has the powers that are vested to it from the House of Commons. It is exclusive of that power to just invent who gets to sit on that committee. To suddenly invite amendments from members who are not there is also exclusive of that power. We cannot move motions of people who are not present. That is a fact. It is true here and it is true at committee.

I do not see why the Leader of the Government in the House of Commons has such a problem understanding that, other than that he has found some convenient article. If the government chooses to do it this way, it can, but it has to come from here. For goodness' sake, let us protect some of the privileges and powers of the House of Commons.

The instruction from the House of Commons did not allow the committee to do that. It did not. I read out the citation and reference to the committee. It did not say that the committee chair can suddenly appoint whomever they like and take whatever amendments they like. It did not. It is in black and white. If my hon. colleague across the way would like me to read it to him, I can.

The fact of the matter is that the power rests with you, Mr. Speaker, as you refer a bill, and it rests with the House in designating which committees are instructed to study the bill, and how. How the committee does everything beyond that is its business, and we respect that right, of course.

However, to ignore the central point of our argument today in this point of order means either there is no counter-argument or they are going to search around for one for a couple of days. Obviously the decision rests with you, Mr. Speaker, and I appreciate the comments from my colleague for Saanich—Gulf Islands.

The Speaker: I am loath to get into a point-for-point debate at this point. I know members are coming back to respond to points that have been raised in a more extensive way, so can the hon. member for Winnipeg North maybe participate in that exchange, or does he feel that he really has to get it off his chest?

The hon. member for Winnipeg North.

Mr. Kevin Lamoureux: Mr. Speaker, this is just a very quick point. The Leader of the Government in the House of Commons tried to give a false impression. The Liberal Party voted against the

motion. I do not want to take words out of context, but we voted against the motion in committee. That is an important point.

GOVERNMENT ORDERS

[*Translation*]

FAIR RAIL FREIGHT SERVICE ACT

BILL C-52—TIME ALLOCATION MOTION

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

That, in relation to Bill C-52, An Act to amend the Canada Transportation Act (administration, air and railway transportation and arbitration), not more than one further sitting day shall be allotted to the consideration at the third reading stage of the bill; and

that, 15 minutes before the expiry of the time provided for Government Orders on the day allotted to the consideration at the third reading stage of the said bill, 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 bill shall be put forthwith and successively, without further debate or amendment.

[*English*]

The Speaker: There will now be a 30-minute question period.

The hon. member for Skeena—Bulkley Valley.

● (1700)

Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP): As tempted as I am, Mr. Speaker, to draw some attention to what just took place with my friend from Saanich—Gulf Islands and the whip for the Conservatives, I will at least say it was a touching moment. The House was able to share new-found compassion across the political spectrum.

In all seriousness, there is frustration and confusion around this recent closure motion that has been invoked today. The government has left the category of feeling shameful about shutting down debate in the House of Commons and usurping our democratic rights and now does it with a certain glee and excitement, even on bills that the opposition has talked to the government about agreeing with and about agreeing to limit the number of speakers so that we can move through the legislation in a proper way.

Conservatives are pushing an open door now. They are saying that the opposition is in their way, that they cannot get their jobs done and they have to invoke closure again and that it is so tragic. They seem to take some sort of joy out of further shattering the record of any government in Canadian history for shutting down debate in Parliament. There is no prize for this. They do not get an extra set of balloons for having broken the record so badly.

Government Orders

Is it not feasible or imaginable for the Minister of Transport, Infrastructure and Communities or anybody in this place to realize that actually talking with opposition members and finding common ground on legislation that we can agree to is so much more preferable than coming in with these closure motions, one after another, and invoking some sort of fear tactic about opposition that does not even exist. It just does not seem very parliamentary or decent for the Conservatives to constantly say that their hands are forced and that arms are being twisted in the House when no such thing is going on.

[*Translation*]

I simply do not understand why they keep doing this.

The Minister of Transport and the Leader of the Government in the House of Commons say that this undemocratic motion is necessary, but they need to justify it.

Where is the proof? Our critic is willing to work with them. That is not a problem. Members of the House of Commons can work together to benefit all Canadians. It can happen.

[*English*]

Hon. Denis Lebel (Minister of Transport, Infrastructure and Communities, Minister of the Economic Development Agency of Canada for the Regions of Quebec, Minister of Intergovernmental Affairs and President of the Queen's Privy Council for Canada, CPC): Mr. Speaker, we announced on December 1, 2012, that it was very important for all shippers in the country for us to pass this bill.

[*Translation*]

I understand what my colleague is saying about working well together.

[*English*]

When I agree with something, I vote for it. I do not try to suspend discussion or to block discussion. In committee, New Democrats spoke about the evolution of the Canadian Wheat Board, truck traffic, infrastructure replacement, rail safety and budget cuts. I have sheets of paper listing what they spoke about, but they were supporting those things. What it is, is what they do not.

When a bill like this is so important for the shippers of this country, we take the measures necessary.

[*Translation*]

Taking the measures necessary means passing this bill for the sake of the country's economy. Our government does not stand to gain anything from this bill. We do not want a set of balloons; we want a bill that makes sense for this country's shippers, whether they are in agriculture, business or industry.

We know how important it is for everything to be done right when it comes to our country's rail system. A wide variety of products are being shipped, and all of the country's shippers support our bill.

Today, after months of delay, deferral and stalling, we feel it is time to move forward.

[*English*]

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, I listened to the minister's response, and we will get a chance to talk about the bill itself, but what I want to focus attention on is not the bill but rather the process. The government has demonstrated it knows no shame in terms of closure inside the House of Commons. That is something that all Canadians should be concerned about.

Every piece of legislation has some sense of urgency to it. What is unique with this government is that it has this driving force to limit debate, to prevent members of Parliament from debating. No matter how simplistic or complicated a bill is, the government is determined to shut down debate on important issues. That is what is so wrong with what the government is doing.

We have seen it with this Conservative-Reform majority government. It is a change in attitude. It is either my way or the highway. It is either we get behind the bill, stop talking about it and allow it to pass or the government will bring in time allocation. Time and time again—and we could repeat it 36-plus times—the government has brought in time allocation.

This is new for the Government of Canada. No other government has used this measure so willingly and shamelessly in the history of our country.

My question is not for the minister responsible for the bill but for the government House leader. Why does the government House leader continue to bring in time allocation? That is shameful behaviour, and the Conservative majority government has to take responsibility for its lack of respect for the House of Commons and all members of the House. Why is the government continuing to bring in time allocation as part of a normal procedure?

● (1705)

Hon. Denis Lebel: Mr. Speaker, I have some quotes from Canadian organizations that are supporting the bill.

These measures will create the conditions for improved railway performance and accountability. It will help ensure all shippers can gain access to an adequate level of service.

It was Kevin Bender, President of Western Canadian Wheat Growers Association, who said that.

Stephen Vandervalk, president of Grain Growers of Canada, said, "We especially thank Agriculture Canada and Transportation Canada and the federal government for listening to farmers and moving this legislation ahead."

Richard Paton, president and CEO of the Chemistry Industry Association of Canada, said:

The level of service offered by Canada's railway can make the difference between companies investing here, or taking their business elsewhere. So this legislation is critical—not only for our industry's competitiveness, but for Canada's overall productivity and prosperity.

David Lindsay said:

Ensuring a fair and balanced relationship between shippers and the railroads will help the forest products industry retain and create jobs for the benefit of the Canadian economy.

Government Orders

That is what we want to do. We want to support the Canadian economy. From the time we came here and up to the last economic action plan, that is all we have wanted to do, and we will continue to do so.

It is time to pass this bill.

[*Translation*]

Mr. Dany Morin (Chicoutimi—Le Fjord, NDP): Mr. Speaker, if the Minister of Transport is in such a rush to end the debate and even to prevent me, as a parliamentarian, from speaking to this bill, why did the Conservatives wait five years before bringing this initiative forward?

It sounds like double-talk to me. To suddenly be in such a rush sounds like last-minute timing, given that they dragged their feet for five long years. Shippers have been in this situation for a very long time, and the Conservatives have done nothing.

Hon. Denis Lebel: Mr. Speaker, my colleague should familiarize himself with the history of this bill. It all began in 2006, right after the former minister of transport, Mr. Cannon, took office.

A process was instituted that has lasted since that time. Studies and research have been done, and study committees created. A panel composed of three rail transport specialists was created. They toured the country to listen to the people and see how the bill should be framed.

It was a long process. Actually, I think I am the fourth or fifth minister of transport since the process began. When I arrived at Transport Canada, we hired Jim Dinning, who is known nationwide for his impressive administrative skills. Mr. Dinning did an excellent job of laying the groundwork for the bill; it is going to enable us to move forward.

I myself went to the port of Saguenay, in the member's region, to announce a \$15-million investment to provide a railway branch line so that shippers will be able to send their goods from all over Abitibi, all the way from the far north, out of that port.

We believe that rail transport is a very important factor in Canada's economic future. That is why we want to continue supporting the economy and these shippers today. This did not happen in a day. The work was done over several years and is now taking shape.

• (1710)

[*English*]

Mr. Dan Albas (Okanagan—Coquihalla, CPC): Mr. Speaker, I certainly appreciate the Minister of Transport's efforts on this. Obviously this has been an encompassing process from 2006 to today.

I am a little lost for words. We hear some NDP members saying that this is going too fast and we need to slow down, while other members of the NDP are asking what is taking us so long. From my perspective, as a government we have supported infrastructure. My own province of British Columbia has the Asia-Pacific gateway. Obviously, some needs have been expressed by the industry over the years to have access.

Would the minister repeat the economic reasons for seeing this bill go forward so industry can have that sense of certainty and see our economy grow?

Hon. Denis Lebel: Mr. Speaker, the bill is an important part of our plan to strengthen our economy. Our government is working to improve rail freight service in Canada to better support economic growth, resource development and our ambitious domestic and international trade agenda.

As I have said, the corridors are very important for us. The Asia-Pacific gateway is a success worldwide. I was in Germany last week for the international transportation forum with ministers of transport from around the world, from Korea to China to Japan. All these ministers know the Asia-Pacific gateway very well. We have made a success of that. Why? Because we have invested in the infrastructure in the country to improve our economy. That is why we want to continue to do so.

The bill would change the rules, but that would help shippers have an agreement with rail companies, and that is very important for shippers. They have been asking for that for years. That is why we have to continue.

The goal of this legislation is to encourage railways and shippers to work together. Shippers will have the right to a service agreement with railways to enhance clarity, predictability and reliability in rail service. The bill would help shippers manage and expand their businesses, while ensuring the railway operates an efficient network for the benefit of all users. A strong, competitive rail freight supply chain is vital to Canada's economy as a whole and the challenging global economy. All sectors of the economy must work together to drive growth, job creation and long-term prosperity.

[*Translation*]

Mr. André Bellavance (Richmond—Arthabaska, BQ): Mr. Speaker, we are not here to discuss the merits of the bill that the minister has suddenly declared to be extremely urgent.

There is something else I would like the minister to explain. We do not have any major problems with his bill. However, I do not understand this sudden urgency. The minister is telling us that it has not moved forward since 2006.

That is the kind of thing people say when the previous government was another party. Since 2006, however, we have had a Conservative government, the minister's own government. As the minister said, he has done studies to get this bill going, as he should.

It is now 2013 and all of a sudden, today, at the end of the parliamentary session, a 40th time allocation motion is being brought in. Can the minister comment on that? Why is it suddenly so urgent? What is so urgent, to the point of shutting down all debate and once again preventing people from coming to testify and democracy from taking its course?

All the ministers want their bills to get passed quickly, right now, and they are all using time allocation motions.

I would like an explanation, because up to now I have not heard anything from the minister.

Government Orders

Hon. Denis Lebel: Mr. Speaker, if my colleague had listened carefully to what I said, he would know that I never said that our government had blocked anything. They are the only ones blocking things here because they want to take Quebec out of Canada and I totally disagree with that. I want a strong Quebec in a united Canada. This is not what the member wants. His party wants to prevent Canada from gaining ground in the province, while I want to ensure that all parts of Quebec and the Saguenay—Lac-Saint-Jean region can reap the benefits of a growing economy that is capable of creating jobs everywhere.

No one ever said the project was blocked. We said we had done things properly, by the book, by involving the shippers and the rail companies. We set up a committee, a panel of experts who crisscrossed the country. Sometimes things take time, but I never said that it was blocked. He is making things up.

Now we have reached the stage where all the shippers in the country are asking us to do this. When business people, many of them from the area around Victoriaville as well as all the other regions of Quebec and across Canada, ask us to take measures that will stimulate the economy, well, that is what we do. This is why we think it is time for the bill to be passed.

● (1715)

Ms. Françoise Boivin (Gatineau, NDP): Mr. Speaker, we are delighted to hear that the minister is unblocked, finally.

That said, I think this is the fourth time in four days that I have risen to criticize this process, something that now seems to be standard practice for this government. They bring in a gag order to end debate.

What the Minister is not saying is that in 2006, the Prime Minister prorogued the House because he was about to be clobbered by the opposition parties. Such actions tend to derail bills. There were elections after that in 2008 and 2011.

Today, all of a sudden, on this beautiful May 29, we are told there is great urgency—in fact, we hear this every day. This is the fourth bill of its kind, and they are not trivial bills either.

There was Bill C-48, which dealt with all kinds of tax amendments, Bill C-49, meant to change the name and mandate of a museum, and Bill C-54, the Not Criminally Responsible Reform Act. These are not inconsequential bills.

Now we have Bill C-52 before us. I believe the cat was let out of the bag yesterday when a colleague of the minister rose to say that they were ultimately not interested in what people from the various ridings had to tell them. What interested them was what they, the Conservatives, had to say on those matters.

In their view, once we agree on a bill, we should be quiet, stay politely seated and not say another word because, in any case, they are not interested in what the people of Gatineau have to say, through their member, on the merits of the issue.

Only three hours were allotted for debate at third reading. That is appalling. It is a hijacking, not of a train, but of debate. It is shameful. For reasons unbeknownst to us, this is now part of this government's normal procedure.

I do not want to know whether the bill is good, since we are going to vote for it. I want to know why we are being compelled to do it this way. To date, the minister does not appear to want to give us an answer that is sensible and acceptable, at least for the people of Gatineau.

Hon. Denis Lebel: Mr. Speaker, I want to recall a little history.

I had the honour of experiencing a by-election in 2007 and the general elections in 2008 and 2011. I am very familiar with the schedule of the last few election years here at the federal level, having experienced several of them. Indeed, elections may have had an impact on the progress of certain business.

Nevertheless, since the NDP members agree on the bill, they will still agree even if we debate it for several more hours. That is what the hon. member just said. We believe it is time to move on.

However, at the Standing Committee on Transport, Infrastructure and Communities, they talked about the ideological struggle to abolish the Canadian Wheat Board, the degree of difficulty experienced by heavy-duty trucks between -40 °C and 40 °C, our government's inaction on railway security measures, cuts at VIA Rail Canada, opposition to the introduction of rail service, and so on.

I have four pages of similar topics that they discussed and that were not necessarily related to the bill being discussed in committee. When time is allotted to us, we should use it to address the proper subjects and to advance arguments that relate to them at the time.

At the committee meetings regarding Bill C-52, we discussed a range of subjects. I can name others: the potential risks associated with the transport of bitumen by pipeline, the national transit strategy, the closing of rail lines between Gaspé and Chandler, and so on. I have four pages of subjects.

If the relevance of the topic at the time we discuss it is so important to them, they should have set an example in committee. Today it is time to pass this bill for the Canadian economy. The government is only acting in the interest of the economy and the people who want to create jobs.

Mr. Robert Aubin (Trois-Rivières, NDP): Mr. Speaker, I also attended the meetings of the Standing Committee on Transport, Infrastructure and Communities.

Strangely, as he looked over his documents, the minister appears to have forgotten the many amendments that were proposed and rejected. I do not want to get into that debate, however, because we are now discussing a time allocation motion. Day after day, minister after minister and bill after bill, we are witnessing the same thing.

I really feel as though the government is operating backwards. It is taking an exception and turning it into a rule. Since we are talking backwards, I will ask my question in a backwards way.

Can the minister speak on behalf of his government and tell the House what the acceptable procedure would be so that a bill on any subject at all could follow the normal process?

● (1720)

Hon. Denis Lebel: Mr. Speaker, the bill will be voted on sooner or later.

Government Orders

I think the ideal would be for all parties to vote together in favour of this bill. I outlined the benefits of this bill a few moments ago in English, and now I will repeat them in my mother tongue.

The bill will give shippers the right to have a service agreement with the rail companies. If such an agreement cannot be reached in commercial negotiations, the shipper can ask for an arbitration process to reach an agreement. The bill also provides that in cases of non-compliance, the shipper can call upon the Canadian Transportation Agency to impose a financial penalty of up to \$100,000 per violation on the rail company. The proceeds of such penalties will go into government revenue and help stimulate the economy. We do not want this procedure to be used excessively.

If the shipper has suffered excessive financial losses because of the poor service provided, the shipper can still bring a suit for damages. A civil suit is still possible.

This bill will force everyone in the supply chain to improve their efficiency, which will help ensure that goods move more quickly.

Those are the elements we are really concentrating on. We want to improve the service in order to create and maintain jobs.

[*English*]

Mr. Jamie Nicholls (Vaudreuil—Soulanges, NDP): Mr. Speaker, are we to understand that the minister does not have the necessary influence in his cabinet to move this important legislation up sooner than it has been presented in the House, that he has to resort to a tool such as time allocation? Is he not showing the weakness of his influence in his own cabinet? This legislation has been waiting for seven years, and he cannot convince his own team to move it up on the legislative agenda.

[*Translation*]

Hon. Denis Lebel: Mr. Speaker, that is a little absurd given all the delays to the schedule mentioned earlier.

Today, I am proud of our team's work. I am proud of what has been achieved since the last election, and since our work began on the Standing Committee on Transport, Infrastructure and Communities. I am proud of everything that we have managed to achieve together.

What matters today is not what I think, but what Canadian shippers think. I could read many more pages to give members a sense of just how proud these folks are of what has been done to move this bill forward.

I will leave it up to Canadians to decide who has influence here. It is my firm intention to win my seat again at the next election. We shall see what fate befalls this member.

We are capable of working very hard to move things forward. The member is the one who spoke about influence. We shall see how things turn out, since I am not the one who made this point.

That being said, we will continue to make sure that the economy prospers in every region of the country, including in Quebec—after all, I am a proud fellow from the Saguenay—Lac-St-Jean region. I want to work towards that. I do not believe that anything is achieved by attacking other members on their alleged ability or inability to get things done.

I think we worked hard. In fact, this bill is now at third reading. To those who feel that things have moved too quickly, I would say that things can never move fast enough when it comes to job creation and Canada's economy.

Mrs. Djaouida Sellah (Saint-Bruno—Saint-Hubert, NDP): Mr. Speaker, as the member for Saint-Bruno—Saint-Hubert, I would like to tell Canadians listening to me now that this government's attitude is a source of great frustration for me.

In just four days, there have been four gag orders. This is the 40th gag order. This is unprecedented and will make the *Guinness Book of Records*. It has never happened before.

On top of that, the Conservatives are proud of what they are doing. They are proud to silence members who were democratically elected by their fellow citizens. They are proud to shut us up and to tout the effects that their decisions will have on Canadians' lives.

My question is for the Minister of Transport. Every time the opposition proposes amendments, the Conservatives refuse to take them into consideration. Why is that?

● (1725)

Hon. Denis Lebel: Mr. Speaker, as I said many times in committee, we talked about this bill with a number of committee members from both sides of the House. We had many discussions and I would remind the House that, at the request of the official opposition, we talked about the major environmental concerns surrounding greenhouse gas emissions from motor vehicles even though we were talking about the railway. We also talked about making passenger rail service more efficient when we were talking about transporting freight, and investing in public transit in Toronto when we were talking about rail transportation and developing a national public transit strategy.

I have a question for the member opposite. When we are dealing with something as important for our country's economy as allowing shippers to have agreements with Canadian railway companies—which they have been asking for for years—why do they not talk about that topic in particular? We could have made a lot of progress and the vote could have been held a long time ago.

That said, here we are today. We do not live on an island. The economy of our American partners seems to be rebounding. Nonetheless, between 70% and 75% of Canada's exports go to the U.S. and much of that is shipped by train. It is important to provide these companies the means to achieve their objectives and remain profitable.

Of course, we can meet in committee to talk for weeks and slow down the debate. However, at the end of the day, when we want to pass bills to help support the country's economy, we want to be efficient about it.

[*English*]

Mr. Dan Harris (Scarborough Southwest, NDP): Mr. Speaker, the minister asked why we are not debating the bill. What we are left is debating this time allocation motion. Again, it is the 40th one.

Government Orders

We want to debate the bill in committee and bring forward amendments. The Conservatives do not want to do that. They accuse us of delaying the bill. The Conservatives have a majority in the committee. They decide the witnesses. They decide how long it is going to take. They control the agenda. They are the ones who have delayed for seven years.

Then, when we bring many reasoned amendments forward to the committee, the Conservatives ignore them because they do not want to hear from the opposition. They do not want to hear from Canadians. Of course they bring up a list of people who are supporting the bill. All the Conservatives have done is throw them a bone. At this point, after this long, they will take what they can get. What they could have had is far more, if the government had actually listened to the NDP, had taken our amendments into consideration and added them to the bill.

That would have certainly made for a better bill that we could be passing. It would have a greater economic impact that would help more Canadians than what the government is doing.

I want to ask the minister a question. Why did they not do that?

Hon. Denis Lebel: Mr. Speaker, let me quote some representatives of organizations on this bill.

Jim Facette, president and CEO, Canadian Propane Association said:

The new legislation respects the commercial nature of the relationship between the railway carrier and the propane shipper, but also addresses the recommendations of the Rail Freight Service Review Panel. It contains all of the measures that the propane industry requested – the right to a Service-Level Agreement, an arbitration process should commercial negotiations fail, and consequences for non-compliance. The propane industry is pleased to support the Fair Rail Freight Service Act. It is our hope that the Act, coupled with recent improvements we have seen from the railways, will enhance competition and promote positive relationships between the railways and the shippers.

Greg Cherewyk, executive director of Pulse Canada, said:

Every step in this process is just that, a single step towards the goal of a more predictable and reliable supply chain that makes Canadian businesses more competitive in the international marketplace.

This is what business men and women want. They want to create jobs. They want to have this discussion and this bill done. That is what we will deliver for them.

• (1730)

The Deputy Speaker: It is my duty to interrupt the proceedings at this time and put forthwith the question on the motion now before the House.

[*Translation*]

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.

• (1810)

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

(*Division No. 706*)

YEAS

Members

Ablonczy	Adams
Adler	Aglukkaq
Albas	Albrecht
Alexander	Allen (Tobique—Mactaquac)
Allison	Ambler
Ambrose	Anders
Anderson	Armstrong
Ashfield	Aspin
Baird	Bateman
Benoit	Bernier
Bezan	Blaney
Block	Boughen
Braid	Breitkreuz
Brown (Leeds—Grenville)	Brown (Newmarket—Aurora)
Brown (Barrie)	Bruinooge
Butt	Calandra
Calkins	Cannan
Carmichael	Carrie
Chisu	Chong
Clarke	Clement
Crockett	Daniel
Davidson	Del Mastro
Devolin	Dreeshen
Duncan (Vancouver Island North)	Dykstra
Findlay (Delta—Richmond East)	Flaherty
Fletcher	Galipeau
Gallant	Glover
Goguen	Goldring
Goodyear	Gosal
Gourde	Grewal
Harper	Harris (Cariboo—Prince George)
Hawn	Hayes
Hiebert	Hoback
Holder	James
Jean	Kamp (Pitt Meadows—Maple Ridge—Mission)
Keddy (South Shore—St. Margaret's)	Kennedy (Calgary Southeast)
Kent	Kerr
Komarnicki	Kramp (Prince Edward—Hastings)
Lake	Lauzon
Lebel	Leitch
Lemieux	Leung
Lizon	Lobb
Lukiwski	Lunney
MacKenzie	Mayes
McColeman	McLeod
Menegakis	Merrifield
Miller	Moore (Port Moody—Westwood—Port Coquitlam)
Moore (Fundy Royal)	Nicholson
Norlock	Obhrai
O'Connor	Oliver
O'Neill Gordon	Opitz
O'Toole	Paradis
Payne	Poillievre
Preston	Raii
Rajotte	Rathgeber
Reid	Rempel
Richards	Rickford
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	Woodworth
Yelich	Young (Vancouver South)
Zimmer — 153	

NAYS

Members

Allen (Welland)	Andrews
Angus	Ashton
Atamanenko	Aubin
Ayala	Bélangier
Bellavance	Bevington
Blanchette	Blanchette-Lamothe
Boivin	Boulerice
Boutin-Sweet	Brosseau
Byrne	Caron
Casey	Cash
Charlton	Chicoine
Chisholm	Choquette
Chow	Christopherson
Cleary	Côté
Cotler	Crowder
Cullen	Cuzner
Davies (Vancouver Kingsway)	Day
Dewar	Dion
Dionne Labelle	Doré Lefebvre
Dubé	Duncan (Etobicoke North)
Duncan (Edmonton—Strathcona)	Dusseau
Easter	Eyking
Foote	Fortin
Freeman	Fry
Garneau	Garrison
Genest-Jourdain	Giguère
Godin	Goodale
Gravelle	Harris (Scarborough Southwest)
Harris (St. John's East)	Hsu
Hughes	Hyer
Jacob	Julian
Karygiannis	Lamoureux
Lapointe	Larose
Latendresse	Laverdière
LeBlanc (Beauséjour)	LeBlanc (LaSalle—Émard)
Leslie	Liu
MacAulay	Mai
Martin	Masse
Mathyssen	May
McCallum	McGuinty
McKay (Scarborough—Guildwood)	Michaud
Moore (Abitibi—Témiscamingue)	Morin (Chicoutimi—Le Fjord)
Morin (Notre-Dame-de-Grâce—Lachine)	Morin (Laurentides—Labelle)
Mulcair	Nantel
Nash	Nicholls
Nunez-Melo	Papillon
Patry	Péclet
Perreault	Pilon
Plamondon	Quach
Rae	Rankin
Ravignat	Raynault
Regan	Saganash
Sandhu	Scott
Sellah	Sgro
Simms (Bonavista—Gander—Grand Falls—Windsor)	
Sims (Newton—North Delta)	
Stewart	Stoffer
Sullivan	Toone
Tremblay	Turmel
Valeriote — 117	

PAIRED

Nil

The Deputy Speaker: I declare the motion carried.

Private Members' Business

I wish to inform the House that because of the proceedings on the time allocation motion, government orders will be extended by 30 minutes.

[English]

It being 6:14 p.m., the House will now proceed to the consideration of private members' business as listed on today's order paper.

PRIVATE MEMBERS' BUSINESS

[Translation]

LANGUAGE SKILLS ACT

The House resumed from May 1 consideration of the motion that Bill C-419, An Act respecting language skills, be read the third time and passed.

Hon. Stéphane Dion (Saint-Laurent—Cartierville, Lib.): Mr. Speaker, we are talking about a bill that should have been completely useless. We should not have even had to discuss it because, it seems to me and to most Canadians, it should go without saying that our officers of Parliament should have to be bilingual.

Mr. Speaker, even you are not listening to me. I do not see the point in continuing.

Some hon. members: Oh, oh!

• (1815)

[English]

The Deputy Speaker: I will repeat that if members want to have private conversations, they should leave the chamber. I cannot hear the member and he cannot hear himself think or talk.

Hon. Stéphane Dion: Mr. Speaker, now that everybody is listening carefully, I am saying that we are discussing a bill that we should normally not have to discuss, something that has been taken for granted and that Canadians thought was done already.

[Translation]

The obligation for officers of Parliament to be bilingual and to speak Canada's two official languages is something that seemed self-evident until this Prime Minister appointed a unilingual Auditor General. That was a shock. The party to which I belong reacted so strongly that it refused to vote in favour of the appointment of that Auditor General. We left the House without even voting.

I would like to thank my colleague for preparing this bill, which we of course support and which will ensure that officers of Parliament are required by law to be bilingual at the time of their appointment. It made no sense to take them on as unilinguals and to say that they would learn the other official language on the job, while working. That would mean learning French because we know very well that a unilingual francophone will never be appointed. They will appoint unilingual anglophones and say that this is not a problem because the appointees will learn French.

Private Members' Business

It is insulting to tell Canadians that the incumbents of such crucially important positions will be asked to devote considerable time and effort to learning a language when they are over 40 or 50 years of age. They have better things to do. They must be able to understand both official languages at the time of their appointment.

The reasons for that are obvious. First, the role of an officer of Parliament, whether that of auditor general or another officer such as the commissioner of official languages, is to be able to speak with parliamentarians, to discuss matters with them and to understand them and make themselves understood.

[English]

Many of my colleagues are unilingual. To be elected in Canada, people do not need to be bilingual. They only need to convince voters that they are the best candidate. It is very important to be understood when speaking to, let us say, the Auditor General, and to understand what the Auditor General has to say. Since MPs are at the service of Parliament, they should be able to be understood by all parliamentarians.

[Translation]

That is the first reason. The second reason is that, in order to make decisions, officers of Parliament must read a large amount of information that comes to them from across Canada, including from Quebec, New Brunswick and many places in Canada where information is in French. How can they understand that information on their own if they cannot read it on their own? They need that information to make decisions. Competency includes the ability to read in both official languages.

The third reason is that the office in question, like the Office of the Auditor General, must also be able to work in both official languages. However, if the head of that office is a unilingual anglophone, everything will be done in English. The person at the top must therefore be able to understand both languages so that the office can operate in both languages.

There is another essential reason. The auditor general and the other officers of Parliament are not mere bureaucrats, but rather communicators. They must communicate their information to Canadians. Nuanced communication is not possible if they cannot speak to Canadians in both languages. I can say that the entire saga leading up to the sponsorship scandal would have been entirely different if the auditor general at the time had been unable to speak French, and I say that having experienced the event first-hand.

[English]

The other reason that the Auditor General and other officers of Parliament should be bilingual is to send the right message to the youth of our country. If they have ambition and want access to all the responsibilities of their country, they should learn the two official languages.

It is key for people to do that when they are 18 years old because it will be much more difficult when they are aged 48. When they will perhaps want access to these responsibilities, it may be too late. We need to send this message now, through this bill. It is key to shaping our country and the ability for Canada to pay tribute to its two official languages.

● (1820)

It is an incredible asset for us to have two official languages that are international languages. We need to be sure that it will be part of our future. We need to send a message that the most important responsibility, including yours, Mr. Speaker, is to be able to address fellow Canadians in the two official languages.

[Translation]

The Conservative government finally agreed to accept these arguments, and we are glad of that. I think it is important to emphasize that here where we are all together. It was not easy. They proposed amendments, but those amendments will not prevent us from voting in favour of the bill. Still, I would like to take this opportunity to say that those amendments were not useful. They added nothing very positive. They actually weakened the obligation to be bilingual. It has been weakened, but I think it is still strong enough. The ability to speak and understand both official languages well is a prerequisite for appointment. That will do; we can live with it. The bill is still "votable" despite the amendments that weaken it.

The Conservatives also eliminated clause 3, which provided that the Governor in Council could, by order, add offices to the list established in clause 2. In that way, the government could have added to the list of offices for which bilingualism would be mandatory, without returning to Parliament. A belief in bilingualism is a belief in making it more widespread. The government did not want to give itself that power; it wants to come back to Parliament. That does not change much in the end, because if a government really wanted to add more offices, it could come to Parliament and make a convincing argument. If it did not want to, no law could make it do that. Thus, it is not a useful amendment.

With another amendment, the governing party also eliminated clause 4 concerning interim appointments to the offices mentioned in Bill C-419. This clause read:

In the event of the absence or incapacity of the incumbent of any of the offices listed in section 2 or vacancy in any of these offices, the person appointed in the interim must meet the requirements set out in section 2 [that is, the bilingualism requirements].

We know what the Conservatives are trying to do, but they will not succeed. Once this bill has been passed by the House of Commons and the Senate, there will be no way to exempt any interim office holder from the law. According to the law, the interim incumbent must be bilingual. When a Canadian is given such a serious responsibility, whether permanently or temporarily, that person must meet the requirements set out in the law. If the law requires an auditor general to be bilingual, then an interim auditor general must also be bilingual. If the government were to defy this law, it would be defying common sense and leaving itself open to legal action.

Private Members' Business

Thus, despite these efforts by the Conservatives, this is still a good bill. I implore the government not to play games. We are ready to send it to the Senate quickly. I have talked with my Senate colleagues; they are ready to proceed quickly. The bill will be voted on in the House and sent to the Senate. The Senate will look at it carefully, as senators always do, but they can do it quickly. They must ensure that this bill becomes law and does not fall into limbo when the government decides to prorogue the House in an attempt to revive its moribund government.

Ms. Éleine Michaud (Portneuf—Jacques-Cartier, NDP): Mr. Speaker, I am very pleased to have the opportunity today to speak to Bill C-419, An Act respecting language skills. I want to extend my sincere thanks to the member for Louis-Saint-Laurent for having introduced such a worthwhile bill. We often run into each other because our ridings are side by side. I can attest to the outstanding work she does each and every day. The bill she introduced is yet another example of her good work.

I would also like to tip my hat to the member for Acadie—Bathurst, the NDP official languages critic, who has always been a fervent supporter of bilingualism and francophone minority communities. I want to applaud his efforts, which helped contribute to this bill's success.

As I said, I am very proud to support Bill C-419, which is designed to ensure that the 10 officers of Parliament are bilingual.

• (1825)

[*English*]

Having been raised in a perfectly bilingual military family, I have always cherished both official languages. I grew up watching both *Passe-Partout* and *Sesame Street*, and learning both French and English at home.

At a very early age, I was taught the importance of bilingualism in Canada as a way to better understand two of our founding nations and their culture. I was also taught that speaking both of Canada's official languages would offer me better employment opportunities, especially if I wanted to work in the public sector. Therefore, I have always believed that it was an essential prerequisite for the highest-ranking public servants to master both official languages in order to be appointed to such important positions.

When I was a parliamentary guide here in 2007, it was a point of pride for me to point out to visitors from other countries that bilingualism was a prerequisite for our highest-ranking public servants as a proof of the importance that was given to bilingualism in Canada.

[*Translation*]

Unfortunately, as has often been the case since I became a federal MP, the Conservative government has denied that basic principle since winning majority status. It appointed a unilingual English Auditor General who is still not able to respond to questions in French during press conferences.

Bill C-419 aims to fill a major gap in the current legislative framework, and that gap was made obvious with the Conservatives' ill-advised appointment. This bill also clarifies the language obligations of the 10 officers of Parliament. Given that their

functions and roles require them to interact with parliamentarians and Canadians, they must be able to communicate with parliamentarians and Canadians in the official language of their audience's choice.

It was insinuated, in committee and elsewhere, that we were trying to violate the language rights of officers of Parliament, but that is clearly not the case with Bill C-419. In fact, there is nothing keeping an officer of Parliament, such as the auditor general, from conducting a press conference entirely in English. The important part is that they be able to respond to questions in French when necessary.

We are not trying to deny officers of Parliament the right to work in French. On the contrary, we are trying to guarantee the language rights of every Canadian. It is a matter of respect for all Canadians, whether they live in a minority language situation or not, and respect for the MPs they elected to represent them.

As a member of the Standing Committee on Official Languages, I had the opportunity to study my colleague's bill in detail and I saw the merits of it. I understood the need for this bill. The original version of it was excellent. It responded directly to the concerns raised by the appointment of the current Auditor General, among other things.

This bill received support from members of all parties represented in the House. Unfortunately, at committee stage, the bill was butchered. The committee's Conservative majority did everything in its power to limit the scope of the bill, going so far as to insinuate that the NDP was trying to institute measures that would discriminate against the hard of hearing. I have heard it all since I have been in Parliament. They also eliminated the preamble of the bill, which provided the definition of officer of Parliament.

Without that part of the bill, this concept remains rather vague.

The Conservatives also removed any mention of the fact that the Constitution recognizes French and English as Canada's two official languages that receive equal privileges in Parliament. They removed that. This is not something controversial. This should be common knowledge for everyone in the House, regardless of their party or whether they are unilingual or not. That was not the issue. I thought it was a real shame that the Conservatives did not want to include these fundamental principles in the final version of Bill C-419.

Quite honestly, when we look at their record when it comes to official languages, especially when it comes to defending the French fact and the French language in Canada, we are hardly surprised.

Consider the appointment of a unilingual anglophone Auditor General. We spoke about that in the House. The government promised that, in less than a year, Mr. Ferguson would have a sufficient mastery of the French language to at least be able to answer questions. That is still not the case today. It was truly unrealistic to make such a promise given the scope of the Auditor General's duties. It was absolutely illogical and inconceivable to think that, in just one short year, he could gain a sufficient mastery of the language of Molière to be able to answer people's questions and interact with them without the help of an interpreter.

Private Members' Business

Consider also the appointment of unilingual anglophone judges to the Supreme Court. For years, the hon. member for Acadie—Bathurst has been fighting to try to change the law and ensure that, even in the Supreme Court, people can really choose the language in which they want to interact. They can make that choice now, but there is no guarantee that the judges present will understand everything and that these people will truly receive equal treatment. They may receive less time to plead their case because the interpreters need time to do their job. Judges who do not have a good knowledge of French may not be able to grasp the subtleties in the documentary evidence.

We have here a host of problems that the hon. member for Acadie—Bathurst and other members of the NDP have been trying to resolve for years. We are faced with the same situation today: judges appointed to the Supreme Court do not understand French, not even the most basic French. This is problematic, and this government has an unbroken record of inaction in this regard.

Another example is the closure of the Maurice Lamontagne Institute library, the Department of Fisheries and Oceans' only French library. This government shut down the library just to save a few bucks.

When we look at the different decisions this government has made, we unfortunately get the impression that French represents additional costs for Canadian taxpayers and that it is not necessarily considered a fundamental value or foundational principle of Canada. French is seen as a constraint and an obstacle to overcome, rather than “the language of ambition”, as the Commissioner of Official Languages so eloquently described it.

I want to get back to the closure of the Quebec City maritime search and rescue centre. There are some rumours in the papers that the government has apparently decided to reverse its decision to close the centre, but it still refuses to confirm that.

We tried to raise the issue several times at the Standing Committee on Official Languages. We moved some motions. When the Commissioner of Official Languages appeared the last time, we even asked a number of questions about this issue. The commissioner completely agrees with the NDP that the government must guarantee bilingual services at the Halifax and Trenton centres. That is not currently the case. Both the Auditor General and the Commissioner of Official Languages illustrated that.

However, to save a few million dollars, the government is prepared to jeopardize the lives of the hundreds of thousands of people who use the St. Lawrence and who have the misfortune of being francophones in this country. That is really too bad, but it reflects the attitude we saw in committee.

Although the government was reluctant, we managed to keep the essence, the spirit of the bill. We are proud of that. Once again, I want to congratulate my colleague for working so hard and for being patient while working with members from all the parties. I am not always patient, so I admire that a lot.

The NDP has always been firmly committed to protecting the language rights of Quebecers and all Canadians.

I hope that all parliamentarians will join the NDP in supporting this excellent bill, Bill C-419.

• (1830)

Mr. Dan Harris (Scarborough Southwest, NDP): Mr. Speaker, I would like to thank the member for Portneuf—Jacques-Cartier for her work at the Standing Committee on Official Languages and for her impassioned speech here today.

I have the honour of rising today to support Bill C-419 introduced by my colleague from Louis-Saint-Laurent.

I had a rather unusual youth. I am a Franco-Ontarian born in Toronto. My father's family is anglophone and has lived in Scarborough for over 90 years, while my mother comes from a francophone family from Sherbrooke and Montreal. When I was young, living in Toronto, I was very fortunate to get my education at the Petit Chaperon Rouge francophone daycare, the Georges-Étienne Cartier Catholic elementary school and the Bishop de Charbonnel Catholic high school. I understand what it means to be part of a linguistic minority.

I was also lucky because my anglophone father, David Harris, studied in Montreal so he could learn French. He has now been teaching French to young anglophones in Scarborough for 25 years. Linguistic duality is very important for me and my family.

Bill C-419 is intended to make a positive change by ensuring that future officers of Parliament work in both official languages from the time they are appointed, so that Canadians receive services in the official language of their choice.

• (1835)

[English]

It is indeed my privilege to rise this evening to speak to a very important and critical bill, Bill C-419, an act respecting language skills.

As a fluently bilingual franco-Ontarian with deep familial roots in Quebec, my support for the bill is partly technical and partly personal. I have lived my whole life with the linguistic duality of Canada, and understand the importance of protecting our traditional language rights.

When I was a member of the Standing Committee on Official Languages after being elected in 2011, I had the distinct honour of working with Mr. Graham Fraser, the Commissioner for Official Languages here in Canada. I developed a strong respect for Mr. Fraser in his view about official languages. His testimony in particular about the bill at committee was very important and provided a very important summary of the bill. He said:

Bill C-419, which was put forward by the New Democratic MP for Louis-Saint-Laurent, is to the point and unequivocal. Its purpose is to ensure that persons whose appointment requires the approval by resolution of the Senate, House of Commons, or both Houses of Parliament, can understand and express themselves clearly in both official languages without the aid of an interpreter from the moment they are appointed. It is an important bill for the future of Canada's linguistic duality. I therefore support it unconditionally.

Private Members' Business

The bill is a response to the controversy caused by the Conservative appointment of a unilingual Auditor General in November 2011. While the notice of vacancy clearly indicated that proficiency in both official languages was an essential requirement to the position, the Conservative government sadly ignored this.

Given the protection of language rights embedded in the Constitution and the long history of custom and tradition, it is very unfortunate and disappointing that this type of bill is even necessary. However, the appointment of the unilingual Auditor General for Canada seemed to indicate the Conservative government's willingness to ignore our rights and traditions and roll back our official language rights.

We cannot let this happen. As parliamentarians we must do everything we can to protect our language rights when they are threatened. For that reason I thank in particular the member for Louis-Saint-Laurent for bringing the bill forward and for getting support from all parties to ensure that kind of situation never happens again.

The bill helped tremendously in that effort. The bill of the member for Louis-Saint-Laurent clearly seeks to clarify the linguistic requirements for officers of Parliament to ensure that this type of situation does not happen again. It is a question of respecting the linguistic rights of Canadians and the members who represent them.

Officers of Parliament must be able to communicate with members of the Senate and the House of Commons as well as Canadians in the official language of their choice.

The bill, when adopted, would ensure that future holders of the ten following positions should understand both French and English without the assistance of an interpreter, and be able to express themselves clearly in both official languages when they take office.

It recognized that fluency in both official languages is essential for anyone holding the following positions. Unfortunately, as my colleague from Portneuf—Jacques-Cartier mentioned, there were some changes at committee that added a bit of nuance or a lack of clarity in the bill.

The 10 positions that we are speaking of as officers of Parliament are: the Auditor General of Canada; the Chief Electoral Officer; the Commissioner of Official Languages for Canada; the Privacy Commissioner; the Information Commissioner; the Senate Ethics Officer; the Conflicts of Interest and Ethics Commissioner; the Commissioner of Lobbying; the Public Sector Integrity Commissioner; and the President of the Public Service Commission.

Each of the above offices was created under legislation that specified, among other things, the terms of employment and the nature of the office's relationship with Parliament.

In my opinion, all of the positions I have just mentioned are officers of parliament. This is important, because officers of Parliament must work closely with Parliament and must interact with parliamentarians on a daily basis. It is essential that these officers can work with members in both official languages and must therefore be proficient in both official languages at the time of their employment.

Why must officers be bilingual at the time of their employment? First, we have the Constitution, which stipulates that French and English are the official languages of Canada. Second, French and English have equal status and equal rights and privileges as to their use in all institutions of Parliament. Third, parliamentarians have the right to use either French or English during debates and work in Parliament.

I want to take a moment to express the joy and pride that I have being a member of the NDP caucus, with so many of our members being fluently bilingual and those who are unilingual are making tremendous efforts to learn Canada's other official language so they are better able to do their jobs and interact with their colleagues and other people in Parliament. I am incredibly proud of the number of MPs who are working on that day in and day out. Almost every day when I pass by the lobby, I can see two or three of our members working on that other official language to gain the skills to be better parliamentarians.

Again, this bill only became necessary following the appointment of a unilingual auditor general. Shortly after the announcement, the NDP filed a complaint with the Commissioner of Official Languages for Canada.

In June 2012, the commissioner in his final report about his investigation concluded that the position of auditor general should have been filled by a candidate who was proficient in both official languages. For the commissioner under the Official Languages Act, the Office of the Auditor General, as well as the Auditor General himself, is required to provide services in both official languages as a public figure of a government institution which responds to Parliament.

He also concluded that the Privy Council Office, which manages Governor in Council appointments, failed to comply with its obligations under the Official Languages Act.

According to the commissioner, "Historically, the appointment process for officers of Parliament was administered by the Senior Appointments Secretariat at the Privy Council Office. The process does not contain precise language proficiency provisions for incumbents of these positions. It is when the position becomes vacant and a recruitment strategy put in place with specific selection criteria that linguistic requirements are determined".

In the case of the Auditor General, the requirements did state that the auditor general should be proficient in both of Canada's official languages.

Respect for Canada's two official languages has always been a priority for the NDP. Bill C-419 is consistent with this priority. We want all MPs to give their support to Bill C-419 so it soon becomes law. Proficiency in both official languages at the time of appointment must be recognized as essential, particularly for the 10 offices targeted in the bill.

With the adoption of Bill C-419, we are taking the first step in ensuring that all future officers of Parliament are bilingual and then we can move on to other aspects, like ensuring that Supreme Court of Canada justices are bilingual so they can hear court cases in both official languages without the need of interpretation.

Private Members' Business

I believe everyone who ever aspires to those high positions and roles should take it upon themselves to learn the other of Canada's official languages, if not already bilingual, so they can apply for these positions and take on the roles that we have in the institutions of Parliament, the Supreme Court and elsewhere to ensure that Canada's linguistic duality is not only respected, but enriched through those additional appointments of bilingual officers of Parliament.

• (1840)

[*Translation*]

Ms. Annick Papillon (Québec, NDP): Mr. Speaker, I am very pleased to speak to Bill C-419 today. I want to congratulate my colleague from Louis-Saint-Laurent, whose riding is next to mine, on her wonderful, excellent work.

My colleague introduced Bill C-419 after a unilingual anglophone was appointed Auditor General in November 2011. At first the Conservative government defended the appointment of the Auditor General and opposed the bill.

Fortunately, the government has since changed its mind and seems to now support the NDP's bill. If it passes, Bill C-419 will ensure that future appointees to the 10 officer of Parliament positions set out in the bill will be required to understand French and English without the assistance of an interpreter and will have to be able to express themselves clearly in both official languages.

In short, Bill C-419 sets out the 10 positions for which bilingualism is considered an essential qualification. Because of the nature of the work, these positions require the individual to communicate with all parliamentarians and Canadians in the official language of their choice. It is a matter of respect.

I am happy to see that the bill has made it through the important step of being studied by the Standing Committee on Official Languages. The essence of the bill remained intact, which is excellent news.

However, I have to wonder why the Conservatives did not explain some of the amendments they proposed to the structure of the bill. The Conservatives removed the preamble, which emphasized the importance of the equal status of French and English in parliamentary institutions and in the Constitution.

When he was called upon to speak to the bill, the Commissioner of Official Languages, Graham Fraser, spoke in favour of including such a preamble in the bill. He said:

I have heard no arguments for deleting this preamble. It is practical, and I consider it useful. It expresses the spirit of the bill, its goals and objectives, so that ordinary people can understand why the bill has been introduced. It also describes the bill's overall aims.

It is unfortunate, but it has become apparent that, when the Conservatives amend legislation, far too often they remove the context and historical references. It is truly disgraceful. That kind of attitude must be denounced and corrected. I suggest that the Conservatives change their approach.

I sometimes get the impression that the Conservative government is confused about its definition of bilingualism. You have to admit that it is hard to reconcile how, on the one hand, the Conservatives claim to be advocates for official languages and yet, on the other

hand, they impose budgetary restrictions at the expense of bilingualism. The fact is that if you peel away the rhetoric, French is far too often given second-class status. There are so many examples attesting to this that it is impossible not to doubt the sincerity of the Conservative government.

Here are the plain facts. The government appointed a unilingual anglophone to the position of Auditor General. The Conservative government also appoints unilingual anglophone judges to the Supreme Court of Canada. It is the Conservative government that coerces francophone public servants to work more often in English. It was under a Conservative government that the pilots who travel on the Saint Lawrence River between Quebec City and Montreal had to file a complaint last winter with the Commissioner of Official Languages because they were unable to communicate in French with the crews of two Canadian Coast Guard icebreakers. Finally, it is also this Conservative government that does not see the problem with closing the only bilingual rescue centre in Canada, perhaps even in North America.

There is no doubt that the state of bilingualism in Canada is cause for great concern. Last year, the Commissioner of Official Languages, Graham Fraser, expressed his fear that the \$5.2 billion in spending cuts called for by Ottawa between now and 2015 would result in a number of unwelcome surprises, such as a reduction in the services provided in both official languages. Unfortunately, the commissioner's predictions seem to be coming true. The members on the other side of the House do not know where the money is going. Furthermore, in the blink of an eye, \$3 billion that was supposed to go towards fighting terrorism has gone missing. Had the government invested in bilingualism, perhaps we would not be where we are today.

• (1845)

According to an article in the daily newspaper *Le Devoir*, budget cuts are forcing departments to reduce the number of documents they have translated. This is evidenced by the fact that the production rate at the Translation Bureau dropped by 9% in 2011–12, with a further drop of 17% forecast for 2012–13. Moreover, departments are asking francophone staff to write their reports in English in order to save time and money.

In my opinion, the situation is, quite simply, unacceptable. Ottawa is even streamlining the office of Commissioner Fraser. In future, it will have to use money from its own budget to update its computer systems in order to process complaints more efficiently.

If the government really cares about bilingualism, as we do on this side of the House, logically, it should be providing the commissioner with more resources so that he can do his job properly.

Recently, I read in a newspaper that bilingualism has stagnated over the past decade. This is really appalling. We want more and more people across Canada, geographically the second-largest country in the world, to be proud of their Canadian history, which endowed us with two official languages.

These two languages allow us to bring together people from all continents. We should be more proud of that. That is why it is important to invest in this area and to tap into Canadian pride regarding our two wonderful official languages, French and English.

Private Members' Business

In 2002, the Prime Minister said that Canada is not a bilingual country. Ironically, today he is saying that it is his duty to protect the French language throughout this country. How times have changed. Again this week, however, according to an article in *Le Droit*, the Commissioner of Official Languages said that he needed to weigh his options for forcing the government to abide by the Official Languages Act when appointing judges, ambassadors, deputy ministers and heads of crown corporations.

Last year, Graham Fraser asked that the Privy Council Office, the Prime Minister's department, take into consideration the Official Languages Act when determining the language requirements for thousands of positions filled by Governor in Council appointments.

In the commissioner's opinion, if a position requires a bilingual candidate, the government should ensure that the selection committee respects that criterion. One year later, the government has remained silent on that recommendation.

Here is part of a letter that Mr. Fraser wrote to the member for Acadie—Bathurst, who does outstanding work on the Standing Committee on Official Languages:

[The Privy Council Office] has yet to follow through on our recommendations... We are currently weighing our options for ensuring that the [Privy Council Office] fulfills its key mandate of helping the government meet its commitments pursuant to part VII of the Official Languages Act.

Part VII of the act stipulates that the federal government must work to enhance the vitality of linguistic minority communities and promote the use of French and English in Canadian society. It is important to note that it is in no way necessary for everyone appointed by the Privy Council Office to be bilingual, but those who work with the public must, generally speaking, be proficient in both languages.

There needs to be objective criteria governing language levels for each position, and that is why Bill C-419 is so important.

To conclude, I invite all of my colleagues, from all parties on this side of the House as well as the Conservatives across the aisle, to support this bill. Too many mistakes have been made in the past.

People who show real leadership are able to acknowledge their mistakes and move forward. That is what this bill is proposing. It is a significant bill because it concerns official languages, one of the pillars of Canada's history. We have an opportunity here to show unity and vote unanimously on a bill that concerns us all. This would be a step in the right direction.

● (1850)

It is time to show Canadians that although parliamentarians may sometimes disagree on many issues, we can stand together when it comes to respecting Canada's official languages. We can say they are a source of pride and that we must invest more so that one day we can all speak both languages in order to communicate better with each other and live in a better society.

● (1855)

Ms. Manon Perreault (Montcalm, NDP): Mr. Speaker, first of all I would like to congratulate my colleague from Louis-Saint-Laurent on her bill concerning bilingualism as a hiring requirement for officers of Parliament. This gap is totally unacceptable and has

lasted for far too long. Needless to say, the subject of this bill, namely Canada's linguistic duality, is a key issue.

Respect for Canada's two official languages is a priority for the NDP. This bill is very timely, since this year marks the 50th anniversary of the Laurendeau-Dunton commission.

A Statistics Canada study released on Tuesday tracking bilingualism from 1961 to 2011 shows that young people are less and less exposed to French, and few immigrants are bilingual.

The Commissioner of Official Languages, Graham Fraser, has also expressed concern about the statistics shown by this study. This trend is not a good omen. The study tracked the evolution of bilingualism in Canada since the Laurendeau-Dunton commission was created. That is what laid the foundations for Canada's policy on bilingualism.

When it comes to public life and bilingualism in Canada, certain concrete measures have far-reaching effects. This is why my colleague introduced this bill.

This is about defending bilingualism in Canada, so we need to take meaningful action to do that. Obviously, we all know that this bill stems from the controversy generated by the appointment of a unilingual Auditor General in November 2011, when the job posting for the vacancy clearly said that proficiency in both official languages was an essential qualification for the position.

In spite of the government's change of direction on this bill, the fact remains that its track record in this regard is not a glowing one, and its negligence is detrimental to Canada's linguistic duality. The most blatant example of this was the appointment of Michael Ferguson as Auditor General.

That is why the NDP decided to take action by introducing a bill to recognize that officers of Parliament must be fluent in both official languages at the time they take up their positions. I am therefore glad that the government has ultimately listened to reason on this issue, at least with respect to officers of Parliament. That is a start. The Conservative government has a chance to stop taking us backward on official languages. This is a simple matter of respecting the language rights of Canadians and the parliamentarians who represent them.

Proficiency in both official languages at the time of appointment must be recognized as an essential qualification for the 10 key positions identified in the bill. The policy on official bilingualism must apply to officers of Parliament. If it does not, Canada's linguistic duality will be seriously undermined.

Let us now look at this bill, and how important it is, in greater detail.

By the nature of their duties, officers of Parliament have to be able to communicate with parliamentarians and Canadians in the official language of their choice. We know very well that this was not the case for the appointment of the Auditor General.

Private Members' Business

Accordingly, if the bill is enacted, future occupants of the 10 positions in question will have to understand French and English without the assistance of an interpreter and will have to be able to express themselves clearly in both official languages when they take up their position. It therefore recognizes that proficiency in both official languages is essential to the performance of their duties.

The following positions will be affected by these measures: Auditor General of Canada, Chief Electoral Officer, Commissioner of Official Languages of Canada, Privacy Commissioner and Information Commissioner.

Under this bill, the appointment of a unilingual person to the position of Auditor General or to any other of the 10 key positions would simply have been impossible.

This bill has brilliantly managed to clarify the linguistic obligations of officers of Parliament so that this kind of situation will never occur again. Only 10 positions are affected by the bill, which thus acknowledges that proficiency in both official languages is essential in performing the duties of officers of Parliament. Consequently, officers must have that proficiency at the time they take up their duties, for a number of reasons.

• (1900)

The Constitution provides that English and French are the official languages of Canada. English and French enjoy equality of status and equal rights and privileges as to their use in the institutions of Parliament. Parliamentarians have a right to use English or French in the debates and proceedings of Parliament.

Since officers of Parliament maintain close ties with Parliament and must interact with parliamentarians, it is essential that the incumbents of those positions be proficient in both official languages at the time they are hired. This is also quite obviously a simple matter of respect for our official languages, which, under the Constitution, have the same status in Canada, and for both linguistic groups.

Everything thus stems from the NDP's actions in this matter because the NDP filed a complaint with the Commissioner of Official Languages of Canada following the appointment of a unilingual individual to the position of Auditor General.

In June 2012, the commissioner concluded in his final investigation report that the position of Auditor General should have been filled by a candidate with proficiency in Canada's two official languages. In the commissioner's view, the Office of the Auditor General is required under the Official Languages Act to offer services in both official languages, and the same is true of the Auditor General himself as the public face of a federal institution that reports to Parliament.

He also concluded that the Privy Council Office, which manages Governor in Council appointments, had failed to meet its obligations under the Official Languages Act.

According to the commissioner, historically, the appointment process for officers of Parliament was administered by the Senior Appointments Secretariat at the Privy Council Office. The process does not contain precise language for fluency provisions for incumbents of these positions. It is when the position becomes

vacant and a recruitment strategy is put in place with specific selection criteria that linguistic requirements are determined.

Thus Bill C-419 also offers a solution to the absence of specific provisions regarding the language skills of officers of Parliament.

This bill is particularly important for the francophones of all countries, including Quebecers. Quebec's National Assembly unanimously condemned this appointment and the Fédération des communautés francophones et acadienne strongly denounced it.

The response of the Commissioner of Official Languages and francophones across the country is clear, as is the NDP's approach. We will no longer tolerate unilingual appointments to such important positions.

In conclusion, and because we are dealing with important positions, I would also like to tell the Conservative government again how important it is that judges on the Supreme Court be bilingual, and this should be the second logical step to be taken by the government.

The debate is not over. We still have not swallowed the appointment of the unilingual Justice Moldaver to the Supreme Court. With the government's continued refusal to include bilingualism as a selection criterion for the appointment of judges, English is becoming the main language of an institution that is central to Canadian public life. Therefore, there is still much work to be done in terms of bilingualism in Canada, and it is high time that this changed. The time for defending the principle of unilingual central institutions, such as the Supreme Court, has come and gone.

I said earlier and I repeat that my colleague's bill will remedy this deplorable situation regarding officers of Parliament. Proficiency in both official languages is essential for some positions.

As we know, the NDP is firmly committed to protecting the language rights of Canadians, and we hope that all parliamentarians will support Bill C-419 so that it becomes law.

I am sure members will agree with me when I say that this bill is very important for francophones in all countries, and especially the constituents of Montcalm, who for the most part are French-speaking. Many of them have Acadian roots. Therefore, for the four municipalities of New Acadia and for the NDP members from Quebec, respect for both official languages is a priority, but for the people in my riding of Montcalm, being served in French is not a choice, it is simply a very legitimate right.

• (1905)

The Acting Speaker (Mr. Bruce Stanton): The hon. member for Louis-Saint-Laurent has the floor for her five-minute right of reply.

[*English*]

Ms. Alexandrine Latendresse (Louis-Saint-Laurent, NDP): Mr. Speaker, today I would like to thank all of my colleagues for their kind words.

This is the ultimate chance for me to express my deepest gratitude to everyone. I am thankful to all members for believing in this bill. We are going through a rough week in Parliament, and I believe it is a welcomed change to see that everybody is of one mind on at least one topic.

I have enjoyed listening to what was said in the House during the debate. I am impressed by the attachment felt and expressed by my colleagues toward Canadian bilingualism.

If we look back just a short 50 years, we can clearly see all of the progress that has been accomplished in matters of minority linguistic rights in this country.

Linguistic diversity is a wonderful thing. In this particular case, Canadian society is very fortunate. We have made a choice to become a state where two languages will be equal in rights. For all those small French-speaking communities across the prairies, for the Franco-Ontarians, for the dynamic and creative Anglo-Quebeckers and for the wonderful Acadian nation, this decision embodies one very clear need, that being survival.

The days when we thought the only way for us to live together was to trample each other are not far removed from us. Terrible things were said, insults were exchanged and injustice often had the upper hand.

Looking back, we can see that somehow, by believing in this crazy ideal, we have changed and succeeded. This House of our common understanding represents this leap forward that we have accomplished. The Parliament of Canada, true to the ideals of state bilingualism, functions in both official languages and, if I may add, functions very well, in English and in French.

Once again, I would like to salute the hard work of the talented translators and interpreters who contribute every day to making this institution all that it hopes itself to be. What we have here is a case of genuine excellence, and I believe all Canadians should be proud of this. Our most grateful thanks to all them.

However, translators and interpreters cannot do everything. They cannot be everywhere all the time. As well, certain positions necessary to the proper functioning of Parliament require a skill that elected officials do not need. Officers of Parliament are an integral part of the system. In fact, they are the safeguards embedded in the system that make sure everything is lawful, proper and in order.

As such, the individuals who hold these positions are as important as the security staff on the Hill. The friendly security guards protect the physical integrity of this Parliament whereas the officers of Parliament protect its moral integrity.

It goes without saying that both groups need to be bilingual. Both groups need to be available for elected officials and Canadians at large, in English or in French.

[*Translation*]

Fortunately, it appears that we are all in agreement and saying that the list of 10 positions proposed in Bill C-419 includes people who must be bilingual in order to do their job. I think that this list, which is the cornerstone of my bill, kept as it is, even with the amendments put forward in committee, helps strengthen the foundations of our Parliament.

We are contributing to the effectiveness of Parliament and we are adding a greater sense of respect for this institution that, after all, represents all Canadians. Thanks to our goodwill, we are making tangible improvements. Furthermore, we are sending a clear message

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to the people of Canada. We are reiterating to them that bilingualism is a guarantee of excellence in the federal administration and that, in addition to opening doors, bilingualism first and foremost opens hearts.

I imagine that we will always have our little squabbles. Language is, after all, the highest and most impregnable bulwark of identity. As soon as there is the tiniest question about the place of honour that language holds in our pride in our identity, anyone and everyone gets up in arms. We start saying “we” instead of “I” and we ascribe cohesive intentions and ideals to millions of people who do not even know each other.

Let us keep in mind that we have sometimes courted disaster by trying to be too proud and too strong. I believe that my generation has understood that a fluid identity is a good thing and a clear, firm step towards the other. This is a multi-faceted world, and the people of my generation are too busy experiencing this diversity to martyr themselves to the cause of national retrenchment. My generation is no longer afraid it will disappear—it is only afraid of not being able to reach its full potential.

I encourage young Canadians growing up in linguistic minority communities to believe in their own language and the benefits it offers. I would remind young people who are part of the linguistic majority, Quebeckers and English Canadians, that the world will open up to them if only they open up to it. I beg them not to turn inward because they are unwilling to learn. If they open their hearts to other languages, they will never regret it.

• (1910)

The Acting Speaker (Mr. Bruce Stanton): The time provided for debate has expired.

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.

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 yeas have it.

And five or more members having risen:

The Acting Speaker (Mr. Bruce Stanton): Pursuant to an order made on Wednesday, May 22, 2013, the recorded division stands deferred until Wednesday, June 5, 2013, at the expiry of the time provided for oral questions.

*Government Orders***GOVERNMENT ORDERS***[English]***FAIR RAIL FREIGHT SERVICE ACT**

The House resumed from May 23 consideration of the motion that Bill C-52, An Act to amend the Canada Transportation Act (administration, air and railway transportation and arbitration), be read the third time and passed.

Mr. Larry Miller (Bruce—Grey—Owen Sound, CPC): Mr. Speaker, today I rise to speak in support of Bill C-52, the Fair Rail Freight Service Act. I will focus my remarks on how this bill will contribute to strengthening the shipper-railway relationship as it facilitates the commercial negotiation of service agreements.

Canada's freight rail network is a vital link to global markets and supply chains, because it facilitates the import and export of millions of dollars worth of commodities and manufactured goods each and every day. Our economy relies on the billions of dollars of revenue generated by Canadian manufactured goods and export commodities, such as grain, pulp and paper, coal and potash. Canadian consumers and businesses also depend on containerized goods, arriving daily from Asia and Europe, moving to cities across the country in an efficient manner.

Bill C-52 will help the thousands of companies that rely on rail to ship these goods and will help the Canadians who are employed by these sectors. Given the importance of rail to Canada's economy and trade, ultimately Bill C-52 will contribute to Canada's economic growth and job creation.

The goal of Bill C-52 is to support the adoption of service agreements between shippers and railways. Service agreements can help strengthen the shipper-railway relationship. They can make it easier for businesses to plan how they will transport their goods to market. In recent years, the railways and their supply chain partners, including shippers, ports and terminals, have signed many such agreements. These agreements have improved rail service, collaboration, communication, and ultimately, supply chain efficiency. In short, service agreements are a tool to bring greater certainty and reliability to rail freight service.

This bill supports best practice in the industry. To achieve this, Bill C-52 has two parts. It would provide shippers with the right to a service agreement, and it would offer service arbitration to establish the terms and conditions of service in the event that negotiations fail. Most importantly, the new provision would create a strong incentive for the parties to negotiate service agreements commercially.

A shipper who wanted a service agreement could approach a railway. In turn, the railway would be obligated to respond to the shipper within 30 days. This would ensure that shippers and railways would first try to reach commercial solutions to tailor their service relationships.

In the event negotiations failed, the shipper would then turn to service arbitration to receive an imposed service agreement.

However, before arbitration could begin, the shipper would be required to provide advance notice of 15 days to the railway. This 15-day period would further support commercial negotiation, as it would allow both parties one last chance to reach a compromise before service arbitration started.

In the end, it is expected that the current use of service agreements would be expanded. Going forward, any shipper who needed a service agreement would be able to obtain one either commercially or through service arbitration.

Some may try to say that this proposed legislation would be adding red tape and would burden rail companies. To this I would like to respond, no. We are providing a solution in case of service failure. We expect railways and shippers to continue working together and building on the success of the proactive measures from the rail freight service review.

This proposed legislation is important, because it provides the framework to enhance the standard level of respect for service agreements. This has many benefits. By facilitating better collaboration between shippers and railways through negotiating service agreements, parties could then agree on clear service elements and performance standards. Shippers and railways would clearly know what was expected of each other and would be able to work better together to make their day-to-day interactions more efficient.

Service agreements could also strengthen the relationship between shippers and railways by determining what to do when there is a service failure. Communication protocols could be put in place and recovery plans could lay out how and when service could resume.

• (1915)

Canadian shippers and railways could also use service agreements to lay the foundation for how they could expand their businesses together. Negotiations on a service agreement could be an opportunity for a shipper to discuss traffic growth plans and see how railway service could be adapted to respond to growth. The legislative right to a service agreement, supported by an arbitration process if commercial negotiations fail, would therefore be quite powerful.

Across Canada, shippers, whether large or small, whether shipping intermodal containers or raw commodities, would be entitled to obtain service agreements establishing a road map with the railway to achieve the benefits I just explained.

However, do not take only my word for it. This is what Mr. Rick White, General Manager of the Canadian Canola Growers Association, had to say about Bill C-52. He said:

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The Canadian Canola Growers Association is pleased to see the inclusion of a number of important elements in Bill C-52, including the right to negotiate a service level agreement if commercial negotiations fail.

With over 85 percent of canola seed, oil and meal exported to more than 50 markets worldwide, effective and efficient rail service is critical to the success of farmers and our entire industry.

That brings me to Canadian trade and our gateway and corridor initiatives. The railways played a primordial role in Canada's settlement and economic expansion, and they continue to play a key role. Rail networks are a core part of Canada's transportation system.

Our Conservative government has worked to strengthen Canada's transportation system in various ways, including with strategic gateways and trade corridor initiatives. Through these initiatives, our Conservative government, along with its partners, has made significant investments to reduce congestion along key corridors and to build capacity to capitalize on growing trade opportunities. Our gateway initiatives also encourage stakeholder engagement and dialogue as a key means of improving how our gateways function. Evidence shows that this gets results. Through working together, stakeholders have been able to address operational issues and enhance the performance of our gateways.

The proposed new legislative measure on service agreements supports such partnerships. It is through such partnerships that we can achieve an efficient and reliable supply chain. This would allow us to meet demand in existing, expanding and new trade markets. In this sense, the legislation would support our government's economic agenda.

In my role as chair of the Standing Committee on Transport, Infrastructure and Communities, I had the opportunity, as the other members did, to hear first-hand from shippers and other stakeholders about the importance of this legislation. I was pleased to hear that there was an astounding amount of support for this bill, and the committee heard this testimony from the groups involved. Whether it was Port Metro Vancouver from British Columbia; the Manitoba Minister of Infrastructure and Transportation, Steve Ashton; or the Halifax Port Authority, Canadians from coast to coast to coast were supportive of this legislation.

That does not take away the fact that in agreements like this, not everyone gets everything he or she wants, but I think everyone would have to admit that we came out with a balanced bill. That is why I am here speaking in support of it.

Let me just take a few minutes to read some of the testimony we heard on this legislation:

Bill C-52 is extremely important to Port Metro Vancouver... Past performance of the railways has made Bill C-52 necessary. I think the bill has appropriately walked the fine line of mandating action but allowing for the flexibility to tailor agreements to the needs of each shipper... I would recommend proceeding with the approval of Bill C-52.

I think we need to accept the fact that in some circumstances it won't be possible for a party to actually, in good faith, negotiate an agreement. In that sense, Bill C-52 does suggest a mechanism for resolving that impasse.

The legislation includes the right to ask an arbitrator to establish an agreement. In that sense, Bill C-52 is an improvement and it needs to be passed.

I will not re-read the entire transcript of the meetings we held, but this gives the House an indication of the testimony we heard at our committee.

● (1920)

So far I have discussed the benefits of the bill in terms of the service agreements that are in place and how the bill expands Canadian trade. I have also gone over some of the testimony that was heard at the transport committee during the study of the bill.

I would now like to shift the focus to a sector that is very important to me, agriculture. I represent the rural riding of Bruce—Grey—Owen Sound, and while shipping by rail is not extremely common in my neck of the woods, I have certainly seen that farmers are very concerned about how their product is transported from the farm to the markets.

Having been a farmer myself, I know that the agriculture business is full of uncertainties. That is why I am very happy that we will be moving forward with Bill C-52 to ensure that Canadian farmers will be protected by these service agreements so that they know they will always have a viable option to ship their product.

As I said, agriculture is one of the main pillars of my riding and certainly one of the main pillars of the Canadian economy. Canada's agriculture, and indeed the entire agri-food industry, plays a vital role in creating jobs and keeping our economy strong. However, our farmers depend on efficient, effective and reliable rail service so that they are able to move crops off the farm to valued customers, not just in Canada but around the world.

That is exactly what Bill C-52 will do for our hardworking farmers. It will ensure their right to a service agreement with railways to enhance clarity, predictability and reliability when shipping their product.

Furthermore, I would like to expand on the nature of the bill and indicate that the bill is not only a benefit to the shipper but that the rail services will also benefit from the changes that will be brought forth in the bill. The bill does not pit shipper against rail service. The goal of this legislation is rather to encourage railways and shippers to work together.

The fair rail freight service act would help shippers to manage and expand their businesses while ensuring the railways can operate an efficient network for the benefit of all users. This will ensure a strong, competitive rail freight supply chain, which is critical to the success of the Canadian economy. In these challenging global economic times, all sectors of the economy must work together to drive growth, create jobs and ensure long-term prosperity.

Before I wrap up my comments, I would like to proactively answer some of the questions that opposition members of the House may have with regard to the bill. I will begin with the possible question that may arise about why the bill had not been tabled earlier. The response to this is quite simple: it takes time to get things right.

On this piece of legislation, we took the time necessary to hold in-depth consultations with stakeholders on the matter. We carefully reviewed the submissions that we received so that we could advance with a framework that would benefit all parties involved. It was a long process, but as members can see by some of the quotes I presented earlier, it has worked, and we have a very useful bill before us in the House.

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I would like to take this opportunity to thank all the members of the Standing Committee on Transport, Infrastructure and Communities. I see members of that committee from all sides of the House here. We did not always agree on everything, but at the end of the day we have a good bill, and I would be remiss if I did not mention the strong work and support by the Minister of Transport, Infrastructure and Communities. This is a bill that many people, including shippers, have asked for, for a number of years. The minister has done it, and we are here today discussing it in the House.

Another question that is brought up around the bill is the notion that new provisions in the bill will negatively affect the efficiency of Canada's rail system. This is not true. The arbitrator must consider the efficiency of the rail network and railways' obligation to provide service to all shippers when making decisions.

Finally, I will respond to the possible question of why there is not a list of elements that must be included in a service agreement under the bill. This is because there is not a one-size-fits-all solution to these agreements. Every situation between shippers and rail services will be different and will require different needs. Therefore, this approach will ensure that the arbitrator has the flexibility needed to make the appropriate decisions.

• (1925)

I think there will be few of these arbitration decisions, but there would be that flexibility for the two parties to sit down, and the arbitration process would occur only when a custom-made deal that works for both parties cannot be worked out.

To conclude, service agreements are an important commercial tool that supports the shipper-railway relationship because they bring clarity and predictability to rail service. As some associations put it after the tabling of the bill in December 2012, this will serve as a platform for continued collaboration with Canadian railways.

This bill would work wonders for shippers and rail services in Canada and would be of enormous benefit to all sectors, including the agriculture industry.

The government's objective is to facilitate the adoption of service agreements between shippers and railways for those shippers who want one, and Bill C-52 would accomplish this.

I urge members to join me in supporting this bill. I hope that my colleagues across the way will show their support for this bill and vote in favour of its passage.

We have heard from many members during the discussion on this bill, and while I mentioned agriculture quite a bit, because there are a lot of agriculture products that travel, the bill would affect everything from forestry to fertilizer to potash. Therefore, this bill is very important.

Saskatchewan is the largest producer of potash in the world, a lot of which is exported, and rail allows it to get moved. As well, the mining industry transports all kinds of products. There is even talk right now of more crude oil moving by rail. I think we all have to admit that pipelines would be the preferred route, but business will always look at every opportunity out there, and rail is one of them.

Mr. Jamie Nicholls (Vaudreuil—Soulanges, NDP): Mr. Speaker, farmers in my area have been waiting nearly two decades for the reform of service agreements. They have been waiting almost two decades for this legislation.

I have a precise question for the chair of the transport committee.

We have heard from the government side that this is very important legislation. My question concerns the timing of the bill in the 41st Parliament. When did the minister approach the House leader to table this legislation? I do not need a precise date, but I would like the month and the year.

• (1930)

Mr. Larry Miller: Mr. Speaker, the member mentioned the farmers in his area who, like many across this country, have been waiting a couple of decades. I do not know if that number is accurate, but this government was not here two decades ago. However, I would point out that we are here today. We got the job done on it, and we are here to debate it.

If this member is as concerned about his farmers and producers getting their product out to where it needs to go as much as he seems to imply that he is, at the end of the day I am certainly going to be thanking him for his support on this bill.

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, I think it is imperative that we give credit where credit is due, and actually it was the shippers, who come in many different forms, who took the approach of lobbying all three political parties half a dozen years ago. They indicated that we needed to enact legislation that would allow for things like service agreements.

It is fairly widely believed that the field is not level in terms of shipping products throughout North America, particularly in Canada, where the scale has been heavily in favour of the rail. This is one of the reasons we had to have service agreements.

I have known for many years, and particularly the last three or four years, that the member for Wascana has represented the Liberal Party exceptionally well by applying pressure on the government to act on this issue.

The Liberal Party will support Bill C-52 to go forward, but I have a specific question for the member on the amendments that were brought forward. Why was the government not prepared to accept some of those amendments? The amendments would have made this legislation that much stronger, and the bill could have received that much more support from the different stakeholders.

Mr. Larry Miller: Mr. Speaker, I thank the member for his question, for his comments, for his indicated support for this bill and for the fact that he obviously understands this bill.

He talked about the service agreements, et cetera. Yes, there were some amendments that were put forth, but his party and all parties in this House were represented on the committee. There was great discussion and debate about the amendments and, at the end of the day, the committee's wisdom was to present the bill as it is.

The member did mention his colleague from Wascana, who was here for 13 years before we came to power. He is probably wondering the same question I am, which is why they did not get the job done in that 13 years.

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Hon. Rob Merrifield (Yellowhead, CPC): Mr. Speaker, my colleague on the other side just asked about the introduction of this piece of legislation. It actually started in 2008, with the rail freight service review. It was a two-year process. It was quite extensive and exhaustive, and there was enough guilt on the railway side as well as on the shippers' side when it comes to numbers to make it clear that something had to be done.

This measure was first introduced—in fact, I introduced it—in March in 2012, prior to the election, and then was picked up after the election, in December. This is a piece of legislation that has come a long way and has had lots of consultation.

My question for my hon. colleague is this. When the railway companies looked at this legislation initially, they fought against it, said they did not need it and said they would arrive at their service arrangements themselves. They said that it would drive negotiation away from the table. What I believe will happen is that it will drive both parties to the table, and if they cannot negotiate, it would be an arbitrated settlement. I wonder if my colleague would agree with me.

• (1935)

Mr. Larry Miller: Mr. Speaker, my colleague from Yellowhead represents a very agricultural riding. I have passed through it, although not often enough. It is a beautiful agricultural part of the country where people use rail to get a lot of their product out.

As to his question, at the start of these negotiations it is fair to say that neither side was happy with the proposal. However, at the end of the day, my colleague is absolutely correct that this bill would encourage even more agreements between shippers and railways. As everybody knows from listening to the debate today and tonight, some agreements have already been voluntarily signed between them, but this measure would create more and bring them all to the table.

Nobody likes change, and that probably includes shippers and railways, but I think this bill will do what it is intended to do.

Mr. Jamie Nicholls: Mr. Speaker, I thank the member for Yellowhead for that clarification about when the legislation was tabled. We know the genesis of this bill was around 2006, when the conversation began with the government. My question prior to this was specific to the 41st Parliament, which the member for Yellowhead also clarified, saying that the bill was tabled in December 2011.

My supplementary question, a follow-up to my first question, is for the chair of the transport committee. Can he give us an overview of the history of this legislation's movement through the House and committee? We know that first reading took place in December 2011. When did second reading take place? When was it considered in committee, and how long was the time from when it was in committee to the time it arrived in the House? Can he give us the timelines, in months and years, of the different readings and the consideration in committee?

Mr. Larry Miller: Mr. Speaker, I cannot give him all the answers that he is looking for because I took over my role as chair of the transport, infrastructure and communities committee last September. Since that time, this bill came forth before us earlier this spring. We have been working on it, and I believe it would be the end of April or

first part of May when the vote came through the first time at second reading. He is wanting dates, and if he calls me I can get those for him, but I just do not have them off the top of my head.

Mr. Dan Albas (Okanagan—Coquihalla, CPC): Mr. Speaker, I want to thank my colleague for his speech and his work on the transport committee. It is a lot of responsibility to be a chair and I certainly would not be the person to do it.

There seems to be a fundamental misunderstanding with opposition members. They keep asking process questions and then argue that there should be results. We hear from some members that this is going too fast and then we hear from other members that this is not happening fast enough. This is a complex problem. We have a case where there is a de facto duopoly, hundreds of small industries, agricultural-based and mining-based workers, and the government has fundamentally addressed it with this legislation.

I would like him to again reinforce the fact that the whole reason for this bill being here is to build certainty and allow Canadian goods to be shipped across this country, to use the ports we have put billions of dollars into, and to see good things happen here in Canada.

Mr. Larry Miller: Mr. Speaker, that is a great question. As for his surmise that New Democrats are more worried about process, he would have to ask them about that. It seems it does not matter what the issue is, New Democrats want us to do something about it, bring in some new rules, et cetera, and when we do, they stand and vote against them. I have no idea on that point.

As to the question from my colleague, I know businesses, industry and agriculture in his riding will certainly use this new act. There is no doubt in my mind that it will work for them.

• (1940)

[*Translation*]

Mr. Jamie Nicholls (Vaudreuil—Soulanges, NDP): Mr. Speaker, to begin, I would like to tell you that I will be sharing my time with the very able member for Churchill.

I am pleased to rise in the House today to discuss the bill that would give customers of railway companies the right to establish service agreements with those companies and would create an arbitration process in case of failed negotiations. Despite its weaknesses, the bill is very important for the Canadian economy, especially for the agricultural, mining and forestry sectors, which depend heavily on rail transport.

The bill is not perfect. Still, we appreciate that after so many years of fine words and no action, the Conservatives have finally acted and introduced the bill.

On this subject, I would like to thank the hon. member for Trinity—Spadina who, by introducing her own bill on protecting customers of railway companies, was able to prod the Conservative government into action. The government presented its bill six months later. Better late than never.

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My speech will have three parts. First, I will highlight the importance of strengthening the position of shippers in Canada's rail transport sector. Then I will show that the bill does not go far enough to improve services and protect shippers. Finally, I will propose amendments based on the recommendations presented to the Standing Committee on Transportation, Infrastructure and Communities by the Coalition of Rail Shippers.

Why is it important to take action to improve rail transportation services? Because rail is among the most-used means of transport in Canada. In Canada, railways transport more than 70% of goods shipped on land. The economic power of railways is considerable.

That leads me to my second point. Despite the importance of this mode of transportation for many shippers, service interruptions, delays and various problems with productivity are common among rail transporters. This situation affects many sectors, including natural resources, agriculture, forest products, mines, chemical industries and the automotive sector.

In terms of agriculture, 80% of service agreements are not complied with by the railway companies. This means delays or trains that simply do not arrive, damaged rail cars or not enough rail cars. In addition to the losses caused by this kind of problem—such as harvests that may rot—the poor quality of rail transport services undermines the ability of Canadian exporters to compete in world markets. This situation costs the Canadian economy many hundreds of millions of dollars every year.

Let us now try to determine the source of these problems. One of sources of these problems is, of course, the virtual monopoly. As the hon. member for Okanagan—Coquihalla said earlier in his question, the problem is the monopoly held by the railways in Canada. In most regions of the country, shippers cannot choose their railway carrier because they have access either to CN or to CP. Even in cases where both companies are present, one of the two usually charges prices that are much too high, which does not leave shippers with much of a choice. To some extent, the monopoly situation was made possible by the Liberals when they were in power. They are the ones who privatized CN in 1995. By failing to set out protective measures for shippers, they reinforced the virtual monopoly we have today.

At the time, one option would have been to privatize railway activities while ensuring that the rail transportation system remained public, which also would have been beneficial for VIA Rail. Right now, VIA Rail mostly has to use rented tracks belonging to CN.

● (1945)

[*English*]

When I was deputy critic of transport, I met with the Western Canadian Shippers' Coalition and it let me know what it needed to help foster economic growth in the west, on the Prairies. I am sure it is going to be happy to see this very bill come to life. It has been waiting for more than five years. It has been waiting for seven years for this legislation to come to life.

Just to clarify for Canadians, the Western Canadian Shippers' Coalition is made up of important Canadian companies, like the Alberta Newsprint Company, Al-Pac Forest Industries Inc., Canadian Forest Products Inc., Canadian Oilseed Processors Association, Canadian Wheat Board, Coal Valley Resources Inc.,

Coalspur Mines Ltd., Dunkley Lumber Ltd., Grand Cache Coal Corporation, Lehigh Cement, Chemtrade, Millar Western Forest Products and Suncor, among many other important Canadian companies. Many of these companies are in the natural resources sector.

The government tends to think that it is the best friend of the resource sector. The sector relies on the government as a regulator to ensure reliability in terms of service. The result, if it is done properly, is that companies prosper and flourish. Without leadership, without the government taking on its role as regulator, the companies simply endure or, even worse, sometimes flounder. This legislation would allow the companies to simply endure. It is not good enough to let them prosper and flourish.

The NDP would prefer to see these companies prosper and contribute to the health of our resources sector and the agricultural sector. In committee, there were amendments proposed by these two sectors. The NDP listened, but the government was in such a rush to fall behind, that it really did not listen to what these companies were asking for. I am going to read what the companies asked for and what the Conservatives did not consider.

One thing they wanted to do was to fix the service agreements. They wanted, one, to include details on service agreement components; two, a deletion of the term “operational” as it would limit the ability to negotiate and arbitrate service agreements; three, to include a dispute resolution mechanism in service agreements for breach of contract; four, to limit the ability of railway companies to levy penalties and charges that are not in the service agreement; five, to limit arbitration for failed service agreement negotiations to matters raised by the shipper; six, to limit railway companies' ability to raise network issues in arbitration, for example, finding convenient excuses for not agreeing to shippers' demands in contract negotiations and arbitrations.

New Democrats felt that these were very reasoned amendments and the government had a choice: it could listen to the resource sector and Canadian farmers or it could listen to a monopoly with a long history of manipulating government throughout Canadian history. Unfortunately, it looks like it chose, for these amendments at least, the side of the monopoly, as the member for Okanagan—Coquihalla mentioned.

Mr. Dan Albas: Duopoly.

Mr. Jamie Nicholls: It is a duopoly. Sure, I will give him that.

I would like to read a quote about monopolies, which goes like this:

They had begun to consider the Government...as a mere appendage to their own affairs. We know now that Government by organized money is just as dangerous as Government by organized mob.

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That is a quote by Franklin Roosevelt, a democrat. Contrary to allusions by the government, the “D” in NDP stands for “Democratic”. We are the only party over the past 50 years to stand up for the democratic rights of all Canadians and not just a select few. When we hear the smears from the other side, we know our principles. We do not abandon those principles for the sake of power. We do not remain silent in the face of adversity.

● (1950)

As I mentioned before, for competition to flourish in our country, sound, organic and healthy competition, it requires co-operation. The government should have listened to the good people who work on the farm or the people who work in the resource sector. Instead, time after time, Conservatives choose to listen to the privileged few to enable their abuse of power and give them *carte blanche* to crush Canadian competitiveness. Canadians deserve better.

In 2015, the NDP will provide the leadership to steer our economy out of the perilous straits, out of scandal and corruption to that prosperous future Canadians long for and desire.

Mr. Dan Albas (Okanagan—Coquihalla, CPC): Mr. Speaker, I am glad we have had an exchange of ideas, talking about the difference between monopolies and duopolies. There are many things in the speech the gentleman has brought up tonight, and they are worthy of noting.

First, when it comes to resource development, a conclusion is quite obvious from the policies that the NDP espouses on a daily basis, particularly if we look recently to the election in B.C., where the New Democratic Party and its economic policies, particularly around resource development, were flatly denied by British Columbians.

When the member says that the NDP represents rural communities and represents the resource sector, I would ask them to take a stark look in the mirror and see if that is true. Definitely in my province of British Columbia that is not the case.

Again, this is a complicated issue. I would like to ask the member whether he agrees with us that government does have a responsibility to listen, particularly in cases where there is a complex, difficult issue, where there is a duopoly, where there are numbers of shippers that are unhappy with the services they receive and they are all competing for the same services.

When you are going from a system that is predicated right now on these companies having to be taken to court to a regulated system—

The Acting Speaker (Mr. Bruce Stanton): There are five minutes for questions and comments, and we are well past the first minute.

We will go to the hon. member for Vaudreuil—Soulanges.

Mr. Jamie Nicholls: Mr. Speaker, the NDP is the party that supports the people who work in this sector every day. In the resource sector, in the agricultural sector, we are the ones who are there on the ground helping these people out when they have problems with their employer or when they feel that injustice is being done. We are the only ones in the House who truly support these workers in these sectors.

To help them, the government should take on its role as a regulator, which is to provide fairness in an industry and to allow competition to happen so more jobs can be created. In its role as a regulator, it has not done the job. The Conservatives had a choice. They could have chosen healthy Canadian companies and their workers, or a duopoly. They chose the interests of the duopoly over those of great Canadian companies that make our economy work.

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, I can assure the member that his party is not the only one that represents the workers. There are other parties in the House that believe we represent the workers just as well, if not even potentially even better.

With respect to Bill C-52, we also represent the interests of small businesses. It is the shippers in particular who are most impacted by this, and indirectly the workers too. However, we are talking about large and small businesses that have been anxiously awaiting this measure.

In regard to CN, the member brought up the fact that the Liberals privatized it in 1995. A few years later was when this issue came to light. Does the NDP take the position that it would buy back CN or nationalize a railway?

Mr. Jamie Nicholls: Mr. Speaker, the member for Winnipeg North missed my point. When a government, be it Liberal or Conservative, takes an ideological position—in this case, the Liberal government taking an ideological position of privatization without really thinking of the consequences of that ideological decision—then we end up having to do repair legislation, as we are doing tonight.

The member says that the Liberals also defend the workers, but all I have heard for the past few months is Liberals defending the rights of middle-class workers. What about the workers who are having difficulty, who are not in the middle class? I have not heard anything from his party about that. I find it very rich that the member for Winnipeg North brings this up and pretends to be the defender of working people in Canada.

● (1955)

Ms. Niki Ashton (Churchill, NDP): Mr. Speaker, I am pleased to stand in the House to speak to Bill C-52, An Act to amend the Canada Transportation Act (administration, air and railway transportation and arbitration). This topic has been a very important one for my constituents and for people across rural communities and, particularly, western Canada.

Before I go further, I want to acknowledge the hard work of my colleague, the member for Trinity—Spadina, who for years has been a real advocate when it comes to fairness in the transportation industry. She has worked very hard on reforming this act, in particular, and bringing the NDP position forward.

The NDP position is fundamentally one of seeking fairness and a fair playing field for those who depend on rail service as part of their work, business and industry and, very important, the communities that depend on fair rail service to ensure their employers and industries are dealt with appropriately.

Government Orders

We in the NDP have made it clear that we support the bill at this point, but we believe it must be strengthened as we go forward. We are not pleased with the delays that the government has allowed and also the kind of cowering we have seen from it, which is not a surprise, to major corporate interests in this field.

As we know, the proposed bill will give rail freight customers or shippers the right to service agreements with rail companies. It also puts in place a Canadian Transportation Agency-led arbitration process for failed negotiations and penalties for those who violate the arbitration results.

Key amendments that the shipping company pushed for and that were championed by the NDP were unfortunately defeated in the committee. Without these rejected amendments, we believe the bill remains a partial success for the shippers and it must be strengthened in the future.

It is important that we indicate to stakeholders and to the government that this is not a done deal. As with anything, but particularly when we talk about this area, the bill needs to be further strengthened.

Bill C-52 partially addresses the fact that rail freight customers, known as shippers, have been suffering from insufficient freight services stemming from the abuse of market power by the large rail companies.

The Conservative government has finally tabled legislation, after years of talking and inaction, to address the fact that many shippers cannot even get a service agreement as rail companies have not been willing to negotiate.

As the bill only covers new service agreements, current agreements and contract violation, which are all a major source of revenue loss for shippers, are not affected by Bill C-52.

Certainly in terms of the stakeholders that have been involved, I would like to read into the record some of the stakeholders who have spoken out in support of the NDP broader position, which is that the act must be strengthened.

I recognize that the wish for this act to be strengthened comes in large part from people who work in the mining industry. As someone representing an area that depends on mining and as someone who is proud to say that I come from and live in a mining town, I recognize that in order to ship the ore and the goods that are needed for the mining industry to both do its job and to export its product, fair rail services are essential.

The Mining Association of Canada, as represented by Pierre Gratton, indicated:

● (2000)

Although MAC appreciates the government's initiative through Bill C-52, it is our view that the bill, unless amended, will not deliver on the government's promise... "to enhance the effectiveness, efficiency and reliability of the entire rail freight supply chain".

Coming from western Canada, I share with many of my colleagues from there the understanding and the clear recognition of the importance of agriculture in our region, particularly agriculture when it comes to grain production. I want to read the

message that was brought forward by the Grain Growers of Canada, as represented by Richard Phillips. He noted:

I think what we're looking at here is the level of service and timeliness of service to meet our sales commitments. That's what we're really talking about. [...] When Pulse Canada was down in Colombia and we'd just signed a deal there, we were looking forward to increased exports to Colombia, and the Colombians said they weren't sure they'd actually buy anything more from us because they couldn't get reliable enough delivery of product on time.

Clearly there is a concern about our ability to export. These are clearly serious concerns brought forward by our clients when it comes to reliability and timeliness of exports of a fundamental product, which is grain. That is unacceptable. It is a clear indication of why it is absolutely essential that we not see this as a "done deal" as such, but that we understand it is something that needs to go forward. We must continue to listen to stakeholders and seek a truly fair system when it comes to the rail service provided in our country.

As someone who is proud to come from western Canada, I want to read into the record the words of the Western Canadian Shippers' Coalition, as represented by Ian May. He noted:

Since the government committed to the legislation, we've heard that service has improved. I can tell you that it hasn't. I can tell you that as recently as two weeks ago we had mills just about shut down because they couldn't get boxcars in western Canada, and not just one. Whether that's coincidental with a broader understanding of Bill C-52 and perhaps the fact that it is balanced versus a shipper bill that would have levelled the playing field—and that's our language—I don't know.

The Western Canadian Shippers' Coalition, a very inclusive coalition and one that has a great deal of clout in western Canada, is clearly stating that the bill does not go far enough, that there are serious problems in the kind of rail service that is provided and that they are getting a raw deal. That concerns me a great deal. In the last few years, and certainly since I have had the honour of being a member of Parliament for northern Manitoba, it is clear to me, day by day, the way in which people in my part of the country are getting a raw deal from the government.

I want to indicate the cutbacks to Via Rail, for example, have directly impacted the people of northern Manitoba and will continue to impact as tourism picks up in the summer. The people who are affected are those who live on the Bayline and in Churchill, who depend on reliable, quality rail service provided by Via Rail.

I also want to indicate the lack of imagination and commitment to another transportation hub, which is the Port of Churchill. It is truly a gateway to Arctic trade and to opportunity, not just for Manitoba but for all of Canada, yet the government has squandered opportunities to truly make investments. The gutting of the Canadian Wheat Board as we knew it played a major role in setting us back. As we know from last year, the shipments through the Port of Churchill are nowhere near where they ought to be.

I also want to indicate the government's failure to invest in an all-weather road network across northern Manitoba, something that could improve the quality of life of many first nations and Metis people in that part of the country, as well as the economic development opportunities.

Government Orders

• (2005)

Again, time after time, we are seeing a government being short-sighted toward the interests of northern, rural and western Canadians, and we see it in this bill that must go further. I agree with my colleagues that western, northern and rural Canadians deserve far better.

Mr. Lawrence Toet (Elmwood—Transcona, CPC): Mr. Speaker, I listened with great interest to the comments from my colleague from Churchill. She started off talking about her colleague from Trinity—Spadina, the great comments she had, and the great work she was doing on this file.

It is interesting to note that one of her propositions is that there would be absolutely nobody looking at the overall network. Whether this network is owned by a government, as it used to be, or it is a private enterprise, the member wants the shipper to be able to go to the rail company and say, “I want you to ship my goods and I do not care what else you have in your network; it has to be completely ignored. I do not care if your network gets overwhelmed or collapsed; nobody should be taking that into account. Only worry about my one shipment or my shipments over the course of this year”.

Does the member not realize that there is a thing called “the folly of the commons”? That is when there is a field that can only handle so many sheep, and if someone wants to put 1,000 more sheep in it, the field that is feeding that network is killed off. There is absolutely no gain in that. In fact, what happens is that the individual destroys not only that shipper's ability to ship, but everybody's ability to ship, and nothing gets to market. Is that really what the member wants to see happen in this situation?

Ms. Niki Ashton: Mr. Speaker, I certainly appreciate the member's contribution. I was a bit surprised by the repeated reference to sheep. We are a bit beyond that, although some days I wonder about the government's members and any comparisons to that.

However, this member is my neighbour in my province, and I know he represents an area that very much depends on rail transportation.

My question for him is this. Recognizing the importance of industry and of customers getting a fair deal from their rail transportation companies, is that not critical to expanding the economy? Is it not critical to ensuring that people in his constituency and in our province have a brighter economic future? Therefore, instead of criticizing, would he not join with us in calling for his own government to do better?

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, I will pick up on that point of recognizing the valuable contributions that our rail lines make to the province of Manitoba, as I suspect they make to all provinces. If I can gloat for a bit in terms of the province of Manitoba, in particular the city of Winnipeg, whether it is our CN shops, our CP shops, or the potential of CentrePort, there is all of this humongous network that is virtually nationwide. However, Manitoba, because of its geographical location, is actually in a great position to do that much more. The potential is there, and it is real and tangible.

One of the core aspects of being able to ensure we have that future growth of demand depends on the shippers, and it depends on a number of elements that will allow for that growth to proceed. That is why it is so critically important that we have this service agreement, and that is why, in essence, it could have been better. The bill itself, in principle, is good and worthy of supporting, but it would have been better had there been some amendments—

The Acting Speaker (Mr. Bruce Stanton): Order, please. We want to leave some time for the response.

The hon. member for Churchill.

Ms. Niki Ashton: Mr. Speaker, the NDP's position is clear. This bill can and must go further when we are talking about truly making it a fair deal and looking at how we can strengthen service agreements and the ability of clients and industry to engage in arbitration when things are reaching a breaking point.

It is very clear that time and again the current government is short-sighted when it comes to building true economic opportunity. In western Canada, often the Conservatives use overblown rhetoric about what they are doing on behalf of our provinces, and yet here is a perfect example. Western Canada and the industries in our region depend on rail service. Clearly we have heard from stakeholders that they are getting a raw deal and that the government can do better, yet instead of taking the opportunity to listen to important stakeholders, whether in the grain industry or mining, we have been left with a half-baked bill and an approach that certainly does not represent the best interests of western Canadians.

• (2010)

Mr. Mark Adler (York Centre, CPC): Mr. Speaker, it gives me great pleasure to rise today in the House to talk in support of Bill C-52, which proposes to amend the Canada Transportation Act.

Before I begin my remarks, I want to say that of course Canadians from far and wide know that our government is focused on what matters most to Canadians, which is jobs, growth and long-term prosperity. It is our government that has been praised and has received accolades from international organizations from around the world, from the OECD to the IMF, and *Forbes* magazine, which says that Canada is the best place to be doing business.

There is a reason for that. There is a reason why international organizations praise this country. There is a reason that Governor Branstad of Iowa says he is afraid to bring potential investors to Iowa. It is because his state is so close to Canada that he knows he may lose investors because the Canadian economy is doing so much better than the U.S. economy. There is a reason for all of these things.

As I said, our government focuses on what matters most to Canadians. The Liberals on the other hand focus on dividing Canadians. They talk about their Quebec leader and how superior they are to the rest of Canada. Their leader has said that Canadians who do not speak two languages are lazy. They say they are against reforming the Senate. They are for the status quo because they are afraid of losing 24 senators in Quebec.

Government Orders

We have to give the NDP credit on the other hand because at least they are consistently wrong. Let me propose something to the NDP. Rather than being called the “New Democratic Party”, they should be called the “Old Democratic Party” because it is the same old policies from the sixties and seventies: high spending, high taxes and reckless spending on crazy social engineering schemes—

The Acting Speaker (Mr. Bruce Stanton): The hon. member for Kingston and the Islands is rising on a point of order.

Mr. Ted Hsu: Mr. Speaker, since it is quite a chore to be here until midnight, I would like to hear relevant debate. I am not even sure what bill my hon. colleague is talking about. I hope he knows.

The Acting Speaker (Mr. Bruce Stanton): Order, order. I appreciate the intervention from the hon. member for Kingston and the Islands.

I recognize that we are just three minutes into the remarks of the hon. member for York Centre. I note that he, and members generally, are allowed tremendous liberty in terms of their comments around the question that is before the House. I am sure that the hon. member for York Centre will be bringing those ideas and arguments around to the question that is before the House.

The hon. member for York Centre.

● (2015)

Mr. Mark Adler: Mr. Speaker, it does not surprise me. The NDP members feel the Liberals nipping at their heels, so they are a little excited and a little nervous.

We are here to talk about Bill C-52, so let me begin.

Some hon. members: Oh, oh!

Mr. Mark Adler: I am happy to receive such praise from the opposition, and I look forward to their support of Bill C-52.

I would first like to thank the Minister of Transport, Infrastructure and Communities for his steadfast and laser-like focus on creating the bill that is before us today to bring fairness to this sector of our economy. Of course, I also want to thank my colleagues on the transport, infrastructure and communities committee, particularly our chairman who has done yeoman's work in making sure the bill got through the committee expeditiously.

As the minister said on December 11, 2012, “This bill will help shippers maintain and grow their businesses while ensuring that railways can manage an efficient shipping network for everyone”.

Bill C-52 supports the interests of the entire economy. Given the importance of rail service to our country, shippers need to have service clearly defined and they need to know that the railways will deliver rail service efficiently and effectively. That is the only way shippers can properly plan and seize market opportunities.

I would like to talk about some of the new provisions that are proposed in Bill C-52. First, the bill would give every shipper the right to a service agreement with the railway and would provide an efficient and effective process for establishing such an agreement when commercial negotiations fail. That is key. Every shipper would be able to request a service agreement with their railway. That is an important point. The railway would now have 30 days to respond. This particular change is an important gain for all shippers, including

small and medium-size businesses. It would ensure that they have an opportunity to negotiate service with the railway directly.

Second, if the parties cannot agree commercially, the shipper would have access to a timely and efficient process to establish an agreement. Under the auspices of the Canadian Transportation Agency, shippers would be able to request an arbitration process. This important arbitration process would establish, in a clear and comprehensive manner, how the rail service would be provided by the railway.

For many years, shippers have raised concerns that they have faced additional costs or lost sales when rail service is inadequate, particularly when they face regular problems such as delays in receiving rail cars. Canadian businesses or farmers can agree that this situation is a significant challenge for their operations. Shippers generally acknowledge that railways have made improvements to freight service in recent years. However, shippers believe that an effective enforcement mechanism is essential to ensuring that improvements continue.

This brings me to the third important point. We want to ensure that railways are held accountable in the event of service failures. This would be achieved through monetary penalties. These financial penalties could reach up to \$100,000 for every confirmed breach of an arbitrated service agreement. Specifically, the financial penalty would take the form of an administrative monetary penalty under the auspices of the Canadian Transportation Agency. This consequence would ensure greater railway accountability.

● (2020)

Now, let me explain how this new provision would work. When a shipper is concerned that a railway has breached a service agreement that the agency had arbitrated, he or she could ask the agency to examine the situation. If the agency confirms a service failure in such a case, it can apply the monetary penalty to the railway company for a confirmed breach.

This potential and significant financial penalty would provide a strong incentive to comply with arbitrated service agreements. The amount of the penalty imposed would depend on the severity of the service breach. As with any administrative monetary penalty system managed by a regulatory body, the penalty would be payable to the Crown and not to the shipper. The agency is the appropriate body to confirm whether a breach has occurred, and can set a penalty accordingly. Indeed, the agency's role under this new provision would be to look at the reason for the breach and determine the right consequences, case by case.

Giving the agency the authority to impose the administrative monetary penalties is a sound approach. During consultations for this bill, both shippers and railways acknowledged the agency's expertise in rail freight service issues. In addition to this strong new enforcement tool, shippers will also have access to two other mechanisms to address railway service problems.

Government Orders

Of course all shippers will retain their right to file a complaint on service with the agency. All shippers will also retain the right to seek damages resulting from railway service failures through the courts. These rights apply regardless of whether shippers have agreements arbitrated by the agency or agreements they negotiated commercially.

First, a shipper can file a complaint with the agency under the existing level service provision under the act, which requires railways to provide adequate and suitable service. If the agency confirms that the railway has not met its service obligations, it has broad powers to order a range of corrective actions to be taken by the railway.

The new provision on service agreements complements this existing remedy for examining rail service complaints. If a shipper has a service agreement that defines clearly the railway's service obligations, this will provide a more precise reading of when obligations are not met, and facilitate the filing of a complaint in such a case if a shipper deems it necessary.

Second, shippers will continue to be able to sue for damages incurred due to rail service failures. Seeking damages through litigation is an especially important option for those shippers who are seeking compensation for significant lost sales or costs incurred due to a railway service failure.

Shippers wanted to ensure that any new enforcement tool, such as administrative monetary penalties, does not undermine any existing remedies. This strong new enforcement mechanism would not in any way disrupt, replace or erode existing shipper remedies.

I am confident that in most cases shippers and railways would be able to work out service agreements commercially that include communication protocols to be followed when service failures occur. Moreover, I expect commercial agreements would also identify recovery plans to mitigate the impact of any service failures.

The great strength of Bill C-52 is that all of its elements would help drive commercial negotiations.

● (2025)

Through the implementation of the bill, shippers will be in a better position to negotiate service agreements with the railway in the commercial forum. Both railways and shippers have expressed their preference for commercial solutions.

As all stakeholders continue to work in collaborative partnerships, I firmly believe that Bill C-52 includes a strong enforcement mechanism. It provides the best way forward in supporting commercial solutions and innovations that strengthen our rail freight system, a system that will foster Canada's economic growth, a system that will support shippers and railways as they strive to grow their businesses, capture new opportunities and create jobs and prosperity for Canada and Canadians.

I strongly encourage all members of this place to vote in favour of Bill C-52, a bill that would not only help strengthen our railway system, it would support our growing economy and lead to jobs, growth and long-term prosperity.

[*Translation*]

Mr. Dany Morin (Chicoutimi—Le Fjord, NDP): Mr. Speaker, I have a question for my Conservative colleague.

CN made \$2.7 billion in profit last year. Do the Conservatives really think that a \$100,000 penalty is going to change the way the company operates?

[*English*]

Mr. Mark Adler: Good grief, Mr. Speaker, only the NDP would see profit as an evil. It is absolutely ridiculous.

We on this side of the House have imposed penalties in the range of \$100,000, but we encourage the parties to work it out commercially together, not have something imposed from the top, which we know the NDP members love to do because they think that government knows better than individuals do, government knows better than the two parties who are negotiating in free and open agreement do.

We on this side are focused on what matters most to Canadians, and that is jobs, growth and long-term prosperity. We see profit on our side of the House as a good thing, not an evil, as does the NDP.

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, I would give the member credit. He sure does have those talking points from the Prime Minister's Office down pat. I will give him full credit for that.

My question is related to a lost opportunity. The government was in a wonderful position where it had substantial support outside of the House and inside the House to move forward. A number of amendments were brought forward that would have provided more strength to the legislation, that would have had a broader appeal, particularly to many of the stakeholders, the shippers, the people the hon. member says are generating the jobs.

We do recognize the valuable role in job creation and how they generate the jobs for our economy, there is no doubt about that.

My question to the member is, and he should put the speaking notes aside for now, why does he feel that his government put a pass on improving the legislation, which would have given more strength to the legislation and which would allow for an even fairer playing field for our shippers from coast to coast to coast?

Mr. Mark Adler: Mr. Speaker, our government consults more than any other government in Canadian history. There were extensive consultations, not on the economy, but on Bill C-52. In fact, on the bill itself, for example, Kevin Bender, president of the Western Canadian Wheat Growers Association said:

These measures will create the conditions for improved railway performance and accountability. It will help ensure all shippers can gain access to an adequate level of service.

This goes on and on. I have, from the president of the Grain Growers of Canada, from the chemistry industry, from the Forest Products Association of Canada, quote after quote on how Bill C-52 would create a fair, open, accountable and legitimate form of commercial interaction between the shippers and the railways.

Government Orders

The member talks about a lost opportunity. I will tell him about a lost opportunity. 1993 to 2006 was a lost opportunity when the Liberals were in power in this country. They sat on their hands, did nothing and left the country in a mess. It is our government that is picking up the pieces and giving Canada back to the Canadians.

● (2030)

Mr. Mike Allen (Tobique—Mactaquac, CPC): Mr. Speaker, as part of our natural resource committee, we have been studying market diversification in the energy sector. I note that Jim Facette, the president and CEO of the Canadian Propane Association said this about the bill:

It contains all of the measures that the propane industry requested — the right to a Service-Level Agreement, an arbitration process should commercial negotiations fail, and consequences for non-compliance.

One of the things we did hear as part of that study and testimony was the propane industry's ability to potentially expand its markets to replace higher carbon fuels all across Canada.

As we know, rail is a good way to get into many of our rural areas.

I wonder if my colleague would comment on the possibilities of expanding existing businesses in Canada with strong, stable rail service?

Mr. Mark Adler: Mr. Speaker, I want to thank the member who has provided the first informed and educated question of this question period.

Let me say that it is our government that has made the economy the number one priority. It is our government that focuses on jobs, growth and long-term prosperity for Canadians. It is our government that has the lowest debt-to-GDP ratio of any G8 country. It is our government that has the strongest job creation record of any country in the G8.

Our government has created the conditions for business to thrive and to grow in this great country of Canada. In the interests of fairness and support for business, we have introduced Bill C-52, which the member has commented on, which would help small business. It would help big business. It would help the energy sector. It would help the mining sector. It would help all sectors of our economy, from one end of our country to the other.

Thank goodness that we have the best finance minister in the world and the best Prime Minister and leader that one could ask for to lead our economy as the number one economy in the G8.

Mrs. Carol Hughes (Algoma—Manitoulin—Kapuskasing, NDP): Mr. Speaker, it is just unbelievable. They are all tooting their horn on the other side.

However, I do agree with the member that the big problem started in 1995 under the Liberals, when they decided that they were going to sell CN.

I had the opportunity to attend one of the committee hearings on this matter where the shippers indicated that they routinely suffer from service disruptions. Sometimes some of them would actually lose the freight they were shipping because it was going bad; it would not get there on time.

We see at committee after committee opportunities to strengthen the bill. We are not saying it is not a good bill. We believe it is a

good bill. The only problem is that there have to be amendments. How could the Conservatives be so arrogant to believe that there should not be any amendments?

Let us look at this one, in particular. Nine amendments were put forward by the NDP and 10 by the Liberals. We did not pull these out of our hats. These amendments were brought forward by witnesses.

Why is that the Conservatives spend the money bringing witnesses here and they choose to ignore them all the time, no matter what? It is just unbelievable.

Why were all recommendations from the independent rail freight service review not incorporated into the bill? Why is it the Conservatives continue to ignore the requests of witnesses who would be directly impacted by the amendments they will not change?

● (2035)

Mr. Mark Adler: Mr. Speaker, I agree with the member on one specific point, which is that in 1995, under the Liberal government, it was an abomination, and we should have seen results back then. Typical of the Liberals, they just find it difficult to make priorities.

The member says that we did not listen at committee. We did listen at committee. We had a variety of witnesses from all sides. We had a thorough consultative process before the bill was even drafted.

I have a number of quotes. Let me just give the member one from Richard Paton, president and CEO of the Chemistry Industry Association, who said, on Bill C-52, "The level of service offered by Canada's railways can make the difference between companies investing here, or taking their business elsewhere".

This government focuses on what matters most to Canadians—jobs, growth and long-term prosperity—and on creating an environment in which jobs can grow and we can maintain our position as the number one job creation economy in the G8.

Ms. Peggy Nash (Parkdale—High Park, NDP): Mr. Speaker, I will be sharing my time with the member for Chicoutimi—Le Fjord. I also want to thank my colleague from Trinity—Spadina for her work as our transportation critic, for her tireless work with a community that is invested in seeing improvements to the Transportation Act and for her efforts to improve the bill.

Bill C-52 would amend the Canada Transportation Act. It is a bill that is long overdue.

Rail transportation is the backbone of the Canadian economy. It is in the DNA of our history, and it is something that touches a huge part of our economy. More than 70% of all surface goods in Canada are shipped by rail. We are a vast country and a country that is open to the world. It is very export oriented, and having good transportation networks is absolutely fundamental.

Many of us are familiar with the railway industry. I know that in my family, my grandfather, my husband and my mother all worked in the railway sector. It is part of our country, part of our history and part of our current economy. It touches so many Canadians.

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What we have been finding through the study on the bill and leading up to the bill is that 80% of service commitments for agricultural rail customers, which means that they deal with food, feed and farm materials, are not met by the railway companies. There are serious delays, insufficient numbers of rail cars, et cetera. A rail freight service review found that 80% of shippers were not satisfied with the service they received.

What is the root of the problem? One would think that after a couple of centuries, we would be getting our rail service right, but sometimes when governments rush to fix one problem, they create other problems. Sometimes when governments have ideological blinders on, they are wilfully blind to the problems they are creating.

In 1995, the Liberals were in a rush to show that they were jumping on board the privatization bandwagon. They wanted to prove to the world that they could privatize with the best of them. One of the companies they rushed to privatize was CN. They privatized the company, CN. They privatized the tracks. What they forgot to do was put in any safeguards for Canadians, safeguards for shippers and safeguards for our passenger rail service in terms of access to the railway tracks. They basically turned it over to the private sector.

CN is doing very well. It made a profit of \$2.7 billion. Bravo. It is doing well. It was just announced this week that the CEO made a salary of \$48 million. I am sure he worked hard for every single penny of it.

The trouble is that these ideological decisions create problems. It was the Liberals in 1995 that unleashed this, and frankly, neither the Liberals nor the Conservatives after them, for almost 20 years, have done anything to fix the problems until this bill. It is with insufficient measures that they are trying to address the problems.

Let me say up front that this is a bill we will be supporting at report stage and third reading, but it is a weak bill. It is a bill that does not do the job Canadians really need it to do.

The bill would give rail freight customers or shippers the right to service agreements with rail companies. It is shocking that they have not had this before now, especially with the two majors, CN and CP. It also puts in place an arbitration process, led by the Canadian Transportation Agency, in cases of failed negotiations or where there are penalties for violating the results of arbitration.

This is positive. Canadians deserve fair and reliable freight services. This is obvious and logical.

● (2040)

Shippers pay good money, but they need a stronger position vis-à-vis the two main companies that form a duopoly. Together they have a kind of two-party monopoly. Their power is only partially addressed by Bill C-52.

There were recommendations by the shipping community at the committee stage that were sensible, practical and modest, yet the Conservatives ruled them out of hand with no serious consideration.

As the official opposition finance critic, I certainly know this. With every budget bill we have massive omnibus budget bills. We have been dealing with another one this week, Bill C-60, which

again, is an amalgamation of all kinds of changes to different laws, many that have nothing to do with finance and budgets. We have seen that they never accept one amendment to any of their budget implementation legislation. Experts in their fields have testified at the finance committee that the government will have problems if it bullies ahead with certain changes, such as getting rid of the inspector general of CSIS. The expert who helped set up CSIS told us that this would cause problems, but it did not matter. The Conservatives are more expert than the experts, and they went ahead and made the changes anyway.

In this case, they heard expert testimony about why certain changes should be made. However, the Conservatives gave them no serious consideration. They rejected the changes out of hand, which is a bit sad, because this House ought to be about discussion, debate, learning, and ultimately, compromise to get the best laws possible for Canadians.

The bill needs further improvement. The NDP will continue to work with businesses and shippers across the country to improve this legislation and to tackle the issue of uncompetitive freight rates and gouging of the shippers. What we heard from businesses across the country was that they are getting poor customer service. They have had disruptions in rail service and unacceptable service costs. We heard about produce rotting, because it could not be shipped. We heard about lost contracts, because there was no guarantee that the goods could be shipped reliably, which made Canadian businesses unreliable suppliers. We heard about missed connections with ships for travel and shipping. This is a daily occurrence for industries across Canada.

Poor rail services are hurting Canadian exporters, damaging our global competitiveness and costing us jobs, which is a little ironic from a government that talks a lot about jobs. However, when the rubber hits the road, it often misses the train. That is what has been happening with this legislation.

There are a number of key amendments we put forward that the shipping community pushed for. They were championed by the NDP and defeated at committee. Without the rejected amendments, this bill remains only a partial success. Nevertheless, it is still worthy of our support. I want to stress that we are dissatisfied with the outcome. It is not what the shippers really wanted to see. Therefore, there is a need for future strengthening of this legislation.

Sadly, I see that my time is just about up. There is so much else to say. Thanks for the attention of this House. I look forward to the questions of my hon. colleagues.

Government Orders

• (2045)

Hon. Lynne Yelich (Minister of State (Western Economic Diversification), CPC): Mr. Speaker, I was pleased to hear the member talk about her support for the bill, because the bill is supported by Pulse Canada, the Grain Growers of Canada, the Forest Products Association of Canada, the Western Barley Growers Association, the Chemistry Industry Association of Canada, the Western Grain Elevator Association, the Canadian Fertilizer Institute, the Canadian Canola Growers Association and Western Canadian Wheat Growers.

I would like to ask my colleague if the NDP will support this bill and have it expedited as soon as possible.

Ms. Peggy Nash: Mr. Speaker, yes, of course, shippers across the country will want some progress. One step forward is better than nothing, especially after almost 20 years.

The hon. member knows full well that there was still tremendous frustration that the bill did not go further. For example, the penalties in the service agreements are very limited, a maximum of \$100,000, and they do not compensate the shippers. The penalties go to the federal government. It can be costly to fight this arbitration process. There was concern about how all that would work. The arbitration process only applies in very limited situations and only to future agreements, not to existing ones.

There are still real problems, but, as the member heard me say from the outset, we will support the bill.

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, a number of Conservatives have stood in their place and pointed out that X and Y support this legislation. There is no doubt there is a fairly long list of individuals or different stakeholders supporting the legislation. I would highly recommend to those listening or presenting this list that they also recognize the fact that just because they are supporting the legislation does not mean they would not like to see the legislation improved upon. In fact, I suspect if we were canvass a number of the groups that the most recent questioner put on the record, we would find a number of them would like to have seen some of the proposed amendments supported and passed by the government.

Is my colleague of the same opinion that many groups support the legislation because they see it as a step forward, but, in the same breath, it is a lost opportunity where we could have done so much more? The minister might have the support of all members in the House, but it does not necessarily mean the Conservatives should pat themselves on the back because they could have done a whole lot more. Would she agree with that synopsis?

• (2050)

Ms. Peggy Nash: Mr. Speaker, after almost 20 years of dealing with the frustrations and tremendous power imbalance, I would call it, between the power of the railways to determine the level of service they will offer and the shippers who are desperate to get their products shipped within Canada, out of the country or perhaps to the U.S., certainly any step forward is better than nothing. I agree with that.

However, let me give one example of a shortfall. We have greater transborder trade and exchange with the U.S. than between any other

two countries in the world, yet shipments from Canada to the U.S. are not covered by the legislation. It is another area where there is a shortfall. Does that mean this bill does nothing? No, of course not. It is a step forward, but it is a missed opportunity. It is not even half a loaf. It is a couple of slices of bread when perhaps we could have had the whole loaf. That is the point.

[*Translation*]

Mr. Dany Morin (Chicoutimi—Le Fjord, NDP): Mr. Speaker, I thank my colleague from Parkdale—High Park for her excellent speech and her responses to the people who asked her questions. I am always impressed by what a fine job she does as finance critic. I am convinced that Canada would be much better off if she were Minister of Finance today.

I rise in the House today to speak to Bill C-52, An Act to amend the Canada Transportation Act (administration, air and railway transportation and arbitration), which comes to us from the office of the Minister of Transport, who is also one of my riding neighbours.

I want to say that, although the NDP and I are preparing to support this bill, which is a step in the right direction, we found the government's closed-mindedness during the study in committee unfortunate.

As opposition members, both Liberal and New Democrat, we put forward amendments that were supported by witnesses and experts in the field, and the Conservatives systematically voted against them.

I also want to congratulate my colleague from Trinity—Spadina on the incredible job she does as transport critic. Seriously, I would immediately substitute her for the minister from Roberval, who is the Minister of Transport, and transit in Canada would be much better for it.

To get to the heart of the matter, for those not familiar with this bill, I want to say that it partly addresses the problems of railway transportation service customers that do not have access to adequate service as result of the monopoly held by the major railway companies.

However, since the bill covers only new service agreements, current agreements and contract breaches, which are major causes of revenue losses for shippers, are not affected by Bill C-52. That is one of its deficiencies. We would have liked to remedy that in the Standing Committee on Transport, Infrastructure and Communities, but that was not done.

I will mainly address three points, given the time I have today.

First, Canada's shippers deserve fair, reliable railway transportation service that is worth what they pay. The need to strengthen the shippers' position against the monopoly of CN and CP is only partially addressed in Bill C-52, as I mentioned.

The six recommendations from shippers, in committee, were reasonable, practical and modest. That is why we proposed them, yet the Conservatives rejected them without even considering them. I will elaborate on this later.

There are other areas that need improving.

Government Orders

I would like to stress that the NDP, especially the member for Trinity—Spadina, the NDP transport critic, will continue to work with shippers. Shippers shared their concerns with us, and it is clear that despite the passage of this bill, this file will not be closed.

We are going to continue to work alongside shippers to improve Bill C-52 and address the problem of excessive prices caused by a lack of competition. This is a problem, for which the Conservatives are to blame, because we know that they are in bed with the lobbyists for the major rail companies.

Personally, I believe that the bill is biased. The Conservative government has acted shamelessly. It could have taken a closer look at the bill and what shippers wanted instead of systematically siding with the rail lobby.

Shippers are often SMEs. I stand up for SMEs. My riding is located in rural Quebec, in Saguenay—Lac-Saint-Jean. The main industries in the region, for those who are not aware, are forestry and aluminum production. The Niobec mine, not to mention agriculture, can also be found in my riding. All of these products can be shipped by rail.

This bill and the future of Canada's railways directly affect me. At the end of the day, the more that is done to improve the rail network, the stronger the economy that uses this mode of transportation will be. Rail transportation is far more environmentally friendly than transportation by truck.

Concerning my first point, many shippers are not satisfied with the services they receive given the price they pay for those services. They are especially critical of the rail transportation service interruptions and the hundreds of millions of dollars in costs to the Canadian economy year after year.

● (2055)

For Canadian industries, this may mean that harvests rot in the fields, that plants and mines are just marking time and they miss the ships meant to transport their products. It may also mean that inadequate rail freight services hurt Canadian exporters, jeopardize our competitive position internationally and cost jobs in Canada.

We cannot afford to suffer losses on the international marketplace just because the railways are unable to organize their services properly.

In addition, the clients of rail freight services, from farmers to mining companies, are penalized by the virtual monopoly in rail services. In most parts of the country, shippers cannot choose which rail carrier to use because they only have access to CN or CP. Such is the case in my riding. Even where both rail companies provide services, one of them usually sets its price too high, leaving the shipper with hardly any choice at all.

Shippers routinely defray the cost of service interruptions, delays and a range of performance shortcomings by CN and CP. Pickups and deliveries are made on time or not at all. The number of cars requested is often different from the number of cars provided, and the cars provided are sometimes damaged.

The situation affects many sectors, such as natural resources, manufacturing, agriculture, forestry products, mines, chemicals and the automotive sector.

For the most part, the products of these industries are intended for export. The poor quality of rail transport services undermines the ability of Canadian exporters to compete on the international marketplace.

As an example, soybeans from Argentina have a competitive advantage on, for instance, Japanese and Chinese markets because they are delivered more quickly and more punctually than soybeans from Canada, even though the distance covered by the Canadian products is substantially shorter. This clearly shows that there is a problem with our rail system.

Shippers have told the Conservative government about their dissatisfaction for years now, but the Conservatives have not taken any real measures. Since 2007, their approach has been to talk about it and wait. They started off by promising to ask a panel of experts to study the issue.

I know that the Conservative government likes to postpone the passage of good bills endlessly. However, at some point, you have to move from consultations to actually taking action.

What we want is clear. Farmers and other businesses have been footing the bill for years for the poor quality of rail freight services and have never really been able to get Ottawa's attention. I am pleased that they have a listening ear in the member for Trinity—Spadina.

In order to truly remedy the situation, the NDP advocates strengthening the shippers' position. We are on the side of businesses and exporters, and we are determined to get them the rail freight services they deserve.

Bill C-52 will cover only new service agreements, not existing ones, and that presents a problem. It means that many shippers will continue living with unreliable and unfair services with no access to the resolution process when existing service agreements are violated.

Arbitration is available only to shippers negotiating new agreements. Instead of offering all shippers speedy, reliable assistance through dispute resolution, Bill C-52 offers a limited arbitration process to a small group of shippers.

The arbitration process presented could be very expensive for shippers and place an unfair burden of proof on them by asking them to prove that they need the services of the rail transportation company.

One of the things we are calling for is the inclusion of penalties in service agreements, to compensate shippers for service interruptions, damage and lost productivity.

In its present version, the bill provides for maximum fines of \$100,000 to be paid to the federal government, not the shipper. In order for fines to have a deterrent effect, they should be higher, given that CN made a profit of \$2.7 billion in 2012.

Government Orders

The NDP will stand up for farming, mining and forestry communities, like the ones in my riding, and will fight to put an end to the unacceptable treatment and unreliable rail transportation services provided by the big rail companies.

We need a stronger bill to protect the customers. We will work with shippers to get them the fair and reliable rail transportation services they deserve.

The poor quality of rail transportation services causes Canadian shippers hundreds of millions of dollars in damage every year. Canadian jobs are at stake. We have to act now.

• (2100)

[English]

Hon. Lynne Yelich (Minister of State (Western Economic Diversification), CPC): Mr. Speaker, I want to put on the record what Richard Paton, the president and CEO of the Chemistry Industry Association of Canada, said:

The level of service offered by Canada's railways can make the difference between companies investing here, or taking their business elsewhere...this legislation is critical — not only for our industry's competitiveness, but for Canada's overall productivity and prosperity.

Would that encourage the member to help have this legislation be moved expeditiously?

[Translation]

Mr. Dany Morin: Mr. Speaker, first, I would like to tell my Conservative colleague that the NDP and I want to have this bill passed, even though it is not perfect.

I consider it a privilege to have spoken today, because it is not often possible to speak, when we are gagged with time allocation motions.

I am grateful that my colleagues and I have been able to speak. It is very important to hear what people have to say. In Ottawa, I like to talk about my riding and about agriculture and forestry and mining companies.

I would therefore like the others to be allowed to speak.

Mr. François Choquette (Drummond, NDP): Mr. Speaker, I congratulate my colleague from Chicoutimi—Le Fjord on his excellent speech and for standing up not only for Chicoutimi—Le Fjord, but all of the Saguenay. He does a very good job at representing the greater Saguenay region.

Moreover, unless I am mistaken, the greater Saguenay region will soon be celebrating its 175th anniversary. We can therefore be proud of our member of Parliament. I am very proud of him.

Like him, other colleagues have done an excellent job on the Standing Committee on Transport, Infrastructure and Communities. Unfortunately, the Conservatives chose not to adopt the excellent motions moved by the NDP. Nevertheless, we did a remarkable job in committee. We always bring forward amendments to improve bills.

Unfortunately, the Conservatives are blinded by their ideology, and they do not listen to the experts.

Would my colleague like to share his comments regarding the excellent job the NDP did on the Standing Committee on Transport, Infrastructure and Communities?

Mr. Dany Morin: Mr. Speaker, my NDP colleague from Drummond stole my thunder.

The NDP team is doing an excellent job on every committee of the House of Commons.

Indeed, in my speech, I did not have the time to mention all my New Democratic colleagues who are doing an excellent job and are doing their utmost to convince the Conservatives on the other side of the table to adopt good amendments, even though they are not always successful.

I would therefore like to thank the members of the Standing Committee on Transport, Infrastructure and Communities: the member for Trinity—Spadina, the member for Trois-Rivières, the member for Notre-Dame-de-Grâce—Lachine and the member for York South—Weston. They made a valiant attempt to have nine amendments passed to improve the bill.

This evening, Canadians realize that in 2015, they will be able to vote either for the status quo or for a proactive team that wants to improve Canada's rail system.

• (2105)

Mr. François Choquette: Mr. Speaker, earlier, my hon. colleague from Chicoutimi—Le Fjord spoke about how important it is to have legislation that will convince the big rail companies to respect the people who use them: forestry workers, miners, farmers and so on.

He went on to say that the fine was not steep enough to convince the major corporations, CN and CP, which make billions of dollars a year, to respect their clients. Of course, this ruffled the Conservatives' feathers.

It is important to have good managers, yet on the other side of the House, the Conservatives are very bad managers. They lost track of \$3.1 billion earmarked for the fight against terrorism, and they have no record of a \$90,000 cheque from their chief of staff, which was used to pay off the debts of senators who are not able to pay their own debts.

I would therefore like to hear why my colleague thinks that it is important to have credible, solid legislation to ensure that rail companies respect their clients.

Mr. Dany Morin: Mr. Speaker, under the current bill, the fines imposed on CN would only amount to \$100,000, which is really too little for a company that makes \$2.7 billion.

The CN president even did some lobbying of the Conservatives, and he managed to influence them so they would not increase the fines. We can see that the Conservatives are not on the side of shippers, but are on the side of the rail lobby instead.

[English]

Mr. Merv Tweed (Brandon—Souris, CPC): Mr. Speaker, I am pleased to rise and put some comments on the record in regard to this bill. I had the opportunity to serve as the chair of the transport committee that listened to most of the presentations, and we certainly listened to the concerns expressed.

Government Orders

Before I begin my comments, I would like to give congratulations to the Minister of Agriculture and Agri-Food and the Minister of Transport. This has not been an easy file. It has been a file where if they do not get it right, they will not get a lot of second chances. They have spent a lot of time working together. They have listened to stakeholders and they have listened to the people who have vested interests in producing a fair deal at the end of the day. This particular bill we are putting forward would address many of the issues that were proposed and put forward by the stakeholders in the negotiations.

I do want to start right off by saying that I support this bill. Particularly in my new role as chair of the agriculture committee, it is one that will benefit the agricultural sector, and also the people I represent in the communities of Brandon and Souris.

The decision to move to a fair rail freight service act was discussed in 2011. It was an act to provide shippers with the right to a service level agreement and a process to establish such agreements when commercial negotiations fail. Many people would ask why this new bill is important. Why it is important to agriculture and to farmers? Like any business, it is one thing to have a great product, which I believe our farmers in Canada have, but it is another to be able to get it to market in a timely and efficient way.

Across Canada, producers and processors export 50% to 85% of their production, and they rely on an efficient and effective rail service to get their products to their customers. Farmers today ship 65% of their soybeans, 70% of their wheat and over 83% of their pulses beyond our borders. Last year alone, Canada reached a new record of exporting \$47.7 billion in agricultural food and seafood, with significant increases in key markets, such as China, Hong Kong and Russia.

We are not done. We are on track to increase those export dollars and expand our markets. A full one-third of those exports are driven by Canada's world-class grain industry, which is also a powerful engine of our jobs and our economy and what our government has been all about for the last several years. It brings \$15 billion to the farm gate. Jobs and growth depend on exports. An efficient rail service upholds the reputation of our agricultural exporters in foreign markets, and if our buyers are happy with delivery they will come back for more Canadian products rather than moving on to other sources of supply.

Our government remains very focused on trade because it drives one in five jobs across our great country. As part of our government's strategy for economic growth and prosperity, we have been pursuing a very ambitious trade agenda. I suggest to the members opposite that regrettably they were not able to participate in approving the trade agendas we have put forward, but they continue to move Canada forward, particularly our agricultural producers.

In fact, a key part of our economic action plan is the most ambitious trade agenda in Canadian history. Since taking office, we have concluded trade agreements with nine countries and have many more in the hoppers. We recently released the Agriculture and Agri-Food Market Access Report, documenting some of the keys wins we have had on the trade front over the last few years. Those wins include restoring beef access to South Korea, a potential market of \$30 million by 2015; expanding access for canola to China, a market

worth \$1.6 billion; and, just recently, expanding access for our beef to Japan, which will double our market there.

I understand that numbers being put out there sometimes confuse people, but the bottom line is this: our Manitoba producers, our Canadian farmers, our food processors and our economies depend on trade to prosper.

● (2110)

What would the bill do to ensure a more efficient and reliable rail system for farmers? Most importantly, the fair rail freight service act would give shippers new tools to level the playing field in their relationship with the railways. The fundamental change would help to ensure the smooth and uninterrupted delivery of Canadian products to our customers. Agriculture and Agri-Food Canada is backing this commitment with the crop logistics working group, which provides a forum for transportation-related issues. On November 20, 2012, the Minister of Agriculture announced a new mandate for this working group to continue finding efficiencies and driving costs out of the entire food value chain.

We all know that the potential for growth lies beyond our borders in this great country, and our Conservative government continues to work closely with industry to open up new markets while strengthening and expanding our existing trade relationships. We cannot afford to put that business at risk. Canadian grain farmers and grain marketers have sales orders to fill around the world and are heavily dependent on the railways to move their product to market.

I am pleased to note the strong support from industry for this new bill. Stephen Vandervalk, president of the Grain Growers of Canada, said:

This new legislation will go a long way to address our farmers' shipping needs. We are thrilled to see this legislation moving through Parliament. A lot of hard work has gone into this.

Pulse Canada also stands behind this new legislation. Gord Bacon said:

We're very pleased to see the government taking some action, because we have a long history of wanting to see improvements in the predictability and reliability of rail traffic.

The Keystone Agricultural Producers have expressed their support by stating:

The ability for shippers to acquire service level agreements is something we've been requesting for a long time.

Reliable rail service is a major concern when we market our grain, so the sooner this passes, the better.

Government Orders

This legislation is a no-brainer. We have both sides at the table. We have both sides in agreement. Rail service disruption damages our entire reputation for exporting into foreign markets. If our buyers are concerned about delivery disruptions, they will soon move on to other sources of supply. We do not want our customers to think twice about buying from Canada. The livelihood of Canadian farm families depends on uninterrupted, timely and efficient rail service. I ask that we act now. I ask that we move forward on the bill as quickly as possible.

I would also like to add a couple more comments from people who have passed them on to me.

Richard Paton, president and CEO of the chemistry association said “...this legislation is critical — not only for our industry’s competitiveness, but for Canada’s overall productivity and prosperity”.

I want to congratulate all parties involved in this. It was a difficult challenge laid before parliamentarians, but also for members of the committees who met to try to hammer out this deal. Mr. Jim Dinning was very effective in creating the groundwork that we needed to come to this. At the end of the day, I believe with the ability to create service agreements, the people who have had issues with rail delivery and rail service in the past will have a way of resolving this.

I want to congratulate the rail companies, the short-lines and all people involved in that transportation industry. They have worked very hard to create an atmosphere where we can grow, where our opportunities will continue to grow, and where service will become the mainstay of western Canada and Canadian deliveries, not only to our markets to the south but to markets around the world.

I encourage all members to support this legislation.

• (2115)

Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP): Mr. Speaker, we have noticed in the northwest of B.C. that because of the system we have established, where there is often a monopoly of service to some of the shippers, that CN, in the case of the people I represent, has been less than forthcoming about getting cars, especially on any of the spur lines. Lumber mills or grain shippers who happen to be slightly off the main line have an incredibly hard time finding a company that is willing to deal with them. There have been a lot of complaints lodged with the Competition Bureau, et cetera, and so on down.

I wonder if my colleague is satisfied that the changes being made here would provide some of those sawmills with service. I am talking about Burns Lake and Fort St. James, and places that are keeping their mills going but just hanging on. The idea that cars do not show up is unacceptable. They are willing shippers. They are willing consumers. They have the money and they have the product to move but they are too small sometimes, it would seem, for CN and these large players. We have afforded them this monopoly in a lot of cases. They do not have access to another way of getting their product to market.

Would this legislation satisfy what these shippers, sawmills and grain shippers are going to need? As he said at the beginning of his remarks, we only get a few chances to get this thing right. We do not

look at reforming our rail too often, and it has been wrong for a while, particularly for these types of producers.

I wonder if he has anything in this legislation that would offer those good people a solid sense that they will be able to be viable in today’s competitive market.

Mr. Merv Tweed: Mr. Speaker, it is important to note that no matter how big or how small we are in this industry, it is individual producers who ship grain cars. They are reliant on not only agreements but on working arrangements with the rail line companies.

For the shippers and the people who use that service, with the ability to have service agreements and contracts, a commercial deal will always stand up. Lack of service has always been the challenge and the question the shippers have put out there. What do they do when they are shorted? They have no alternative.

Having it in the agreements and having commercial agreements will go a long way toward resolving a lot of those issues, and not only for people in the hon. member’s community. I respect that, but we have the same issues and the same situation, and we are trying to resolve them. I think this measure will help.

Hon. Vic Toews (Minister of Public Safety, CPC): Mr. Speaker, I want to congratulate the member for Brandon—Souris for the very good work he is doing as the chair of the committee that is examining the bill. He has done a lot of great work over the years. He has worked with both shippers and the railway companies to find a suitable legislative resolution for what are sometimes very difficult problems.

With the demise of the Wheat Board monopoly, which has been quite good for western Canada, producers now have the opportunity to grow more wheat and send out more product.

We are seeing a tremendous resurgence in some of the crops that were not being grown because of the stifling effect of the Wheat Board monopoly, but I am concerned about the smaller shippers mentioned by the member across the way, small grain farmers and others who want to ship their products around the world.

Does the member see a solution for some of the concerns people have raised when it comes to smaller producers and smaller shippers against larger rail companies?

• (2120)

Mr. Merv Tweed: Mr. Speaker, it is important to note that recently producers from western Canada were before the agriculture committee. One of the questions raised was whether they had seen a service level improvement, even without the agreement but with the idea that it is in place and looks to be moving forward. To a person they suggested to us that the shipping, through the west coast particularly, had become better than ever before. We have obviously seen an increase in wheat grown this year, and I think it is because of the freedom of choice that people have.

Government Orders

The fact that agreements can be struck with any individual, any organization or any business suggests that the companies, particularly the rail companies, are very serious about doing business. They got the message loud and clear, and other than a few glitches this winter with weather and other conditions, we have seen the ability to provide service. We have seen them making great efforts to satisfy their market. They know very well that their success depends on getting that product to market in a timely fashion.

[*Translation*]

Ms. Anne Minh-Thu Quach (Beauharnois—Salaberry, NDP): Mr. Speaker, I thank the hon. member.

Bill C-52 is a step in the right direction. Nevertheless, the shippers made six recommendations to the committee that were not considered by the Conservatives; none of them were accepted. Yet we know very well that these new agreements will not address contract breaches.

Since there are two main railway companies providing these services, if there is an interruption of service the shippers cannot count on another railway company to transport the goods. That affects their ability to compete on the world market.

How does the hon. member propose to improve this bill, which is really a mess at present?

[*English*]

Mr. Merv Tweed: Mr. Speaker, I have read most of the transcripts of the debate and the discussions that went on in moving this bill forward. A number of organizations, particularly the shippers, came forward and expressed discontent that they did not get it all and that there were other things.

Negotiation is that way. Whenever I go to negotiate, I always want to get more, but at the end of the day, when both sides are a little bit happy and a little bit unhappy, they have probably reached a fairly good compromise.

When we have comments by the leaders in the industry saying that this is a good thing for their suppliers and their people, I suggest that it is a good thing for all Canadians.

Hon. Lynne Yelich (Minister of State (Western Economic Diversification), CPC): Mr. Speaker, I appreciate the opportunity to congratulate the chair of the committee on making sure this legislation is going through smoothly. I would like to remind him how important it is, and I know he knows this, to our own agriculture industry.

I am surprised that there were shippers who were not happy. I read that the president of the Grain Growers of Canada said:

This new legislation will go a long way to address our farmers' shipping needs. We are thrilled to see this legislation moving through Parliament. A lot of hard work has gone into this.

He added:

We were also happy to see performance standards included in the arbitration process.

I just wondered if the member would like to elaborate a little on what this is doing for our agriculture, especially in landlocked areas such as Saskatchewan and Manitoba, and how important it is to have this for our farmers.

● (2125)

Mr. Merv Tweed: Mr. Speaker, I thank my colleague for the question, but I would suggest that sometimes Manitoba and Saskatchewan are not always landlocked, since they are surrounded by water.

It is interesting, because the whole debate about this rail service agreement was to find a way to satisfy both the shipper and the rail companies. We understand that choices are limited, so the rail companies have to understand that they have to provide good service, while the shippers have to understand that they have obligations to make and commitments to keep in a deal. If either one makes a mistake or creates an impasse, there are legal ways of resolving it and coming to the solution and ways of moving forward without being tied up. Previously they were tied up in courts forever, and it was just a waiting game. Now we have a direct resolution.

I think producers like it. I think shippers like it. I think the rail companies will grow to like it as we move forward. Canadians will benefit from it.

Hon. Ralph Goodale (Wascana, Lib.): Mr. Speaker, it is a pleasure to participate in this debate on Bill C-52. During the course of this debate, all sides in the House have said they are glad to see this piece of legislation before the House. At the end of the day, it will probably garner pretty general support.

However, there is indeed disappointment, not just in the House but among a very significant number of those in the shipping community, who had been hoping and working for years—

The Deputy Speaker: There is a conversation going on at a fairly loud level. Could I ask members who want to have a conversation to take it outside into the lobby? I am having a hard time hearing the member.

The hon. member for Wascana.

Hon. Ralph Goodale: Mr. Speaker, thank you for attempting to regain a little order. It is much appreciated.

What I was saying was that there is significant disappointment, not just in the House but in the shipping community. The legislation does not fully achieve the objectives that the shipping community had been hoping for. They have been waiting for this legislation for a long time.

The debate about level of service agreements in the country began in 2006-2007. Before that period of time, the focus was on costing agreements and the level of freight rates and whether or not farmers and other shippers were receiving the full value that they thought they should receive. The argument was all about having costing reviews and the timeliness of costing reviews, what revenue was raised by freight rates and how it was shared or not shared across the entire continuum, from the shipper to the port and ultimately to export destinations.

In 2006-2007, the focus really zeroed right in on the issue of level of service agreements. That is when this debate really began.

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The government took a while to think about that, but in 2008, the government said it agreed that there was a legitimate issue, that service levels might well be deficient and there ought to be a review of the level of service provided by the railways to the various shippers.

I should make the point that we are not talking here about just the agricultural sector. As large and as important as the agricultural sector is, the shipper community includes those who move virtually anything by rail. It includes the forestry sector, the chemicals sector, the fertilizer sector, mines and minerals, and manufactured goods. It is a broad cross-section of those who rely upon our railway system. They made the general complaint that they thought the services they were getting were in fact deficient.

As I said, the government agreed in principle, but there was an issue here, starting in 2008, and it said it would have a formal review. That review panel was appointed in the fall of 2009. It got to work pretty quickly and completed its work in about a year. It finished its report in the fall of 2010. The report was officially published at the beginning of 2011 and by about March, the government said it accepted the report of the review panel and that it intended to implement the report.

The panel essentially said that the marketplace for transportation services was basically a non-competitive marketplace, that there was not a fair balance between the shippers on one side and the railways on the other and that there was indeed an imbalance of market power that was biased in favour of the railways. That report of the review panel appointed by the government came out at the beginning of 2011.

In March of 2011 the government said that it essentially accepted that principle and that it would do something about it. The discussion continued to go on without a specific proposal from the government. In fact, it referred the whole matter back to another review process, chaired by Mr. Jim Dinning from Alberta. He was not able to move the yardsticks any further in trying to reach consensus between the railways and the shippers, so the process dragged on through 2011 and through 2012. By the end of 2012, in December of last year, the government finally tabled legislation. We are now halfway through 2013.

I would just remind the House that this whole process began in 2007. It has been a long time, and the shippers have waited patiently for legislation that they hoped would address their concerns. Unfortunately, they are disappointed. They find this legislation to be deficient.

The shippers essentially wanted four things in the legislation. First, they wanted in legislation the enshrined right that they would be entitled to an enforceable level of service agreement with the railways. That was number one.

● (2130)

Number two, they wanted the legislation to lay out what constitutes the basic services that the railways are to provide and how performance or non-performance would be measured. That was their second request. They wanted some clarity and some specificity about what constitutes service and how it is measured.

Number three, they wanted it very clear that if there were a breakdown somehow in the system, if the level of service that they contracted for was not in fact delivered as promised, then they would be entitled to recoup damages for the deficient service that they were delivered.

I would note that the review panel had reported, when it examined all of the anecdotes presented by shippers, that the typical agricultural shipper in western Canada could expect to get exactly what it ordered from the railways only 50% of the time. That is a pretty compelling statistic. If we can count on the transportation we have ordered to deliver only 50% of the time, we have a big problem if we are relying upon the railways to actually perform in that manner. Obviously the situation was serious and the shippers wanted the opportunity to recoup damages. They hoped they would not have to do that, but they wanted the opportunity to recoup damages if in fact the level of service fell below what was expected.

Finally, the fourth element was the dispute resolution mechanism.

The right to have a level of service agreement was point number one. They could negotiate that. If the negotiations were not successful, then it would be referred by arbitration to the Canadian Transportation Agency and the agency would impose an arbitrated agreement. That actually is in the law and that is a good part of Bill C-52. It is the other elements of the ask that are missing. The clarity with respect to the definition of what services are to be provided and the consequences if the level of performance falls short. In other words, the ability by the shippers to recoup damages.

Those two things, the clarity of the definition and the ability to recover damages, are not in Bill C-52. Those are the two primary reasons why the shipping community feels that this legislation is deficient.

The government's answer with respect to the definition of level of service is that it is just going to rely upon the traditional language that has been in the Canadian Transportation Act for 40 or 50 years and it does not need to upgrade that language or make it any more specific to satisfy the concerns of shippers. I think quite frankly that the government is going to find out that this is a false conclusion on its part. The definition in the act is what has caused the problem in many ways over the last number of years. It is not clear. It is like nailing Jello to the wall. To simply say, "we're going to carry on with those same definitions of service levels in the future and cross our fingers and hope for the best", the government, the shippers and the railways are going to be disappointed. The language has proven to be deficient in the past and the definition of insanity is continuing to do the same old thing over and over again and expecting a different result.

We are not going to get a different result, so the definition in this legislation is not adequate to change the water on the beam, to solve the problem that the shippers have been complaining about and that the government's own review panel concluded was in fact a legitimate problem and that the shippers were not crying wolf.

Government Orders

Second, on the issue of enforcement, what happens when the level of service turns out to be deficient and it does not measure up to the standards that the shippers have every right to expect? The government's answer is not to give the shippers damages. The government's answer is to establish a system of administrative monetary penalties, in layman's language, fines for railway substandard performance. Some might think that is a kind of penalty and enforcement mechanism, would that not work? The problem is the fine goes to the government. It goes into the general revenue fund.

• (2135)

It simply becomes an additional revenue source for the treasury of the Government of Canada and bears no relationship whatsoever to the transportation problem out in the field. What the shippers need is the ability to recover damages. If a shipment is not delivered on time and it misses a customer or a market, that is a monetary penalty that shippers have to pay. They lose income, lose profit and incur added costs because the transportation system has failed them.

It does them no good whatsoever to say we will slap the railways on the wrist and they will pay a fine to the government. That does not move an extra bushel of wheat, that does not move an extra tonne of lumber. All it does is transfer a bit of money from the railways to the government. Meanwhile, the shipper is stuck with the same problem: deficient service for which there is no remedy because they cannot recover damages unless they go through the elaborate process of going to court.

We just had a discussion about small shippers and the disadvantages they have. The railways have deeper pockets for the lawyers in the court process than the shippers have and, undoubtedly, that imbalance will continue to function in favour of the railways and to the disadvantage of the shippers.

Probably the greatest illustration of the discrepancy remains on the playing field. Remember, the panel said the original problem was a lack of balance on the playing field. It was tilted in favour of the railways and the shippers were largely in a captive market situation. They were not in a position to find some other railway to move their product and they were not in a position to enforce their legal rights because they did not have the legal rights, so they were stuck in a disadvantageous position.

Perhaps the greatest illustration of that discrepancy is the fact that railways can, and always have been able to, level unilateral demurrage charges against the shipper if the shipper fails to deliver their side of the bargain on time or in the way the railways had expected. The railways can extract a cash penalty from a shipper called demurrage if the shipper falls down on its obligations, but on the flip side of the equation, the shipper does not have the ability to recover a cash penalty or cash damages from the railways if the railways fail to perform. Therefore, the railways have the power to punish the shippers, but the shippers do not have the power to punish the railways. That is a classic illustration of the fundamental market imbalance that exists in this situation and the imbalance that the shippers had hoped would finally be rectified by this new legislation.

Those are the fundamental problems. The legislation creates, to a certain extent, some steps forward. There will be a legislated right on the part of all shippers to have level of service agreements with the

relevant railways. They can first try to negotiate those agreements and if the negotiations succeed, great. Everybody hopes that is the way it will work, that they will not need recourse to the legislative and regulatory framework so that the parties will be able to work out a deal. However, if the shipper is not able to successfully conclude an agreement with the railways, the legislation takes an additional step, which is good, in saying that the shipper can then go to the Canadian Transportation Agency and get an arbitrated settlement from the agency. Those steps in the legislation are positive steps forward.

However, let me repeat that where it falls down is in the language that is in the act or, more accurately, that is not in the act defining what "level of service" means. The same vague old language is being used that has been there for decades and that vague old language is part of the problem. There needs to be greater clarity about what constitutes level of service and the way level of service is measured. The second major deficiency is that when there is a failure to perform on the part of the railways, there is no ability on the part of the shipper to go to the Canadian Transportation Agency through some form of dispute settlement process and obtain liquidated damages to address the practical problem that the shipper has, that their goods are not moving because the railways have failed to perform.

• (2140)

Paying a penalty to the government does not do the shipper any good. The money is in the pocket of the government, not in the pocket of the shipper and the shipper is the one that has experienced the problem.

Those are the issues that were discussed at committee. Those are the issues that members of this House, both in committee and otherwise, have discussed with the shipping community across the country. They say that, because of the legal provision in Bill C-52 that would create the right to have a level of service agreement, the legislation is a step forward. It is, as they put it to me both verbally and in writing, better than nothing. They would like substantially more, but it is better than nothing.

On that basis, that it is some small improvement over what has existed in the past, Liberals will be reluctantly supporting this legislation. We would prefer to have it vastly improved. There still is an opportunity to do that. The parliamentary process is not yet complete.

Hopefully before it is complete and before this legislation is given royal assent, the government will have the opportunity to reflect on those two key points. First, a more effective definition of level of service and the way it is measured; second, the way proper service is enforced by the railways, by giving the rights to the shippers to have liquidated damages, as opposed to just a penalty paid to the government.

If the government would change those two things, the shipper community members would be a lot more satisfied with this legislation than they are today. I think all of us are reluctantly accepting it the way it stands, but the government will find it will be revisiting this issue in a year or two.

Government Orders

There is a statutory review of the Canada Transportation Act in the year 2015. This is going to come back again, because this time the government has not seized the opportunity to do it right, the way it should have.

[*Translation*]

Ms. Anne Minh-Thu Quach (Beauharnois—Salaberry, NDP): Mr. Speaker, Bill C-52 only applies to new agreements. Contract breaches and service interruptions are often related to existing agreements. The shippers have no recourse and they suffer financial losses. Sometimes these losses also cause job losses. If the crops are just waiting and are not sold, there are repercussions for the economy.

The bill is incomplete and it is imperfect. Perfection is difficult to attain. Still, the bill does not in any way reflect the six recommendations the shippers made in their testimony to the committee.

What does the hon. member think of the serious effect this has on the shippers' quality of life and Canada's economy?

• (2145)

[*English*]

Hon. Ralph Goodale: Mr. Speaker, questions about existing service agreements between some shippers, certainly not nearly all of them, but some have over the last number of years been able to negotiate some kinds of confidential contracts with the railways to deal with their level of service. Those contracts are confidential between the railway and the shipper and their content, in terms of how effectively they deal with the service issues between the two parties, is not a matter that is on the public record.

However, the hon. member is correct to say that in those cases where a service agreement, such as it is, exists at the moment, the shipper is not entitled to refer the matter to the CTA unless and until that existing confidential contract expires. This may mean that some shippers might have to wait for some period of time before they would have access to the arbitration process.

We asked a number of questions in the committee about the existence of these pre-existing confidential contracts between some shippers and some railways. We were told that there were not very many of them and they were all pretty well of short duration. That was the testimony before the committee by the parties directly involved. We were given to understand that this was not a large problem.

However, if in fact there turn out to be more of these confidential agreements already existing than we were led to believe there were and if they are of longer duration, five or ten years rather than one or two, then I think there will be a problem with the legislation because a significant number of shippers would then be excluded from the right to have arbitration for some considerable length of time.

However, according to the shippers themselves, when we asked them the question on how many of these agreements existed now and how long they lasted, there were not very many of them and they did not last very long. That was the testimony they gave before the committee.

[*Translation*]

Mr. Dany Morin (Chicoutimi—Le Fjord, NDP): Mr. Speaker, I think it is rather hypocritical of my Liberal colleague to come to the defence of improved rail service in Canada when we know that it was the Liberal Party that helped create the current crisis by privatizing CN in 1995, without any protective measures for shippers. We might say they put the finishing touches on the virtual monopoly we see today.

What does my Liberal colleague have to say about that?

[*English*]

Hon. Ralph Goodale: Mr. Speaker, I guess the hon. gentleman just never lets the facts get in the way of good twisted ideology.

The fact is that in 1995, the issue that was largely before the railway community and the shipping community was a question about costing. The last costing review was done in about 1992. Through the 1990s that was the question the shipping community was concerned about: a costing review; were the revenues being raised; were they accurately measured; were they properly distributed among the various participants in the value chain.

The discussion about level of service began in earnest in the mid-2000s. It was a focus of debate, particularly, starting in 2006-2007. There was legislation going through Parliament at about that time. The shipping community said that it would like to have the level of service issue attached to the legislation the government had brought in, I believe, in 2006 and was dealing with in 2007. The government's response to that was, "We'll deal with the level of service complaints at a later stage", and that is what produced the panel, which started in 2008-2009.

The hon. gentleman is just factually incorrect with the rant that he has made.

• (2150)

[*Translation*]

Mr. Dany Morin: Mr. Speaker, I disagree strongly with my Liberal colleague, who is trying to sweep Liberal involvement in the current crisis under the rug.

I can understand that in 1995 the Liberals had their own reasons for privatizing CN, although I do not think the Canadian public came out on the winning side.

The Liberals, however, had until 2006 to solve the problems that are still haunting the railways, both CN and CP, and they did nothing.

What do they have to say? Will they still say that privatization justified the crisis they created over 11 years?

I repeat: the privatization took place in 1995 but they had until 2006 and they did nothing.

[*English*]

Hon. Ralph Goodale: Mr. Speaker, as I said, I will get the hon. gentleman a calendar if that would help.

The focus in the 1990s was the costing review. The focus in 2006-2007 was the level of service review. The nature of the issue had transformed in the intervening years.

Government Orders

Quite frankly, the issue of private ownership or public ownership of the railways is, in these circumstances, entirely irrelevant. The shippers have had complaints about both sides of the equation, both the privately-owned railway, and while it was still in the public domain, the publicly owned railway. The point is that the ownership structure of the railway has proven to be irrelevant on the question of level of service.

At the moment, if we asked the shippers, they would be discrete in answering, but they would say that they are getting a better level of service from CN than from CP. There were times in the past when that was flipped around, but at the moment I think they would give CN credit for actually having tried to address the issue more effectively than CP has.

The bottom line is that shippers on both types of railways do not believe the level of service is up to snuff where it should be, which is why they were hoping for more effective legislation.

Hon. Mauril Bélanger (Ottawa—Vanier, Lib.): Mr. Speaker, I am going to ask a question about history as well.

I would like the member for Wascana to tie in what happened in the nineties and the first decade of this century to what happened in the eighties with the changing of the Crow's Nest freight rate. How may that have affected, positively or negatively, rail freight services throughout the country?

Hon. Ralph Goodale: Mr. Speaker, the issue with respect to what historically was called the "Crow's Nest rate" is that it ran into a serious impediment in the mid-1990s with the new World Trade Organization, which explicitly ruled that this form of structure in our freight rates constituted an illegal subsidy for the future. Accordingly, the government had to react with changes that provided a period of compensation for the loss of the subsidized rate and it tried to put the system on a more commercial basis for the long term into the future.

That was a very difficult transition for farmers. Those in the farming community in our country deserve a great deal of credit for having the strength and ingenuity to work their way through that period of great change and emerge successfully at the other side. However, they now need fair legislation that will give them the service they are paying for, and that is why Bill C-52 should be better than it is.

• (2155)

Hon. Rob Merrifield (Yellowhead, CPC): Mr. Speaker, I take great interest in the debate this evening, as well as a bit of pride, because this legislation is very close to me. I was in charge of the railways at the time when the rail freight service review was happening and on behalf of the government, I was able to introduce the announcement to initiate this legislation.

Here we are going into third reading, which is great not only for the House but for the country because all parties are indicating their support for the legislation. It is a great legislation for a lot of reasons.

I will start with why it is here and why we need the legislation. I would like to go back a bit and explain to the House and Canadians what the problem really was.

At the time when I was put in charge of railways, in western Canada the on-time delivery for CN's cars was about 52% to 55% for

grain shipments. That is not a good performance. How could western Canadian farmers get their products from the combine to the port and off to international markets when they could only rely on the cars being there at the proper time 55% of the time?

As my hon. colleague from Wascana mentioned, during the review CN upped its game considerably. New management came into CN and really concentrated on trying to up its game at the time, and it did. It went from 55% to over 90% within about a year to a year and a half period. That was strictly because the spotlight was on it and it put full attention toward upping its service because the service review was taking place.

A lot of the shippers came to us and asked that we keep the review going and keep the spotlight on the industries and the railways so they would up the game. We encouraged them to continue to have service agreements with all their shippers. They committed to doing that and signed as many shipping service agreements as they possibly could. In fact, I know there were some in some of the industries, perhaps the coal industry, for over a decade, so there were some long-term agreements that were signed at that time.

This legislation does not really speak to the agreements. That is intentional because they are so diverse. Producers cars would have a completely different need and service agreement than would shipping of a coal, potash or forest industries. However, they all want service. Under this legislation, those agreements would be totally flexible because they could contain all kinds of penalties. We are not privy to what the agreements are. We do not need to know what they are. However, when the two parties come to an agreement, they need to have some kind of mechanism to do things.

The first is to ensure that whatever agreement they do reach is complied with. That is what this legislation does. It has penalties that would go to either a shipper or a railway depending on which one breaches the agreement.

The second is there for when an agreement cannot be reached. If negotiations between the shipper, the railway, and so forth are done to the best of their ability, whether in the forest, egg, coal or potash industry, whatever the commodity, yet they cannot come to an agreement, then they are really stuck. This legislation is a way for them to reach a final arbitrated settlement that would give them clarity as to what was fair in an agreement. That is what the industry and the shippers have asked for.

Instead of being held ransom and saying they cannot come up with an agreement because no one wants to negotiate, they are saying, with this legislation, that if they cannot come to an agreement, there will be an arbitrated settlement. It does not say who is going to win or lose in that arbitration. Rather it calls for that to happen. Because of that, there will be a better system all the way around. If we go through the rail service review data carefully, as did the committee and the government, there was a lot of blame on both the shipper and the railway sides.

Government Orders

• (2200)

Let us not pick winners or losers. Let us just fix it in the best interests of this country. That is what this House is all about. It is about designing a piece of legislation that will move the country along. We do not really care who wins or loses. We want it to be fair so that both win. Canada wins because we move product to shore and on to international markets, where the real win is for the railways, the shippers and the country. That is why this should be supported.

International trade is really our stimulus for the future. We just came through a tremendous economic recession that has challenged the world. It challenged North America. It challenged the United States, our largest trading partner. Last year we had \$528 billion in trade. Three-way trade between Mexico, Canada and the United States is almost \$1 trillion per year. That is a large number, when we start talking about trillions of dollars.

About 40 million jobs have been created in our country because of NAFTA. I love the map at the Canadian embassy in the United States. The map shows for each state the number of dollars traded with Canada and the number of jobs created in that state because of that trade. It is very effective information that our American cousins need to understand more directly. Canadians also need to understand it. The number of dollars traded and the number of jobs created in each province is also on that map. I would recommend it to anyone.

Why do I mention that? It is because one of every five jobs in Canada is created because of trade, because of exports. Sixty per cent of our GDP is from that trade. Is it growing or is it shrinking? The last statistics I saw show a 73% increase in trade internationally between now and 2025. That is a large number. Those countries that capitalize on that growth in trade are the ones that are going to win. I like the way we are positioned to capitalize on that. We are about to sign a European free trade agreement, which I hope will work. That is 500 million people and \$17 trillion in GDP in that market that we will be able to capitalize on. Not only that, but when we go to the west coast, with the trans-Pacific partnership, we will be talking about 110 million people and GDP of \$17.6 trillion.

These are tremendous opportunities, not only with respect to China and India but with the trans-Pacific partners. It will depend on what we have to offer those markets. We are also working on a bilateral trade agreement with Japan. We are working on more trade with China. China is a big player, particularly when it comes to railways and moving products to the west coast.

What do they want? They want two things: food security and energy security. Canada can provide both, and railways are a major part of that. Before railways and shippers start saying negative things about each other, why do both groups not look at the opportunity before us? Why do we not look at the opportunity before Canada? Never has the opportunity been greater to create a winning situation for Canadian industries. It might be products manufactured and moved back and forth by rail, as we do with United States when we move automobiles back and forth by rail. We can actually supply for the United States products coming from China through the port of Prince Rupert two and a half days faster than any other port on the west coast. It is two and a half days faster, because it comes through Prince Rupert and goes right down to Chicago to supply the largest

economy in the world: the United States. It is because of our railways and our system.

People have been criticizing this piece of legislation and asking why we did not include shipments to the United States in this rail service agreement. I can say that the United States is looking very closely at this piece of legislation. Americans are wondering how it is working, what kind of support it is getting and if it is going to actually do the job. I believe that it will do the job. The Americans are very keen to look at it and perhaps even use it as a model for their country. When that happens, there will be a continuous system between Canada and the United States, which is our largest trading partner and always will be.

• (2205)

This is a great piece of legislation for many reasons. When we look at the international markets, it is indeed amazing.

The railways carry a tremendous amount of freight, about 240 million tonnes of freight. About 70% of the surface freight in this country is moved by rail. That includes the bulk commodities such as grains, minerals, forestry products, energy products and so on.

I was talking to a representative of CN last night. He was telling me that the number of cars they are ordering to supply energy to markets by rail is off the charts. That is happening because of the resistance to pipelines. Whether or not the pipelines come, there is no question that rail will play a big part in moving our energy products to shore and beyond.

It is very important that this piece of legislation work not only for the agriculture sector, for grains and seeds, but for the energy sector, mining, potash and so on. It is a great piece of legislation that would go a long way in making certain that we level the playing field.

My hon. colleague said that CN used to be one of the worst as far as providing service. I would tend to agree with him. Perhaps now the reverse is happening, and CP is having more of a struggle providing service than CN. That is hard to argue with, and it is probably true.

We have heard arguments from the president of CN. He is asking why we are bringing in this legislation. He says that it will halt negotiations and drive people away from the negotiating table. It would do just the opposite. It would drive people to the negotiating table, because if they did not get a service agreement, there would be a very quick arbitration process in place through this legislation that would actually make sure they got a deal. That is what the legislation is designed to do. That is why it would work so well.

Would it be used an awful lot? Probably not. I hope not. I hope it is never used. If we bring it in, the jig is up. There should be an arbitrated settlement. If there is not, somebody will do it for them. They will do it quickly, and it will not cost a lot of money. Once the process has been challenged, a precedent will be set. The rest will fall in line with it, and the service agreements will comply.

Government Orders

I do not believe that this piece of legislation will be used terribly much, but it needs to be there, because the manager of CN or CP may not always be the most friendly guy who always wants to do the right thing. When we bring in legislation, it is for a long period and it is in the best interests of the country. It has nothing to do with the personalities of the people who were there.

I remember the forest industry. We were within hours of finalizing an agreement with the forest sector of this country. We brought them to the table. We did everything we possibly could to get them over the line. We could not quite get there. We would get there now, because we would have a piece of legislation that would arbitrate it. I will not say who would win or lose in that arbitration, because I do not know, but I do know that there would be an arbitrated settlement and they would move on.

It is really important that cars are placed in yards at the appropriate time for product to move from where it is produced to the market. That is the number one thing we can do to create the kind of economy, jobs and prosperity this country needs to move forward.

A lot has been said about the penalties that would go to the government. That is because we do not want winners or losers to use this piece of legislation other than as a tool to make certain that services are provided at the appropriate time.

There could be all kinds of penalties within their service agreements if the parties agreed to them. If the agreements were not recognized and not realized, the penalties would be a tool to make sure the service agreement was complied with.

● (2210)

It is a very great day for me. This has been a long process. It is a process that has had a lot of consultation.

I have quotes here from the agricultural, forestry, coal, potash and mining industries that say that this is a very big step in changing the dynamic between the railways and the shippers. They feel that they have a government that will back them in an arbitrated settlement process that does not play one against the other. It is truly there to try to make certain that an agreement works for both and that the service is provided in an appropriate way. Predictable service is something we cannot talk enough about. Unpredictable service is the number one thing that will retard the opportunity for shippers to be prosperous and get their products to market.

I want to commend the standing committee on transport. It worked very hard over a number of years to make this happen. The Minister of Transport has picked this ball up and has pushed it very hard. He has worked very hard to bring this to where it is tonight.

Tonight is a wonderful evening. Think about it. When was the last time we had a substantive piece of legislation such as this that was agreed upon by everyone in the House? I can think back a long time. I know that there have been frivolous pieces of legislation that perhaps have had unanimous consent, but there have not been major pieces of legislation like this that are paradigm shifters that would change the dynamic. It is probably the most significant piece of legislation to come between shippers and railways in 50 years or more, so this is a very significant evening. It is a significant piece of legislation.

I am very proud to be lending my voice to it, and I look forward to the vote, which I hope will happen tomorrow. We will move it into the Senate and on to royal assent very quickly.

[*Translation*]

Mr. Dany Morin (Chicoutimi—Le Fjord, NDP): Mr. Speaker, I asked this question of his Conservative colleague earlier, but the answer I got was not very satisfying. In fact, I did not get an answer to my question. I will ask it again.

Since CN made a profit of \$2.7 billion last year, do the Conservatives really think that a \$100,000 penalty is going to change the way the company operates?

Personally, I do not think so, but perhaps the Conservatives have a different answer.

[*English*]

Hon. Rob Merrifield: Mr. Speaker, he is asking if the penalties are large enough to force compliance. It is \$100,000 for every car that is not there on time, which is a fairly significant penalty. If it is not, we might have to go back and raise it.

I believe that it is significant enough. There is no one I know in the railway industry who would say that they would just pay the \$100,000 and forget to bring the cars. I do not believe the railways will play that card. If that happens, there is an opportunity to go back and address it, but I would not do it at this stage of the game.

What is done for one is the same for the other. The penalty can be for the shipper as well as the railway. It is fair to say that it is a fairly significant penalty for every violation under this act. I do not expect that it is going to happen, but there are all kinds of tools to address it if it does happen.

There is an opening up of the entire railway act coming in 2015-16, so I do not believe that the railways are going to play silly with this piece of legislation. They will try to comply, because it is in their best interests to do so. It is in their best interest to make certain that they have the cars there appropriately and that the service agreements are fair for both. The shippers have to win for the railways to win, and the railways have to win for the shippers to win. If both win—

● (2215)

The Acting Speaker (Mr. Bruce Stanton): Questions and comments, the hon. member for Markham—Unionville.

Hon. John McCallum (Markham—Unionville, Lib.): I agree with much of what the hon. member said. It has already been indicated that the Liberals will vote in favour of the bill.

However, he gives extraordinarily short shrift to a central point made by my colleague from Wascana, and that is that what the shippers want is to be compensated if they are badly served by the railway. For example, if the railway is late or loses the goods and it costs the shipper \$1 million, and it is judged to be so, the shipper should be compensated for that \$1 million to overcome the loss. The shipper would not then be a winner or a loser. The loss incurred by the shipper would be offset by the compensation.

Government Orders

For the bill to simply say that instead of compensating the shipper, the railway would pay the government, for no apparent reason, weakens it considerably. Why does the government do not include the principle of compensation?

Hon. Rob Merrifield: Mr. Speaker, the bill is not designed to get into the service agreement.

It used to be that when a shipper ordered a car from CN and it did not show up, it was no big deal. There was no penalty, nothing. If a shipper had trouble with weather or unforeseen circumstances and the car could not be loaded fast enough and moved out, then CN or CP could ding the shipper significantly, without any recourse.

This piece of legislation does not talk about what is in the service agreement, so if someone wants compensation for lack of service then it should be put in the agreement. All we are saying is that if the agreement is not complied with, the penalties will apply. There needs to be a tool to make sure that whatever is agreed upon is actually complied with, and that is what this legislation would do. Complying with the agreement should not be a winner or loser within the agreement to use as a tool. If someone wants compensation, it should be put in the agreement.

Hon. Lynne Yelich (Minister of State (Western Economic Diversification), CPC): Mr. Speaker, it is important for me, as a member from Saskatchewan, to put on the record what this legislation means to the Canadian fertilizer industry. I want to quote Roger Larson:

The federal government has taken an important step towards balancing the commercial relationships between railways and their freight customers. Fertilizer companies have commitments to their customers not only in Canada, but the United States and around the world. Railway service cannot continue to be the weak link in Canada's export pipeline.

I would like the member to elaborate on how important this is with respect to our relationship and our trade with the United States.

Hon. Rob Merrifield: Mr. Speaker, our trade with the United States is a great success story. I always say that we do not really trade with the United States; we build things together with the United States. Our supply chains are intricately linked. It does not matter if it is the forestry sector, the beef sector, the auto sector, or many other sectors, we do things together.

When I talk to my colleagues in the United States Congress, I tell them it does not matter whether they go after international markets and sell products to China or Japan, or that we do. The United States ambassador says that for every dollar that Canada trades with Japan, 25¢ of that goes to America because our supply system is intricately linked. We need to collectively go after those international markets because of the productivity gain that we will create. Both the United States and Canada will capitalize on those growing international markets in a much better way.

By 2050, there are supposed to be an extra three billion people in the world, and two billion of them will move from poverty to middle class during that time period. They will need energy, food and all of the things we produce in Canada and the United States. Those are the markets we need to go after.

Thinning the border, creating the productivity gains by having a good railway system between Canada and the United States, is absolutely essential in ensuring that we capitalize on those markets.

We are the most productive in the world. Canada has great systems. We have some of the best food. We produce some of the best things, whether it is our automobiles and so on.

Canada and the United States are great allies and partners. We do a lot of back and forth trade—

• (2220)

The Acting Speaker (Mr. Bruce Stanton): Order, please. Questions and comments.

The hon. member for Chicoutimi—Le Fjord.

[*Translation*]

Mr. Dany Morin: Mr. Speaker, I will try again with my Conservative colleague.

Is the member really saying that, even though the Minister of Transport, Infrastructure and Communities met with the CN representative a dozen times, that amount of pressure on the Minister of Transport was not a factor in his introducing a weak bill?

[*English*]

Hon. Rob Merrifield: Mr. Speaker, if the president of CN, Claude Mongeau, had impact on the minister, the bill would not be here. I have sat down with him a number of times, and he said we should not do it. He gave me all kinds of reasons why it would be a terrible piece of legislation. The railways are not really excited about this.

My argument to him was that if the railways do not want the bill, then they should have service agreements, and if they do not want service agreements, then they need the bill to be able to get them over the line. I would suggest that there is no impact there.

This is not a piece of legislation that either of the railways is excited about or interested in. They see the rationale behind the legislation. They are not supportive of the bill, but they are not saying anything very negative about it either.

Any time that both sides do not agree 100% on a bill, then that bill is usually striking the right note and balance. I think we have that here.

Mr. Mike Allen (Tobique—Mactaquac, CPC): Mr. Speaker, I want to thank my colleague from Yellowhead for his wise counsel on tonight's debate. As he said, as we go after these international markets with our trade agenda, which is going to be so important for the expanding of our economy, as we see with oil pipelines, they end up being a network that joins job centres together. A rail network is very much like that as well. It is a network that joins job centres together.

Would the member like to comment a bit about the positive impact on the Canadian economy as we pursue international agreements and we use our gateways both in the east, in Halifax, Saint John, and other places, as well as the west? Could he talk about the positive impact of jobs for these rail networks?

Government Orders

Hon. Rob Merrifield: Mr. Speaker, my colleague is absolutely right. The creation of jobs and the growing of our economy is absolutely critical, and the railways play a major role in that.

As a government, we have been able to put a significant number of dollars into infrastructure to make certain that the gateway project on the west coast, the corridor project to the south, and the eastern project corridor to the east capitalize on those international markets. The infrastructure that is built there would not only create jobs, but it would also create an infrastructure that would create jobs because of the kind of trade we are expecting.

We are a blessed country in so many ways and have so much opportunity, especially as we see this massively growing international trading relationship around the world. Healthy railways lend themselves to the success of our country and the kinds of job opportunities we will have for the future.

Ms. Jinny Jogindera Sims (Newton—North Delta, NDP): Mr. Speaker, I rise today in support of Bill C-52, An Act to amend the Canada Transportation Act.

Before I get going, I cannot help but mention that here we are, trying to debate an important piece of legislation, and yet the government has moved time allocation once again. This is the 37th time. What does the government have against parliamentary democracy? Why is it so determined to shut down debate and to prevent members of Parliament from having their say on important pieces of legislation? My colleague said how important this legislation is, and because it is so important, I am very disappointed that the Conservatives had to use these tactics yet again.

When we look at this bill, it actually gives our rail freight customers, or shippers, the right to service agreements with rail companies, especially CN and CP. It also puts into place, as my colleague said, a Canadian Transportation Agency-led arbitration process for failed negotiations, and penalties for violating the arbitration results.

This all sounds good, but I want us to take a look at what this means. By the way, we are speaking in favour of this bill. However, we do not believe this bill is complete. It does not address all the issues that the shippers, farmers and everybody needed it to address, but it does go part of the way.

We call this bill a baby step in the right direction. As good behaviour should always be rewarded, it is a piece of legislation going in the right direction. We have heard that this will not alleviate all the challenges faced by the shippers but it will go a long way in addressing a few of them. It is one of those cases of “better something than nothing”. That is why we are supporting this bill.

At this time I want to acknowledge the work done by the member for Trinity—Spadina on this file. She is an amazing critic for the transportation file. She is dedicated, passionate and has worked incredibly hard with different organizations of shippers, and representatives from the mining companies, the pulse growers, the Canadian Wheat Board, the automotive industry, as well as the mineral and chemical companies.

It is her commitment, compassion and not letting go of this issue that I believe has forced the Conservative government to bring this bill to this House right now. Quite honestly, they have been dilly-

dallying over this piece of legislation for a very long time, long after the report was out. They have had lots of time to act.

The member for Trinity—Spadina has a private member's bill, Bill C-441, rail customer protection act. It is her absolute advocacy and outreach, and that kind of work in the House, as well as the pressure from the shipping community, that has put pressure on the Conservatives to table legislation.

I think we should always give credit when members of Parliament put in an incredible amount of work to benefit our farmers, mining companies, automotive companies that have to move cars, and, of course, all the other resource industries as well, including forestry. We are absolutely delighted with the work that the member has done.

I also want to pick up on something that was said just a few minutes ago. CN made a profit of \$2.7 billion in 2012, in one year, yet when I look at the penalty they will face, it is \$100,000. By the way, that penalty is not paid to the shippers; it will be paid to the government.

● (2225)

I look at that and ask which lobby group has been successful. One just has to take a look at this bill. I have talked with shippers in my riding and visited a port where grains and legumes come in. This is when I learned something absolutely amazing, which you will be surprised at as well, Mr. Speaker. Did members know that Canada is the largest provider of pulses to India? In my naiveté, I always thought that lentils, chickpeas and all of those legumes were being brought to Canada from India and other countries. I was quite shocked to find out it was the opposite. It was the Canadian consul in Chandigarh who told me. He presented the figures and asked me if I knew that Canada is the largest exporter of legumes to India. A lot of those legumes go through the port of Vancouver and the port of Delta.

What I have heard from business people in my community, those who receive and ship, is the travesty that exists right now. They actually have to wait, sometimes for days and days, because the promised carriages do not arrive. If they are slow to unload a trolley—I think it is called a trolley—when it arrives, they end up having to pay fines, but there are no consequences for the railway companies if they are late, do not send enough trolleys or if the trolleys that arrive are damaged and, therefore, cannot be used.

I looked at the ledger with one of these business people in great detail, who wanted to show me the impact it was having on his business. Let us say that he does not get the shipment on time, that the shipment of pulses that arrives from the Prairies does not get to his place on time. In the meantime, he not only has trucks and truck drivers waiting but labourers waiting to unload, and he has time booked at the port. Guess what? He has to pay all of them, through no fault of his own, just because the railway company is delayed or because it does not deliver all the trolleys he was expecting on that date.

Government Orders

I thought it must just be a few dollars here and there. I was surprised at how much these shippers pay if they do not empty the trolleys on time. However, I was also shocked at the port fees they still had to pay if they did not take up their spots and how the costs escalated the longer they waited. Really, we are not talking about simple costing. This bill has compensation—no, not compensation, a slight penalty for the railway companies of \$100,000 when they make \$2.7 billion in profit. Guess who that money goes to? It does not go to offset the real costs incurred by the shippers and receivers, those who grow and ship the goods. That money goes to the government.

I have been shaking my head on that one, thinking this makes very little sense. Does the government really have a vested interest in making sure that this new piece of legislation really works, if it knows that every time CN Rail is late, it is going to get \$100,000? That does not seem like a penalty. It seems like the government has built in a bonus for itself. We really have to take a look at that.

● (2230)

Our railway system is the backbone of our country. There is no doubt about it. From some of the early CP and CN stories we have all read about, glorious or not so glorious, we know that 70% of our surface goods are moved by rail. That is a significant amount. When we say that there are shippers who actually suffer the consequence of this, we are not talking about a small number of people.

This is another figure that absolutely astounded me. It is that 80% of service commitments for agricultural rail customers are not met by rail companies. I think 80% would get a big F if I were grading them for service. Let us say, out of 100 times, 80 times they fail to meet their deadlines. We are talking about produce that has to be moved quickly and people are waiting for it. We are also talking about some produce that could get spoiled, but we are also talking about the ricochet or cascading costs that I just mentioned earlier.

There are delays. There are insufficient numbers of rail cars. Some rail cars arrive and they are damaged. Sometimes they order 12 rail cars and guess how many arrive? For one person I was talking to, shippers might only get half the rail cars they ordered. That puts all kinds of stress on the system. Once again, when we look at the losses incurred by the shippers, the bill fails to address that. I would urge my colleagues, even at this late stage because it is in their hands, to really take a look at that.

The rail freight service review said that 80% of shippers are not satisfied. By the way, we are not talking about one industry. Of course agriculture plays a huge role in this area, but we are also talking about forestry, natural resources, manufactured goods, mining, chemicals and as I said earlier, all the agricultural belt. Key stakeholders in agriculture, mining and forestry industries, not just individual people but associations representing these industries, have been calling for freight legislation for years.

Let me give some examples: Pulse Canada, Grain Growers of Canada, Forestry Products Association of Canada and the Mining Association of Canada. Once again I would say that as I have talked with many business people in my community who are involved in the shipping industry they have been so full of praise for the member for Trinity—Spadina who has done such great work on this file.

Canada's shippers deserve fair and reliable rail freight service for the good money they are paying. Right now with the way our country is, CN and CP seem to hold a dual monopoly. The impact of that monopoly has not been addressed by Bill C-52 because the one area that has not been addressed is pricing. That is a critical part as well, and it is not only pricing, but also the fact that there is no compensation for the shippers.

There were six recommendations from the shipping community at the committee stage, sensible, practical and modest. They were all rejected. This is an all too familiar pattern. I sit at the immigration committee as vice-chair, and it does not seem to matter what amendments we propose. Even amendments that the minister thinks would be really good ones because we take up his wording just get rejected.

● (2235)

However, these were not amendments from the opposition. These were amendments suggested by the shipping community, the business community, the people who are the backbone of this country who pay taxes and who were looking to the government to show them a level playing field. Once again, the government has failed to show a level playing field to all the industries I mentioned, including agriculture. Once again, it has chosen to stand closer to the big corporate friends like the railway lines, CP and CN.

Members know that the NDP is not going to give up. We are not planning to go away. We are planning to work harder than ever. We will continue to work with the shipping community to tackle the issue of gouging through uncompetitive rail freight rates.

Do members know what? This was an opportunity for the government to address that issue, to take a holistic approach, instead of taking a baby step, a very tiny baby step. In here, we can talk about the economy. We can talk about growing jobs. We can talk about all kinds of issues. However, here was a concrete opportunity for the current government to do something that would help to bolster our economy, agriculture, the mining industry, the forestry industry and the automotive industry. Once again, it was very short-sighted and just decided to take a baby step.

One of the key things we have to take a look at is that when we look at the moving of goods and think that 70% of our surface goods are moved by rail, in this huge country—and by the way, as we know, moving goods by rail is much more environmentally sound than it is to move them by road—the government had an opportunity, at this time, to support the pulse growers, the grain growers, the mining industry and the forestry industry.

We know that disruptions to rail freight services and unacceptable service costs cost the Canadian economy hundreds of millions of dollars every year. The businessmen I have talked to when I have taken a look at the losses they incur, when they incur those losses, they impact the community I live in. They impact right across this country. A few of the business people have been telling me that they absolutely—

Some hon. members: Oh, oh!

● (2240)

The Acting Speaker (Mr. Bruce Stanton): Order, please. The hon. member for Newton—North Delta has the floor.

Government Orders

Order, please.

To the hon. member for Newton—North Delta, when the Speaker is standing, typically, he has the floor.

I would say to all hon. members that I know it is getting on, but when another hon. member has the floor, we would certainly ask that they yield the floor to them.

The hon. member, please.

Ms. Jinny Jogindera Sims: Mr. Speaker, thank you for reminding me. My apologies. No lack of respect was meant by that at all.

Because rail cars arrive late or because of the state they arrive in or because of all the other delays, that costs the economy hundreds of millions of dollars and that ricochets right across communities across Canada and then plays into the price for the goods. Quite honestly, it damages our international reputation as well.

Can members believe that Canada is the largest shipper of legumes to India? I never would have believed it if I had not found that out for myself.

In any event, rotting crops, idle plants and mines, and missed ships are the daily reality for industries across Canada.

The NDP stands with the—

The Acting Speaker (Mr. Bruce Stanton): Order, please. The hon. member for Newton—North Delta may have the opportunity to address those points perhaps in the round on questions and comments.

* * *

[Translation]

SAFER WITNESSES ACT

BILL C-51—NOTICE OF MOTION FOR TIME ALLOCATION

Hon. Peter Van Loan (Leader of the Government in the House of Commons, CPC): Mr. Speaker, I must advise that an agreement has not been reached under the provisions of Standing Order 78(1) or 78(2) concerning the proceedings at third reading of Bill C-51, An Act to amend the Witness Protection Program Act and to make a consequential amendment to another Act.

Under the provisions of Standing Order 78(3), I give notice that a minister of the Crown will propose at the next sitting a motion to allot a specific number of days or hours for the consideration and disposal of proceedings at that stage.

• (2245)

The Acting Speaker (Mr. Bruce Stanton): I am sure that the House appreciates this notice from the Leader of the Government in the House of Commons.

* * *

[English]

FAIR RAIL FREIGHT SERVICE ACT

The House resumed consideration of the motion that Bill C-52, An Act to amend the Canada Transportation Act (administration, air

and railway transportation and arbitration), be read the third time and passed.

Mr. Pierre Lemieux (Parliamentary Secretary to the Minister of Agriculture, CPC): Mr. Speaker, I listened to my colleague's very passionate speech, but there were some contradictions.

First, the member made it sound like this government was pitted against industry. To that, I will read two quotes.

First, the Grain Growers of Canada, one of the groups she said we did not consult with, said, "We especially thank [the] Agriculture Minister, [the] Transportation Minister and the federal government for listening to farmers and moving this legislation ahead".

The Chemistry Industry Association of Canada, a second industry player, said, "this legislation is critical".

The other contradiction is that, given all the doom and gloom the member has spoken about, how is she going to bring herself to vote for the legislation?

I believe the NDP is going to vote in favour of the legislation.

Ms. Jinny Jogindera Sims (Newton—North Delta, NDP): Mr. Speaker, I am delighted to answer this question.

We are going to be supporting the legislation, which is not a surprise. As I said earlier, this is a baby step in the right direction and we believe in rewarding good behaviour, which is what we are going to do.

However, those same industries that he said were pleased this baby step was being taken, also advocated through amendments and suggestions that they wanted far more. The bill does not go far enough.

We are willing to work with the Conservative government even after the legislation is agreed to so we can improve it and address the needs of the shippers, growers and miners. We stand with industry.

[Translation]

Ms. Anne Minh-Thu Quach (Beauharnois—Salaberry, NDP): Mr. Speaker, I thank my colleague for making such an informative speech based on facts and figures. It is unfortunate that, for the 37th time, the government is imposing time allocation on us, especially on such a flawed bill that does not take the six recommendations made by shippers into consideration.

As well, we know that it mainly affects people outside our urban areas, because farmers and the mining and forestry industries are located in remote regions for the most part. It affects local and regional economies, and it hurts many workers in those areas.

I would like her to talk to us about that and about our frustration at not being able to debate these issues.

[English]

Ms. Jinny Jogindera Sims: Mr. Speaker, I will reiterate that this is a baby step. There was far more that needed to be addressed in the bill.

It is a fact that there is no compensation for the shippers if their goods are spoiled or delayed. If they miss their port time, there is no compensation for the incredible fees they pay to the ports, or their staff, truck drivers and cranes. None of that is covered in the bill.

Government Orders

The bill does not cover the kind of monopoly that CP and CN have over Canadians. It does not in any way address the gouging that takes place or looks at the pricing.

Remember, we are talking about just one of these railway companies, CP, making a profit of \$2.7 billion. A lot of that profit is made at the expense of shippers who are losing out. Also, this company has an 80% failure rate.

Hon. Lynne Yelich (Minister of State (Western Economic Diversification), CPC): Mr. Speaker, I wanted to put on the record how important this bill would be for Saskatchewan and for our economy.

We are a major player in the world potash market. In fact, Saskatchewan potash producers generated \$7.2 billion in gross revenue. Therefore, the movement of potash is important to our railways. Saskatchewan producers spent \$311 million on potash transport in 2011 and their production filled more than 110,000 train cars, equivalent to more than three full trains everyday. In terms of volume, potash is the third most important commodity for Canada's railway after coal and wheat.

Could the member tell the House if this spirit is also to be shared on that side of the House. Could she do anything possible to pass the bill expeditiously, so we can get on with our priority of our economy, which is important, and potash—

• (2250)

The Acting Speaker (Mr. Bruce Stanton): Order, please. The hon. member for Newton—North Delta.

Ms. Jinny Jogindera Sims: Mr. Speaker, this legislation would only apply to new agreements negotiated. In fact, it does not apply at all to all the current agreements. For the potash, grain and legume shippers, all that will cause them some concern.

As I said, we will support the bill because it would go part way and that is better than nothing. However, it is very unfortunate that it this will not address all the issues for our farmers and for our resource industries when it comes to moving goods across our country.

[*Translation*]

Mr. François Choquette (Drummond, NDP): Mr. Speaker, I congratulate my hon. colleague from Newton—North Delta on her excellent speech, which I listened to carefully and appreciated.

I would like to commend the excellent work done by our transport critic, the member for Trinity—Spadina, which my colleague also mentioned. She clearly demonstrates the importance of the work she has to do when it comes to standing up for shippers. She is also aware of the importance of rail transport and its effects in the context of combating climate change.

Unfortunately, our colleagues opposite, the Conservatives, have very little interest in combating climate change. To them, that is a pointless expense, when it should be a priority. In fact, it will be the challenge faced by an entire generation.

The question I would like to ask my colleague concerns the excellent work our New Democrat colleagues are doing in committee. They proposed nine amendments that referred to the six proposals she spoke about so eloquently concerning industry,

business and shippers. Those very reasonable amendments would have been very effective in improving the bill, which would have gone from being a baby step to being a giant leap in the right direction.

On that point, I would like to hear her comments about the excellent work we are doing in committee, as compared to the one-way-only work done by the Conservatives, who are prisoners of their ideology.

[*English*]

Ms. Jinny Jogindera Sims: Mr. Speaker, let me reiterate that the legume and grain growers associations, all the different organizations I mentioned earlier, came up with some very reasonable amendments that would have made the playing field in the shipping industry of goods across the country by rail a bit more level. Unfortunately, the government failed to grab that opportunity. However, I am glad that all parties in the House will support this.

I really need to mention this. It is the privatization of CN in 1995, under the Liberal watch, without any safeguard for shippers, that has led to our current virtual monopoly. That is one of our problems. Back then, if we had fought to keep the track system in the public hands, that would have made life so much easier, even for VIA Rail, et cetera.

I am glad the Liberals are on board, but when I look at this, a lot of the problems that have been created were created during their watch because they allowed this to happen.

[*Translation*]

The Acting Speaker (Mr. Bruce Stanton): We have had more than five hours of debate on this motion. All speakers who follow will therefore have 10 minutes for their speech and 5 minutes for questions and comments.

• (2255)

[*English*]

Mr. John Carmichael (Don Valley West, CPC): Mr. Speaker, I am pleased to rise to speak in support of Bill C-52, the fair rail freight service act. My comments today will describe our extensive consultations with stakeholders from across the rail-based supply chain. These consultations helped shape Bill C-52 and helped to ensure that it would take a fair and balanced approach to enhance the effectiveness, efficiency and reliability of rail-based supply.

In 2008, the government initiated the rail freight service review to address ongoing concerns regarding rail service. As part of the review, the government appointed an independent panel of three eminent persons. The panel's mandate was to provide recommendations on how to address rail service issues, including both commercial and, if necessary, regulatory solutions.

Government Orders

In issuing its recommendations, the panel consulted extensively and broadly with stakeholders in the rail-based supply chain. Indeed, the panel held broad consultations with 85 shippers, railways and other stakeholders and received over 140 written submissions.

Taking full account of input provided by stakeholders, the panel submitted its final report to the government. The government carefully considered the panel's recommendations as well as stakeholder views presented during the review and announced a number of key commitments to enhance the efficiency, effectiveness and reliability of the rail-based supply chain.

A key commitment of our Conservative government was to develop legislation that would provide shippers the right to a service agreement and a process to establish one should commercial negotiations fail.

As part of our commitment for legislation, we launched a consultation process, inviting input from stakeholders. During the summer of 2012, we asked stakeholders for their views on the development of a new legislative provision to give shippers a right to a service agreement and on what process should be followed to establish one should commercial negotiations fail.

The response from stakeholders was robust and fulsome. Extensive consultations spanned a number of months, including meetings with shippers, shipper associations and railways that provided the opportunity to listen to a diverse range of views regarding rail service issues and a legislative provision to address those issues.

In addition, a variety of stakeholders provided extensive written input, including shippers, shipper associations, railways, provinces, municipal associations, ports and terminals. These stakeholders came from across the rail-based supply chain and had operations throughout various regions of the country.

I have described the formal processes of the review and our invitation to stakeholder input over the summer months of last year. I would also like to note that we have continued to hear the views of stakeholders on an ongoing and informal basis.

Throughout these consultations, we heard from a diverse range of stakeholders, including large, medium and small shippers, shippers of various products, including agriculture products, coal, potash and forest products, ports and terminals from east and west coasts of Canada, class 1 and short line railways and other levels of government. We listened carefully to stakeholder views and considered their input to develop a legislative provision that would ensure the best possible outcomes for the supply chain as a whole, as well as for the Canadian economy.

The fair rail freight service act responds to key points raised by stakeholders throughout the consultations, which I just described. For example, shippers reiterated that the legislation had to provide leverage in their negotiations with the railways to ensure they could get the rail service that met their needs. Shippers have also expressed that a process to establish agreements must be timely and efficient. Additionally, shippers have asked for a mechanism that would hold railways accountable for service failures.

● (2300)

We have heard these concerns. The bill provides every shipper with the right to a service agreement and a process to establish one where commercial negotiations fail. Service agreements would help give shippers more clarity on the rail service they can expect to receive. While we expect that most would be able to negotiate agreements commercially, the arbitration process ensures that shippers identify the elements to be addressed to ensure they can get the rail service that truly meets their needs. Furthermore, the arbitration process is 45 days and can be extended for up to another 20 days at the arbitrator's discretion. This timely process would allow shippers to focus their resources on growing their businesses.

In response to the request of the shippers for greater railway accountability, the bill provides for the Canada Transportation Agency to apply an administrative monetary penalty of up to \$100,000 for each railway service failure. This is a strong mechanism to hold railways accountable.

The bill is a balanced approach, which is reflective of stakeholder views in several other respects as well. For example, both the shipper and the railway must first try to resolve the matter commercially. Should commercial negotiations fail, there is a process for an arbitrator to establish an agreement. The arbitrator would have sufficient flexibility to impose an agreement that is tailored to the given situation. In this flexibility, the bill recognizes that there is no one-size-fits-all solution and that railways have an obligation to provide service to all users on their network.

It is clear that the fair rail freight service act is the product of listening to input provided by stakeholders. The bill's approach is firmly grounded in the views and concerns expressed by stakeholders from across the rail-based supply chain. This bill provides shippers with leverage to ensure they can negotiate with the railways to get the rail service that truly meets their needs.

Shippers have expressed their support for the bill, indicating that it meets their fundamental request for more leverage in their negotiations with railways. Bill C-52 balances the requirements of the railways to provide adequate and suitable service to all other customers. The balanced approach responds to concerns raised by shippers and railways, but more importantly ensures that the Canadian economy is the ultimate winner. Efficient and reliable rail service is key to the long-term prosperity and growth of the Canadian economy.

Government Orders

To remain competitive in global markets, shippers have to get their products to market. Canadian shippers work hard to maintain their global reputation as reliable suppliers. To enhance Canada's international competitiveness, shippers need a fluid rail-based supply chain to move product from farms, mills and mines to market, in a predictable, reliable and efficient manner. The fair rail freight service act ensures shippers would get the rail service that meets their needs, allowing them to grow their businesses and take advantage of global market opportunities. Railways would be able to manage their networks in a manner that benefits all users, and the Canadian economy would be better positioned to take advantage of new opportunities, thereby supporting long-term economic growth and prosperity for all Canadians.

[*Translation*]

Mr. François Choquette (Drummond, NDP): Mr. Speaker, I want to thank my colleague for his speech.

Let us not forget that this speech is on the 37th time allocation motion. It is very important to remember that. Unfortunately, the Conservatives have often resorted to such anti-democratic measures to shut down debate.

This bill is very important. It implements long-awaited measures. Unfortunately, even though we have been waiting for this for many years, we are getting just a few measures to meet the needs of businesses, shippers, farmers and other sectors subject to this legislation.

It is important to note that the shippers and other stakeholders submitted six proposals in committee, which were summarized in nine NDP amendments. Unfortunately, the Conservatives rejected them out of hand.

Why did they reject these proposals?

• (2305)

[*English*]

Mr. John Carmichael: Mr. Speaker, I have studied the bill and listened to debate today. We have had some five hours of debate already on the bill, today alone. It has been at committee. It has been well discussed and well debated on various avenues throughout its process.

The key focus of the government is jobs and economic growth. We want to ensure that we provide a reliable vehicle for shippers to get their products to market and to ensure that they and the railways are able to work together.

Richard Paton, president and CEO of the Chemistry Industry Association of Canada said:

The level of service offered by Canada's railways can make the difference between companies investing here, or taking their business elsewhere.

He goes on to say:

...this legislation is critical—not only for our industry's competitiveness, but for Canada's overall productivity and prosperity.

I think that puts it in a nutshell.

Hon. Lynne Yelich (Minister of State (Western Economic Diversification), CPC): Mr. Speaker, I want to talk a bit about how important this legislation is for the province of Saskatchewan, in particular, Canpotex, which ships potash.

The company's inland rail car network winds through more than 1,600 kilometres of rugged terrain and severe climate challenges to reach its export terminals on the west coast. To better accommodate this journey, the company has a fleet of almost 5,000 rail cars, customized to handle the bulk density. The company's specialized rail car design results in an increase in operating capacity. However, it wants to point out that it has a partnership with Canadian Pacific and Canadian National Rail in Canada, and with Union Pacific in the United States.

The company recently signed a 10-year agreement with CP, CN and UP, and the agreements have helped to secure needed transportation. That tells me that this shipping bill is a good balance because the company is already working very well with the rail.

The member spoke earlier about how important the bill was to have a good balance. I believe this is a good balance. Would the member like to elaborate on that?

Mr. John Carmichael: Mr. Speaker, that is exactly what the bill is about. It is about creating reliability and certainty for the shippers, and creating an environment where the railways will deliver on time and at the price contracted. The bill is fair and balanced in what it presents and certainly does exactly what it was intended to do.

I am delighted, incidentally, to note that we have support from the other side of the House to ensure that the bill will be successful.

[*Translation*]

Mr. François Choquette (Drummond, NDP): Mr. Speaker, I would like to begin my speech on Bill C-52, An Act to amend the Canada Transportation Act (administration, air and railway transportation and arbitration), by pointing out that this is the 37th time that we have been faced with time allocation. It is the 37th time that we have been gagged and that we have been prevented from discussing, debating and proposing opposition arguments to improve the bills before us. This is the Conservative way, since their ideological blindness makes them think they can do whatever they like. They put on their blinders and refuse to listen to anyone who puts forward solutions and amendments to their problem.

In this regard, I would like to speak about the excellent work the NDP members have done on this bill in committee. I would like to name the NDP members of the committee, because it is important. First of all, there is the outstanding member for Trinity—Spadina, our transport critic, who has been doing a great job for a long, long time. There is our wonderful deputy critic, the member for Trois-Rivières, our exceptional colleague from Notre-Dame-de-Grâce—Lachine and the member for York South—Weston. Once again I would like to say that they are doing excellent work in committee.

It is now 11:10 p.m., and I am very proud to rise in the House, convinced as I am that it is important that we go on discussing this bill, that we go on arguing and explaining that, even though we are going to vote for the bill, it is only a first step. My colleague spoke very clearly on this point earlier, calling it a baby step.

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It is a first step, a tiny baby step, even though shippers, farmers, mining companies and the various other companies that use the railways have been asking for this legislation to be reviewed for years now. Unfortunately, no one delivered on that, as the expression goes. The government has produced a bill that is very disappointing. We are going to accept it because it is a first step in the right direction, but considering the number of years that we have spent waiting for improvements, the government could have done better.

On that point, in committee, and I mentioned this earlier during question period to the other members, and I want to say it again, there were six proposals made by shippers and businesses. Those six proposals were not asking too much. They were very reasonable, and they had been studied and analyzed and brought forward by experts. They were then assembled into nine amendments by the New Democrats and tabled in committee. We submitted those proposals in a very professional manner. As people who do their job properly, we decided that even though it was a bill from the Conservatives, we could improve it.

Unfortunately, in their ideological blindness and their desire to get everything done fast and without consultation, thinking only of their own interests, the Conservatives brushed those proposals off. I am truly saddened to see that.

I would like to talk about the Conservatives' short-sightedness for a minute. As I said when I was asking questions, the railway is important not only for shipping freight, but also for transporting people. We should invest a lot more in shipping freight, and we should invest a lot more in transporting people. If shippers can rely on an efficient railway, they will use it more, and even more businesses will use it too. In Drummond, some businesses use it, but if it were more efficient, more businesses would use it.

If we had a policy, a national public transit strategy, a national rail transportation strategy, as the New Democrats are calling for, and as the NDP's excellent transport critic, the member for Trinity—Spadina, is calling for, we could reduce our greenhouse gas emissions and do a lot more to combat climate change.

• (2310)

The Conservatives do not think that combatting climate change should be a priority. I serve on the Standing Committee on Environment and Sustainable Development and, unfortunately, this is the message we get week after week.

In the two years that I have been in the House of Commons, we have been told that combatting climate change should be the Canadian government's top priority. We are told that climate change is currently the government's major challenge and that it will be for future generations as well. It should be a priority in committee.

However, unfortunately for them, the Conservatives favour studies that are less pressing, when they should be addressing climate change, and making it a priority.

The government should have a national public transit and rail transportation strategy to ensure on-time delivery. Currently, in 80% of cases, things go wrong, and 90% of shippers complain that they are dissatisfied with the service. Those are not passing grades. They do not encourage Canadians, shippers and big businesses to make more frequent use of rail transportation. Rail transportation should

therefore be a part of a pan-Canadian strategy to combat climate change.

In the NDP, we are very proud to have this long-term vision, which is not just about the interests of big business, but also about the interests of all Canadians.

On that note, Canada is the only G8 country to not have federal funding and a national plan for transportation. This attests to just how far we lag behind other nations, when we should, in fact, be dynamic leaders. In the NDP, our vision is clear and progressive. It demonstrates why it is important to reform the Canada Transportation Act.

The NDP has three main demands regarding this bill. First, Canadian shippers deserve fair, reliable, bang-for-their-buck rail transportation. That is why it is important to strengthen the position of shippers vis-à-vis the CN and CP monopoly, which is something that Bill C-52 fails to address.

Shippers made six reasonable, practical, modest recommendations in committee. Unfortunately, the Conservatives flatly rejected them all without giving them the time of day, while the New Democrats once again did all the work.

It is also important to remember that other improvements are necessary. For that reason, the NDP will continue to work very hard with shippers, forestry companies, mining companies and other businesses to improve the bill, which does not sufficiently address the issue of the lack of competition in this sector.

In closing, I repeat that we are going to support this bill. Unfortunately, it is only a baby step towards what should be accomplished, namely creating a national transportation strategy and a national strategy to fight climate change.

Those are the two greatest challenges for us to tackle on behalf of future generations, our children, our grandchildren and the people of Drummond, who come to see me often. They are worried about the environment and concerned about having a high-quality, efficient and reliable rail system.

The NDP is here and will continue to work very hard for a better rail system and a better public transit system.

• (2315)

[*English*]

Hon. Lynne Yelich (Minister of State (Western Economic Diversification), CPC): Mr. Speaker, I would like to put on record what works well when we let the industry work with the railways. Canpotex, which I mentioned earlier, is a shipper of potash and it recently signed 10-year agreements with CP Rail, CN Rail and UP Rail, which is Union Pacific. The agreements secured transportation for increasing export volumes with long-term customers in approximately 30 countries, a reliable and properly maintained railcar fleet that was essential. These were partnerships. These types of partnerships helped them achieve present and future logistic goals.

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That suggests to me that if we work with the industry and perhaps have good legislation in place that is not too intrusive, the industry will take care of itself. I might add, being that the member got a little carried away on the environment, Canpotex also contemplated building a new greenfield terminal on B.C.'s west coast of Prince Rupert. If we let the industry work and we work well with the industry, I think—

• (2320)

The Acting Speaker (Mr. Bruce Stanton): Order, please. The hon. member for Drummond.

[*Translation*]

Mr. François Choquette: Mr. Speaker, I wanted to say that the shippers, of course, are happy that someone is finally trying to meet their needs and that the first steps have been taken. Unfortunately, as I mentioned, there were six proposals that were not answered and were simply dismissed. I cannot explain that.

I must also mention something very technical, as my colleague called it. Arbitration can pose a problem since it is only available for shippers who are negotiating new contracts. Consequently, shippers will have no right to arbitration for their older contracts. That was one of the proposals that was made and rejected so brusquely.

A number of proposals of that kind were made and, instead of providing rapid, reliable assistance to all shippers through a conflict resolution process, Bill C-52 provides a limited arbitration procedure only for a small group of shippers. That is a good example of a situation the Conservative government has not been able to address, and it explains why the bill is unsatisfactory.

Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP): Mr. Speaker, I would like to thank my colleague very much.

He raised an interesting point in his speech, and that is that the Conservatives rejected all the proposed amendments and improvements, as they almost always do, yet those amendments did not come from us; they came from experts. They know a lot more about the subject than all the members here. I find it incomprehensible. Perhaps it is the arrogance of a majority government to reject all options, all information and all science, almost all the time, and this time, too.

That is why this bill is supported by New Democrats, but with some hesitation. The chance to improve an industry like this one comes around once a decade or so. Making such a tiny effort is not good for the public or for the economy.

Why does the government continually reject the opinions of experts and testimony by people who know the industry very well, instead of listening to a member of Parliament with a Conservative ideology?

Mr. François Choquette: Mr. Speaker, I thank my colleague who, in passing, does an excellent job as leader in the House of Commons.

The same thing can be said for the Standing Committee on Environment and Sustainable Development, on which I serve. Experts put forward recommendations and, unfortunately, most of the time, they are not followed.

For weeks, for months, it has been recommended that we carry out a study on combatting climate change. Climate change is a top priority for all Canadians and for the people of Drummond, who raise the issue with me every day, yet the Conservatives flatly refuse to conduct a study on combatting climate change in the Standing Committee on Environment and Sustainable Development.

The same thing occurred here regarding Bill C-52. Experts who know what they are talking about, who are well versed in what is really needed, proposed six reasonable recommendations, yet because of a deliberate, ideological, head-in-the-sand attitude, or plain arrogance, perhaps, as my colleague so astutely pointed out, the expert recommendations unfortunately fell on deaf ears.

We are going to vote in favour of the bill because it at long last addresses needs that have been evident for years, yet this is not enough. Once again, the Conservatives have missed a golden opportunity to do something positive.

[*English*]

Mr. Peter Braid (Kitchener—Waterloo, CPC): Mr. Speaker, I am very pleased to rise this evening to speak to Bill C-52, the fair rail freight service act. The bill would amend the Canada Transportation Act to improve the reliability and predictability of rail freight service in Canada.

From the birth of our nation at Confederation to the present, railways have played a very critical and significant role in the forming of our great country. However, the world has changed over this period. Revolutionized by changing technology, the globe has been made smaller by faster, more efficient means of transportation and communication.

At the same time, the fundamentals of our economy have stayed the same. We are a trading nation and we need a transportation system to move our products to market. Nowadays shippers have a range of choices: air, rail, truck, marine when they transport their products to market. Shippers make business decisions regarding how best to transport their goods to market and the quality of service is a key component of this.

The “just in time” world has changed customers' expectations of service, making them demand greater precision and reliability. The fierce competition of the global economy combined with Canada's size and proximity to markets increases the pressure on service as we compete to sell to the world. Each mode works to respond to these demands. In our diverse economy, a shipper's transportation requirements depend on what he or she needs to move and the best mode of transport to get it there.

For example, pharmaceutical companies rely on air cargo to move medicines around the globe quickly and under controlled conditions. Retailers rely on trucks to move food and consumer goods from distribution centres to stores to serve shoppers. Of course our natural resource sector and manufacturing sector rely on rail to move raw materials and finished goods such as automobiles to market.

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Our Conservative government has an interest in how the entire transportation system functions in support of the country's trade. Economic growth remains this government's top priority. This is demonstrated by our transportation and trade corridor initiatives that promote the efficiency and effectiveness of the system as a whole to bolster international trade.

To keep our transportation system as competitive as possible, we work with other levels of government and multiple stakeholders to ensure that we have appropriate policies and programs in place. Effective rail policy and legislation is a core element of our Conservative government's approach to ensuring the transportation system remains prepared to support our trade agenda.

Rail plays a prominent role in our economic success because it creates efficiencies by its economies of scale. It offers a means to transport bulk commodities and heavy goods over long distances at a relatively low cost. Because of this, rail has remained a critical part of our economic success and our ability to trade, especially as we promote our responsible resource agenda. This is why our government has made rail freight service a priority and has brought forward Bill C-52.

The Canada Transportation Act contains measures that contribute to the productive functioning of a rail-based supply chain and shippers' ability to obtain the rail service that they require.

• (2325)

The Canada Transportation Act provides a series of provisions that shippers can use to address rate and service issues. To start, if a shipper feels that a railway's rate is too high, the shipper can challenge the rate through the final offer arbitration provision of the Canada Transportation Act. Both the shipper and the railway present their cases before an arbitrator, and the arbitrator selects one of the offers to establish the rate.

In addition to the rate or the price for moving traffic, a shipper may feel that the railway's charges for additional services, such as the cleaning of cars, are too high. Through another provision in the Canada Transportation Act, the shipper can complain about such extra or ancillary charges to the Canadian Transportation Agency. If the agency finds the charges are unreasonable, the agency may establish new charges.

Finally, if a shipper feels that the railway has not been fulfilling its obligation to provide suitable and adequate service, the shipper can seek redress under the level of service complaint provision. The agency would investigate the complaint and determine whether the railway has fulfilled its obligations. The agency has broad powers to order corrective measures if it determines that the railway is not fulfilling its obligations.

The Canada Transportation Act clearly provides shippers with a suite of measures to help them manage their commercial relationship with the railways.

Bill C-52 would constitute a new provision on service to assist shippers. The new provision provided in the fair rail freight service act is an additional measure that would complement the existing suite of provisions under the Canada Transportation Act, some of which I have just described. The bill's goal is to provide shippers

with the right to a service agreement and a process to establish one in the event that commercial negotiations fail.

Increasing the clarity and reliability of rail freight service is important to shippers. Shippers told us they would like to have a comprehensive service agreement in place in order to plan their business. Bill C-52 would provide this by giving the arbitrator the ability to impose detailed elements of service. Specifically, an arbitrator could establish operational terms that railways and shippers must follow to move traffic. This could include commercial or communication protocols, with internal escalation procedures and performance standards and metrics as appropriate. Operational plans to address potential service failures could include recovery plans to address how to recover from a force majeure, and finally, there could be the provision of incidental services by the railway and whether the railway can charge for the operational terms and incidental services that the railway is required to provide.

The new service arbitration provision would provide shippers with a fast 45-day process to have the terms of the rail freight service established if they cannot negotiate them commercially.

Bill C-52 would create a new enforcement mechanism to hold railways accountable for providing the imposed service. Administrative penalties of up to \$100,000 for violation could be issued to a railway company if the agency confirms a breach of an obligation in an imposed service contract.

Bill C-52 would provide shippers with a powerful new tool to strengthen rail freight service, in addition to the existing provisions. Shippers would still retain the right to use any of the other measures in the act, which shippers told us was very important.

• (2330)

Shippers have supported the introduction of the bill as critical to addressing rail freight service issues and improving their leverage with the railways.

In conclusion, throughout the history of this great country, freight rail transportation has played a vital role in developing our economy. Many shippers rely on rail to get their products to market efficiently, predictably and at competitive costs. When they have challenges with their rail service or with rates, they can use existing measures in the Canada Transportation Act.

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The fair rail freight service act, Bill C-52, responds to shippers' needs for better rail freight service. In a fast, powerful and effective manner, our government has made this a priority. I hope that all members join me in supporting the bill.

• (2335)

Mrs. Cathy McLeod (Parliamentary Secretary to the Minister of National Revenue, CPC): Mr. Speaker, I am delighted to stand up and ask a question after the fine speech that was just provided.

In my community, certainly the forestry and mining companies have come to me and talked about some of the challenges they have in terms of moving forward and having the security of knowing that their products can get to market.

I would like to hear how the bill would be of great benefit to our natural resource companies, our mining and forestry companies.

Mr. Peter Braid: Mr. Speaker, my colleague has really hit the nail on the head. As you know, Mr. Speaker, our government's number one priority is jobs and economic growth. That is what is at the foundation of Bill C-52. It is to help support Canada's economy, to support our important resource centre, particularly in the western parts of our country, and to ensure that our resource industries, our small and medium-sized businesses, can get their products to market.

We are a trading nation. It is absolutely critical that businesses can rely on transportation networks, in this case our rail networks in the country, to sell their products, to get their products to market and to do that efficiently and effectively. That is exactly what this legislation will do.

[*Translation*]

Ms. Anne Minh-Thu Quach (Beauharnois—Salaberry, NDP): Mr. Speaker, the member opposite just said something that grates on me. In fact, I find it insulting to shippers, who are also business people. The member wants to strengthen economic efficiency, yet in committee, members are not given the opportunity to improve the bill by making amendments. Thus, for the 37th time, a gag order is being imposed. Members do not have the opportunity to discuss issues in a normal, democratic fashion.

The bills being discussed in the House are full of flaws. In fact, one of the many shortcomings that members have been discussing today is the fact that the maximum penalty for rail companies is \$100,000. This \$100,000 should be given to shippers to compensate them for lost productivity, delays and damage caused to harvests and products. However, in actual fact, this \$100,000 goes directly to the federal government. That is not effective. The money is not going to the right place and, what is more, the fine is not even an effective deterrent. For example, in 2012, CN posted a \$2.7 billion profit.

How can a bill that is replete with deficiencies benefit the economy and business people?

[*English*]

Mr. Peter Braid: Mr. Speaker, I want to thank this colleague and others who are part of the NDP caucus for their support of this legislation. Even the NDP recognizes that this legislation is important to Canada's economy and to our resource-based industries across this country.

I am not a member of the transport committee. I cannot speak to exactly the process that occurred at committee. What I can tell members is that the consultation process with stakeholders for this particular piece of legislation was extremely extensive, over a multi-year period. Stakeholders, industry, and the freight industry, are particularly pleased with this piece of legislation.

We look forward to the opportunity of moving it forward. That includes the important component of administrative monetary penalties. With this piece of legislation, like any other mechanism through federal legislation, administrative monetary penalties are paid to the Crown.

• (2340)

Mr. Costas Menegakis (Richmond Hill, CPC): Mr. Speaker, I rise today in support of Bill C-52, the fair rail freight service act. The purpose of this bill would be to amend the Canada Transportation Act in order to improve the reliability and predictability of rail freight service in Canada.

Over the past years, Canada's economy has managed to thrive amid a turbulent global economic downturn. Our success is in great part due to our Conservative government's focus on strengthening our economy. Bill C-52 would greatly improve Canada's rail freight service and consequently contribute to protecting and fostering the growth of our economy.

A great number of Canadian businesses, from grain and forest products to coal and chemical products, use rail services to ship their goods across the country or around the world. The range of sectors that rely on rail is reflected in the range of witnesses who testified on this bill at the Standing Committee on Transportation, Infrastructure and Communities. As my colleague, the hon. Minister of Agriculture and Agri-Food, said, "This bill is good news for Canada's farmers as it will help ensure all shippers are treated fairly by the railroads".

Now let me explain how we reached the step of introducing this great legislation, and why all members of this Parliament should support it.

The years prior to 2008 were a time of unprecedented growth. Increased trade with Asia contributed to capacity constraints in the transportation system. In 2008, the government launched the rail freight service review to look into issues of rail service reliability that were brought to our attention by stakeholders. As part of the review, the government appointed an independent panel of three eminent persons to develop commercial and, if required, regulatory solutions to improve supply chain reliability. During the review, the panel held broad consultations with 85 shippers, railways and other stakeholders, and received over 141 written submissions. In December 2010, the panel submitted its final report to the government. It recommended several measures to improve rail service.

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For example, the panel recommended the use of service agreements to define the commercial relationship between a shipper and a railway. It also recommended having a facilitator work with industry to develop a commercial dispute resolution process.

Our Conservative government agreed with the review's commercial approach and carefully reviewed the panel's recommendations. In March 2011, in a response to the panel, we announced a number of measures that we would undertake to improve the efficiency, effectiveness and reliability of the rail-based supply chain. Our commitment goes beyond the panel's specific recommendations in order to benefit the entire rail-based supply chain. Let me quickly go over the government's response.

The first measure we implemented was a facilitation process to develop a template of what service agreements could look like in a commercial dispute resolution process between shippers and railway companies. On October 31, 2011, the government appointed an independent facilitator, Mr. Jim Dinning, to work with shippers and railways. In his final report to the minister, Mr. Dinning provided clear direction for both shippers and rail companies, moving forward. This included a template service agreement and a streamlined dispute resolution process for parties to use in their commercial negotiations. This government believes this process served its intended scope and purpose. We successfully brought shippers and railway companies to the table to jointly pursue practical solutions that reflect their needs and the reality of their day-to-day business together.

To support these commercial tools, our Conservative government committed to tabling this bill that would also give shippers a right to a service agreement with the railways, and provide a process to establish an agreement should commercial negotiations fail. Bill C-52, the fair rail freight service act, would do just that. It would give shippers a right to service agreements with the railway companies, and would outline a low-cost, timely and efficient arbitration process to establish such agreements, if shippers and railway companies cannot agree commercially of course.

This legislation would align well with what the review panel recommended in its final report. As shippers told the Standing Committee on Transportation, Infrastructure and Communities, this piece of legislation would serve as a strong backstop to commercial negotiations.

• (2345)

First and foremost, the new provisions would create a strong incentive for the parties to negotiate service agreements commercially and to use legislation only as a backstop if commercial discussions fail. This reflects the panel's focus on commercial approaches to addressing service issues. If parties cannot negotiate an agreement commercially, the new provision outlines an arbitration process under the auspices of the Canadian Transportation Agency, which shippers would access to establish one.

The new provision prescribes service elements at a high level. Framing the provision broadly gives shippers the flexibility to ask for what is important to them, such as the number of cars needed for a shipment. This is in line with the approach suggested by the panel. It would also give the arbitrator the flexibility to tailor the service agreements to each case. If appropriate, the arbitrator could impose

elements such as performance standards and communication protocols.

The new service arbitration process to establish an agreement would be fast, matching the 45-day process the panel proposed, although it could be extended by 20 days at the discretion of the arbitrator in some of the more complex cases. The arbitrator's decision on service would be final, binding, confidential and non-appealable. All told, this is a strong new provision that would improve rail service and make it more predictable and reliable.

Shippers echoed this sentiment during the hearings held at the Standing Committee on Transportation, Infrastructure and Communities and said that the new provision would enhance their leverage to negotiate commercially with railways.

To quote the testimony of the Canadian Propane Association on the bill at the standing committee, "...it contains all the mechanisms...we requested some years ago: a right to a level of service agreement, an arbitration process, and administrative monetary penalties".

While introducing this legislation is a key component of our Conservative government's response to the rail freight service review, it is not the final piece. In collaboration with Agriculture and Agri-Food Canada, Transport Canada is currently leading an in-depth analysis of the grain transportation supply chain to focus on issues that affect that sector and help identify potential solutions.

Finally, we are also committed to establishing an industry round table covering commodity sectors in the near future. The commodity supply chain table would provide a forum for commodity exporters, railways and other members of the commodity supply chains to address issues that affect commodity freight systems. This would be an excellent venue for all players in commodity supply chains to work together to improve the reliability and competitiveness of Canada's export market.

As members can see, our Conservative government is well on its way to fulfilling its commitment to help ensure that Canada has the rail system it needs to support a strong economy and our domestic and international trade.

Bill C-52 is a comprehensive package that supports the government's focus on economic growth, job creation and prosperity for Canadians. We are working to benefit the entire rail transportation system. As shippers and railways move forward in defining their bilateral relationships through service agreements, and as stakeholders come together under the commodity supply chain table, it will be important for parties to work collaboratively to improve the efficiency, effectiveness and reliability of the entire rail-based supply chain.

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In closing, I strongly encourage all members of the House, from all sides, to vote in favour of this very important legislation.

Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP): Mr. Speaker, I live in a region and represent a place that relies heavily on our ability to move product to market. I am talking about a lot of small lumber towns, small cattle operations and farmers of various sorts.

What we have found over the years is that the smaller they are, the more mistreated they are by the large rail companies. I know that the view is shared across both sides of the House that small operators, whatever the industry, have tended to get short shrift as CN, in particular, and CP and others have become more interested in the big fish in the market and less interested in those small operators that actually built up the company from day one.

We had some improvements and amendments to make to the dispute resolution mechanism, based not on our own particular views but on the testimony we heard from those very same shippers. There are concerns that the arbitration method and the fines that are to be levied are not of enough consequence for the company to actually change its behaviour and its ways, particularly because these companies are so massive. I am talking about the rail companies that turn such extraordinary profits. There is not the motivation to actually correct the behaviour and change basic business practices.

We only get to do this once every so often. It is not very frequent that the House is seized with changing and improving our rail system. While the NDP members are supporting this bill, our lament is that the government did not listen to any of the amendments that came forward. It did not listen to any of the advice that came forward from some of those very shippers it now claims to defend.

It is a curiosity to me that the government was so intransigent over evidence brought before the committee. Why go through the exercise if it is not willing to listen to the facts?

● (2350)

Mr. Costas Menegakis: Mr. Speaker, as we have heard over the many hours we have discussed this piece of legislation, both in committee, from a wide variety of witnesses from different industries across the country who appeared before us, and in the last five hours or so of debate in the House, this is a bill that was widely consulted on.

Views were heard from the people who are actually affected on a daily basis. Yes, we heard from the railway system. Yes, we heard from shippers from across this country. We put together a piece of legislation that we believe encompasses the key points that will help get product to market, including product in the hon. member's riding, in a much faster, more efficient, more accountable way.

[*Translation*]

Mr. Dany Morin (Chicoutimi—Le Fjord, NDP): Mr. Speaker, the Conservatives often say that they are there to help the country prosper and stand up for businesses.

However, can the hon. Conservative member tell me why they are standing up for businesses that abuse their market power? Why are they not standing up for farmers and forestry and mining communities in Canada?

It seems to me that the Conservatives should be on the other side. It is obvious that the NDP supports the people in the second group.

[*English*]

Mr. Costas Menegakis: Mr. Speaker, it is perplexing to hear a question like that from the hon. member, but I will endeavour to respond to it by simply saying this. We have put through a number of measures and a large number of pieces of legislation that address the needs and requirements of small, medium and large businesses in this country. We know, at the end of the day, that it creates jobs, growth and prosperity. It puts money in the pockets of everyday Canadians.

I would, for once, love to see the hon. member opposite support and vote in favour of some of this very important legislation rather than give me his party's talking points. Of course, part of the democratic process of the House is to oppose. However, to oppose for the simple reason of opposition is certainly not helpful. We will all be here at the stroke of midnight a few minutes from now, because we care about Canadians, and we care about putting in important pieces of legislation like this one that will benefit families from coast to coast to coast in this nation.

● (2355)

Mr. Chris Warkentin (Peace River, CPC): Mr. Speaker, it is a privilege for me to stand tonight and speak to this bill. It was my privilege about seven years ago to go to my first meeting as a yet to be elected member of Parliament. There were a number of folks who were gathering in a community just outside of Peace River to discuss the issues of rail service in the local community. They had called me in because I was a nominated candidate and they believed it was important that I heard the concerns of the local community as we prepared to go into an election campaign.

Over the last eight years, I have been dedicated, in many ways, to ensuring that I bring the voice of Peace Country businesses and shippers to this House, our government, and to the shipping and rail companies, to address the concerns of my local constituents.

Today we stand on the precipice of having one of the largest and most comprehensive pieces of legislation to address many of the concerns we have heard about for the last number of years. However, it did not just arrive here.

My colleague just spoke about the extensive consultations that were undertaken across this country. I can assure members that is in fact the truth. I have the privilege of personally knowing the man our government named as the chair of the rail freight service review. The committee that he chaired was responsible for looking for solutions to the reality that our government recognized, and that this review committee also recognized very quickly, that being that small business owners, those people who are seeking to ship, really do have a disadvantage when it comes to negotiating with large rail companies.

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Mr. Walter Paszkowski, the chair of the committee, served an invaluable role. He comes from Sexsmith, Alberta. It is a community that I have had the opportunity to call home. It is a farming community. It is an agricultural community. It also neighbours the city of Grande Prairie and is surrounded by the County of Grande Prairie. There are also a number of lumber producers in that community, as well as a growing oil and gas industry. That industry continues to depend on rail, and is growing in the necessity of being serviced by the rail industry as well. Therefore, we have three sectors that have become entirely dependent on rail service.

Having been a farmer and a former provincial agriculture minister, Walter knows the necessity of rail in the region of northern Alberta that I represent. He also has had the privilege over the last number of years to serve as the economic development officer for the County of Grande Prairie. It is a growing community. It is the community that I now call home. I can say that he has served our community well. We have been proud to lend him to the federal government, to all Canadians, to serve in this capacity. As Canadians, we can all be proud of the work that Walter has undertaken, both in this review and our local municipality, as well as his service in the provincial government before that.

With great disappointment, I would note that he announced just weeks ago that he is intending to move into what he is calling full-time retirement. I know that will mean he will do more work than ever because that is the kind of guy he is. I hope that Walter will take some time with his beautiful wife Marlyss to do some of the things they have never had the opportunity to enjoy because of Walter's dedication to public service. Marlyss has remained by his side throughout that process. Not only on behalf of Peace Country residents, but Canadians from coast to coast, I want to thank him and Marlyss for their service to Canada, to Peace Country, and to the province of Alberta. I know from the applause that my colleagues recognize that as well.

As Walter and the commission undertook their work, they recognized that there needed to be a new process put in place to ensure that shippers in our local communities, from coast to coast, had better and stronger clout in the process.

● (2400)

Now we have before us legislation that articulates a process, by which, if commercial negotiations fail, there is an arbitration process to ensure that shippers' interests are defended. This is the first time we have seen legislation like this. This is legislation that we promised.

We know what happened. As the service review was being undertaken, all of a sudden we saw CP and CN begin to improve their rail service. It was kind of interesting. It was almost comical in some cases where, all of a sudden, the rail service was beginning to improve. We recognized at that point in time, as well as communities across the country, that service could improve and that there were mechanisms in place that the rail companies had at their disposal to ensure this happened.

We have seen that it has not been applied consistently. Some communities are still falling behind in terms of service and some communities are moving ahead. Some industries are moving ahead in being served and some are falling behind.

In my local community there has been an improvement in grain shipping over the last number of years. There has been some movement and infrastructure improvements on the lines. I note, though, that at times we still a struggle with cars being delivered on time, but I have also heard major concerns from the lumber mills in the communities of Grand Prairie and further north where there are still some major challenges in getting cars allocated in the time frame to which these companies have committed. These new mechanisms will go a long distance to ensure there is a balancing of the rights and responsibilities of both players.

My bigger concern, as a representative of Peace country and the industries of agriculture, forestry and oil and gas, is about those people trying to get products to market. Our government has been dedicated over the last seven years that we have served in government of expanding trade with places around the world. One thing we know is that while we produce the best-quality agricultural, forestry and oil and gas products in the world, we continue to struggle to get these products to market.

We can sign all kinds of trade deals all over the world, but unless we can get our products to market, we will not to get the prices we deserve or continue to grow trade relationships. This is vitally important. Our government has been committed to growing our economy across the country, but what that means in reality is that every community across the country has to see efficiencies when it comes to exporting the things we are seeking to export. We are an exporting nation. Significant portions of the things we produce in communities like mine go to markets outside of our country. We look to rail service to provide mechanisms to get our products from the communities that I represent in Grand Prairie and further north to markets. If they go to Vancouver, the port of Prince Rupert or Chicago, they need to move and they need to move on time.

Our government is focused on continuing to develop trade relationships to ensure that our products can get to market. We are also ensuring that there are mechanisms to ensure that rail companies will undertake their responsibilities and move products.

I congratulate the Minister of Transport, Infrastructure and Communities, who has undertaken the heavy lifting with regard to this bill. This is important legislation. There are a number of people who I should thank. I should note the fact that the chamber of commerce in Grand Prairie and the surrounding area was dedicated to seeing this legislation move forward. It has been a strong lobbyist, not only at the local level but strong and vocal when it comes to the advocacy for a bill like this at the provincial and national levels. I want to thank the chamber of commerce as well as all the folks who undertook—

Mr. Scott Andrews: Mr. Speaker, I rise on a point of order. As important as the rail service is to the rest of Canada, Newfoundland and Labrador has been exempt from a rail service for many years. As important as this debate is—

An hon. member: I want to call quorum.

● (2405)

Mr. Joe Preston: How many Liberals? You are the first one forever.

An hon. member: Quorum call.

Government Orders

Mr. Pierre Lemieux: Wake up over there. Let the debate continue, for Heaven's sake.

The Deputy Speaker: Order, please. There is a quorum.

Some hon. members: Oh, oh!

The Deputy Speaker: Order, please. The member for Peace River is out of time.

Mr. Scott Andrews: Where are they all coming from?

Some hon. members: Oh, oh!

The Deputy Speaker: Order, please. Questions and comments, the hon. member for Drummond.

Some hon. members: Oh, oh!

The Deputy Speaker: Order, please. That is enough. We will not let this last hour degenerate. The hon. member for Drummond.

[*Translation*]

Mr. François Choquette (Drummond, NDP): Mr. Speaker, despite the recent interruption, we have to deal with the serious issue of Bill C-52, all the same.

The bill does in fact respond to some of the concerns of shippers, as has already been mentioned. The members of the NDP are still standing, they are still awake, and they are still ready to debate all the bills that have an impact on Canadians and the people in my riding.

The thing that is important to remember in this bill is that, in committee, shippers and businesses made six fair and reasonable proposals that would lead to something that was equitable. Unfortunately, the Conservatives flatly rejected those proposals, despite the fact that these were recommendations made by experts, by people who know the field and its problems.

I do not understand why the Conservatives stubbornly insist on going in one single direction and on taking a purely ideological view of everything they do.

[*English*]

Mr. Chris Warkentin: Mr. Speaker, the NDP members have a funny way of demonstrating their support. On one hand, they are supportive; on the other hand, they are not supportive. One of these days they will get it together. I am less interested in whether the NDP members are supporting it and more interested in whether the shippers are supportive of the bill.

We have support for the bill, not only from folks who live in my constituency, but from Pulse Canada, the Grain Growers of Canada, the Forest Products Association of Canada, the Western Barley Growers Association, the Chemistry Industry Association of Canada, the Western Grain Elevator Association, the Fertilizer Institute, the Canola Growers Association, and Western Canadian Wheat Growers. I could go on and on. I could go all night. Folks across this country are supportive of this legislation.

Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP): Mr. Speaker, part of the reason my friend is going all night is that, once again, we have a government that has difficulty approaching the opposition to work collectively and co-operatively on legislation.

We heard testimony, and my friend knows this, that led to amendments on this piece of legislation. As for cases, we asked the Library of Parliament to look at how the Conservatives approach amendments from the opposition, and 99.3% of all amendments moved by the opposition on a variety of bills have been rejected by the government out of hand. The basis of the amendments in this particular case came from those very shippers.

New Democrats will not sacrifice the mediocre seeking out the perfect, and in this case, we have a bill that moves us further down the road. The challenge is that governments only look at something like our rail system every so often, sometimes only once in a generation. To do only half measures and not listen to the testimony of those people my friend quoted seems a disappointment, because the rest of the quotes say there were improvements that they sought but were unable to achieve in this round of negotiations. They were about the arbitration and about the fines that will be levied on these major rail shippers who will not really feel the pinch.

The reason there is time allocation on the bill is not because we did not support it. It is because the government decided to shut down debate for no purpose at all. That kind of obstinance does not lead to good legislation. It does not lead to good governance.

• (2410)

Mr. Chris Warkentin: Mr. Speaker, the hon. member may not take my word for it, but why do we not take the word of folks who know what they are talking about? I will quote some of them.

These measures will create the conditions for improved railway performance and accountability. It will help ensure all shippers can gain access to an adequate level of service.

That was the president of the Western Canadian Wheat Growers Association.

We especially thank [the] Agriculture Minister...[the] Transportation Minister... and the federal government for listening to farmers and moving this legislation ahead.

That was from the president of the Grain Growers of Canada.

[T]his legislation is critical—not only for our industry's competitiveness, but for Canada's overall productivity and prosperity.

That was from the CEO of the Chemistry Industry Association of Canada.

We will support opposition amendments when they make sense, and that is exactly what we have done 0.7% of the time.

Mr. Joe Preston (Elgin—Middlesex—London, CPC): Mr. Speaker, it is great to be here tonight, even at this hour. I guess it is great to be here this morning, now. I appreciate the opportunity to discuss Bill C-52.

The Conservative government has proposed new legislation to improve Canada's freight rail service—

Mr. Scott Andrews: How are you going to improve that in Newfoundland?

Mr. Joe Preston: Mr. Speaker, those are great comments from the Liberals, but I do not know what they are saying.

Government Orders

I am going to tell them a little story about town called St. Thomas in southern Ontario, where the railways ran for many years in our country. Sometimes as many as 13 railways ran through the city of St. Thomas, as it happened to be in a straight line between Chicago and New York City and Detroit and Buffalo. It cut through the Canada Southern and a number of other railways. It was in a day when the railway was the way we transported all of the goods in Canada. We transported people, goods and the resources that Canada was known for in those days.

I will tell another little story about St. Thomas in Ontario and a rail incident. P.T. Barnum brought the circus to town in 1886. I am sorry, but Jumbo the elephant was walking down the train line on the day it was moving the circus into town and was struck by a locomotive and killed—

Mr. Nathan Cullen: Is it in the bill?

Mr. Joe Preston: Mr. Speaker, that is right, my hometown killed an elephant. It was back in a day when rail was king. It was a day when everything moved on the rails and some things, I guess, had to move out of the way.

This bill would bring Canada and the rail system in Canada back to those days of service by our railways. They were days when goods and resources were moved by rail.

There is no question that rail transportation plays a central role in the success of our resource companies and our resources in this economy. In fact, Canada's natural resources industries are the largest users of rail freight services in the country, even to this day. Taken together, Canada's forest, mining and energy industries account for two thirds of all carload rail traffic in Canada. We know that the manufacturers and suppliers to these vital industries and many other vital industries, which provide everything from trucks to pipelines, also depend on railroads to transport their products and materials to market.

Our goal is to provide Canadian shippers and railways with a means of agreeing on service levels and ensuring a more effective supply chain. That is exactly what this proposed legislation will do. With this new legislation, we are highlighting the important role that railways play in supporting our economic prosperity. The goal of the legislation is to encourage railways and shippers to work together and it creates a strong incentive for them to do so.

Bill C-52 is designed to provide shippers with greater reliability and predictability in rail service. It is essential to the success of our natural resources industries. It recognizes the needs of shippers in doing their business and the needs of railways to manage their rail assets effectively. The relationship between railways and shippers is vital to Canada's economy as a whole. We know that when shippers can move more volume, it means more exports, revenue and jobs in Canada.

Here is the bottom line. Improving rail service in Canada will help to unlock the potential of our great natural resources. As most Canadians realize, there is a great deal at stake.

Here are some statistics. In the mining industry last year, more than half a million carloads of coal, sulphur and fertilizer were transported by CP Rail. In 2012, CP Rail alone moved 67,000 carloads of forest products. Many of those in urban ridings may have

only sat at a crossing and watched that economy move by them as they impatiently waited for the gate to go back up. However, in rural and resource Canada, that is money going by. In fact, it is about \$20 million worth of goods a day.

• (2415)

Additionally, Canadian Pacific recently indicated in its 2013 outlook that its crude oil by rail prospects continue to strengthen as the company expects to move to double the movement of crude oil to 140,000 carloads annually by 2015. That is from today's current volume of 70,000 carloads. That is a doubling of carloads of oil being moved by train.

It would be a lot more efficient to move it by pipeline, I suppose.

Right now, natural resources are directly and indirectly driving almost 20% of the nation's economy and supporting over 10% of all the jobs in Canada. Natural resources are poised to play an even greater role in the future. Our opportunities for growth in Canada's resource sector, arising from the rapid economic ascent of some of the world's most populous countries, are unlike anything we have seen in our history. We have estimated that there are some 600 major resource projects currently under way in Canada or planned in the next 10 years, worth approximately \$650 billion in investments.

While global economic conditions may be a factor in investor decisions to move forward, the size and number of the projects is substantial. Whatever the short-term obstacles, the longer-term outlook is one of increased value and a demand for Canadian resources.

We can point to tremendous opportunities that are happening right now across the country, from oil and gas in Alberta, to liquid natural gas in British Columbia, to offshore gas in Newfoundland and Labrador, to new discoveries of minerals and metals in the Ring of Fire in Ontario and in northern Quebec. These opportunities will continue for many years to come.

For generations, agriculture and natural resources have brought employment, growth and opportunity to every region of Canada. We must continue to harness this potential. Long-term growth and development in many of these sectors depend upon our railways and their ability to get the products to market.

Government Orders

In a recent report, the International Energy Agency emphasized that global energy demand will continue to grow by more than one third by 2035, being led by emerging economies like China and India. These trends represent opportunities for Canada's energy exports in helping to meet growing global energy needs. Because one thing that we know for sure is that these growing economies will need resources, resources that are abundant here in Canada, such as minerals and metals, lumber, oil and gas. This trend underscores the urgent need for Canada to diversify our energy export markets, such as that of Asia-Pacific.

Growing and emerging economies highlight the urgent need for Canada to develop infrastructure to export our resources to new markets and to ensure that our railways run smoothly.

Simply put, we know that developing an efficient transportation system is crucial to ensuring that our resource industries can compete globally.

The fair rail freight service act would provide the tools to build a strong and efficient rail network in Canada. This important legislation would support Canada's resource sectors as they continue to create jobs and prosperity right across this country. In these challenging economic times, it is good news for our natural resources sector and good news for all Canadians. With this new legislation, we would build on our country's legacy of railway and natural resources. We would be setting the stage for a brand new era of growth and prosperity in Canada.

Just as we mentioned at the beginning, the country started with a growth in railways and a use of railways to transport those resources from coast to coast and to build this country.

The resource industry today, in Canada, requires this act and railways to ensure that the resource industry can supply the world.

• (2420)

Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP): Mr. Speaker, there are two points that my friend across the way and I can agree on. I am going to leave the tragic case of the circus elephant behind because I am not sure that this bill directly speaks to that particular provision. I do not see it in the legislation. There are two things that we can agree on. One is the importance of rail. Eighty per cent of all of our freight moves on rail.

The second is that we have a particular challenge posed to us in Canada in that we have two large rail companies that almost entirely dominate every sector of the market. In the U.S. and in other circumstances there are other options for those shipping products. Canada has a duopoly. These companies have been shown by the Competition Bureau at various times to collaborate and coordinate, to raise prices, to offer less service without retribution because they know they are the only options people can go to.

We only get to address the rail system every once in a while. Does my colleague believe that any steps in Bill C-52 would do much to go after the service fees that have been talked about by many shippers in this country? They have had problems and real concerns that the pricing may be non-competitive. When there is a market with only two players in it, non-competitive pricing can pose a real problem to such a fundamental industry as the shipping industry in Canada.

Mr. Joe Preston: Mr. Speaker, I assure my colleague that the fair rail freight service act looks at ways to allow those shippers who must move product in order to get the resources that I spoke about in my speech to market, to move agriculture products across this country, and do it using the existing rail system in Canada, whether it is the two major ones or some very small short lines. This legislation would allow those shippers to have some negotiating power with those railways.

Unlike perhaps my colleague across the way, I believe that a great capitalist way of paying for goods as they are being moved is a far better way to do it.

Mr. Erin O'Toole (Durham, CPC): Mr. Speaker, I would like to thank my colleague from Elgin—Middlesex—London for his history lesson on St. Thomas.

I would like him to address the real elephant in the room, which is the fact that our friends in the NDP are telling us that they are going to support the bill, yet they are challenging it tonight and suggesting our government should interfere more in the commercial marketplace. Could the hon. member please comment on the elephant in the room?

Mr. Joe Preston: Mr. Speaker, I thank my colleague for the question, and what a great way to put it.

I will finish a bit of my history lesson. There still is a life-size statue of Jumbo at the far end of Talbot Street in St. Thomas. As one comes up the hill, there is Jumbo.

The member is absolutely right about the elephant in the room. It is a late hour and I have sat here for most of the night, five or six hours, listening to all the parties in the House suggest how much they like our bill. There is a saying back home in rural southern Ontario: my momma taught me how to say "thank you".

• (2425)

[*Translation*]

Ms. Anne Minh-Thu Quach (Beauharnois—Salaberry, NDP): Mr. Speaker, I am rising in the House to speak to Bill C-52, concerning rail freight. This is another bill we are debating under a gag order, which has been imposed for the 37th time.

An hon. member: Unbelievable!

Ms. Anne Minh-Thu Quach: This is actually quite insulting, and most of all, undemocratic. The Conservatives are forcing us to sit until midnight from Monday to Thursday, and yet this makes the 37th time we have a time allocation motion. Talk about mixed messages.

We want to discuss the issues, but the government limits the time for debate again and again. In addition, these are badly thought-out bills riddled with flaws. I will list them a little later in my speech.

This has been an ongoing trend with the Conservatives since they came into office. I am specifically thinking of omnibus Bills C-38, C-45 and C-60.

I speak of the Conservatives' incompetence because they are bringing forward bills full of flaws and weaknesses. They are not holding proper consultations. In committee, recommendations from many of the witnesses are rejected out of hand, as are the amendments proposed by the NDP, or anyone else for that matter.

They realized that Bill C-38 was flawed. Then they made hasty additions to Bill C-45 to rectify the other bill they had just introduced.

This makes no sense at all. It lacks credibility. It shows a lack of respect for the democratic process, for the people who were consulted and for those who were not. It shows contempt for the elected officials who serve the people who rely on them to make decisions. We cannot make good decisions because we cannot have a debate and carefully examine everything that should be considered. So yes, it is insulting and an outrage.

The official opposition will support Bill C-52 because it is, finally, a first attempt at establishing the right to service agreements between rail companies and shippers.

This is the first step that shippers have been waiting for for decades. It also establishes an arbitration process, led by the Canadian Transportation Agency, to impose penalties in the event negotiations fail and for violations of arbitration decisions. There are therefore constructive, positive elements, but there are also a number of elements that shippers and the official opposition were calling for but that were rejected.

Four NDP members proposed amendments, based on recommendations from shippers. Those members were the transport critic, the member for Trinity—Spadina; the deputy critic, the member for Trois-Rivières; the member for Notre-Dame-de-Grâce—Lachine and the member for York South—Weston.

What were those amendments and recommendations? I will explain them. They were not that complicated, and they would have really helped shippers.

We recommended including details about the service agreements. It seems to me that service agreements should, at the very least, be signed and contain details. I do not understand why that was rejected. We asked that the term “operational” be deleted because it would limit the ability to negotiate and arbitrate service agreements. Again, that seems to go without saying. It does not make much sense to limit the measure we are trying to implement. We wanted to include a dispute resolution mechanism in service agreements for breach of contract. We also asked to limit the ability of railway companies to levy penalties and charges that are not in the service agreement.

● (2430)

The rates are already exorbitant and the railway companies are abusing their power. Since there are only two main companies, there is a quasi-monopoly when it comes to shipping freight. The rates being charged to the shippers are too high. They prevent the entrepreneurs and the shippers from being competitive on the international market. We cannot even limit the capacity of the rail carriers to charge penalties that are not included in the service agreement. Nothing good will come of that either.

Government Orders

We proposed limiting arbitration when service agreement negotiations break off and issues are raised by the shipper. The last amendment sought to limit the capacity of rail carriers to raise network-related problems during arbitration.

All these amendments could have improved Bill C-52, but they were not considered. They were completely rejected.

Again, we are here to let the House know that people are not happy about this. The bill has other flaws. What about lost revenue. The Conservatives claim they want to strengthen the economy, but they are diminishing the capacity of the regions to prop up their regional economy, given that the affected sectors are the farming, forestry, mining, manufacturing and natural resources sectors. Most of these sectors are in remote regions.

The Conservatives are contradicting themselves again. They would have us believe that their position and their bills are best, but then they sabotage everything they are trying to do by not taking the time to do proper research. They do not take the time to consult the experts in the areas affected by their bills. That is part of the incompetence that we are talking about here.

Shippers are currently paying the price of service disruptions, damage to their crops and service delays by railways. What is more, they have no other option. As many of my colleagues have said, 70% of surface goods are moved by rail in Canada, and 80% of these shippers are not satisfied with the service they received. That is serious. That means that service is considered to be poor in four out of five cases.

That is why these types of agreements needed to be made after all these years. However, now that they are finally being made, they are more negative than positive. The money from the \$100,000 penalties imposed on railway companies under this bill is not used to compensate shippers. Instead, it goes to the federal government. It really should be given to shippers who create jobs and who have to pay late fees and fees for services that the railways failed to provide.

This money is being sent to the wrong place. What is more, these penalties do not really act as a deterrent since we know that companies such as CN are making \$2.7 billion in profit a year.

In short, we are going to allow this bill to move forward, but it has many shortcomings. We must listen to experts on this.

● (2435)

Mr. Dany Morin (Chicoutimi—Le Fjord, NDP): Mr. Speaker, it is an honour for me to still be awake at this hour, at 12:35 a.m., and to ask my NDP colleague a question.

In her speech, she spoke briefly about the rural reality. In my region, the riding that I represent, forestry, mining, aluminum production and agriculture are very important.

Could she explain to the people of Chicoutimi—Le Fjord who may be watching at this late hour how the NDP's amendments could have improved rail transportation in my riding and across Canada?

Government Orders

Ms. Anne Minh-Thu Quach: Mr. Speaker, I thank my colleague from Chicoutimi—Le Fjord for her very relevant question.

As we have already heard, many shippers come from the regions. For example, around 50% of local jobs are tied to the forestry industry and benefit from rail freight service.

I have an example of an amendment here that says, “include details on service agreement components”. These service agreements did not exist before, but now they do. If someone wants to refer to the agreement to see if there was a violation, they need to have access to the details. Otherwise, that would be tough.

If they do not have the information needed to verify that and take their case to court, if they cannot refer to these details, it is a bit tough.

Ms. Niki Ashton (Churchill, NDP): Mr. Speaker, I congratulate my colleague on her excellent speech. I would like to hear her thoughts on what the government is doing.

Our party thinks we need to improve this bill and strengthen it. We proposed amendments that reflect the demands made by the industries that rely on rail service, but the government stopped short of improving and developing a strong, fair bill.

Would my colleague say that this is something we often see from the government? What does that say about how the government represents the concerns of Canadians and Canadian industries?

Ms. Anne Minh-Thu Quach: Mr. Speaker, I would like to thank the hon. member for Churchill for raising the point about respecting democracy in the House and in committee. MPs should consult people, take into account all the stakeholders who provided us with information and ensure that we are making fair and representative decisions in every area.

Shippers were not respected here since the bill does not make any mention of the six recommendations that they made in committee and that were then presented as amendments by the NDP.

What is more, the bill is still flawed. If the Conservatives wanted to be democratic and wanted to act in good faith, they would not have pushed through the bill so quickly. Earlier, the hon. member for Drummond was saying that the Conservatives were blinded by a short-term ideology. It is true that their ideology is shortsighted. It is so flawed that at some point in the future the whole bill will need to be reworked and we will have to get back out there and consult with people again.

The industry has lobbied the Conservatives. People from railway companies have put pressure on the government dozens of times. That is why the bill is so flawed.

• (2440)

Mr. Pierre Lemieux (Parliamentary Secretary to the Minister of Agriculture, CPC): Mr. Speaker, Canada's agriculture and food industry creates jobs and promotes economic growth.

That is why our government remains committed to working hard to help this vibrant industry continue to grow. We are investing in innovation to allow our farmers to remain competitive, and we are opening up trade in order to help farmers get the best price for their wheat and barley crops.

Our government wants to reduce red tape so that farmers can spend their time working the fields, not filling out forms. It wants to help farmers increase international sales through the most aggressive trade program in our country's history.

[*English*]

Of course, if farmers are going to serve these overseas markets, they need efficient and effective transport systems to get their product to port, and that is what Bill C-52 is all about.

Last year, Canada's grain producers exported some \$17 billion in world-class grain products, representing up to 85% of their total sales on the farm. These dollars not only drive growth on our farms; they also drive growth for our economy and jobs for Canadians, from combine operators to truckers to port terminals.

Our farmers and our economy depend on efficient, effective and reliable rail service to move these crops off the farm to our valued customers in Canada and around the world. In fact, last year Canadian farmers paid over \$1 billion to move regulated grain by rail. On the prairies, grain travels an average of 1,400 kilometres to reach a port destination.

[*Translation*]

Thanks to the fair rail freight service act, the government is contributing to strengthening this vital link between the farm and the consumer's table. The fair rail freight service act also supports our government's program to promote economic growth and long-term prosperity across our great country.

[*English*]

Our government is committed to ensuring that all shippers, including grain shippers, can negotiate agreements that bring greater clarity and predictability on service. With this proposed legislation, we deliver on that commitment.

This bill is good news for Canadian farmers, and I am pleased to report that it has been welcomed by the farm leadership across all of the major exporting sectors in agriculture.

For instance, the Canadian Federation of Agriculture said:

Passage of Bill C-52 will provide a legislative tool needed to make railways more accountable to its customers. It is a good first step in improving rail service and costs to industry.

The Grain Growers of Canada said:

We fully support the federal government's aggressive trade agenda and global commerce strategy. Timely and efficient rail service is a critical part of Canadian farmers' market access so this will help us be more globally competitive.

Also, the general manager of the Canadian Canola Growers Association said:

The railway is a critical link between our farms and our export customers. To fully capitalize on the new trade opportunities being pursued by Canada, shippers need this legislation to ensure Canadian agri-food products reach our customers in a reliable and timely manner.

Government Orders

Clearly, farmers believe this bill would help them grow profitable businesses by building a strong and effective supply chain. Bill C-52 would do that by giving shippers, including farmers, the right to a service agreement with railways.

The core of the bill is a new process to establish those agreements when commercial negotiations are not successful.

[*Translation*]

This provision will be a powerful tool for our agricultural sector, since it will strongly encourage shippers and rail companies alike to negotiate a commercial agreement. The fair rail freight service act will help farmers grow their business.

• (2445)

[*English*]

The bill would bring clarity and predictability to the commercial relationship between the shippers and the railways, and it recognizes the need for railways to manage an efficient rail shipping network for the benefit of grain shippers and the entire supply chain.

To put Bill C-52 in perspective, it is part of our government's broader commitment to work with industry to build a modern and dynamic grain industry in Canada.

Of course, marketing freedom for wheat and barley farmers is a key part of that strategy. The sky did not fall under marketing freedom, as some doomsayers had predicted. Quite the opposite in fact, farmers new-found freedom is breathing new life into the grain industry across the prairies.

Farmers are saying that wheat is a cash crop now, and that they can sell their wheat and barley when and where they want, locally or south of the border, at harvest time or later, whenever the market is right for them.

[*Translation*]

They can also maximize the profit they make from their crops by shipping their wheat as soon as it is harvested and freeing up storage space for other crops such as canola or peas.

The modernization of the Canada Grains Act is part of our effort to provide Canadian farmers with a 21st century grain industry.

[*English*]

These changes, which received royal assent in December, will reduce farmers' regulatory burden and cost, improve the Canadian Grain Commission's producer payment protection program, and eliminate mandatory services that are no longer required, saving producers up to \$21 million in extra costs.

To ensure that we stay the course in this exciting new direction for our grain industry, the Minister of Agriculture has renewed the mandate of the crop logistics working group. This forum of experts from across the industry will work to improve the performance of the supply chain for all crops through stakeholder collaboration with a focus on innovation, capacity and measures of performance.

As well, Agriculture and Agri-Food Canada continues to work with Transport Canada on an in-depth analysis of the grain transportation supply chain to make a strong system even stronger.

Farmers, grain marketers and the railways are partners in a world-class industry that brings us the food on our tables.

[*Translation*]

Canadian railway companies and farmers have helped build our great nation. They will also help prepare our country for a bright future by delivering high quality grain to the world's steadily growing population.

[*English*]

This bill before us takes an important step towards a stronger and more efficient rail network to help farmers build their businesses and keep our economy on track. I am pleased that all members in this House are supporting this bill, because it is the right thing to do and it is good for our Canadian farmers.

Ms. Niki Ashton (Churchill, NDP): Mr. Speaker, the member made reference to those who are involved in grain farming. One of the things I had the opportunity to speak to when referencing Bill C-52 was how unfortunately the government, as exemplified in this bill but also generally in their approach across the country including passenger rail, leaves Canadians shortchanged.

I will use the example of the cuts to Via Rail that services Churchill, a port, as the member will know, that has historically been very involved with exporting grain. However, as the Wheat Board was gutted, it has missed out as well.

I am wondering why this member and his government are willing, time after time, to shortchange those hard-working farmers in farming communities when it comes to delivering fair, equitable access to rail services for passengers but also when it comes to making sure that industries are able to get a fair deal on rail transport.

Mr. Pierre Lemieux: Mr. Speaker, as far as I know, the grain shipments through the port of Churchill have not changed dramatically. They have not decreased dramatically either since the mandatory Wheat Board was brought to an end.

I will say, too, that these changes to the rail transportation system do not just involve agricultural products. For example, I have a quote here from the Chemistry Industry Association of Canada:

So this legislation is critical—not only for our industry's competitiveness, but for Canada's overall productivity and prosperity.

I also have a quote from the Forest Products Association of Canada that supports this legislation.

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Although my speech focused on agriculture and grain products in particular, it is clear that this legislation that we are putting forward today addresses concerns in many of the sectors across Canada that rely on rail service for the success of their businesses.

• (2450)

Mr. Massimo Pacetti (Saint-Léonard—Saint-Michel, Lib.): Mr. Speaker, I am looking at some of the notes that we have. I understand that the railway companies seem to be opposed to this legislation. Meanwhile, the shippers are in favour of it. Here we are again with legislation that is a bit controversial. All that is going to happen with this legislation, and perhaps the member could clarify this, is that we are going to have more litigation and more delays.

How is the bill going to rectify this so that all parties are going to be in agreement? Is the bill going to make both the shippers and the railways happy with providing services to Canadians because ultimately that is who we are here to serve?

Mr. Pierre Lemieux: Mr. Speaker, I think it is fair to say that the situation up to the tabling of the bill was that there was a lot of conflict between those sectors that needed to use the rail service and those providing the rail service. This legislation is meant to provide tools to both the rail service and to the service users in order to rectify any problems they may have. Particularly it was those who use the rail service to ship their products who felt they were disadvantaged, in that they did not have options at their disposal to fix problems that occurred when they tried to ship their products.

This legislation has come about after considerable consultation with both the rail service providers and those who use the rail service, in order to provide each side with tools to build bridges across their differences.

The Deputy Speaker: Resuming debate, the hon. member for Skeena—Bulkley Valley. The member will only have about five to six minutes.

Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP): Mr. Speaker, this is the first opportunity I have had this evening to specifically commend and thank opposition members for being present and continuing to push life back into Parliament and the parliamentary process. The government has grown, with a certain level of addiction, to the use of closure motions, shutting down and cutting off debate.

What is most remarkable is that before any effort has been made to negotiate the timing and order of legislation through Parliament, which has been the custom of parliaments, regardless of their construction over many years, another closure motion has been moved tonight on another bill on which the opposition agrees with the government. Yet here we are with a government that not only wants to cut off debate formally, but also thinks that heckling is a way to suppress comments on its legislative agenda, or lack thereof.

I would ask the government House leader to contain himself for a moment. I know it is late, I know he may be a bit jagged, but the fact is this is of his own making, that members are all gathered and sitting here at midnight.

Hon. Peter Van Loan: This is correct.

Mr. Nathan Cullen: He agrees this correct.

The Conservatives decided that this is the best way to pass legislation. Not only do they want to cut off debate, but they want to extend sittings until midnight because they think this is a productive way to run a government. Canadians believe otherwise.

The government is so scandal plagued and interested in getting out of town that it has to push the clock and shut down debate. There is yet to be a commitment from the Conservatives to sit out the calendar of this parliamentary session. Based on the experience of the most recent question periods, it is no wonder the Conservative Party wants to skip town as quick as possible.

Let us take a look at this legislation. My friends had every opportunity tonight to add their comments to the debate. I am not sure why they waited until the last three minutes of the evening to heckle me and my efforts to add something.

The government has purported two things in the legislation. One is that the bill is perfect. It must think it is perfect because it accepted no amendments. It did not change a thing because it felt that all the testimony, hearings, expert witnesses and shippers who came forward with recommendations and changes were all wrong. The only people who were right in the conversation was the Conservative Party of Canada.

Lo and behold, in bill after bill, in legislation after legislation, when we hear from witnesses, gather the evidence and put it into amendments, there is only one thing that remains constant, and it is that the Conservative Party is always right on all matters. They applaud with a sense of arrogance and entitlement. I remember another party that felt that certain sense of arrogance and entitlement, that got a little drunk on its power and majority status and in slow measure the entitlement to those entitlements led it down a path that was entirely self-destructive.

I worry for my friends across the way. I lament the Reformers who first came to the House and said things like, "We'll never appoint anyone to the Senate, we'll respect the parliamentary process and we disagree when the Liberals invoke closure on bills because we do not think it is right". Lo and behold, those same Conservatives cannot be found these days. The inconvenience of democratic institutions and debate have somehow got in the way of the Conservatives' laser-like focus on their own agenda to the chagrin and lament of many Canadians.

Throughout the evening, the New Democrats have stood in their places and said that while they will not sacrifice the good for the perfect, this is an opportunity for the Conservatives to continue to learn that they are not the experts in all things, that they should once in a while put a little water in the wine and have a little humility to realize that when we go through the process of studying legislation, hearing from the actual experts who are going to be impacted and drive our economy, maybe they should listen once in a while and accept some of those recommendations and amendments. Once in a while a little humility would be a good thing. It looked good on some of my friends across the way to say that when governments achieved that sacred majority status, they were not given divine powers and they did not write legislation that was perfect in every comma and period.

• (2455)

Some of my friends apparently disagree, but I would suggest that in order for our democracy to function and work well, the quality of the conversation must be based upon the ability of those in power to actually listen once in a while. They should listen to Canadians, respect our values and our views and our country would be made so much better for it.

The Deputy Speaker: It being 12:55 a.m., pursuant to order made earlier today, it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the third reading stage of the bill 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: Pursuant to order made on Wednesday, May 22, 2013, the division stands deferred until Thursday, May 30, 2013, at the expiry of the time provided for oral questions.

* * *

PROHIBITING CLUSTER MUNITIONS ACT

Hon. Peter Van Loan (for the Minister of Foreign Affairs) moved that Bill S-10, An Act to implement the Convention on Cluster Munitions be now read a second time and referred to the Standing Committee on Foreign Affairs and International Development.

• (2500)

Mr. Deepak Obhrai (Parliamentary Secretary to the Minister of Foreign Affairs, CPC): Mr. Speaker, it is my pleasure to rise tonight to begin debate on the second reading of Bill S-10, the prohibiting cluster munitions act.

Canada has long recognized that explosive remnants of war, such as those caused by cluster munitions, are a serious humanitarian concern. They maim and kill innocent civilians around the world. They have a detrimental economic impact, and they hinder access to essential infrastructure.

Deployed from the air or ground, some types of cluster munitions can release dozens, or even hundreds, of smaller submunitions, which can cover a large area quickly. These munitions can have indiscriminate effects, particularly, when they fail to detonate as

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intended, often causing widespread harm to innocent civilians, especially in heavily populated areas. They can harm and kill innocent civilians, even long after the conflict has ended. Unfortunately, many of these victims are children.

Canada has long played a leading international role in the protection of civilians from the use of conventional weapons that are prone to indiscriminate effects because we have seen the devastating impacts of that use.

Since 2006, our government has contributed to more than 250 projects in this global effort, making us one of the world's top contributors.

More recently, in February of this year, the Minister of State of Foreign Affairs, Americas and Consular Affairs, while in Colombia, announced an additional \$2.93 million over four years, to assist landmine survivors, including children and youth, with their recovery and reintegration into society.

I can assure all hon. members that we remain deeply committed to this cause and continue to evaluate possible landmine action projects that will deliver tangible results.

I would now like to address Bill S-10, which I believe would fully implement our legislative requirements under the Convention on Cluster Munitions. Canada was a key participant throughout the negotiations of the convention. We are proud to have been among its first 94 signatories in December 2008.

From the beginning, Canada's goal was to strike a balance between a commitment to the elimination of cluster munitions and effective, legitimate and important security considerations. Bill S-10 would do just that.

During negotiations, we committed to the eventual elimination of these weapons, but we also had to recognize the reality that not all countries were participating in the negotiations or were ready to commit to a convention. A compromise was needed to allow countries that wanted to renounce cluster munitions and ratify the convention to be able to engage in military co-operation and operations with countries that intended to retain these weapons for the time being.

The compromise that was reached set out that these military activities would be permitted on the basis that the state parties would engage in diplomatic advocacy to urge non-state parties to reconsider. That compromise, found in article 21, was critical to allowing Canada and its allies to join the convention. Canada had a clear mandate in negotiations. We have always been open and transparent in exactly what we wanted to accomplish. It is important to note that this was not just the Canadian position but was shared by other countries. The provision of article 21 was necessary to bring others on board.

Bill S-10, when enacted, would prohibit the use, development, making, acquisition, possession, movement, import, and export of cluster munitions. It would also prohibit the stockpiling of cluster munitions in Canada, through the proposed offence of possession. This offence would cover any form of possession, including stockpiling, and would easily be enforced and, if necessary, prosecuted in Canada's criminal justice system.

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Bill S-10 would also prohibit anyone from aiding or abetting another person in the commission of a prohibited activity. This would capture a number of potential cross-border scenarios where people or organizations subject to Canadian law engage in activities that are prohibited by the convention. It would also ensure that those who are subject to Canadian law could be prosecuted for the offences in Canada.

• (2505)

For example, the convention does not require state bodies to criminalize investment. However, liability for aiding and abetting, as set out in the bill, would include investment scenarios in which there is sufficient intention and connection between the investment and the prohibited activity to meet Canadian charter and criminal law requirements.

We recognize that one of the most discussed aspects of the convention relates to article 29, which specifically allows state parties to engage in military co-operation and operations with states that are not party without breaching their obligations. As the convention allows this, the proposed legislation also contains exceptions that would allow Canada to engage in combined military operations and co-operation with states that are not party to the convention. Bill S-10 would preserve Canada's ability to work alongside our allies, and it would provide Canadian Forces members and civilians with them assurances that they would not face criminal liability when doing their jobs.

For Canada, military co-operation and operations with other states that currently do not intend to ratify the convention, such as the United States, are of central importance to our security and defence policy. Again, it is vital that our men and women in uniform are not unjustly accused of criminal conduct and are in no way compromised in doing their jobs or what we ask of them in the interest of national security and defence.

Even in the context of military co-operation, the convention reiterates that state parties shall not engage in specified activities that are fully within their control. Under Bill S-10, Canadian Armed Forces members would be prohibited from using cluster munitions in their operations. They would not be able to request their use if the choice of munitions was under exclusive Canadian control, even in the context of joint military operations. In addition, and going beyond what is required by the convention, as a matter of policy, the Canadian Forces would prohibit personnel on exchange, secondment or attachment with allied forces from themselves using cluster munitions and from training and instructing in the direct use of cluster munitions. The Canadian Forces would also prohibit, as a matter of policy, the transportation of any cluster munitions aboard Canadian assets.

As the prohibiting cluster munitions act makes its way through the legislative process, our government has already taken concrete steps to fulfill its commitment under the Convention on Cluster Munitions. The Canadian Armed Forces has removed its remaining stockpiles of cluster munitions from active service and has already begun the process of destroying them. We are confident that the destruction will be completed within the timeframe required by the convention. It is important to note that Canada has never produced or used cluster munitions in its operations.

We are already active in promoting the universalization and implementation of the convention with international partners, and we will continue doing so. As I have previously stated, our government is among the top international donors for addressing the impact of the explosive remnants of war, including cluster munitions.

Knowing the humanitarian devastation caused by the explosive remnants of war, Canada is fully committed to the goals of the Convention on Cluster Munitions and to implementing our requirements under the convention. We are proud to have tabled this legislation, and we are particularly proud of the important role played in Canada to get us here today. It is my hope that all parties will recognize the essential balance between legitimate security and humanitarian concerns and will fully support Bill S-10.

I was just listening to the House leader talking about being very much concerned about our party, and comparing us to the Liberal Party on the other side. However, I want to say that he was in this House and the New Democrats were there as well.

• (2510)

Just because they have moved over here, it does not mean they have suddenly become more concerned about the running of this operation. Let me be very blunt and very clear. This government is committed to working for Canadians to ensure an economic environment, and that is the creation of jobs. Our budget implementation act is there to ensure that our country meets the obligations of ensuring that its citizens have jobs, the ability to educate their children and to have a life that is decent.

Under the New Democrats, if given to them, we would be in very big trouble, in a total economic disaster. It is for that reason they lost the election in British Columbia, because British Columbia was not willing to accept the NDP doctrine of stopping economic progress. They should learn from that instead of giving us lectures about how to run the country.

This government is extremely focused on where we are headed. I want to thank the hon. member, but we will not take his advice.

ADJOURNMENT PROCEEDINGS

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

[*English*]

ARMS TRADE

Ms. Elizabeth May (Saanich—Gulf Islands, GP): Mr. Speaker, I rise early this morning on adjournment proceedings to pursue a question I raised in the House with the hon. Minister of Foreign Affairs, although I initially put the question for the Prime Minister, on March 6 of this year.

This pertains to an issue that could not be more timely. That is why I accepted the opportunity to debate on the matter after 1 a.m. this morning rather than risk not being able to put the question for the hon. parliamentary secretary for a response.

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The issue I raised March 6 was with respect to the treaty on conventional arms. It is the arms trade treaty. When I raised the issue, March 18 was still ahead of us and the United Nations was going to be debating this critical treaty.

As I stated in my question for the hon. minister, I was grateful for the fact that Canada was overall supportive of the treaty, but it did seem strange that we had decided not to support the important criterion that if corruption was at stake, it should be one of the measurements of whether an arms deal should be approved under the treaty. I also wanted to have the assurance of the Prime Minister that Canada was supporting all elements of the treaty.

This treaty did go to successful conclusion in negotiations at the special session of the United Nations that began on March 18. There was a great deal of celebration around the world for that and Canada did vote for the treaty.

However, the news reports that came out of New York, following the treaty's acceptance, suggested that Canada's support was somewhat lukewarm. There have been efforts to find out whether Canada plans to sign on as an early ratifier so we can be part of getting this treaty operationalized globally.

Spokesmen from the office of the Minister of Foreign Affairs have been somewhat equivocal about whether Canada will join on soon. I put that in contrast with Norway, New Zealand and Japan, countries that have said, yes, that they will sign on when the treaty is open for signature, which happens as early as this coming Monday, June 2. Therefore, we will see countries signing on and as soon as 50 countries have ratified, the arms trade treaty will take effect.

Let me just review what this treaty would do. It would create common international standards for the regulation of the international trade in conventional arms ammunition, parts and components. It applies to tanks and all manner of munitions. It will help make the world safer.

We have been troubled by the fact that the non-government organizations allowed on the Canadian delegation were limited to groups that supported the use of private long guns. That is perfectly appropriate within Canada. However, it is a mismatch when we are looking at a global treaty to protect nations around the world from the damage done by a conventional arms trade.

Therefore, I look forward to words from the parliamentary secretary, my friend. I hope he will confirm that Canada has decided to be an early adapter, a country that will ratify along with Norway, New Zealand and Japan, at our earliest opportunity when the treaty opens for signature on June 3. It would be welcomed news for Canadians who yearn for us to return to our traditional role of leadership in peacekeeping and in making the world a safer place.

• (2515)

Mr. Deepak Obhrai (Parliamentary Secretary to the Minister of Foreign Affairs, CPC): Mr. Speaker, I want to thank the hon. member for raising this question, even this late at night.

Canada already has some of the highest standards for the export of conventional arms. The items included in the ATT are already subject to export controls in Canada. Furthermore, Canada already applies the criteria set out in the ATT when considering arms export.

Despite the high standards set by Canada, international trade in conventional arms remains poorly controlled in many parts of the world. Providing arms to insurgents, terrorists, transnational criminal groups and rogue regimes undermines international security and trade interests. It is for this reason that Canada participated in the negotiation of the Arms Trade Treaty that would help curtail illicit and irresponsible arms transfers.

Our Conservative government supports the rights of legitimate law-abiding gun owners and to that end, we eliminated the unfair burden of the wasteful and ineffective long gun registry. It was and remains very important to Canada that an ATT not hinder legal and responsible international trade in conventional arms or create new burdens for Canadian industries or firearms owners. We played a key role in ensuring that the ATT acknowledges the lawful ownership of firearms by responsible private citizens.

The government supported the inclusion of anti-corruption language in the ATT. In fact, Canada already considers corrupt practices when looking at the risk of diversion associated with the proposed export. This is consistent with the government's anti-corruption efforts in domestic and international spheres, including our work within the G20 and the United Nations.

Canada worked closely with our friends and allies in an attempt to negotiate an instrument that would help keep weapons out of the hands of criminals, terrorists and human rights abusers, while at the same time recognizing and protecting the ability of the law-abiding private firearms owners to enjoy the recreational use of their firearms in a responsible manner. The government is now consulting all interested stakeholders on the ATT in order to gain their insight and analysis.

The views of all interested parties in Canada will serve to better inform the government as we decide our next step.

Ms. Elizabeth May: Mr. Speaker, I am very grateful to the hon. Parliamentary Secretary to the Minister of Foreign Affairs for staying and for expressing gratitude that I raised the issue at this late hour.

I do still have concerns. In part of his remarks, he seemed to, as others have done in his government, conflate the issue of the domestic use of firearms with this treaty. We need to underscore this so that no one is confused about it.

This treaty has nothing to do with the domestic use of firearms and it has nothing to do with any kind of civilian ownership or domestic trade of firearms. It is specifically about ensuring effective regulation of international transfers of conventional weapons. As I said before, it applies to a range of military apparatus, including tanks, armoured combat vehicles, large calibre artillery systems, combat aircraft, attack helicopters, warships, missiles and missile launchers, small arms and light weapons.

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We hear the stories of child soldiers and we know that the forced conscription of children into war zones is an appalling and immoral act. If we can control the international trade in these munitions, guns and armaments, we can protect those children and we can reduce conventional conflict in hotspots around the world.

I urge the hon. Parliamentary Secretary to the Minister of Foreign Affairs and his government to ratify the treaty on June 3.

● (2520)

Mr. Deepak Obhrai: Mr. Speaker, I can understand the concern that the hon. member has expressed in reference to the international export of arms. We have one of the highest standards for exporting conventional arms.

However, when we are signing a convention internationally, it is important to ensure that it does not spill over into the domestic

legislation that is currently in Canada. For that reason, we are in consultation with stakeholders. Canada has every intention to control the export of arms to rogue regimes, which she mentioned.

The member can rest assured that we will be working with stakeholders, but our goal in the end is to sign this treaty while making sure that it does not spill over into the domestic laws of this country.

[*Translation*]

The Deputy Speaker: Pursuant to an order made on Wednesday, May 22, 2013, the motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until later this day at 10 a.m. pursuant to Standing Order 24(1).

(The House adjourned at 1:21 a.m.)

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