



CANADA

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OFFICIAL REPORT
(HANSARD)

Thursday, December 12, 2002

—

Speaker: The Honourable Peter Milliken

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HOUSE OF COMMONS

Thursday, December 12, 2002

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

● (1005)

[English]

GENOME CANADA

Mr. Geoff Regan (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.): Mr. Speaker, in accordance with Standing Order 32(2) I have the honour to table, in both official languages, on behalf of the Minister of Industry, the annual reports of Genome Canada for 2000-01 and 2001-02.

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JAMES BAY AND NORTHERN QUEBEC AGREEMENT AND NORTHEASTERN QUEBEC AGREEMENT

Hon. Robert Nault (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, under the provisions of Standing Order 32(2) I have the honour to table, in both official languages, copies of the 1998-99 and 1999-2000 annual reports on the James Bay and Northern Quebec Agreement, and on the Northeastern Quebec Agreement.

* * *

ABORIGINAL HEALING FOUNDATION

Hon. Robert Nault (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, also under the same provisions, I have the honour to table, in both official languages, copies of the 2000, 2001 and 2002 annual reports of the Aboriginal Healing Foundation.

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INTERNATIONAL LABOUR CONFERENCE

Mr. Gurbax Malhi (Parliamentary Secretary to the Minister of Labour, Lib.): Mr. Speaker, in accordance with the International Labour Organization's constitution to bring recently adopted conventions and recommendations to the attention of competent authorities, I am pleased to submit two copies, in both official languages, of the Canadian position with respect to convention 184 and recommendation 192 adopted at the 89th session of the International Labour Conference, June 21, 2001, in Geneva.

GOVERNMENT RESPONSE TO PETITIONS

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

* * *

FIREARMS PROGRAM

Hon. Martin Cauchon (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, in 1978 when the government of the day first introduced modern firearms control legislation, the goal was to establish a program that improved public safety and saved lives.

Almost 25 years later, our goal remains the same. The Government of Canada believes that the firearms program contributes to public safety by keeping guns and ammunition out of the wrong hands, by deterring their misuse, and by controlling specific types of firearms.

[Translation]

We know, however, that there were many obstacles along the road to success, and that this road is not an easy one to travel.

In the first five years of the program, the basic requirements were constantly changing due to political and administrative needs. This made it extremely difficult to project costs and revenues.

● (1010)

[English]

Let me be clear. The government has always endeavoured to report the costs of the firearms program with diligence. Departmental costs have always been reported through approved Treasury Board framework guidelines. The department has reported many times to Parliament on the program, including appearances before the finance committee in the other place and the House Standing Committee on Justice and Human Rights.

[Translation]

However, the Auditor General stated, and I agree, that we need to do better. We have to get the administration of this important public safety program back on track and do it in a cost-effective manner that Canadians can support.

Routine Proceedings

[English]

Last week I announced interim cost cutting measures, including an immediate freeze on major spending for the firearms program. I also announced that I am reviewing the administration of the program with a view to finding cost efficiencies. Until that review is complete, the program will be run at minimum levels.

I have already indicated that there are some limited funds left in the firearms program. We are looking within existing justice operational appropriations to manage any shortfall in program resources until my review is complete.

I will report back to the House with an accounting of how we manage any shortfalls. I will be open. I will be transparent.

[Translation]

We will ensure that this approach does not infringe in any way upon the department's other programs. Furthermore, this approach will have no impact on agreements with the provinces and agencies.

Let me be very clear on the last two points. First, before I make a presentation in connection with the supplementary estimates next March, I will review the administration of this program.

[English]

Second, the government remains committed to the principles of the firearms program. We are aiming to improve the administration of the program. The principles of the program and our commitment to them remain unchanged. I have said that we will fix it, and we will fix it.

I understand the concerns expressed in the Auditor General's report and in the House. I have made a commitment to the House to carefully examine the costs and the administration of the program, to make improvements and to be transparent in my efforts to do these things. I am fulfilling my commitments. We will be building a better Canadian firearms program.

The deadline for the public to register their firearms remains December 31, 2002. I recently announced a grace period for those who have applied for but have not received their registration by this date, to ensure that those who have taken steps to comply with the deadline are not prosecuted.

The policy is sound. It reflects the values of Canadians.

Mr. Garry Breitkreuz (Yorkton—Melville, Canadian Alliance): Mr. Speaker, I listened carefully to the minister's statement. I wonder why he even bothered to make the statement, because he did not say anything new. There was nothing of substance that merits taking time in the House to make this statement. He is saying the same old nonsense we have heard for a long time. He continues to defend a program that Parliament now refuses to fund.

We were hoping that the minister would finally accept responsibility for the fiasco and announce his resignation for the biggest cost overrun the Auditor General has seen in any government program. We were also hoping that the minister was going to announce this morning that he was scrapping the gun registry because it already has wasted almost \$1 billion. For that billion dollars, he will only have registered one-third of the guns in Canada. Is he going to waste another billion or two or three before he admits

the program is a dismal failure? How much is it going to be? We cannot get that response.

If he is not going to resign or scrap the gun registry, at least he could have announced this morning a general amnesty to allow all firearms owners the time they need to fully comply with the law. Because his own bureaucracy cannot get the paperwork done, he has put in place a six month moratorium or amnesty for owners to get their papers, all because his bureaucrats need more time to process the firearms licences and registration certificates. Does he really want to drive millions of gun owners and guns underground?

The Liberals issued a general amnesty in 1978, and the Conservatives also did it in 1992. What possible excuse can the minister have for sticking to a completely arbitrary political deadline of December 31 of this year?

The minister's own user group on firearms tells the minister that the way his program is designed is driving firearms into the black market, the exact opposite of what the public and Parliament were promised. Is the minister listening to his own user group? Has he even met with the group yet?

Poorly drafted legislation and an up to 90% error rate in the system are making it impossible for police to know who owns guns or where they are stored. That is the very thing the minister promised the police that the gun registry would do.

The three justice ministers who have been in charge of this file have so infuriated provincial and territorial governments that eight of them have opted out of the administration of the gun registry, and the western provinces refuse to enforce the Firearms Act. This is criminal law that the provinces do not want to have any part of, which ought to indicate to Canadians that there is a serious problem here.

This week the Nunavut Court of Justice suspended firearms registration requirements for the Nunavut Inuit because of lack of service, poor communication and low compliance. I remind the minister that he is responsible for ensuring that all Canadians are treated equally before and under the law. If they no longer have to comply with it, what about the rest of us?

An hon. member: Are you still advocating that they don't register?

An hon. member: Oh, oh.

Mr. Garry Breitkreuz: All those people blathering over there better listen carefully. The minister's gun registry is such a boondoggle that the minister does not even keep track of the current addresses of 131,000 persons prohibited from owning firearms and he has no provision to check if their guns have been removed from their possession or to ensure that they have not acquired more guns illegally. Instead of keeping track of 131,000 convicted criminals, he is going to try to keep track of two million law abiding gun owners. Is there any sense in that?

He has his priorities backwards, because he thinks it is easier to track two million law abiding and honest people than 131,000 convicted criminals. That is the only explanation I can imagine.

Now the minister claims that thousands of convicted sex offenders have privacy rights. Where is the minister's concern about the privacy rights of two million completely innocent firearms owners whom he forces to report their changes of address or go to jail for up to two years?

What the minister should have said today is that the gun registry is such a mess that it is impossible to fix, that he is going to do the right thing and kill it, scrap it and abolish it.

● (1015)

[Translation]

Mr. Richard Marceau (Charlesbourg—Jacques-Cartier, BQ): Mr. Speaker, it is my pleasure to respond to the Minister of Justice.

It seems strange that the Minister of Justice took more than a week to react to the Auditor General's report criticizing the veritable administrative fiasco of the Canadian Firearms Program. Worse yet, it took the release of this report to get a reaction out of the government.

There are two possibilities: either the government knew and did not do anything, or it did not know, which is also worrisome because that means it does not even have control over the administrative machinery.

It took the specific intervention of the Auditor General to uncover the magnitude of the administrative mess, because the Liberal government, true to form, took an amazingly lax approach to the management of this program.

Because of this government's chronic lack of transparency, as highlighted in the Auditor General's report to Parliament, the costs of managing this program mushroomed. No one in the government had the moral decency to sound the alarm before the Auditor General did.

The costs of the program, originally estimated at \$2 million, will soar to \$1 billion by 2004-05, showing the government's incompetence and inability when it comes to managing public funds.

The fine words of the minister this morning do not assign blame or even admit responsibility, far from it. It is totally disgusting to see the minister downplaying the situation on the pretext that the challenge of firearm registration was such a great one. At best, this is evidence of the lack of concern and lack of awareness of the government, and of the present Minister of Justice, and his predecessors.

It is unacceptable that, despite the budgetary control exercised by Parliament, the government has succeeded in camouflaging the real costs of the program. Even some Liberal members have expressed their outrage at the government's mismanagement and called for the head of the Minister of Industry and former Minister of Justice.

Something along these lines is necessary, but it must be admitted that it was far beyond the administrative capacities of the ministers responsible. The hundreds of millions of dollars sunk into this program represent nothing more and nothing less than a huge

Routine Proceedings

government exercise in wasting public funds, the hard earned dollars of the taxpayers of Quebec and Canada.

As hon. members are aware, when this program was created, there was an atmosphere of austerity in Canada. Deep cuts in federal government program budgets, and in transfer payments to the provinces in particular, created some very precarious situations for the budgets of other levels of government.

In such a difficult economic situation, the taxpayers, who were bearing the brunt of these major sacrifices, were entitled to expect that the dollars saved would be properly administered. But no. Thanks to a cumbersome and incompetent government, the costs of one program were able to go through the roof without any control.

The Minister of Industry, formerly the Minister of Justice, was out of his depth and did nothing. Worse yet, the member for LaSalle—Émard, who kept a tight hand on the purse strings at the time, since he was Minister of Finance, did not sound the alarm either. And imagine that some people already see him in the Prime Minister's chair—unbelievable.

Through their incompetence, the Liberals gave the opponents of gun control plenty of heavy ammunition to use against it. This fiasco left two victims in its wake: the taxpayers' wallets and the very principle of firearms control.

More than ever before, we need to keep a close eye on this arrogant and incompetent government. That is why the people of Quebec have sent two new representatives of the Bloc Québécois to this House.

● (1020)

[English]

Mr. Bill Blaikie (Winnipeg—Transcona, NDP): Mr. Speaker, the Minister of Justice said that he wanted to be transparent and he was. He certainly has done a great deal for transparency this morning by so transparently engaging in an act of damage control with respect to the cost overruns associated with the gun registry.

I will begin by just going over the minister's statement. The minister says that the Government of Canada believes that the firearms program contributes to public safety by keeping guns and ammunition out of the wrong hands, by deterring their misuse and by controlling specific types of firearms. These are worthy goals and the NDP supports those goals of the firearms control program.

However that does not mean that we have to be lax when it comes to our job as parliamentarians in holding the government to account for how it administers particular programs. I must also say that the statement is very unclear as to what the government associates the cost overruns with.

The statement goes on to say, "throughout the first five years of the program". Which program? Is the minister referring to the first 5 years of the 25 years that he referred to in the first paragraph of his statement from 1978 to 1983, or is he specifically referring to the first 5 years of the gun registry program which we are now in the middle of? It is not clear what he is referring to here.

Routine Proceedings

The cost overruns, as I understand them, are associated with the registration aspect of the overall gun control program, and yet the minister hides that fact in his statement by never actually mentioning the registration program in his statement. The overruns are associated with the registry, not with the firearms control program that began in 1978, at least that is how I understand the situation. I regret that the minister decided to avoid the issue of the specific cost overruns associated with the registry itself.

The minister went on to say that departmental costs have always been reported through approved Treasury Board framework guidelines and that the department has reported many times to Parliament. Nevertheless, the Auditor General has said, and he agrees, that we must do better. The Auditor General did not just say that we should do better. The Auditor General said that the government did not do it at all, that it kept Parliament in the dark.

Therefore to suggest that somehow there is just a little degree of improvement that is required on the part of the government with respect to how it has reported to Parliament on the gun registry program is ridiculous and certainly not an example of due diligence in terms of reading the Auditor General's report.

If we were to read the Auditor General's report we would see that she is very hard on the government and does not just say that it needs to do better, like it was being tapped on the wrist. The government was given a great big wallop and told to fundamentally revamp how it reports the cost of this program to Parliament.

The minister should be faulted for a statement which so transparently seeks to minimize the way in which the government has mismanaged this program.

When the minister talked about seeking efficiency in terms of costs for this program, I want to warn him that we in the NDP will not stand for the privatization of the gun registry. If this is what he has in mind when he talks about cost efficiencies, then he will not have the support of the NDP.

Mr. Garry Breitkreuz: It is already happening.

Mr. Bill Blaikie: Mr. Speaker, I heard a member say that it was already happening. I know it is already happening. I have been on record before as the NDP justice critic against the privatization of the gun registry, but this would certainly be a violation of what the government committed itself to when it began this registry program in terms of confidentiality. I am sure that gun owners have no desire to have the list of who owns long guns in this country contracted out to some fly by night friend of the Liberals. They will probably give it to Groupaction for all we know, if they have not done so already. This is just ridiculous.

I hope the minister will not consider privatization as a way of reducing the cost. There must be a way to do this properly through sound public management. That is what we—

• (1025)

The Speaker: The hon. member for South Shore.

Mr. Gerald Keddy (South Shore, PC): Mr. Speaker, the government stood in the House this morning and repeatedly said that this issue was about gun control. Do we not wish it was so? It is absolutely a deception to say that this issue is about gun control.

The Auditor General herself said, "the issue here is not gun control". Excuse me, the issue here is not gun control. It is not even the astronomical cost overruns, although those are serious. What is really inexcusable is that Parliament was kept in the dark. If we were take that a step further, Canadians were kept in the dark. Victims of family violence were kept in the dark. Victims of assault with a firearm were kept in the dark. Women, who are being threatened because peace bonds are not being enforced, were kept in the dark. This is absolutely about waste, inefficiency, deceit and deception deliberately imposed by the government.

The minister, if he wants to have a career in politics, has an opportunity to do something about it but he just stood in the House and told us that he would not, that he will allow it to continue.

We started out with an estimate of \$117 million for the cost of a long gun registry. The net cost to run the program was supposed to be \$2 million a year, for a total cost of \$119 million. This is unprecedented deception on the part of the government.

Let us review the administration. There has been no ministerial responsibility and that was proven again this morning. Where is the responsibility on the shoulders of the member for Etobicoke Centre, from the member for Edmonton West, from the member for Outremont, from the member for LaSalle—Émard, from the member from Shawinigan? Does Shawinigan sound familiar? It should sound familiar.

What have we accomplished? We have had cost overruns hidden in the supplementary estimates. We have had a refusal to follow procedure in Parliament. Very little has been accomplished other than wasting a billion dollars. What would that billion dollars have done to protect women in this country?

This is not about long gun registration. Most parliamentarians support reasonable, responsible gun control. What saves lives is the safe handling and safe storage of guns. We have a gun registry in place and homicides have gone up 19%. Members should listen to the facts. The government has not done its job. It has lied to Canadians. It has lied to victims of violence. The government cannot do that. It is not acceptable.

The government has not done the job that it set out to do. It is time to scrap the long gun registry, to walk away from it and do the parts of gun control that work: training, safe handling, safe storage and making sure people are screened before they have access to a firearm.

There are millions of safe firearm owners out there and those are the people the government is targeting. It is not targeting the criminals. It is not targeting Mom Boucher who has a registered firearm. That makes me sleep better at night and makes me feel a lot better about the gun registry.

The government has not done the job that it started to do. Government members should be embarrassed to stand in this place and try to tell members of Parliament, and the Canadian public that we represent, that they somehow have been transparent in the application of their duties, because they have not been.

• (1030)

COMMITTEES OF THE HOUSE

NON-MEDICAL USE OF DRUGS

Ms. Paddy Torsney (Burlington, Lib.): Mr. Speaker, I have the honour to present the final report of the Special Committee on Non-Medical Use of Drugs.

On behalf of all the members of the committee let me thank them for their hard work and thank all the witnesses who gave us the benefit of their ideas, their passion and their interest.

The report is a very solid work plan for the government to move forward and make meaningful changes to our laws, to our system of education, prevention and treatment, and to invest in research.

The committee thanks everyone in this administration for their assistance in this process.

HEALTH

Ms. Bonnie Brown (Oakville, Lib.): Mr. Speaker, it is my pleasure to present, in both official languages, the first report of the Standing Committee on Health.

Pursuant to its order of reference dated Wednesday, October 9, 2002, the health committee has considered Bill C-13, an act respecting assisted human reproduction. The committee agreed on Tuesday, December 10, 2002, to report it with amendment.

I wish to thank the members, the witnesses and the staff who assisted us through these deliberations.

[Translation]

FOREIGN AFFAIRS AND INTERNATIONAL TRADE

Mr. Bernard Patry (Pierrefonds—Dollard, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the third report of the Standing Committee on Foreign Affairs and International Trade entitled, "Partners in North America: Advancing Canada's Relations with the United States and Mexico".

This report is the result of Canada-wide consultations and meetings with leaders and opinion makers in Mexico and the United States.

Pursuant to Standing Order 109, the committee requests that the government table a comprehensive response to the report within 150 days.

• (1035)

PUBLIC ACCOUNTS

Mr. John Williams (St. Albert, Canadian Alliance): Mr. Speaker, I have the honour to present, in both official languages, the sixth report of the Standing Committee on Public Accounts on Chapter 6 (Atlantic Canada Opportunities Agency—Economic Development), of the December 2001 report of the Auditor General of Canada.

I also have the honour to present the seventh report of the Standing Committee on Public Accounts on Chapter 8 (Canada Customs and Revenue Agency—Managing the Risks of Non-Compliance for Commercial Shipments Entering Canada of the December 2001 report of the Auditor General of Canada.

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In addition, I have the honour to present the eighth report of the Standing Committee on Public Accounts on Chapter 8 (Other Audit Observations—Health Canada and Public Works and Government Services Canada), of the April 2002 report of the Auditor General of Canada.

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

[English]

TRANSPORT

Mr. Joe Comuzzi (Thunder Bay—Superior North, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the first report of the Standing Committee on Transport.

The report I am presenting before the House today has the unanimous consent of all committee members. I wish to thank all members from both sides of the House for their diligence and hard work in preparing this report, in such a short period of time, which is of so much interest to every traveller in Canada during this period.

The recommendation in the report states:

That the Standing Committee on Transport urges the Government to implement an immediate and substantial reduction of the Air Travellers Security Charge.

This report meets all the criteria of the principles of user pay that has been adopted. The committee has established beyond a reasonable doubt that there is more than enough money in the treasury that has been collected already to pay for this. The committee urges the Prime Minister and the Minister of Justice to immediately adopt the substance of this report and give the travelling public in Canada a break over the holiday period.

Mr. James Moore: Mr. Speaker, I rise on a point of order. As the chair of the transport committee mentioned, this resolution was passed unanimously in committee. There has been some conversation and if the House would give its consent I would move that the report just tabled be concurred in.

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

Some hon. members: Agreed.

Some hon. members: No.

* * *

CANADA POST CORPORATION ACT

Mr. Bill Blaikie (Winnipeg—Transcona, NDP) moved for leave to introduce Bill C-342, an act to amend the Canada Post Corporation Act (mail contractors).

He said: Mr. Speaker, I am pleased today to introduce an amendment to the Canada Post Corporation Act. This bill deals with the rural route mail couriers who deliver mail in the country. The mail carriers are considered by Canada Post to be independent contractors. Our point is that these are not independent contractors as such. They are wholly dependent on Canada Post for all they do. Therefore, the relationship is more of an employer and an employee than that of an independent contractor who can rely on numerous sources for employment and income.

Routine Proceedings

However, the Canada Post Corporation Act specifically bars them from bargaining collectively. They are not allowed to organize into a union or take part in free collective bargaining. I think this is wrong. They are the only group of workers in the country who are specifically barred from organizing a union. This bill would eradicate one clause in the Canada Post Corporation Act and allow them to bargain collectively.

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

* * *

● (1040)

CITIZENSHIP ACT

Mr. John Reynolds (West Vancouver—Sunshine Coast, Canadian Alliance) moved for leave to introduce Bill C-343, an act to amend the Citizenship Act.

He said: Mr. Speaker, it is a pleasure to introduce my private member's bill, an act to amend the Citizenship Act. My bill is designed to remedy an injustice in the Canadian Citizenship Act, whereby Canadian children whose parents took out United States citizenship between 1946 and 1977 automatically lost their Canadian citizenship through no conscious decision of their own.

Regrettably, amendments to the Citizenship Act of 1977 did not make these the citizenship of these individuals retroactive. My bill would make it possible for these individuals to regain their Canadian citizenship without being established as a permanent resident in order to do so.

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

* * *

PETITIONS**RIGHTS OF THE CHILD**

Mr. Larry Spencer (Regina—Lumsden—Lake Centre, Canadian Alliance): Mr. Speaker, it is my privilege today to rise on behalf of a number of citizens of Canada who have chosen to exercise their right to petition Parliament when they feel there are deficiencies in legislation.

I have three petitions. The first one calls upon Parliament to modify legislation to ensure that both parents are actively involved with their children after divorce through specifically defined shared parenting, and to modify the support guidelines to make sure that the support goes to the child.

CHILD PORNOGRAPHY

Mr. Larry Spencer (Regina—Lumsden—Lake Centre, Canadian Alliance): Mr. Speaker, the second petition is from a number of citizens who call upon Parliament to protect our children by taking all the necessary steps to ensure that all materials which promote or glorify pedophilia or sado-masochistic activities involving children are outlawed.

STEM CELL RESEARCH

Mr. Larry Spencer (Regina—Lumsden—Lake Centre, Canadian Alliance): Mr. Speaker, the third petition calls upon the Parliament of Canada to ban embryo research and direct the Canadian Institutes for Health and Research to support and fund only ethical research that does not involve the destruction of human life.

[Translation]

GOVERNMENT CONTRACTS

Ms. Francine Lalonde (Mercier, BQ): Mr. Speaker, I have the honour this morning of presenting two petitions, one with 198 names and the other with 98 names.

The petitioners are calling upon Parliament to order a public inquiry, which is the only way to shed light on the close ties between the Liberal Party, its ministers and certain advertising agencies that have received millions of dollars in contracts from the Liberal government in the past few years, and on the entire federal government contracting system.

[English]

MEMBERS OF PARLIAMENT

Mr. Svend Robinson (Burnaby—Douglas, NDP): Mr. Speaker, I have the honour to present a number of petitions this morning.

The first petition was signed by a number of residents of Richmond representing the views of over 4,000 signatures of an earlier petition with respect to a fundamental issue of democracy. The petitioners note that members of Parliament are elected by voters using a ballot which identifies each candidate by an official party designation and that voters use the party designation in many cases to make their decisions. They point out their concerns about violating the intention of voters when a member of Parliament changes parties.

The petitioners call upon Parliament to enact legislation which would require all members of Parliament who wish to change their official party designation in the House of Commons to resign and run in a byelection. Certainly the important Defend Democracy Richmond organization with Adrian Wade and others should be saluted for that.

[Translation]

RESEARCH AND DEVELOPMENT

Mr. Svend Robinson (Burnaby—Douglas, NDP): Mr. Speaker, the second petition is presented by the Catholic Organization for Development and Peace. It was signed by residents of Montreal. Some 180,000 petition postcards have been sent to the Minister for International Trade so far.

● (1045)

[English]

It is on the important subject of patenting of life, seeds and living organisms which are part of our collective heritage. The petitioners call upon Parliament not to promote policies that heighten poverty, threaten the environment, and increase hunger throughout the world. They oppose the patenting and private control of seeds, and all other forms of life.

THE ENVIRONMENT

Mr. Svend Robinson (Burnaby—Douglas, NDP): Mr. Speaker, I have a couple of other petitions signed by a number of people from Yukon, in particular, David MacKinnon of the Transboundary Watershed Alliance who coordinated it. They are concerned about the magnificent transboundary rivers and watersheds in the province of British Columbia that are of major concern in that region. They point out that these rivers and watersheds face a variety of ecological threats, both inside and outside their boundaries such as the Bradfield Canal-Craig River Road proposal.

They call upon Parliament to adopt an ecosystem sustainable development policy for the region that promotes and protects the rights of workers, communities and the environment, respects cultural diversity, and ensures the capacity of these transboundary rivers and watersheds to meet the needs of this and future generations.

COAST GUARD

Mr. Svend Robinson (Burnaby—Douglas, NDP): Finally, Mr. Speaker, a petition that has over 510 signatures which were collected over the course of 12 hours on one trail leading down to the beach at Wreck Beach in British Columbia, the well known clothing optional beach. Judy Williams of the Wreck Beach Preservation Society was instrumental in collecting these signatures.

The petitioners note that the Canadian Coast Guard is in desperate need of a new hovercraft to replace the one that is scheduled for decommissioning in October this year. They are concerned about cuts in funding for the Coast Guard.

They call upon Parliament to make the Coast Guard an independent body to protect those sunbathers. It should be an independent body whose priority is the saving of lives and it should be separated from the Department of Fisheries and Oceans. The Coast Guard should be issued a new hovercraft to enable it to perform rescues of those in peril and certainly new uniforms as well.

STEM CELL RESEARCH

Mr. Larry Bagnell (Yukon, Lib.): Mr. Speaker, pursuant to Standing Order 36 I have two petitions to present. Parkinson's, Alzheimer's, diabetes, cancer, muscular dystrophy and spinal cord injury are still diseases. Progress has been made on research with adult stem cells with no immune rejections or ethical problems.

My first petition calls on the government to focus its legislative support on adult stem cell research.

CHILD PORNOGRAPHY

Mr. Larry Bagnell (Yukon, Lib.): Mr. Speaker, the second petition deals with child pornography. The people who signed this petition believe that the creation and use of child pornography is condemned by a majority of Canadians, and that the courts have not applied existing laws so that every case has stiff penalties for child exploitation. They call upon Parliament to outlaw materials which promote or glorify pedophilia or sado-masochistic activities with children.

IMMIGRATION

Mr. Gurmant Grewal (Surrey Central, Canadian Alliance): Mr. Speaker, I rise on behalf of the residents of Surrey to present this

Routine Proceedings

petition signed by around 6,000 people. The petitioners draw attention to the sad story of *Komagata Maru*, a vessel carrying 376 passengers of Indian origin, mostly British subjects, that arrived in Vancouver Harbour on May 23, 1914. When the freighter anchored, Canadian immigration officials refused to allow the passengers to disembark. After two months of detainment the Canadian navy forced the ship out of Canadian waters under threat of violence and 19 of 352 passengers were massacred by the British government of India and others were arrested and imprisoned.

The petitioners contend that this incident was a result of a racist, discriminatory and exclusionist Canadian immigration policy. They ask that Parliament issue an apology to correct the wrong that remains a black scar on Canadian history, and hurts the community. Justice delayed or forgotten is justice denied.

• (1050)

CHILD PORNOGRAPHY

Mr. Gurmant Grewal (Surrey Central, Canadian Alliance): Mr. Speaker, I have another petition on behalf of the constituents of Surrey Central concerning child pornography. The petitioners ask that Parliament protect our children by taking all necessary steps to ensure that the material that promotes pedophilia or sado-masochistic activities involving children be outlawed.

MARRIAGE

Mr. Gurmant Grewal (Surrey Central, Canadian Alliance): Finally, Mr. Speaker, I am presenting a petition on behalf of my constituents signed by 165 people. The petitioners call upon Parliament to affirm the opposite sex definition of marriage in legislation and ensure that marriage is recognized as a unique institution.

Mr. Myron Thompson (Wild Rose, Canadian Alliance): Mr. Speaker, I have the privilege of tabling three petitions today. The first one is from the Olds and Bowden district. Several hundred petitioners are asking the government to bring in legislation, and use the notwithstanding clause if necessary, to preserve and protect the current definition of a marriage between one man and one woman.

AGE OF CONSENT

Mr. Myron Thompson (Wild Rose, Canadian Alliance): Mr. Speaker, the second petition is from the Strathmore area and Calgary region is from a group of petitioners that call on the government to immediately raise the age of sexual consent from 14 to 16.

Routine Proceedings

CHILD PORNOGRAPHY

Mr. Myron Thompson (Wild Rose, Canadian Alliance): Mr. Speaker, the third petition is from the Strathmore region. Approximately 3,500 people in my riding are calling on the government to do something about the legislation protecting our children regarding pornography, indicating that there is no public good, no artistic merit, no value whatsoever in child pornography, and it should be abolished in total.

[Translation]

GOVERNMENT CONTRACTS

Mr. Stéphane Bergeron (Verchères—Les-Patriotes, BQ): Mr. Speaker, I have the honour to table two petitions signed by close to one hundred residents of the riding of Verchères—Les-Patriotes and of greater Montreal.

They note that the report of the Auditor General to the Minister of Public Works and Government Services on three contracts awarded to Groupaction points out that all the contracting rules were broken in this affair; that none of the investigations currently underway focus on shedding light on the ties between government suppliers and the various departments; and that the ethics counsellor is appointed by the Prime Minister, and acts exclusively in his interest.

Therefore, the petitioners are asking Parliament to enact a public inquiry, the only way to get to the bottom of the close ties that exist between the Liberal Party, its ministers and certain advertising agencies that received millions of dollars in government contracts from the Liberal government in recent years, as well as on the entire federal government contracting system.

[English]

STEM CELL RESEARCH

Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP): Mr. Speaker, I am very pleased to present two petitions. The first one is signed by a number of Canadian residents on behalf of hundreds of thousands of Canadians who suffer from debilitating illnesses.

The petitioners would like Parliament to send a message to Health Canada to ensure that research is conducted with respect to ethical stem cell explorations. They call upon all of us to encourage research that would find cures and therapies necessary to treat illnesses and diseases of many Canadians.

HEALTH CARE

Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP): Mr. Speaker, the second petition is a very important and timely one and it concerns the Canada Health Act. The petitioners indicate that this legislation is the foundation of medicare and that the federal government ought to preserve and enforce this act.

They call upon Parliament to enshrine the Canada Health Act and the five principles of medicare in the Canadian Constitution to guarantee national standards of quality publicly funded health care for every Canadian citizen as a right.

MARRIAGE

Mr. John Reynolds (West Vancouver—Sunshine Coast, Canadian Alliance): Mr. Speaker, I have a petition from over 300 people of the wonderful city of Powell River who ask Parliament to

recognize the institution of marriage in federal law as being a lifelong union of one man and one woman to the exclusion of all others.

MEMBER FOR RICHMOND

Mr. Ted White (North Vancouver, Canadian Alliance): Mr. Speaker, I have a petition signed by more than 4,000 people calling on Parliament to request that the member for Richmond resign and run for re-election. Unfortunately, the clerk of petitions determined that the petition did not contain a clear and respectful—

Some hon. members: Oh, oh.

The Speaker: Order, please. The hon. member cannot stand and say this kind of thing in the presentation of petitions. He can only present ones that have already been certified. I am sure he is aware of that. I am glad he has one that has been and I am sure he will proceed with that at once.

MEMBERS OF PARLIAMENT

Mr. Ted White (North Vancouver, Canadian Alliance): Mr. Speaker, since I cannot present the one with 4,000 signatures, I will present one with 48 signatures which basically says the same thing but in slightly different words.

The petitioners point out, as the member for Burnaby—Douglas did, that it is a violation of the intention of voters when a member of Parliament changes parties. Therefore the petitioners call upon Parliament to enact legislation that would require all members of Parliament, who wish to change their official party designation in the House of Commons, to resign and run in a byelection.

● (1055)

[Translation]

GOVERNMENT CONTRACTS

Mr. Robert Lanctôt (Châteauguay, BQ): Mr. Speaker, I am presenting three petitions, with a total of 681 signatures. They state the same facts as those of my colleagues' petitions.

The petitioners are calling on the government to enact a public inquiry, the only way to get to the bottom of the close ties that exist between the Liberal Party, its ministers and certain advertising agencies that received millions of dollars in government contracts from the Liberal government in recent years, as well as on the entire federal government contracting system.

[English]

COAST GUARD

Mr. James Lunney (Nanaimo—Alberni, Canadian Alliance): Mr. Speaker, I have a petition from over 400 people on the west coast of British Columbia. The petitioners are concerned that the government has not funded the Coast Guard adequately. The Department of Fisheries and Oceans chronic underfunding and lack of resources has resulted potentially in the loss of several lives.

They call upon the government to remove the Coast Guard from the Department of Fisheries and Oceans and a separate department be adequately funded so lives can be saved. They also call upon the government to ensure that a new and adequate hovercraft is available for lifesaving purposes.

CHILD PORNOGRAPHY

Mr. Rahim Jaffer (Edmonton—Strathcona, Canadian Alliance): Mr. Speaker, I am happy to rise to today to present a petition on behalf of over 100 Alberta residents calling upon Parliament to protect our children by taking all necessary steps to ensure that all materials which promote or glorify pornography involving children are outlawed.

IRAQ

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, I am pleased to rise to present a petition from numerous people who are very concerned about the possibility of war with Iraq and also about the sanctions against Iraq. The petitioners include people who, for more than two years, have demonstrated publicly every week against the sanctions in Iraq and have done so often in times when their position has been very unpopular.

They point out that the Standing Committee on Foreign Affairs has reported that economic sanctions on Iraq are not accomplishing their objectives and that Canada's policy should be based on international law.

They say that Canada should not join a war against Iraq in any event and should leave regime change to the Iraqi people. They say that Canada should increase humanitarian aid to Iraq in the form of civil society partnerships and should stop supporting the sanctions. They also say that Canada should re-open its embassy in Baghdad.

The Speaker: I am afraid the time for presentation of petitions has expired. Fifteen minutes is the limit under the rules and the Speaker has to enforce the rules in every respect, as the hon. member from Peace River knows. He is rising on a point of order.

Mr. Charlie Penson: Mr. Speaker, I rise on a point of order. I would ask if you would seek-unanimous consent that the time be extended because members will be out of the House for quite a period of time?

Hon. Don Boudria: Mr. Speaker, it could be extended for five minutes and perhaps members could rush this so we could get on to the important budget consultations.

The Speaker: Is it agreed to extend for five minutes?

Some hon. members: Agreed.

The Speaker: The hon. member for Peterborough has the floor. He will be prompt I know with the rest of his petitions.

CHILD PORNOGRAPHY

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, I present a petition from people in Peterborough who are concerned about the use of child pornography. The petitioners call upon Parliament to protect our children by taking all necessary steps to ensure that all materials that promote or glorify pedophilia or sado-masochistic activities involving children are outlawed.

Routine Proceedings

KIDNEY DISEASE

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, I have four petitions which I will present together from people concerned about kidney disease.

The petitioners admire the work being done by the Canadian Institutes of Health Research for those suffering from kidney disease. They call upon Parliament to encourage the Canadian institutes to explicitly include kidney research as one of the institutes in the system to be named the institute of kidney and urinary tract diseases.

[Translation]

RURAL ROUTE LETTER CARRIERS

Mr. Pierre Paquette (Joliette, BQ): Mr. Speaker, I am pleased to table a petition in the House signed by more than 300 persons in support of rural route letter carriers. The petitioners are from Chertsey and Lanaudière.

Letter carriers on rural routes are calling on Parliament to repeal one paragraph of the Canada Post Corporation Act, which prevents them from bargaining collectively to improve their pay and working conditions.

The petitioners believe that this denial of a fundamental right allows Canada Post Corporation to maintain salaries and working conditions at a level that is unfair and that this constitutes discrimination against rural workers. They hope this situation will be rectified.

[English]

NATIONAL DEFENCE

Mrs. Cheryl Gallant (Renfrew—Nipissing—Pembroke, Canadian Alliance): Mr. Speaker, the people of Killaloe, Wilno, Gordon Lake and Douglas in the riding of Renfrew—Nipissing—Pembroke recognize the importance of continuing training for first responders by the experienced instructors and in the unique environment that the Arnprior College provides. The petitioners request Parliament to recognize that the Canadian Emergency Preparedness College should stay in the town of Arnprior.

● (1100)

RELIGION

Mr. Darrel Stinson (Okanagan—Shuswap, Canadian Alliance): Mr. Speaker, I am pleased to present two petitions on behalf of my constituents calling upon Parliament to protect the rights of Canadians to be free to share their religious beliefs without fear of prosecution.

STEM CELL RESEARCH

Mr. Roy Bailey (Souris—Moose Mountain, Canadian Alliance): Mr. Speaker, I have two petitions. The first deals with stem cell research. The petitioners call upon Parliament to focus its legislative support on adult stem cell research.

CHILD PORNOGRAPHY

Mr. Roy Bailey (Souris—Moose Mountain, Canadian Alliance): Mr. Speaker, the second petition has hundreds of names on it. The petitioners call upon Parliament to protect our children by taking all necessary steps to prevent pornography as we now have it.

Speaker's Ruling

KYOTO PROTOCOL

Mr. Rob Anders (Calgary West, Canadian Alliance): Mr. Speaker, I have over a thousand petitions asking the government not to ratify the Kyoto Protocol from residents of Calgary and from the riding of Perth—Middlesex, which currently does not have a member of Parliament.

MARRIAGE

Ms. Marlene Catterall (Ottawa West—Nepean, Lib.): Mr. Speaker, I have a petition from a number of residents in my riding calling upon Parliament to take all necessary steps within the jurisdiction of the Parliament of Canada to preserve the definition of marriage in Canada as the union of one man and one woman to the exclusion of all others.

CHILD PORNOGRAPHY

Mr. Charlie Penson (Peace River, Canadian Alliance): Mr. Speaker, I have four petitions to present today. The first petition has 50 signatures. The petitioners call upon Parliament to protect our children by taking steps to outlaw all materials promoting and glorifying pedophilia.

STEM CELL RESEARCH

Mr. Charlie Penson (Peace River, Canadian Alliance): Mr. Speaker, the other three petitions have over 150 signatures combined. The petitioners call upon Parliament to focus its legislation support on adult stem cell research to find cures and therapies to treat illnesses and diseases for all suffering Canadians.

* * *

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. Geoff Regan (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.): Mr. Speaker, if Question No. 40 could be made an order for return, the return could be tabled immediately.

Speaker: Is that agreed?

Some hon. members: Agreed.

[Text]

Question No. 40—**Mr. Pierre Paquette:**

Can the government indicate: (a) what studies, reports and analyses have been carried out or ordered since January 1, 2001, by the Department of Finance or the Queen's Privy Council, on the issue of fiscal imbalance and/or on the Quebec government's "Commission sur le déséquilibre fiscal", whose report was released on March 7, 2002 and; (b) what long-term (two years or more) forecasts have been made or ordered since January 1, 2000, by the Department of Finance or the Queen's Privy Council, on Canada's financial situation?

Return tabled.

[English]

Mr. Geoff Regan: Mr. Speaker, I ask that the remaining questions be allowed to stand.

Speaker: Is that agreed?

Some hon. members: Agreed.

The Speaker: I wish to inform the House that because of the ministerial statement, government orders will be extended by 24

minutes. Hon. members can be thankful that they are not extended because of Speaker's ruling because I am about to give one of those.

* * *

PRIVILEGE

GOODS AND SERVICES TAX—SPEAKER'S RULING

The Speaker: I am now prepared to rule on the matter raised by the hon. member for West Vancouver—Sunshine Coast on December 9 concerning the alleged failure of the government to report on cases of fraud related to the goods and services tax. The hon. member charged that the Minister of National Revenue should be found in contempt for failing to table a full accounting of cases of theft, fraud and losses of tax revenue in the Public Accounts of Canada as required by the Financial Administration Act.

I would like to thank the hon. member for West Vancouver—Sunshine Coast for raising the question and the hon. government House leader for his contribution on this matter.

Referring to Sections 23 and 24 of the Financial Administration Act relating to the remission of taxes, the hon. member for West Vancouver—Sunshine Coast cites Section 24(2) which states:

Remissions granted under this or any other act of Parliament during a fiscal year shall be reported in the Public Accounts for that year in such form as the Treasury Board may direct.

While it is a longstanding practice that the Speaker does not interpret matters of law, I suppose one could question whether the funds paid out by the Canada Customs and Revenue Agency in response to fraudulent applications qualify as "remissions" under this section. In this respect, I must note for the sake of precision that a "remission" is not the same as a loss.

The Chair finds more enlightenment by considering the issues raised by the hon. member for West Vancouver—Sunshine Coast in the context of the provisions of Section 79 of the Financial Administration Act. I will return to this in a moment.

• (1105)

[Translation]

The hon. member also cited a *National Post* article on Saturday, December 7, 2002 alleging that, since 1995, the government has failed to report on the loss of public money due to fraudulent claims for GST refunds

[English]

Through a written submission to the Chair, the hon. Minister of National Revenue has confirmed that following a 1995 agreement reached between the Department of National Revenue and the Treasury Board, her department ceased reporting fraudulent losses in the Public Accounts on a year by year basis. According to the hon. minister, virtually all such confirmed losses were the result of court decisions rendered some months of years after the original losses were detected.

Explaining that items included in the Public Accounts of a given year must have occurred in that year, the hon. minister argues that the time delay between the discovery of a loss and its confirmation by the courts made the timely inclusion of the losses in the public accounts impossible. The minister notes that her department, now an agency, addressed this quandary by addressing the Treasury Board. She reports their conclusion that the requirements of the Financial Administration Act could be met through the aggregate information on tax write-offs included in the Public Accounts, and through media bulletins issued at the time any "loss" was confirmed by a court decision.

[Translation]

In short, the minister contends that the Canada Customs and Revenue Agency is in full compliance with the Act, by virtue of the Treasury Board having agreed to this manner of reporting.

[English]

It is not of course for the Speaker to decide if the agency is acting in compliance with the law. As I have had occasion to mention in several recent rulings, it is a long-accepted principle that the Speaker does not pronounce on points of law.

There is clearly a difference of opinion between the hon. opposition House leader and the hon. minister concerning interpretation of the legalities flowing from the facts of this case. That is a matter for debate and a variety of different opportunities are available by which the matter can be raised in this chamber or in committee. There is no procedural issue here and so I need not elaborate on that further.

However, there is another aspect of this case that gives me pause and that will, I think, pose difficulties for members on both sides of the House. We are all aware that hon. members cannot carry out the important task of holding the government to account unless they are provided with complete, accurate information in a timely fashion. For much of this information they must depend upon the government through such documents as the public accounts.

The Chair is troubled that although Revenue Canada recognized that it had a reporting difficulty and rightly sought the advice and approval of the Treasury Board as to how best to rectify the situation, no effort was made to consult Parliament.

As the minister herself points out in her written submission:

Section 79 of the Financial Administration Act (FAA) provides regulation-making authority to prescribe, amongst other things, the manner by which losses of public funds should be reported in the Public Accounts. The Treasury Board has chosen to prescribe these requirements by way of policy rather than regulation.

There is little doubt that the Treasury Board's decision to proceed by policy rather than by regulation grants it greater flexibility in dealing with the cases that arise, but that decision does not obviate the responsibility for remaining accountable to Parliament. Put another way, had the Treasury Board chosen to avail itself of its authority to make regulations in this regard, at least the Standing Joint Committee on Scrutiny of Regulations might have detected any changes in approach by the government with regard to the reporting of such losses.

As it stands, not only was the advice or agreement of members not sought to the reporting solution agreed to by the department and the

Government Orders

Treasury Board, no indication that the change had been made was included in the public accounts or in any public accounts document.

Information that was available in one year simply vanished the next without explanation. It is surely disingenuous to suggest, as does the minister in her submission, that aggregate information on tax write-offs in the public accounts and media bulletins on court decisions are adequate or sufficiently evident for parliamentary requirements.

[Translation]

As I said, this is not, strictly speaking a procedural issue but it is an issue that directly affects the rights of hon. members to timely and accurate information. It is a matter that members may wish to pursue in a more appropriate forum, possibly in the Standing Committee on Public Accounts, whose chair, an opposition member, is very competent.

[English]

I thank the hon. House leader of the official opposition for having raised this matter. While there is no basis for finding a procedural irregularity here in the strict sense, it does raise an issue of concern to all hon. members.

GOVERNMENT ORDERS

● (1110)

[English]

PREBUDGET CONSULTATIONS

The House resumed from December 10 consideration of the motion.

Mr. Brian Masse (Windsor West, NDP): Mr. Speaker, I will be sharing my time with the hon. member for Winnipeg North Centre.

This is a very important debate. I had a chance to participate in some of the prebudget hearings in Toronto. Submissions were made by a number of different witnesses. There were discussions among members as well as discussions in general about how to go about financing the nation's business plan in terms of spending and more important, in terms of developing our nation's resources.

It is important to look at the opportunities that the nation has, the resources and income coming in, what will be used and how it will be used and managed. Unfortunately, we have seen recently some terrible situations with regard to the use of tax dollars which have given Canadians a sour taste and which really affect our prebudget considerations and our budget process.

I have been in the House for several months now. I am very disappointed with the lack of accountability of where our tax dollars go. The actions of the government, its different departments and that which drives public policy should be transparent. That is important to note because there have been situations.

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For example, over the last 10 years there has been an \$80 billion surplus in the employment insurance fund. It might be okay for Arthur Andersen or Enron to be out \$80 billion but the government says it is a great thing that it has been off in its financial forecasting. Canadians cannot make educated decisions about where they want their money to go. The government says that it is the government's money and it will put it toward the debt or whatever projects it wants and that should be good enough for Canadians to accept. Well, it is not because employment insurance premiums cannot be used as a slush fund. Canadians need to make educated decisions.

It is also very important to recognize that the government is robbing workers and employers. It becomes particularly problematic when there are some businesses that do not even report their taxes. When there are businesses that do not contribute their fair share, it means the rest of the population is picking up that cost. More important, those businesses in effect are getting a subsidy and honest businesses cannot compete. It is pretty easy to have a competitive advantage when a business is not paying its taxes but its next door neighbour is. It is no wonder that business has lower costs, greater profits, all those things, if it is not contributing to the economic well-being of our country.

A number of different issues were raised regarding the taxation process and the budget, where the money is being spent, and more important, what we can do for Canadians.

One piece of legislation that has caused concern in my riding is with regard to the taxation of U.S. social security benefits. The government has been on the record to study and to get rid of the terrible regressive policy that punishes retirees who have worked hard for their income and have planned for their retirement. The government has usurped their income from them through additional taxes. That shameful practice has to end.

The government could change it through treaty negotiations. It is a simple process. The government has talked about it in the past. The former finance minister has talked about it. Former members of Parliament have talked about it. The government continues to say it is studying it. I do not know how long it needs to study the issue, but it should come up with something.

The treatment of those citizens has been absolutely abominable. They have worked hard for their income and have planned for their retirement. They are not getting the services nor are they living out their retirement as they had planned because the government has moved in with regressive actions.

We heard from many different delegations with regard to specific issues. It is hard to comprehend the logic of some of the members opposite on certain issues. It was good to see the whole House finally agree on the disability tax credit, except for the Minister of Finance, had to leave to be somewhere else. During the debate he was not present and during the vote on the disability tax credit in terms of the NDP's subcommittee amendment addressing that issue, he got up and left. We are talking about \$960. The government was moving to cut off the ability for people to use the resources that are necessary for them and to offset some of their increased costs.

•(1115)

It is important to note that Community Living identified persons it supports and what the tax credit means to them and their families. The minister still could not stay to vote and after that, he ignored the vote. I had to continue to press the issue and I am still waiting to see some final results. It is shameful conduct. I hope that other members from all parties who are participating in this debate address that because it is one of the things in the budget.

The government claims it cannot afford to give persons with disabilities a \$960 tax credit. That is absolute nonsense and it is unacceptable. The government had \$1 billion for gun control and it did not even bring the issue back to the House so members could understand what was happening with regard to the expenditures. At the same time the government hammered down on persons with disabilities and claimed it could not afford to help them. That is unbelievable and shameful and it is wrong.

I would like to note a couple of points with regard to the Auditor General's report. We are talking about having funds to move forward on progressive issues.

We heard about the concern of the universities regarding innovation and research and their ability to work with the government to plan some changes but at the same time the government is not addressing the accessibility of education in our country.

Students are coming out of universities with larger debts. They have a delayed entry into the workforce; they are entering later in their life. They also switch careers more often. All of those things lead to concerns about long term employment stability.

One of the interesting things to note is the millennium scholarship fund. Education costs have skyrocketed by up to 140% in terms of actual tuition. The cost of living has gone up as well. The millennium scholarship fund has \$2.5 billion to hand out to students but has given away only \$282 million. What is the government waiting for? There are students who need support now. What is the problem? We have paid for it with our tax money. The government created an agenda. What is it waiting for? The government could release those funds to students and be a little more progressive with it thus ensuring that people get the support they need right now.

The Auditor General said that employment insurance premiums are more than double the amount that is needed. If it continues like that, it will not be able to provide the other relief necessary for growth. Taxing people through a regressive tax will not lead to transparency in the budget process. The problem is that people do not understand where their money is going. They do not understand how employment insurance premiums can be used for different things when it should be going to a specific program.

People are asking for transparency. We have heard that transparency is supposed to be coming with the gun control registry. What is transparent about it is that it is basically a sieve for money. It may shuffle right through the whole thing and it is not going to a clear objective.

There are many wonderful opportunities to work on as a country. There are particular assets that can be used to achieve some of our objectives.

The government has introduced an urban task force initiative but it does not have any resources available for it. It has some suggestions and some summaries with regard to municipalities, but it does not have any practical ability to fund them. That has to happen. There cannot be any more reports. There are some reports like the first nations report where they have to go through a reporting process. These reports are not read. This is yet another report. If some resources were put toward it, we could achieve some beneficial objectives for municipalities, urban infrastructure, all of those things.

There is wanton waste which must be stopped and plugged and the money used toward something. With regard to the Canada pension plan, in the last six months there has been a loss of \$4 billion, a negative 20.5%. It is interesting to note that John McNaughton, the chief executive officer, said that these wide swings in performance in terms of the stock market are expected to continue. Why not use that money right now? Since the government has lost billions of dollars already, why not use that money for infrastructure in the meantime? The government could get a lower rate of return from municipalities, perhaps 2% or 3%, so some revenue could be guaranteed for the Canada pension plan but at the same time use the difference to build the nation's infrastructure.

• (1120)

Things can be done. We do not have to put it through the process where we lose billions of dollars. How much more do we have to lose before we get it straight? We have some incredible opportunities but the government continues to squander them.

Conservation Ontario has put forth a wonderful program that will cost about \$100 million. The program could actually be a great legacy for Ontario but if we continue to waste billions of dollars it makes that \$100 million unattainable. This has to change because Canadians want transparency. They do not want games being played with their money.

Mr. Bryon Wilfert (Parliamentary Secretary to the Minister of Finance, Lib.): Mr. Speaker, I listened with interest to the gentleman across the way and I want to clarify, in particular, the issue of the disability tax credit. It is a tax credit that since 1996 has provided more than \$1 billion in assistance and \$4 billion in programs.

The member more than suggested that the minister did not listen to the House in terms of the New Democratic Party's motion with regard to the disability tax credit. That is utter nonsense.

I want to refer the hon. member to a November 29 press release from the minister in which he clearly said that the issue was off the table in terms of the proposals of August 30. The minister has now instructed the department to go back for further consultations with the affected groups. I want to make it very clear to the member that in fact the minister has been very supportive and did in fact support it by taking it off the table. I responded to that at an earlier time in the House.

The member talked about urban issues. As he knows, this government was the first, 10 years after the national infrastructure program sat and languished, to endorse it in 1993, a proposal that the

parties on the other side did not support. I would like his comments on the funding issue.

Mr. Brian Masse: Mr. Speaker, I want to correct the hon. member with regard to the disability tax credit. The motion was to go back to the actual subcommittee recommendations. It was not just about a repeal. It was a specific motion that was not followed by the minister in subsequent discussions, and debate ensued on it in the House. It was not until after continued debate that we were able to get at least some acknowledgement that it was going in the wrong direction.

I can tell the House that there are still many persons in the disabled community who are concerned about this. If we are talking about 1996 and all the programming for a billion dollars, I would suggest that the former finance minister changed the capital gains tax for last year. There was a billion dollars in terms of capital gains difference.

The member can throw out all kinds of numbers and use semantics but we need to go back and stick to the recommendations of the subcommittee.

Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP): Mr. Speaker, since this may be my last opportunity to speak in the House before rising for the Christmas break, I want to give you my best wishes for the holiday season. I also want to say a special thank you to everyone who has made our jobs easier this past session: the table officers, the pages, the interpreters, the security personnel, the messengers, the food providers and everyone who made it possible for us to do our jobs.

Those thanks are particularly in order since this has been such a raucous session, with so many uncertainties about the legislative agenda of the government and with so much division and conflict around deepening scandals and information about fiscal mismanagement.

We have expressed in the past and we will again today our concern with the government's ability to manage fiscally and to provide a meaningful legislative agenda for Parliament and for the country. To use an old expression, I think it can be said that the debates this session have been a bit like the mating of pandas. There has been a lot of commotion but not much has happened.

It is very important, in this period of prebudgetary consultations, that we discuss the question of accountability and transparency. It is very hard to give concrete suggestions around budgetary alternatives if we know before we even start that so many of our recommendations will be disregarded, and where there are so many questions and doubts about how the government is actually spending the money that we authorized in the Chamber in the past.

In the last few weeks we have had ample evidence from the Auditor General, through the media and from other sources indicating that the government is suffering from three phenomena that are very worrisome.

First, there is clearly a culture of secrecy that runs rampant through the government.

Second, there is an arrogance of power that makes the government believe it can keep important decisions away from Parliament.

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Third, there also is evidence of rotten management of public funds, of taxpayer dollars, whether we are talking about the Auditor General's revelations with respect to the billion dollar gun registry; or we are talking about the billion dollars plus in terms of GST fraud; or we are talking about the Auditor General's revelations pertaining to the corporate use of tax havens, which has cost millions of dollars; or we are talking about the recent news of a \$20 million expenditure to build a refugee jail or a fortress for people coming into Canada seeking immigration status or refugee asylum.

Example after example reveal that the government is secretive, unaccountable to the public and disrespectful of Parliament.

I hope, as we lead up to the process of the next budget, the government will take those concerns very seriously, start acting on those concerns and will truly try to find ways to become accountable to Parliament and transparent with the public.

The Auditor General made a suggestion that the problems were not all a result of government mismanagement, that MPs themselves were derelict in their duties in terms of active scrutiny of government expenditures. I think the Auditor General has a point but only to a certain extent. That argument only holds true if members of Parliament and the committees of the House are given the opportunity and the information to adequately scrutinize government expenditures.

I know of numerous standing committees of the House that were not given the opportunity to scrutinize the supplementary estimates. As per our rules, those estimates were deemed accepted and approved even though there was no debate and no scrutiny by the many committees.

● (1125)

That is not a problem of individual members of Parliament. That is a result of a government that wields authority throughout this place and which has very cleverly managed to ensure that by controlling the membership and the actions of its own members on committees it makes it impossible for us to do our jobs.

I want to say that was absolutely the case in terms of both the health committee and the immigration committee, two committees of which I am a part. Neither of those committees studied the supplementary estimates and therefore no recommendations are coming forward, even though we are talking about two large areas of government expenditure and two areas where there are questionable practices on the part of government.

I will reference the health committee. This is a committee that ought to be having a say in this prebudgetary period and ought to be discussing the implications of the royal commission by Roy Romanow on the future of health care, and yet our committee adjourned yesterday immediately upon completing the study of Bill C-13. No attempt was made to schedule meetings pertaining to Romanow, despite a motion being passed at that committee to do just that.

We did not have a chance to scrutinize the department's budgets, even though we heard, through media sources and community activists, that the government was up to some dubious practices. I want to reference for the benefit of the House some evidence suggesting that the Minister of Health is planning to raid tobacco

control funding to pay for other health initiatives. It would appear that the Minister of Health is preparing to take \$13 million out of the anti-smoking initiative and putting it, as we understand it, into her study on obesity to meet her requirements to study the issue of obesity in Canada today.

No scrutiny in this place occurred around those initiatives. I would suggest that the problem rests with the secrecy and manipulation of the government and not with the integrity and hard work of individual members of Parliament on all sides of the House.

I also want to reference the immigration committee where we also did not deal with the supplementary estimates. We learned through the media that the government has proceeded with tendering for a contract worth \$20 million to build a detention centre in the vicinity of Pearson airport. The detention centre has specifications that appear to make it a fortress and a jail for refugees, not a low risk security centre.

At the same time that we hear of the government proceeding with that with no accountability to our committee, we know the minister of immigration is saying that he does not have the money, the courage or whatever to implement the refugee appeal division aspects of the immigration and refugee legislation passed by the House. We have legislation passed by the House and the minister says that he cannot proclaim parts of the bill to ensure due process and rights for refugees because he does not have the money, yet he has the money for a prison for refugees.

It also should be noted that there are many areas where the immigration minister should be spending money to ensure family reunification in this country but he has failed to do that. I want to reference in particular the fact that the immigration department has tremendous backlogs in many areas, particularly in terms of family reunification and sponsorship of spouses. We know that the waiting time for just basic acknowledgment and initial approval used to be 90 days. It is now well over eight months or even up to a year.

Here we are talking about prebudgetary consultations when the government is not prepared to be forthcoming. It is ignoring the wishes of Parliament.

Finally, with respect to health care, it is clear that the government has the resources, the latitude and the will of Canadians to move forward with the expenditures recommended by Roy Romanow. We are talking about a reasonable proposal that will ensure stability in our system. It will give the kind of involvement by the federal government to ensure that the provinces and the federal government can participate on a cooperative basis for the future.

I would suggest that the government has no legitimacy in suggesting that the cupboard is bare and that it cannot address the number one priority of Canadians. I would suggest to the government that it commit today to including in the next budget the expenditures recommended by Romanow so we can ensure a sustainable future for medicare.

• (1130)

Hon. Charles Caccia (Davenport, Lib.): Mr. Speaker, in this prebudget debate one cannot help mentioning the massive yes vote in the House the other day on the Kyoto protocol and the decision, therefore, of Parliament to support that initiative. With that vote, parliamentarians have indicated that the vast majority in the House understands an issue of global governance, supports an issue of global security and sees, through energy efficiency and conservation, an important solution in order to achieve that goal.

There are two ministers who will have to play a key role in the implementation of Kyoto. One is the Minister of Industry and the other is the Minister of Finance. I will briefly outline in my intervention what they could do.

First, it seems to me that the Minister of Finance has an important role to play in determining the Kyoto orientation of the next budget. One could even call it the Kyoto budget because of the vote we just had and because of the long term commitments Canada is making in order to achieve specific greenhouse gas emission reductions.

The first step that the Minister of Finance could examine is that of the elimination of counterproductive subsidies, which one could even call perverse, which actually increase Canada's greenhouse gas emissions. It requires the gradual elimination of the preferential tax treatment given to the fossil fuel industry and in particular the oil sands industry, specifically the elimination of the current exploration, development and operating write-off provisions of the Income Tax Act accorded to the fossil fuel sector.

Second, the Income Tax Act provisions for the mining write-off assets used for in situ projects for oil sands development need to be dealt with.

Third, the tax expenditures resulting from these subsidies, I would like to bring to the House's attention, could amount to anywhere from \$75 million to \$600 million, as estimated by Don Drummond, the then senior assistant deputy minister of the finance department, when he testified before the environment committee on November 27, 1997. That estimate by now may be larger.

I will indicate that I am sharing my time with the member for London West.

The second area for the Minister of Finance to examine is the establishment an investment environment and preferential tax treatment to strongly encourage the renewable energy sector. It is still handicapped because it does not have the general exploration, development and operating write-offs currently available to the non-renewable energy sector.

With the removal of the perverse subsidies I mentioned earlier and of the preferential tax treatment to the fossil fuel industry currently available, it is necessary to take a concurrent step to establish a preferential tax treatment for the renewable energy sector, which would include the an increase in the 1.2¢ per kilowatt hour current incentive for wind power production. This increase has been recommended by Benign Energy Canada, a member of the CARE Coalition and the e-mission 55 group.

A major shift in government support, an estimated \$2.9 billion to \$3 billion over five years, from the fossil fuel and nuclear energy

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industries to the renewable energy sector is desirable, so as to provide a foundation for a strong Canadian renewable energy industry.

• (1135)

Furthermore, an accelerated tax write-off regime is desirable for investments in the renewable energy sector, coupled with a preferential tax treatment for renewables other than wind, such as landfill gas, solar, biogas, et cetera.

Finally, a program to encourage and increase the use of ethanol and other less polluting fuels is desirable, as outlined in the report of the member for Halton, which is entitled, "Unlimited Potential: Capitalizing on Canada's Untapped Renewable Energy Resources", a fine report with which I am sure, Mr. Speaker, you are very familiar.

Next, we recommend to the Minister of Finance to launch a strong public education program to promote energy conservation, energy efficiency and careful consumption.

The next area is a measure that would also highlight a paragraph in the Canadian plan on Kyoto, which does call on individual citizens, consumers, to reduce greenhouse gas emissions.

Time does not allow me to go into greater detail on this, but one should mention the desirability of a considerably improved fleet performance in the automotive industry and a taxation of gas guzzlers.

This brings me now to the other minister I mentioned earlier in my preface, namely, the important role to be played by the Minister of Industry since it is desirable that the next budget ensure the investment in innovation to meet the Kyoto target.

I submit that innovation is one of the most fundamental determinants of economic growth and competitiveness, and energy innovation will play a central role. The Technology Partnerships Canada annual report that was tabled in the House last month, entitled "Investing in Innovation", recommends advancing environmental solutions, which I would love to outline for members were it not for the time limitation.

Second, there is the \$3 billion invested by the government, and quite rightly so, in the Foundation for Innovation, which is a tremendous source of funds to implement environmental initiatives that will help to meet the Kyoto target.

In conclusion, I would say that the Prime Minister, in Chicoutimi, made a very strong commitment to the Kyoto accord. His statement was followed by his announcement in Johannesburg on the ratification of the Kyoto accord, as ratified by a vote the other day. One can only express the following thought: that the Minister of Finance is likely to be swamped with demands and requests for funds from a number of very legitimate demanders, so to say. They could be in development aid, in human resources, in social programs, in agriculture, in immigration services and so on. Thus, the task of rearranging priorities may be a very difficult one for the Minister of Finance so as to produce the funds requested from him.

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I submit that there is a solution to this problem and that would be to rescind the tax cut announced in the last budget. Canadians, I submit, are likely to accept such a decision as a necessary one in order to meet far-reaching obligations, to improve the quality of life and to strengthen government services at home and abroad.

● (1140)

Mr. James Lunney (Nanaimo—Alberni, Canadian Alliance): Mr. Speaker, the hon. member in addressing the prebudget debate has chosen to talk about Kyoto. We certainly respect his concern for the environment and we share many of his concerns. I wonder if we might ask him about his estimates of what this program will cost to implement.

There are no estimates on the cost to industry. There are no estimates on the cost to consumers. Some of the estimates say that it could cost consumers up to \$2,700 a home to comply, and my riding in British Columbia has been very hard hit by a downturn in the economy. We do not know what the costs will be.

My concern is with job losses, because of the huge border we share with the United States and because 85% of our trade is going south of the border. The estimates are that maybe it will be \$10 a tonne for carbon reductions, but the government admits it could be \$15 or \$30 a tonne. What will the costs be in agriculture and in human resources? What are the costs going to be in jobs lost to the United States? I wonder if the hon. member would like to comment.

Hon. Charles Caccia: Mr. Speaker, a debate on costs would be meaningless unless accompanied by a debate on benefits or unless accompanied by a debate on the cost of inaction.

I can fully understand the concerns of the member from Nanaimo. Nevertheless, I would urge him also to look at both sides of the ledger. We cannot continue to express just one side of that ledger, hoping that we can arrive at a satisfactory conclusion, unless we also examine very carefully the benefits to be derived by any action on Kyoto.

We have seen already the damage that has been caused to the agricultural industry, for instance, as a result of climate change. Nobody knows exactly what amount is to be attached to that. We are told by those in the fisheries that the patterns of movement of salmon and cod have changed because of the changes in temperature of the water.

We have signals from the insurance industry, which is very much under pressure because of rising insurance rates caused by weather extremes. We also have signals from the shipping industry about lower water levels that preclude heavier liners from entering the Great Lakes, and so on. We can see that this debate is a complex one.

The hon. member made a reference to job losses. There may be, but there also may be job increases in the renewable sector. Of course we will have to manage properly the transition from the fossil fuel era to another era, and of course the workers engaged in the fossil fuel industry will require assistance from society in that transition, as we have done for the fishermen who have been cut off from cod on the east coast and who have received assistance in order to remain in their villages.

These are very complex and difficult issues. I welcome the member's question.

● (1145)

Mr. Charlie Penson (Peace River, Canadian Alliance): Mr. Speaker, I listened to the hon. member and I know that he has concerns about the environment. When he talks about the difficulties in agriculture, though, I suggest to him that he is over his head in this area.

When a great explorer in Canada, Mr. Palliser, explored the Canadian west in about 1860, he found a tremendous drought. He said that there should never be agriculture in part of that area. In the 1930s that same area went through 10 years of drought and the same thing is occurring now.

The member suggests that global warming is causing this. There were not many CO₂ emissions in the 1930s to cause 10 years of drought on the prairies. I think he had better check things a little further. He may be well meaning but he is very misguided in this area.

Hon. Charles Caccia: Mr. Speaker, I welcome the hon. member's comments. It may not be the first time in my life that I have been misguided, so a reminder like that is always very healthy.

I would, however, indicate to him that meteorologists have told us that in the last 10 years we have had weather performances of a nature whereby we have had less precipitation and higher than average temperatures than ever before.

Second, I must draw to the member's attention that I draw my guidance from a Swedish scientist, Mr. Arrhenius, who 100 years ago had already detected the impact of anthropogenic greenhouse gas emissions on the atmosphere. Therefore, this phenomenon is not something that can be attributed to a just few years ago.

Mrs. Sue Barnes (London West, Lib.): Mr. Speaker, I am pleased and honoured to rise in this debate. I was also honoured to table earlier this month the report from the Standing Committee on Finance, as its chair, called "Canada: People, Places and Priorities".

The report gained its substance from Canadians from coast to coast to coast who submitted evidence before the committee as it travelled. I would like to thank the 18 committee members from the five parties of the House who worked very hard and other members of Parliament who participated in our hearings throughout the country, as well as those who held prebudget consultations in their home ridings. All that information helped us build a report. The report is reflective of the ideas, the concerns and the input by Canadians as the committee did its work.

We heard from 437 witnesses, which included 279 national organizations. We sat many hours and worked in a very tight timeframe at the end to put the report together. I am very proud of the work members of the House did together. We hope it impacts on the budget. That is important. These are the words but the ideas must come to fruition in the budget document that will be tabled in the House, hopefully late February or early March. That is where we want to see the results of this type of input because just writing about it is not enough.

Canadians come before us year after year. The Standing Orders of the House demand that the finance committee table the report before the end of the Christmas hearings, before we go home for our Christmas break. We have done our job. What we ask, and why we have these types of consultations, that the actions be followed through.

In the report there are six priority areas about which Canadians are very concerned. They want prosperity and growth, tax reduction, healthy, sustainable communities, health care priorities, assistance to vulnerable people and productivity and innovation.

These are not disparate areas. In fact, social and economic policy merge. This is a discussion of the people's wishes and the people come from very disparate regions. The concerns of rural Canada are different than the urban economic engines of the country. We can have economic development in our northern and remote communities but the government has to focus the priorities and the investments. They have to be strategic. They cannot be sprinkled little sums all over the country.

At the same time, we are not a bottom line business, we are a government concerned with people. That is why we have a priority to help vulnerable Canadians. We have segments of our population, whether it be recent immigrants to Canada or aboriginal communities, that need different types infrastructure and levels of assistance to catch up to a quality of life enjoyed others.

We want a Canada that is prosperous but we want that prosperity shared. We want an inclusive Canada that speaks to the aspirations of not only the newcomer but the founding peoples and to all age groups.

All of us want to make a contribution to society. All people share the desire to be productive in their lives. This includes people with disabilities and those who have greater challenges. When new immigrants comes to Canada, they will need education and second language training. Our students and young people need access to higher education. For our economy to be as productive as it must be, we need increased research and development.

On that point, I come from London, Ontario, where we have medical and industrial research. It is about time our granting councils not only get further increases to their research budgets. The indirect costs of research, which were made as part of a one-time allocation last year in the budget, need to be a permanent part of our assistance. This would allow our granting councils and researchers to do the work that would help our economy to grow. They would not have to steal from undergraduate students who suffer when the infrastructure at our universities or hospitals have to share those soft costs.

• (1150)

It is important that we be responsible in the way that we manage our finances. We cannot go back into deficit. We have worked too hard, individual Canadians, corporate Canada and everyone, to get to where we are now. We are very pleased that we have the contingency reserve and that \$3 billion per annum will be used to pay down the market debt.

Paying down the debt is an aggressive policy recommendation in this document. There are 49 recommendations. Not all of them are monetary. Some of them cannot be accomplished tomorrow. Some of

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them may take a couple of budgets to accommodate them. However we have to be strategic with our dollar investments.

We cannot build up increased spending. One recommendation suggest that we should look at increasing our spending as a combination of population growth and inflation which is roughly 3%. In the past couple of years spending increases have gone up, even though overall expenditures have gone down as a percentage.

It is important that we have debt reduction, tax reduction and expenditures in balanced budgets over time with a continuing decrease on the debt to GDP. When we started we were at 70% debt to GDP. Now we are 49.1%. That is wonderful. However the members of the committee believe that we should even be more aggressive. We even looked as far ahead as 2011 and thought a debt to GDP of 30% would be attainable.

Members of the committee brought forward this idea, debated it and we included it with our discussion in the report because we felt that it would be attainable through a reallocation of resources that would be available to the government. As we know, just under \$170 billion worth of spending goes on by all the various departments.

Health care is a huge priority, let there be no mistake on that. Time and time again Canadians came to us with their vision. As we held our consultations, we were very conscious of the fact that the Romanow consultations were also being held. We were also conscious of the urban agenda and the needs of infrastructure in our urban and rural landscapes. We were also very conscious that those processes had to be put in place. Sometimes they were very small suggestions like establishing a commercialization group inside Industry Canada so the research being done would make it to market, that people would not spend a lot of time going through the wrong channels and that we could help, whether it be in patent areas or by smart regulation.

The government has to work in a number of fields. Even though the actual spending will be done in an incremental manner over time, we have to know where we are going. We should not just spend for spending's sake. We know we will have greenhouse gases and we know that there are alternate sources of energy. However we also know we have productive current sources of energy which help for instance with the capital cost allowance in many of our industries.

That was an important recommendation. It is something that has to be looked at by the Department of Finance. The capital cost allowance regime is out of date because of the increase and rampant change, whether in information technology, or in machinery or in the needs of our railways.

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I encourage Canadians to either go on the finance committee's website or to get a copy of the report entitled "Canada: People, Places and Priorities". I was honoured to work with the colleagues in the House who worked hard to bring these ideas before Parliament.

• (1155)

Mr. Rick Casson (Lethbridge, Canadian Alliance): Mr. Speaker, I compliment the member for London West on her chairing of the finance committee. I was at some of the hearings across the country. I know at one particular meeting she had some family issues to deal with but did her job before she left and we appreciated that.

However the committee has made some recommendations to the government that have been recommended in the past. One is the issue about the capital gains tax. We certainly applaud the recommendation that government spending be tied to the size of the economy, the size of inflation and the growth of Canada. That is important.

Most people who appeared at the committee asked for more money. It was quite unusual for me to see. No one came forward with suggestions on how to pay for it. There was no suggestion about what could be done here or there to loosen up some funds but everybody wanted more. That is the challenge we face.

My question to the chairman of the finance committee is this. One thing the Canadian Alliance would like to see is a re-evaluation of all existing programs to ensure that they are still on target and that the dollars are being spent wisely. We have seen in recent days that some of this has not happened. How much emphasis will be placed on that aspect in her report?

• (1200)

Mrs. Sue Barnes: Mr. Speaker, I appreciate my colleague's attendance and work at the committee. I point out recommendation 2 of the 49 recommendations in our report. I will read directly from the report because it is exactly on the point on which he has spoken. It says:

The federal government continue to focus on a balanced budget, with any surplus used to pay down its market debt. The government should consider the extent to which savings realized as a consequence of lower debt-interest costs should be spent on existing or new programs that have been identified as priorities for Canadians. Moreover, the government should undertake an ongoing review of federal expenditures with a view to monitoring continuously the activities that are priorities for Canadians in order that appropriate reallocation of spending occurs. Finally, spending increases should be limited to the rate of inflation and population growth.

Various departments have budgets and they spend. They hold onto programs that maybe are not as efficient. There needs to be new areas of spending because the priorities of Canadians have shifted.

Right now I would think that money gets taken away if they do not utilize it. We have to change that philosophy. If it is not efficient, if it is not producing results or if it is a lower priority and we have higher priorities, then we have to change that. We have to spend smartly. We do not just get to add and top up.

Two of the chapters at the beginning of the report did not contain recommendations. The first one was on the demographics of the country. With an aging population and looking forward into the future, we were trying to make short term and long term recommendations for the government because we will need either productivity gains or get resources in a smarter way, for instance,

maybe encouraging Canadians to help save today for their retirements.

We know we will have health care for older populations down the way. The only way we will get the resources to pay for that is if we prioritize spending now and we start paying down debt so that when we do not have the \$37 billion a year interest payment, we will be able to finance some of these very needed social programs.

Mr. Greg Thompson (New Brunswick Southwest, PC): Mr. Speaker, I know the finance committee has given some thought to health care spending in the future and obviously committee members examined Kirby and Romanow, maybe not at the committee level but I know that as individual members they have.

Let us put the Kirby and Romanow reports in perspective and remember some of the commitments we made to health care back in the seventies. We were caught up in slow growth in the economy. There was stagflation. We had rising costs, inflation out of control, unemployment at very high levels, no growth in the economy and some of the predictions of growth in the economy simply did not materialize.

Has the committee, and has she as committee chairman, considered some of the options that the government must consider when we examine health care in the future? It is one thing to suggest—

The Acting Speaker (Mr. Bélair): Order, please. I am sorry to interrupt but there is no more time on the clock. I will allow the member for London West answer the question.

Mrs. Sue Barnes: Mr. Speaker, I should state for the record that the Romanow report was tabled the day before we tabled our own report. We did not have access to the Kirby and Romanow reports during our deliberations.

We certainly received evidence from people across the country that this was a high priority. What we did glean and put out was that the Canadian Institutes of Health Research was supported by Canadians. We also felt in our recommendations that it was important to support the program. I will direct the member opposite to the recommendations in this chapter that is specifically focused on health care.

• (1205)

Mr. Monte Solberg (Medicine Hat, Canadian Alliance): Mr. Speaker, it is my pleasure to rise today to join in the prebudget debate.

I would like to wish my colleagues in the House a Merry Christmas and all the best in the new year. Sometimes we cross swords in this place, but at the end of the day we can still all be friendly, if not friends. At any rate, a Merry Christmas to all.

I want to address my remarks primarily to the Auditor General's report and how it relates to the prebudget report produced by the finance committee. In particular I want to talk about the employment insurance program and especially I want to talk about the employment insurance fund.

Over the last number of years there has been a lot of concerns raised about how money that comes into the EI fund is used. Right now the actuary of the fund tells us that we have a surplus in the employment insurance account of about \$40 billion.

We are told that even in the most difficult recession we would only need a surplus of about \$15 billion. Many people are rightfully asking why we are running a \$25 billion surplus over and above what we would need in the event of a recession. It is a very good question. In order to address it we must go back in time and ask ourselves how did this come to pass? What is the purpose of this account and therefore what are some of the solutions?

If we were to go back and revisit some of our history, we would remember that the employment insurance account was set up to provide insurance for people who lost their jobs through no fault of their own. If a company closed down and people were thrown out of work, employment insurance was there to provide a safety net for them. The way that was funded was that people paid premiums out of their paycheques as did employers. Employers also kicked in premiums.

That system worked quite well up until about 1996. At that point the former finance minister, the member for LaSalle—Émard, disconnected the premiums from the payouts. In other words, up to that point the premiums were established based on the expectation of the payouts, so if we had just gone through a recession and perhaps we had a deficit in the account, the premiums would have been a little bit higher. If we had a period of low unemployment, the premiums could go down. That system worked very well.

However in 1996 the finance minister at the time decided that he wanted to change the purpose of the employment insurance fund so that it was no longer just an insurance fund for workers. He turned it into an account that became essentially an insurance fund for the government. Year after year the government used the excess that was paid into the employment insurance fund to fund other programs, things for which the account was never intended.

Now we are in a situation where this year alone the government will take about \$4 billion extra out of the employment insurance account and put it into general revenues to pay for all kinds of things for which the money was never intended initially.

Over the years this has become a real problem. It undermines the credibility of the government. This is not the first time we have seen funds misallocated from an account and used for purposes other than for which they were originally intended.

I will give many examples. The Canada pension plan, way back when it was brought into being, was set up to provide pensions for people upon their retirement. The idea was that people would pay in premiums, the government would invest the money and get the best possible return. It turns out that it did not do that.

The government used that money to curry favour with the provinces and lent it to them at below market rates of interest. It ended up running a deficit where we now have a huge unfunded liability in CPP. The government then had to hike the premiums through the roof. That is one example of how governments can misallocate funds that have a specific purpose and then use the

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money for some political reason that has nothing to do with the original intent.

●(1210)

Another example which we referred to yesterday was the GST. People were paying the GST with the understanding that it would go toward paying down the debt. Rather obviously, if it had gone toward paying down the debt, we would not have much of a debt today instead of the \$540 billion debt that we do have.

My point is that often governments covetously eye these big pots of money and start using them for things other than what they are intended for and always with an eye toward currying some kind of political favour. There are many other examples.

About a year ago the government raided the public service pension plan which was running a surplus. It does not matter what government is in office, but whenever there is a pool of money it starts to look at that money trying to figure out how it can get its hands on it and use it for things other than what those funds are intended for. In the end the federal government took about \$10 billion out of the public service pension plan fund.

In the private sector, whenever there is a surplus in pension funds, a judge would determine how much money workers had put into the fund, how much the employer had put in, how much interest was earned, and then he would come up with a formula for dividing it up. Usually it would be a fifty-fifty split. In this case the government took \$10 billion and used it for whatever it wanted to.

The excise tax on fuel is another example. People rightfully expect that when they pay excise tax on gasoline it should go into repairing infrastructure and repairing roads for instance. However it does not. The government puts it into general revenues and uses that money for whatever it wants. People are concerned about that because they believe that if they pay for a particular thing then that is what that money should be used for. In not doing that trust is undermined. We see that over and over again. It is a real problem.

I want to talk about what we can do to fix this problem. The first thing we can do is start listening to the actuary of the fund. The chief actuary of the employment insurance fund said that premiums could be reduced by about 40¢ per hundred to bring the fund into balance. Right now we are running a surplus of about \$4 billion a year. The overall surplus is \$40 billion. That is about \$25 billion more than we would need in the event of a recession.

Not only does the chief actuary say this but the Auditor General herself drew attention to this in her last report. The finance committee also drew attention to it. They are arguing that we should balance the fund over the course of a business cycle. That would suggest that we need to start lowering those premiums more dramatically than the government is doing. When we raise the issue the government says it is lowering the premiums, but it is missing the point and missing it on purpose I am afraid.

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We are arguing that if we do not give back all of the money we owe it is like bank robbers telling the judge they are pleading not guilty because they did not take all the money. That is exactly what the government is doing. It says it is lowering premiums although it is not giving all the money back. It should be giving all the money back. It is time for the government to be straight with Canadians and acknowledge the fact that it is using the employment insurance account for purposes other than for what it was originally intended.

I have another interesting point about the EI fund because we do not actually have the money in the fund. If a recession were to happen tomorrow as a result of a terrorist attack somewhere which shook the U.S. economy and our economy, what would happen? Obviously people would be laid off. They would seek their benefits. We would have to pay those benefits by borrowing the money because the EI fund is a notional account. In other words it is a bookkeeping entry and the money is in general revenues, which as we know is quickly spent.

• (1215)

If we went into a recession, we would have to go out and borrow perhaps as much as \$15 billion just to pay for employment insurance benefits. There are many problems with the EI fund as it is structured today. We need to make some real changes to how it works.

I will say one more thing with respect to employment insurance. I think there is a real desire among people who have a vested interest in the employment insurance fund to see it returned to its original purpose.

Tonight we will be debating a private member's bill that has to do with using the employment insurance account to provide up to 52 weeks of leave for someone who wants to look after an ill relative. That is a noble idea, but the problem is the employment insurance account is becoming another form of social program for the government. I should say that it is becoming several forms of social programs. We have maternity benefits out of it now. We have all kinds of training. We have the employment insurance account itself used for people who are laid off. Now a member from Nova Scotia is proposing that we use it for something yet again, sort of a home care program.

I think a lot of people would like to see it returned to its original purpose, which is to make it an insurance account for people who are thrown out of work through no fault of their own. If we did that, and the premiums paid for the benefits and it was strictly monitored, perhaps even had the fund run by employers and employees themselves, I think people would have confidence in that fund again. It would not be a political football like it is every election, especially now when the government is in the habit of running out and changing benefits, either increasing them or decreasing them depending on the political situation in the country. That is all I am going to say for the moment about employment insurance.

I want to talk about other things that relate to the economy and some of the things that came up during the debate yesterday after my friend from St. Albert stood up and asked for concurrence in his public accounts report. There were a number of comments during that debate that had to do with employment insurance specifically, but in general with respect to the economy.

The member for Ancaster—Dundas—Flamborough—Aldershot argued that EI premiums are a tax that benefits the economy. That is what he said. I wish he were here because I want to explain this to him. Taxes are a price that is levied on particular types of activity. When there is a tax on work, which is what an EI premium is, it tends to decrease the amount of the quantity, in this case of people who can be employed.

Someone once gave me this example and it is a very good one. Say that someone has \$200 to spend on a microwave oven and the seller is willing to sell a microwave oven for \$200. In that situation, obviously a sale can be made. If all of a sudden the government comes along and levies 7% GST, then there is a situation where the person still has \$200 to spend, but the microwave oven now costs \$214. In that case the sale can no longer be made because now the microwave oven is beyond the reach of the person who has the money.

In a situation where an employer wants to hire someone and has a budget of \$30,000 to do so, and all of a sudden the government comes along and places some kind of tax on that employment, whether it is an EI premium or whatever, in some cases that extra cost will mean that the employer can no longer afford to hire someone. When there are these premiums and taxes of various kinds, what we have is a price increase on a particular kind of activity that will ensure that the activity does not occur as frequently. In this case it would be the activity of hiring people.

When my friend says that employment insurance is a good tax, he is sadly mistaken. When there are high premiums it effectively ensures that some people will not be hired. People who would have been hired otherwise will not be hired.

• (1220)

I just wanted to make that point for the benefit of my friend from Ancaster—Dundas—Flamborough—Aldershot who made that crazy statement yesterday that it is a tax that benefits the economy.

He also said that Canada is leading the United States in economic prosperity. I want to throw cold water on that idea. Right now, between Canada and the United States there is a 19% productivity gap. It was 14% in 1993. That is important because productivity is the key to rising standards of living.

A generation ago Canada and the United States had very much the same standard of living. We had virtually equal dollars. We could move back and forth between Canada and the United States. There was really no noticeable difference in standards of living. It could even be argued that Canada may have had a higher standard of living.

Because of a lacklustre economic performance in Canada over the last generation and poor public policy that contributed to that, we now have a situation where that 19% productivity gap between Canada and the United States has led to a 29% standard of living gap according to the government's own statistics. Canada now has a standard of living that is only 71% of that of the United States.

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Again, I point out that at one time this country had the same standard of living as the U.S., perhaps even greater. When we think about the great resources that Canada has, to me it is very disturbing that we would allow our country to slide into that kind of situation where our country has become poorer and poorer relative to the United States.

We see it reflected in the falling Canadian dollar. Our dollar is now about 36¢ or 37¢ lower than the United States dollar. We could consider the dollar to be a pretty good barometer of the health of the economy.

My friend from Ancaster—Dundas—Flamborough—Aldershot was wrong on that count as well. Even this last year where our economy has done mildly better than that of the United States, the productivity performance of the United States was superior, which means that over the long run the U.S. continues to outpace us with respect to standard of living.

I want to prescribe some possible solutions to get us out of the situation that we are in today in Canada. The first thing the government must do is make the economic performance of Canada its top priority. I do not believe the government has done that. The reason I say that is we have seen example after example of how wasteful the government is with taxpayers' money, money that could be used to lower taxes, pay down debt, or put into education, things that actually improve the performance of the economy. Instead, we see it being extraordinarily wasteful when it comes to things like the firearms registry, that \$1 billion boondoggle.

We see the government engaging in awful economic planning with respect to Kyoto, a situation where it has come to the people of Canada, said it is going to ratify Kyoto but it has no plan. Already there is an investment chill simply because of the ratification. We see it in my province.

Right now in the oil sands, we see all kinds of companies cancelling projects even in the little town I live in. I live in a group of 13 acreages and six of the families in those acreages get their employment directly from the oil and gas industry. There is a chill running through my community because of Kyoto. People are very concerned about what it will mean. They are sitting on their wallets and not spending their money. They are concerned that if they spend their money they may lose it because of Kyoto and of how it is implemented.

I am arguing that the government has not made the economy a priority. It has not made increasing the standard of living a priority. It has not made improving productivity a priority. It has to do that. It cannot continue to wander down the middle of the road left, right, left, right. It needs to be single minded and focus on improving our economic performance. There are a number of ways to do that. I do not have time to get into them all, but suffice it to say that it has to make lowering taxes a priority. It has to make paying down the debt a priority. It cannot continue to engage in this frivolous spending.

• (1225)

I will simply wrap up by saying merry Christmas to my colleagues across the way and on all sides of the House. I wish everyone a very safe holiday season. I look forward to seeing everyone in the new year.

Mr. Rick Casson (Lethbridge, Canadian Alliance): Mr. Speaker, I thank my colleague for his comments. He mentioned that because of the ratification of the Kyoto protocol there already has been a chill on investment in parts of the country. Just the other day I was talking to a friend of mine who works in the oil patch. He told me the same thing, that things are on hold because of that. That was at a time when it had not been ratified. Now that it has it certainly will have some effect.

With some of the promises in the throne speech and some of the things we have heard since then, people have projected over the next five to eight years that it will cost the government \$37 billion to implement some of those issues. That is not counting Kyoto and that is not counting what we have heard recently from the Romanow report on health care.

How does my colleague feel that some of these issues should be handled? How will we ever stay with a balanced budget, pay down our debt and do all the things that need to be done when some of these things are looming over the taxpayers of this country?

Mr. Monte Solberg: Mr. Speaker, the first answer is we could afford a lot more things if we had a stronger economy. If we had a broad tax base we could have much lower taxes and still have more revenue than we would have if we had a narrower tax base and higher taxes. The government has to focus on productivity and have a more productive economy. Even if we did that, it would not excuse sloppy spending and going out and spending away every bit of the surplus on every imaginable thing.

As my friend has pointed out, the government has planned to spend tens of billions of dollars over the next number of years. We are projecting a surplus of only about \$14 billion over the next couple of years, but the government's plans go well beyond that. That does not include Romanow, which will cost about \$15 billion to enact. It does not include Kyoto, as the member mentioned, and who knows how much that will cost not just directly in the form of expense to the government but also in the form of lower performance in the economy? We are quite concerned about all of these things.

The answer is to focus on getting the economy moving and to focus on looking after the core issues. The government must do the things that only government can do and do them well. It must ensure that all the other things are left to the private sector to the greatest degree that we can and also to the other levels of government which may have more competence in running some of these programs than the federal government does.

Mr. Myron Thompson (Wild Rose, Canadian Alliance): Mr. Speaker, for a number of years the member has worked as one of our main critics in the finance area and has done an outstanding job.

What we are doing today is discussing the prebudget report and listening to what the government is coming back with in terms of all its consultations that are taking place across Canada. After being here nine full years, I am familiar with some of the consultations that it has taken in regard to agriculture, for example. I know what kind of recommendations came out of the committee and which were totally ignored by the government.

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Many Canadians, including myself, have the impression that the upcoming budget is pretty well already set by the Prime Minister's Office and a few of his cronies. We are going through the motions of seemingly doing a democratic thing. The government is going through the motion of consulting when it really does not matter because the Prime Minister and his cronies and friends already know what they intend to do. We are really wasting our time in trying to convince the government of what is the right thing to do.

• (1230)

Mr. Monte Solberg: Mr. Speaker, we had evidence of that just recently. A good example is with respect to the committee on the decriminalization of drugs. The committee was still in the middle of its hearings when the minister was already coming out saying that he thought we should start to decriminalize marijuana. The conclusions had not even been formed yet by the committee and already the ministers were out stating what exactly they were going to do. This is a very common thing and we see it all the time. Certainly finance is no stranger to this. We have seen it at many points in the past.

I expect what we will see is that the government will come along and cherry-pick from the report. It will say that it will do this and that but it will not respect the intent of the report. In many ways that is regrettable because, although I have not gone through the entire report, I do know that there are many good things in there and they do reflect in many cases exactly what people are thinking. However a lot of it will not get enacted because the government has no respect for the democratic will. It does not care what the public thinks. If it did, we would not be in the situation we are in today with Kyoto.

In the little town of Brooks, Alberta, where I live, we have over 200 companies related to the oil and gas industry. People out there are concerned to the point of being panicked about what Kyoto could do. They have gone through the national energy program and many of them lost their homes and businesses because of that.

I want to argue that if the government respected people it would not rush ahead with these things. It would listen to people, try to understand their concerns and at least, if it is going to go ahead with it, answer their objections, but in this case it is not doing that. It is just barreling ahead and, I would argue, putting the people of Canada at risk.

I agree with my friend. There is no question that the government does cherry-pick when it comes to these reports and forms conclusions independent of what these reports say.

Mr. Myron Thompson: Mr. Speaker, I have one more short question. I just completed a fairly extensive survey this week of 3,000 respondents in my riding concerning the Kyoto agreement. The question put to them had to do with whether they approved of the ratification, yes or no. Four per cent said yes, they approved; four per cent said they were not sure, and of the 3,000, which I think is an excellent return on a poll of that nature, 92% of my people in Wild Rose said no to the ratification of Kyoto. I know the people in my neighbouring constituency think very much the same as most of the people in my riding.

I would like to know if the member can explain to the world how on earth the Liberals can continually rise in their seats and say that they are moving ahead with that particular thing because they have a huge majority of people behind them when that simply is not true.

Mr. Monte Solberg: Mr. Speaker, I appreciate the work my friend has done on that; 3,000 responses is a fantastic response.

I have to point out that as people learn more about Kyoto their support for it drops. That has been the record so far. The more that people learn about Kyoto, the less support there is for Kyoto.

This is so typical of how the people in my riding feel. The other day I was going to the post office to grab the mail. A woman approached me, grabbed me by the arm and said, "You cannot let them ratify Kyoto". She and her husband draw their living from the oil and gas industry. These people do not want pollution in the world. They do not want to see the earth destroyed, but they want the government to be sensible about its approach to the environment. This woman and her husband were deeply concerned about what Kyoto would do to their livelihood, and that is a common theme throughout, not only in my riding but throughout Alberta, and I think increasingly so in the manufacturing belt of southern Ontario where we will see steelworkers and autoworkers profoundly affected by Kyoto.

As people learn more about Kyoto, there is less and less support for the whole proposal. I urge the government to listen to what the public is saying, to make sure they are adequately informed and to provide all the facts on both sides before it proposes to steamroll this thing through this place.

• (1235)

Mr. David Pratt (Nepean—Carleton, Lib.): Mr. Speaker, let me take this opportunity, as others have, to wish you and your family a Merry Christmas and to also extend best wishes to all members of the House present today.

It is a pleasure to speak in the debate in terms of the prebudget, the prebudget consultations that are occurring and to put a few comments on the record with respect to my views and the views of my constituents.

There are a number of issues that the government has to consider as far as the budget is concerned. Many of the issues, which affect Canadians from coast to coast to coast, have to be addressed in the budget exercise. Frankly, from that standpoint I do not envy the role of the Minister of Finance. There are many competing priorities and a lot of demands to fulfil.

The issues that I think have captured the attention of most Canadians are health care, our urban environment, the environment itself, the quality of our water and the quality of the air we breathe. The issues of defence and security have also been of concern to a great many Canadians.

On the issue of health, a great deal of concern has been expressed by the people in my own riding. As the member of Parliament for Nepean—Carleton, I initiated a couple of exercises which I thought were very successful in terms of getting out to the community and talking about the Romanow commission and the views of constituents on health issues. I say they were successful because each meeting attracted probably over 100 residents. We also surveyed the residents on health care issues and received between 2,000 and 3,000 responses. I cannot remember the precise numbers but it was very significant for the number of questionnaires that were sent out.

What came back from that exercise was a number of recommendations which we put together in a report and sent off to the Romanow commission. My staff, who were kind enough to look at the Romanow commission report and at our own report, came to the conclusion that there were some similarities between the two reports. I can actually say that there were quite a few similarities, certainly in terms of the issues that Canadians are thinking about these days, in particular the people of my riding.

On the issue of health promotion and healthier lifestyles, both reports were virtually the same in drawing attention to the matter of public health, occupational health and safety, and disease prevention versus medical care. These are I think very important to most Canadians.

There is the issue of nurse practitioners and the need to dramatically increase the number of nurse practitioners. The Romanow report says something that is fairly similar.

The changing composition of health care workers and the fact that we have more women doctors these days than we had in the past is another issue. We know that women doctors are in a very difficult situation in terms of trying to balance the needs of the home with the needs of a professional medical practice. That means that they are, by necessity, spending less time in the medical practice in terms of trying to juggle their responsibilities. That in itself presents some significant challenges that we have to recognize.

One of the things we noted in our report was the morale of nurses right across the country. We had nurses speak to us from national associations, as well as nurses who have worked in various parts of the country, even nurses who have worked in the United States. What they said was that the morale of nurses in Canada was certainly low. They said that nurses were feeling undervalued and that governments across the country would have to deal with that.

• (1240)

I do not want to go into too much detail on that aspect of things, but I can say that health care remains a key priority for the government to address.

I was only one of about six MPs to do a consultation and produce a report for the Romanow commission on the state of local health care in my riding. I am very pleased with the extent to which Mr. Romanow reflected those concerns in his report.

We have had, in terms of the debate, two major reports, the Romanow report and the Kirby commission report. Ultimately the government will have a pretty tough job of balancing both, especially in terms of the cost. I certainly wish the Minister of Finance, the Minister of Health, the Prime Minister, and all those who will be responsible for the negotiations that will have to occur with the provinces in terms of making some tangible improvements to our health care system, which is something that everyone recognizes has to be done.

On the issue of cities, I served as a municipal councillor for nine years with the City of Nepean and subsequently with the regional municipality of what was then Ottawa-Carleton. The challenges faced by our cities is something that we have to recognize as needing federal attention and support. We have recognized that in the past by virtue of our infrastructure programs, but there is a lot more that can

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and should be done to improve the functioning of our cities, to improve our cities as engines of economic growth and to ensure that the quality of life in our cities is maintained to the point where we continue to have, in my view, some of the best, most livable cities in the world.

What do we need to concentrate on in that respect? We have to concentrate on things like transportation systems. We have to concentrate on waste disposal, certainly from an environmental standpoint. We have to concentrate on how our cities are designed in terms of ensuring that the quality of life within communities is such that they continue to be great places to live. That will, I believe, require federal support in some measure.

I served with the board of directors of the Federation of Canadian Municipalities. From my standpoint, the FCM is one of the leaders working nationally and internationally on quality of life issues relating to urban areas. We would do well to continue to listen to groups like the Federation of Canadian Municipalities in terms of designing federal policies that really have an impact.

I would be remiss if I did not say a few words with respect to the defence budget. As chair of the defence committee it is incumbent upon me to make a few comments with respect to the sort of support that many of us hope will be in the next budget coming down in February.

With respect to the recommendations that we made last May in our report, "Facing our responsibilities: The state of readiness of the Canadian Forces", I have to go back to one of the primary recommendations, which says that Canada has to get its defence spending off the bottom of the major NATO countries. We are at a level of 1.1% of GDP right now. The feeling of the committee was that we have to move that figure up to approximately 1.5% to 1.6% of GDP over the next the next three years.

Before I forget, Mr. Speaker, I did want to make note of the fact that I will be sharing my time with the hon. member for Durham.

• (1245)

There have been some suggestions, especially in a recent report, "Breaking Rank: A Citizens' Review of Canada's Military Spending". It is probably one of the most disappointing reports I have ever read in terms of its suggestion that really all of the push for more defence spending is coming from a bunch of retired generals and a couple of parliamentary committees.

I think the push for more defence spending is coming from the people of Canada, who are recognizing, and who have recognized over the course of the past few years, that we have been working the men and women of the Canadian Forces too hard, that there have been too many deployments, that we have sent them on many difficult deployments over the last number of years, and that some of the equipment that the Canadian Forces is using is well past its prime.

Some of the equipment is good, there is no question about that, but we do have to make substantial investments in equipment replacement. I cite as an example that we are going to have to replace our supply ships in the navy and we are going to need to replace our destroyers, which are almost 30 years old.

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My time has expired, but I am hoping that there might be some questions, especially on the defence issues so I can talk about the defence budget a bit more.

Ms. Libby Davies (Vancouver East, NDP): Mr. Speaker, I listened very carefully to the hon. member's comments and I would like to pose two questions.

First, I listened to his comments about the Romanow commission and the fact that the member had worked with his constituents and had feedback. It seems to me that in this report Mr. Romanow came to two very critical conclusions. One is that there must be public financing for health care services in Canada, and the second is that there must be public delivery. I think this is something that Canadians are very concerned about. There are issues around the length of time that it takes to go through diagnostic services and so on, but I think Mr. Romanow provided a blueprint and really strengthened the values that are there. Would the member agree that the public delivery of health care services is something that is very important in stopping this creeping privatization?

Second, in terms of defence spending and the report he refers to, which I believe is the one from the Polaris Institute that came out yesterday, he may be disappointed because it dares to go against the general prevailing view of just throwing more money at defence. I think that what the report said, and I will add that the author, Steven Staples, is a very credible person, is that Canada's defence policy is still rooted in the cold war and that we have made all kinds of expenditures like, for example, \$750 million on a bunch of used subs, that really do not serve us today in terms of Canada's contemporary needs around defence.

It seems to me that this report is actually providing a very important perspective that we do not hear very often, because there is a very strong mainstream view from the defence department, from the Liberal government, and from retired generals and so on who simply want to put more money into defence. I would ask the member to reflect on the fact that it has more to do with priorities for where that money goes.

Mr. David Pratt: Mr. Speaker, let me deal with the second question first. The hon. member has made reference to the report. One of the things I was most concerned about in relation to the report was quite frankly the distortion of the position that had been taken by the Standing Committee on National Defence and Veterans Affairs. It is a position, by the way, which was supported by the NDP member on the committee.

The report states, for instance, that the standing committee was looking to raise the defence budget. It states:

...the committee's recommendation would more than double Canada's military spending before the end of the decade, putting it at nearly \$28 billion—higher than it has ever been in history.

Quite frankly, the defence committee recommended no such thing. It is not in our report. I challenge the hon. member to find that recommendation in our report. This is simply not factual. When I look at the selective use of some of the facts related to the defence debate, I frankly throw up my hands and wonder where these people are coming from. They seem to be so far out in left field that they are not even close to being on the radar.

As well, in the report there are other statements related to other aspects of defence spending, for instance, statements about the cold war mentality. The original white paper was not written with a cold war mentality. It was written in 1993-94. The world had changed significantly from the cold war. We were facing new problems, new challenges, in the former Yugoslavia. Canadian troops were engaged there very heavily. What the white paper did say was that we needed a multi-purpose, combat capable force, which in my view, and I would dare say in the view of many members of the defence committee, is still very relevant.

No one is questioning the fact that we need a review of defence policy to reflect some of the new challenges we face, especially in terms of terrorism. However, the basis of our defence policy, as many of us on the committee believe, is still very solid, but it does need to be updated.

Another question the hon. member raised was about the whole issue of submarines. Right now in the world there are roughly 500 to 600 submarines. There are diesel submarines that are generally referred to as being conventional diesel submarines, and there are nuclear submarines that typically are possessed by some of the larger powers. Submarines continue to be, for a G-8 country like Canada, a vital component of a naval force, because typically naval forces have capability under the sea, on the sea and above the sea.

I think that the fact we bought four submarines and got a great deal on those submarines is an important thing that Canadian taxpayers should know.

• (1250)

Mr. Alex Shepherd (Parliamentary Secretary to the President of the Treasury Board, Lib.): Mr. Speaker, I am very pleased to enter the debate on the budget, which we hope will be presented in the House some time in February.

I want to keep my comments to three issues. The first one is the debt. This is something that I find we all too often seem to forget about around this place. Everybody has an agenda here. They want to increase defence spending, medical health research and whatever.

Everybody has a lot of good ideas for spending, but the reality is that our debt is still substantial. The government has made substantial strides in reducing our debt. Indeed, from 1996-97 we have reduced it by \$46.7 billion. The reality is that back in 1993 the debt was approaching the \$600 billion mark. Today that debt stands at \$536.5 billion, which is still very substantial.

We often refer to the relationship of the gross domestic product, that is, all the business activity going on in Canada at any one time, to the debt. That has dropped from 71% to 49.1%. Basically this means the capacity of the economy to sustain the debt, but even so, this is still a lot higher than that of our American counterpart.

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I would like to talk briefly about why that is important. Because we have these debt obligations, there is a certain portion of our budget that is automatically dedicated to interest payments. That at one time was somewhere around \$40 billion. When we talk about health care spending of an additional \$15 billion, we can see that if we did not have this \$40 billion expenditure over our heads, which we are committed to paying every year, we would have tremendous flexibility in our choices. It would be easier to make some of the choices that we are debating in the House today.

When I talk about fiscal capacity and this 49% figure, I am talking only about the federal debt. I have with me some figures from the OECD countries. They take in all public sector debt, whether it is the federal government, the provinces, or the municipalities, for that matter. It takes in the total debt related to our GDP, because after all there is only one taxpayer. Whether the taxpayer pays federal, provincial or municipal taxes, we have one person to work with. It is interesting to note those statistics, because while we talk about 49% of GDP relating to our debt, in fact if we take in all of the debt and look at the OECD countries, we see that Canada's debt ratio is well over 100% of our gross domestic product.

I will give some comparisons. The United States is 52%, so there is half of that GDP ratio in the United States compared to Canada. We still are significantly in debt. As a matter of fact, of those OECD countries, we have a better performance than only Japan, Italy and Belgium. All other countries in the OECD exceed Canada's ratio of debt to GDP.

The reality, and it is what I am suggesting for the budget coming up, is that we have to continue our commitment of paying down the debt. We have to resist the concept that we will have a balanced budget and simply spend all the money that comes in the door. We have to resist that. We have to park some of that money so that we allocate it to debt reduction. I would very much encourage the government to plan for that. We have been very fortunate in planning spending levels and surpluses and then exceeding them. We may well be entering a time when that is no longer the case.

I now would like to speak a little about health care, because of course that is very much on our minds. The Romanow commission report is before us. While Mr. Romanow has very many positive things to say, and I was very pleased to make a proposal to the Romanow commission myself, I must say that I was very disappointed in some aspects of Romanow report.

● (1255)

The disappointment I have is that the Romanow program basically builds on a structure which is inefficient, and that is the current public health care system.

I believe in the core values of a publicly funded health care system and the five principles of the Canada Health Act. Indeed, the proposals in the Romanow commission expand and clarify them. The Canada Health Council was very positive in moving the debate about health care spending away from politicians and putting it somewhere else where it would have some positive focus. We must demand accountability in health care.

The thing that disappointed me was this \$15 billion bill being sent to the federal government. I am convinced that the \$15 billion, if we

decide it is a good thing to do, is already in the existing health care system. There is so much inefficiency within the existing system. Where, one might ask? We can talk about what health care workers do and do not do. We can talk about the structure of medical practices in the country which are expensive based on the actual resulting product.

Mr. Romanow's expenditure by the year 2004-05, disregarding Iceland as a comparison because Iceland's population is only about 247,000, would make Canada the third largest spender in the world on health care. We all know that we lag significantly on the quality of the health care that we are delivering so there is something wrong with this picture and it does not have to do with spending.

I would like to caution the government to resist spending more money on health care before we have the accountability right and we must also ask the provinces to clean up the health care system so that they become more efficient and effective.

Finally, I have my own little wish list about spending, and it seems somewhat inconsistent with my opening remarks about reducing deficit. I would like to visit one area which we do not talk about very much here and which has always bothered me and that is the guaranteed income supplement for seniors. The reason I got involved in this issue was that many years ago I used to do tax returns. People in my province of Ontario had to file tax returns to get a tax credit. At that time all of these people were coming to me to file their tax returns, which I never charged them for because their incomes were so low. Their income consisted of the old age pension and the guaranteed income supplement.

Today the guaranteed income supplement and the old age pension amount to about \$998 a month, or \$12,000 a year. If we think about that, that is a profound statement, that we actually have people in the country living on \$12,000 a year. What is even more retrogressive is that our income tax system cuts in at around \$7,400 or \$7,500. So in other words, those people, a high percentage of whom are women, are also subject to taxation which is a terrible tragedy.

The United Way made a statement that something like 54% of all people over the age of 65 in the greater Toronto area are living below the poverty level. At this time of the year when we are talking about getting our families together, about kindness and the bonds that we share with each other, it would be appropriate to revisit the whole concept of the guaranteed income supplement to see if we could not find ways to put a little bit more in the pockets of these people.

These people do not stand out here on Parliament Hill with placards. They rarely write us or come into our offices and pound on the desk to say they have been mistreated. They are the silent poor of our society and yet I see them from time to time. It is a great tragedy that these people, through no fault of their own, have ended up in this situation. Often a spouse, a husband has died, his pension collapsing on his death and for whatever reason the wife did not work so she is not eligible for the Canada Pension Plan. She is required to live on a thousand dollars a month which cannot be done.

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• (1300)

Talking about child poverty, we have put a lot of money in to the child tax credit, as well we should, to bring more life into those family units. We have children at risk, but we seem to be forgetting this other silent group of people at risk in our society.

My suggestions for the budget would be to raise the income cutoff as it hits taxation and, in addition, to raise our commitment under the guaranteed income supplement so we put more money into the hands of these people. This would allow them to live in dignity and self-respect as they wait out their years and would recognize the great commitment they have made to our country during that period of time as well.

Mr. James Lunney (Nanaimo—Alberni, Canadian Alliance): Mr. Speaker, we appreciate the comments made by our colleague opposite, particularly when he talked about paying down the debt. We have not heard about that lately and we appreciate that on our side of the House.

He mentioned that the debt is currently around \$536 billion, with the estimated surplus in coming years being about \$14 billion. However Mr. Romanow, if all of his recommendations were implemented, has asked for about \$15 billion of increased spending on home care, pharmacare and diagnostic services, all of which there is a perceived need for.

The failed long gun registry program was estimated to cost \$2 million and is now up to about \$1 billion. With Kyoto coming up who knows what liability will be put on the taxpayer? The Kirby report recommended increasing the GST as a dedicated tax, as if there was such a thing. The Romanow report recommended gobbling up what surplus there was. Which of the recommendations from the two recent reports would the member favour?

I noticed that the member mentioned efficiencies in health care. The member before him spoke about disease prevention rather than treatment. A doctor in my riding while speaking to a rotary club mentioned that doctors were tired of being accused of not being more proactive in treating wellness and prevention. He said they were not trained for that. However, there is an abundance of research indicating, for example, that mechanical low back pain alone could be treated by chiropractors. Health care economists tell us that would save up to \$2 billion. Drugs and surgery are a last resort in this area of care.

About 6,000 chiropractors are out there who are quite able to help and about a third of the cases are going to physicians for this type of treatment, which they are not as qualified to deliver. Does the hon. member think that there are health care efficiencies to be found in the system if we could find a better way to administer primary health care? There are about 1,200 naturopathic doctors as well who would be very glad and able to contribute if the public had better access.

• (1305)

Mr. Alex Shepherd: Mr. Speaker, I want to thank the member for his comments. I am aware he is a chiropractor by trade so I can understand his interest in expanding the health care envelope.

As members may know I am hearing impaired. I discovered that in my province audiologists had to come under the auspices of doctors, which is totally ludicrous in my mind. I always went to

audiologists because they did a good job, they provided a good service, and I could not be bothered with the waiting lists that doctors had. This is the clout that the CMA has in this country and, quite frankly, someone has to take them on. The ones that have taken them on, unfortunately, are the provinces. When they do not want to take them on, they send the bill up here and we are supposed to just write a cheque. That creates profound problems.

We have hospital administrators in this country that are paid \$250,000 a year. They switch jobs, take buyout packages and start again at \$250,000. These are all huge costs to our health care system.

The member talked about choices in delivering health care as opposing to delivering financial benefits to a few people. We must deal with that.

The member talked about the infamous gun registry system. Let me first say to members opposite that the reality is that money has not disappeared. People want to call it a boondoggle. The fact of the matter is these were costs that were involved in implementing the system. No one has walked home with bags of money in his or her pocket. It has been spent on lawyers, advertising, and so on. The technical requirements were also put into the system. The money has not disappeared.

If we get into the question about choice and whether this is a rational allocation of expenditures, sure, we all have questions about that. I think that is fair enough. The Auditor General has done a great job in ringing some of the alarms. I have some suggestions as to how to correct that too.

Getting back to the allocation of resources, we should not be spending any more money on health care. I believe there are tons of money in the health care system now. We must sit down and find ways to extract the efficiency out of that system. That is why for me Romanow disappoints. He has a lot of positive ideas that we should move ahead with, but we cannot build on a system that is currently dysfunctional in my mind.

Mr. Gurmant Grewal (Surrey Central, Canadian Alliance): Mr. Speaker, it is with pleasure to rise on behalf of the constituents of Surrey Central to participate in the prebudget debate.

In September's throne speech the Prime Minister outlined plans for his remaining time in office. It was a blueprint for his so-called legacy. The speech was short on innovation and long on recycled promises which were broken before, and definitely will be broken again.

The throne speech is supposed to be a vision of the government, but it turned out to be an old and tired vision, or I should say, it lacked vision. The budget will undoubtedly reflect its misplaced priorities. The only legacy of the Liberal government is a story of nine years of mismanagement, waste, scandals, cronyism, patronage, corruption and boondoggles.

Over this period of time the Liberal government has become weak and arrogant. It consistently refuses to take responsibility for its actions. Cabinet ministers caught in corruption have been replaced so fast that the Prime Minister should recommend installing a revolving door at Rideau Hall.

We have been bombarded almost daily in the news with further stories of fiscal mismanagement and cost overruns. The billion dollar boondoggle at HRDC, the gun registry, GST tax fraud, and sponsorship scandals are examples of Liberal mismanagement. No wonder Canadians are losing faith and trust in the federal government to manage their money. Canadians deserve better. This week the noted Canadian historian Michael Bliss wrote that "the Government of Canada is hopelessly incompetent". It is true.

It has become evident that the gun registry is nothing more than a fiasco, another billion dollar boondoggle. The Auditor General said the firearms program is the worst example of government overspending that anyone in her department had ever seen. This is a program that the government claimed would break even.

When unveiled in 1995 Canadians and the House were told that it would cost only \$2 million, revenue minus cost. Instead, by the end of this year, the registry will have cost nearly \$1 billion. That is 500 times more than originally projected and still counting. Liberal government spending has gone wild many times before. It shows the Liberal government is the worst money manager in the history of this country.

Who can forget the HRDC boondoggle? The government used job creation programs as a means to throw cash around like drunkards. More recently there was the Groupaction affair in which the government gave sponsorship funds to its Quebec friends in the name of national unity. This included \$500,000 for non-existent or missing reports.

Since 1993 it has become clear that the Liberal government only admits wrongdoing when confronted by media reports or is caught by the Auditor General. During question period we will see the government defend itself for nothing. No one on that side ever takes responsibility. Liberals do not know the words accountability and transparency.

Where was the former finance minister, the hon. member for LaSalle—Émard, when spending on the gun registry started running amok? I will tell the House where he was. He was writing the cheques. We know there are cheques but no balances on that side of the House.

The question is, how many other spending fiascos have remained hidden? With the government's history of mismanagement, are we not justified in worrying about the cost to the Canadian economy if the Liberals go through with their foolhardy plan to implement the Kyoto protocol? Kyoto has never been about science. It is about politics. The only thing that it would change would be the economic climate. Implementing the treaty would result in massive job losses of about 500,000, loss of productivity and wealth.

• (1310)

Domestic emission reductions alone would cost as high as \$45 billion according to some estimates, which is 4.5% of our GDP. It will unfairly affect some regions of the country far more than others

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and devastate communities in this process. Our national competitiveness will be hurt. The Kyoto protocol is unfair to Canadian industry and will put us at a competitive disadvantage internationally, particularly with the U.S. Businesses may simply move across the border to avoid the cost of Kyoto. With no public benefits or even global ones, we are in a lose-lose proposition.

Canada has a government that thinks nothing of putting farmers in jail for driving a truckload of their own wheat across the border, yet this same government does nothing to stop gang murders on the streets of Surrey or the exploitation of children by predators.

The RCMP has seen its budget slashed, its forces reduced by about 2,200 since the Liberals took office in 1993. A further 2,000 officers have now been reassigned to the war on terrorism. The ratio of police officers to population is at the lowest point since 1972. The Canadian Police Association tells us that the RCMP needs an immediate infusion of at least one quarter of a billion dollars.

The RCMP's need for increased resources is clearly evident in the riding of Surrey Central and in the lower mainland where gang violence has been continued over the last decade. Nearly 70 young men died in the violence. The government should hang its head in shame.

The defence committees of both the House and the other place, tell us that our Canadian forces need an immediate infusion of money. The military has been using the same Sea King helicopters for nearly 40 years. The government's actions are nothing more than a knee-jerk reaction to the unfortunate event, which is a security concern.

The Prime Minister loves to talk about how he will help first nations. The money spent by Indian Affairs, without transparency and accountability, is going down the drain. Canada is one of the richest countries in the world yet first nations people live in third world conditions. It is a shame.

The pride of the first nations is a painful embarrassment to Canada. The life expectancy of Indians is seven to eight years shorter than the national average. Suicide rates are twice the national average. Aboriginal people have an average income 75% less than the national income. Unemployment rates are 10 times the national average. School dropout rates are higher and educational attainment is lower than that of any other ethnic group in the country.

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First nations reserves are rife with violence, physical and sexual abuse and suicide. Unhealthy living conditions and overcrowded housing with inefficient heating and inadequate water supplies are all too often a fact of life. First nations people are caught in a cycle of dependency and poverty. The federal government spends some \$7 billion annually on aboriginal people yet their living conditions fail to improve. This is completely unacceptable. After all the billions of dollars spent over the years, most natives still live in poverty and poor living conditions, as I mentioned. It is a big problem in this country.

Reserves suffer from a lack of infrastructure. In Surrey Central the reserve on Barnston Island, next to the industrial complex, has no access to the mainland except for a ferry. Now the government has decided to start charging fares. There are dozens of other communities located on islands, served by bridges or tunnels, none of which have tolls. Why should my constituents on Barnston Island be singled out for a toll to have access to their homes? No one appears to be listening.

• (1315)

The government is trying to sell a bitter immigration policy with sugar coating. Front doors are completely closed and back doors continue to be open, while the revolving door installed in between continues. The pipeline is clogged with the casework of prospective immigrants. There are unreasonable delays, excuses, confusion and mismanagement. Frontline officers like custom officers need proper training and adequate resources to do their jobs effectively.

The government's priorities are wrong. Canada has continued to slip under the Liberals. The Canadian dollar has dropped by 20% since 1993. Our labour productivity, relative to the United States, has fallen by 7% since 1993 when the Liberal government took over.

According to the OECD, Canada's standard of living now ranks seventh. We are going down the road in the wrong direction. We have the highest corporate tax rate in the OECD countries at over 42%. We have the highest personal income taxes among the G-7 countries, over 21% higher than the United States. Today, Canadians are only about 70% as well off as our neighbours to the south.

While other countries race ahead, Canada is left behind in the global race in almost all major categories. The Liberals have failed to improve our economic competitiveness. They have failed to spur investment. They have failed to invest in research and development and job growth. They have failed to improve our standard of living since they took office in 1993. Why? Because they do not have a particular vision. They have misplaced priorities. They are the worst money managers in history.

The Fraser Institute highlighted another hidden tax in the form of exorbitant compliance costs to the tune of \$103 billion which Canadian businesses face in terms of regulatory burden. As co-chair of the Standing Joint Committee on the Scrutiny of Regulations, I attended a conference of regulatory reform and red tape. I found out that almost all provinces were well ahead of the federal government. They are light years ahead of the federal government on regulatory reform.

This hidden tax or red tape stifles innovation, investments, productivity and thus our standard of living. Therefore we need

regulatory reform. Many provinces have formulated red tape commissions. Alberta, British Columbia, Ontario and Nova Scotia are well ahead and have effectively pursued red tape reduction.

A lot needs to be done. We need to harmonize the regulations which are overlapping from department to department and government to government, in all three levels of government. We need to eliminate the duplication of regulations. It seems that the issue is not on the radar screen of the Liberal federal government. When will the government move from red tape to smart tape and from smart tape to smart government?

While talking about the economic priorities of the government, I should highlight the messed up priorities in the following areas. I know my time is short so I will just list them.

One area is infrastructure and highways. The government is raking in a huge amount of taxation on gasoline but it is not reinvesting in infrastructure development. We invest something less than 4% of the total revenue from gasoline taxes on infrastructure development. Whereas the United States invests 95% of the revenue from gasoline taxes in infrastructure development.

Another area is the mismanagement of natural resources, including minerals, oil and gas, softwood lumber, fisheries and agriculture. Our natural resources are exported as raw material. Why do we not add value to those goods? Value-added goods will create more jobs. We can finish products here and then export finished products, but it seems that the government is not concerned about these things.

Another area is the development of industry, technology and skilled labour. It has been a long time since the government has paid any attention to these things. The priorities of the government are misplaced.

• (1320)

Right now we have two prime ministers in the country, one by virtue of his political mandate and the other by virtue of his political muscle. As a result the Liberal caucus is split. Consequently, the government cannot make or implement plans for the country. Its policy remains vague and we continuously see flip-flopping and backtracking on major issues.

During this part of their mandate, the Liberals have clearly become preoccupied with infighting over the issue of leadership. The last budget was influenced by the leadership aspirants. I am quite sure the forthcoming budget will also be influenced by the leadership aspirants. They do not look at the priorities and needs of the country. They satisfy their own Liberal needs. As a consequence the country is suffering.

The Liberal leader in waiting has consistently stolen Canadian Alliance policy that he has half-heartedly or partially implemented. We have had the elimination of the deficit, debt reduction, tax cuts and democratic reforms. These have been on the agenda of the Canadian Alliance, and prior to that the Reform Party of Canada, for a long time. He wants to be on all sides of all issues but has no position of his own on any issue.

The government's vision is not there. Its priorities are misplaced. Money is being spent on less important projects or low priority projects. The high priority projects or those of a higher priority to Canadians, such as defence and security, are being ignored. In particular, in the month of March, the government is quite expert in throwing out money. It is called March-mania. When the budget is about to expire, the government spends as much as it can. It shows that the Liberals mismanagement and their priorities are the root causes of the problems in the country.

Therefore, I recommend that the government have real prebudget consultations with Canadians in all parts of the country. It is time the Liberals listened to Canadians and do what Canadians want, instead of what is in the best interests of the Liberal Party.

My constituents tell me that we need a complete overhaul of the government. There is serious rot in the Liberal cabinet, starting from one end of the frontbench to the other end. There is a lack of talent, a lack of ideas and a lack of vision.

Either the Liberals must listen to Canadians and do what Canadians want or get out of the way for someone else who will. Canadians certainly deserve better.

• (1325)

Mr. Julian Reed (Halton, Lib.): Mr. Speaker, I will be dividing my time with the hon. member for York West.

It is an honour to rise on the prebudget consultation debate to look at what the government has accomplished to this point and where we may go in the future.

Looking into the past it might be relatively easy for someone like myself to say steady as she goes. The previous finance minister set up a system of two year rolling targets which resulted in balanced budgets. We are headed toward six consecutive balanced budgets for which I am sure the people of Canada are quite grateful. We have been able to make a substantive dent in the national debt and to certainly free up a great deal more revenue that can be used for worthwhile purposes.

Some changes have entered into the picture this last year that cannot be ignored. However they can be complemented in the budget that is to be put before us, possibly in February.

One is health care which Canadians consider to be the single most important social issue that we have to deal with. It is one of those wonderful elements that sets us apart from our cousins to the south. In the past it has proven to be an excellent program.

Physicians who deal internationally tell me that if we want to compare Canadian medicare with other countries all we have to do is to travel to every other country in the world. We would find with all of its weaknesses that medicare in Canada still holds its own at the top or close to the top of the heap. It is not that we cannot improve, but we must improve. We must meet the needs of Canadians in the future.

We must remember that when medicare came into existence people's expectations and the technology to treat people were very different from what they are today. The cost per citizen is a very different issue than it was in the 1960s. There are things like heart bypass operations now, which almost seem like getting a wisdom

tooth extracted. After five days a patient is transferred to a rehab hospital and then is back on his or her feet. The vast majority of those surgeries are very effective.

That kind of medical procedure did not exist when medical care came into existence. We have to be cognizant of that. We get far better service than we did years ago. Our physicians know more and their practices are constantly improving. We are grateful for that but we have to find the resources to match the need. That is relatively new in the system, although it has been coming on over recent years.

The other element we are going to deal with for the first time is the commitment we made with respect to the Kyoto accord. It commits Canada to lowering greenhouse gas emissions to 6% below 1990 levels over the next 10 years.

• (1330)

It is interesting to observe that when it comes to health care and the Kyoto accord, the two of them have somehow come to fit together. The elements that Canada is challenged, in the view of this humble member, seem to have been opened up and positively exposed with the passage of the Kyoto accord. I will try to detail that as best I can.

I feel that when the new budget comes out, however we call it, whether we call it a health budget, a green budget, a Kyoto budget or whatever, a lot of the elements will be tied together. This should help to make a budget that is more efficient. It will strengthen Canada's financial position rather than weaken it.

I think of Kyoto and health, for instance, as that part of the health system that we consider preventive health rather than clinical treatment. According to the Ontario Medical Association there are about 1,800 to 2,000 premature deaths in Ontario every year because of dirty air and there is a huge escalation in the incidence of childhood asthma. In Alberta's oil patch, the information I have is that the incidence of respiratory ailments is three times higher than it is in the rest of the province of Alberta.

Surely those things should say something. They should make us conscious of the fact that when we think of the need for an improved health system, we should also think of the need for improved preventive measures. One of those preventive measures will be manifested in our setting on a journey of 1,000 miles, the first step of which was the endorsement of the Kyoto accord. Therefore it is a health issue.

Kyoto also is an agriculture issue. When we think of the potential to augment our fossil fuel supplies with biofuels that can be added to the existing fossil fuels and very much reduce emissions into the atmosphere as a result, Kyoto becomes an agriculture issue. It encourages markets for farmers who have really been suffering in the last few years because of the incredible agriculture subsidies in Europe and the United States. That is another plus. Perhaps we could call it an agriculture budget.

We could call it a transportation budget because one of the objectives is to reduce emissions.

When the budget comes down, I think a lot of these issues will converge. It will allow us to bring in a budget that will strengthen all the sectors of the economy.

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•(1335)

Mr. Ken Epp (Elk Island, Canadian Alliance): Mr. Speaker, I cannot believe that the member really believes that Kyoto will result in a net increase in jobs in Canada.

The statement the Liberals keep making is that it will create jobs. I do not think one could argue with that. However, the number of jobs lost will be much greater than the few jobs created. There will be a net loss of jobs which I think will be rather substantial. This is based on not a very controversial premise at all, which is that businesses will go where they can make a reasonable profit and not experience a loss.

With the recommendations that we see as to the implementation of the Kyoto protocol, it appears to me that many businesses, manufacturers, chemical plants, and the petroleum industry will move south of the border where they would not face the same onerous regulations and higher costs. With that the jobs will flee. That is inevitable.

The member may want to rethink and restate his position on that.

Mr. Julian Reed: Mr. Speaker, I remind my hon. friend that in 1994 when I co-chaired a task force on ethanol, one of the great naysayers at the time, a senior bureaucrat in the government, told the task force that there would be a loss of 4,000 jobs if 10% ethanol went into gasoline across Canada. What he failed to tell us was the rest of the study which showed that there would be a gain of 6,000 jobs.

I say to my hon. friend with great respect that the naysayers can say what they like but they are not looking at the positive side. It does take a little vision, it does take a little innovation, it does take a little imagination, but we are on our way.

Mr. Roy Cullen (Etobicoke North, Lib.): Mr. Speaker, I listened carefully to the comments made by my colleague from Halton. I know that he was about to expand on how this could be a transportation budget.

If we look at greenhouse gases, 28% of greenhouse gases or thereabouts come from the transportation sector. There are many challenges. There is the need for more public transit. There are cities like Toronto with urban sprawl. There are trucks that are getting new engines that will reduce smog but will actually be less energy efficient, which runs counter to the Kyoto convention. There are a number of challenges in the transportation sector.

I wonder if the member would like to expand on why this could be a transportation budget.

Mr. Julian Reed: Mr. Speaker, we are all aware that a large percentage of emissions into the atmosphere are as a result of all sorts of combustible fossil fuels in our transportation system. When that traffic is reduced and changed into other modes of transportation, naturally the emissions are reduced.

Intermodal freight traffic, in the view of this humble member, is one of the keys to the future. It will get long distance trucks off the highways and move them on to rail. I have talked to people in the trucking industry who are so enthusiastic that this be expanded. Southern Ontario has some intermodal traffic now and it will have

more in the future, wherever they are located. I would say to my friend that these kinds of techniques are the way we must go.

I see an increase in urban transit and an increase in intercity transportation of people on rail particularly. We have allowed our rail system to decline in recent years. It is undergoing a revival. In the higher population areas it will revive even more quickly. I think we are making great progress.

Mr. James Lunney (Nanaimo—Alberni, Canadian Alliance): Mr. Speaker, the hon. member mentioned that health care in Canada was one of the best systems in the world. The Romanow report requests up to \$15 billion in new spending and Romanow suggests we take it out of the surplus. There are increased costs coming with Kyoto. Mr. Kirby on the other hand is saying that we should increase the GST or increase the personal income taxes to pay for increased health care costs.

On health care in Canada where there is a single payer and a single service monopoly, there are no incentives for efficiency. I want to ask the member a question about that.

In Toronto, the cancer services at Sunnybrook Hospital could not get people to work in the evening. Finally the dreaded private sector stepped in. It used the same equipment and the same services and treated 1,000 patients for the same cost that 600 could be treated, but the patients got in within a week instead of waiting for six to eight weeks.

I wonder if the hon. member would not suggest there are efficiencies that can be captured by looking at how we deliver services.

•(1340)

Mr. Julian Reed: Mr. Speaker, there are efficiencies of course and every area must be examined. What registers with me most strongly is the area of accountability. When we transfer funds to the provinces, we do not want them spending medical transfers on lawnmowers.

Ms. Judy Sgro (York West, Lib.): Mr. Speaker, I am very pleased to have a few minutes to enter into the prebudget debate today.

I would like to address a number of important areas but I will focus my remarks on the issues I feel are critical for the future of Canada and for all Canadians. I am speaking, of course, for those who know me, about the urban regions, about our cities and about investing in programs that will help to build a solid economic foundation for the future and will provide sustainability in key areas.

Budgets are about choices, about investments, about people and about choosing priorities. The choices we make will determine how well and how wisely we should build a country of the future. The budget and the work we do in the House is also about nation building, about working together to secure our future and the future of our children and grandchildren. It is also about the values and principles that we share as a nation and about Canada's place in the world.

As many in the House know, the Prime Minister's caucus task force on urban issues released its interim report in May and the final in November. In those reports we called for a national urban strategy for Canada. Members may want to know why.

Urban regions are often referred to as the economic engines of our country and we must ensure that they maintain that position. The pressures on our urban regions are enormous. To name a few: housing, transit, an aging infrastructure, pollution, the need for safe drinking water, job skills and training. The Government of Canada currently invests billions of dollars already in those areas but clearly there is a need for more investment.

I was delighted when the Standing Committee on Finance in its report acknowledged the work of the task force and recommended a long term, adequately funded infrastructure program with an initial focus on transportation, water and sewage deficiencies.

Both the task force and the standing committee agree that infrastructure funding must be allocated on a strategic, as needed basis, not on a per capita basis. We have to look at the needs in all communities, whether they are large or small, rural or urban. Requirements differ as do priorities in regional development.

I understand the many pressures we have on our budget. We continually hear about health care issues, the need for more money to go into defence, Kyoto, support for our universities, early childhood education, demands for increased pension support for those who are the working poor and our seniors who are in difficulty. Balancing the pressures that we have to face as a federal government, we also have to look at the equal pressures of the provinces and the cities. We are all trying to make the tough decisions that ensure that political accountability is there at the same time that we are investing in ways we think are the priorities for the country to build and be strong and healthy.

I believe we must start with investing in our social infrastructure and human capital. In our reports we recommended three national programs: housing, transit and infrastructure. We believe these three programs are vital to the sustainability of our urban regions.

Let us take housing first. We committed \$680 million over five years to an affordable housing program, cost shared with the provinces. The throne speech also announced an interest in an extension of the program in areas where the needs are the greatest. What we believe as a task force is that we need to have a national permanent affordable housing program, one that is more sustainable and more strategic, one that explores all possibilities. There are far too many families in too many cities in Canada waiting for affordable housing. Here in Ottawa we know that more than 15,000 families are on a waiting list and in Toronto there are over 50,000 people on a waiting list.

We all have a responsibility to ensure that we have affordable housing for people in this country. Many families in the country earn \$20,000 to \$22,000 a year and if they have to pay 50% to 60% of that just for accommodation alone it clearly leaves them in a constant level of poverty.

We would like to see some tax changes and incentives from CMHC to include the private sector, particularly in seniors housing where the real needs are very critical. Our current legislation is falling short in many areas when it comes to the issues of seniors.

• (1345)

Seniors living in Toronto can wait up to 10 years for affordable housing. There are currently 647,000 seniors across Canada who are

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living below the poverty line. We simply cannot allow that situation to continue. Again, we go back to having to establish priorities, to live within our budget and to ensure that we do not find ourselves going into debt again.

Another area in which we must continue to invest is transit and transportation. In our reports we show what the government is currently doing. I want to acknowledge that the Government of Canada is doing good things in those areas; important investments in highways and border crossings and railway infrastructure.

The throne speech acknowledged the need for a safe, efficient and environmentally responsible transportation system within the 10 year infrastructure program. That is another good positive. However all of this will have to be established against the dollars that we have, the needs that are there and how much we can do within our own budget.

However, I am concerned that we need to find ways to overcome some of those roadblocks. Transit and transportation is the lifeblood for urban regions and indeed the thread that links this country from coast to coast. About one-half of Canada's economy comes from agriculture to manufacturing to tourism. It all depends on transportation. It is a huge figure we cannot ignore.

We are the only country in the G-7 without a national transportation program. If we do not establish those kinds of programs in the good times, how will we do it when the times get tough? That again is another priority pressing on our budget.

We must make sure we move goods and people efficiently, safely and comfortably, connecting regions and rural areas to the urban centres and the downtown cores. It will take much more investment on the part of this government, as well as provincial and municipal governments, to ensure Canada's transportation systems are sustainable.

The third program is to address urban infrastructure. Our report highlights the government's investment through Infrastructure Canada, the strategic infrastructure fund and others. These are important, successful and necessary programs, but again, we need and can do much more.

Investing in roads, water and sewage treatment plants, bridges and physical infrastructure will improve the quality of life in our urban regions as well as assisting our municipal governments. As the throne speech stated, infrastructure is the key to prosperity in urban Canada. These include investments as well in looking at brown field remediation, restoration of heritage properties and a number of other land use and fiscal measures.

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My final point is to touch on education, skills and learning, another integral part of nation building. Forty per cent of adults are currently functionally illiterate in Canada. In this knowledge based economy we must attract the brightest and the best to where the jobs are, so urbanization is a 21st century reality that we need to address.

Nation building involves investments in many areas but is a collective responsibility for all of us in government in Canada to ensure that those needs are met, for instance, in health care, in education, in Kyoto and in the quality of life for Canadians. All of these are areas that will bind our country together, that will allow us to express the values in which we believe, how we see ourselves and how we can show ourselves to the rest of the world. I hope we are prepared to make the right choices.

● (1350)

Ms. Libby Davies (Vancouver East, NDP): Mr. Speaker, I listened very carefully to what the hon. member had to say. I know she has done lots of work as the chair of the Liberal task force on urban affairs. I am glad to hear her talk about the need for a permanent affordable housing program in this country. I am glad to hear her speak about the need for infrastructure funding for our municipalities and for public transit funding.

The concern I have is that, although I have heard this many times before from the task force, from individual government members and even from ministers, it never translates into the kind of funding stability on which our municipalities can rely.

One of the problems is that there is no minister who is actually responsible for urban affairs. It is scattered all over the place, partly through infrastructure, through crown corporations, through housing and so on. If this is seen as an issue where the federal government needs to take leadership in working with the provinces to provide the funds, then it seems to me that there needs to be a minister who has clear responsibility and a mandate for urban affairs, because 80% of Canadians live in the urban environment.

I wonder if the hon. member would comment on whether she would agree with that and whether she would agree with funding for public transit. One of the things that is really an outrage is the amount of money that the federal government takes out of gasoline taxes and does not put back into funding public transit. In my own city of Vancouver we have had terrible problems with financing public transit because so much money is going out in gasoline tax and is not coming back into the local community. I wonder if the member would comment on those two things.

Ms. Judy Sgro: Mr. Speaker, the whole issue of dedicated taxes is something that I believe most of our provincial governments and, clearly from what I have heard, at the federal government level, are cautious about getting into. One of the arguments I have heard is that if we started dedicating a certain amount of taxes to go into one area, for instance transportation, we could end up with a huge war chest in transportation. In the meantime, our medical system, our hospitals and so on, which is crying out for money, would not get the money it needed.

My understanding is that finance ministers throughout the country want that flexibility. I tend to agree with them. We do need the flexibility to move money around to where it is most needed within the certain priorities of a government.

At the end of the day what our cities need is money. Whether they get it in the dedicated form of a gas tax, all that money comes into the government and we have to reallocate it out there. It is not that it is not going back, it is just not going back in a specific area that they would like to see it go into. A lot of money that is going into the transportation programs that we currently have, is going into those very areas to which the hon. member has referred.

I would suggest to the member that our report covers a variety of the issues that she mentioned. She can download it from our website or call the office and I would be glad to ensure that she gets a copy of it.

[Translation]

Mr. Antoine Dubé (Lévis-et-Chutes-de-la-Chaudière, BQ): Mr. Speaker, I have listened to the hon. member, who has just addressed urban issues at the request of the NDP member. I would just like to point out that the municipalities fall under provincial jurisdiction.

I would, however, take advantage of this opportunity to ask her whether she agrees with the federal government's reinvesting in health at the level recommended by Mr. Romanow, that is a minimum of 25%, or some \$6 billion.

Does she agree with this?

● (1355)

[English]

Ms. Judy Sgro: Mr. Speaker, I might reiterate that throughout our report and all the work we do when we talk of urban issues, we constantly respect jurisdictional issues and our Constitution. We try to work together with the provinces and cities as partners to deliver the services that we need.

With regard to his question on the Romanow report, we would all like to see as much money as possible go into health but I go back to the issue of having to balance our priorities. If we were to relate that to our own house, we know how much money we have coming in during a year and we know our expenditures. What we have to figure out is how to balance them off.

We do not have a big war chest full of dollars that we can pump into one area or the other. We have to be responsible in how we recognize our priorities, how we allocate the funding and how we work these issues out together.

Mr. Charlie Penson (Peace River, Canadian Alliance): Mr. Speaker, the hon. member made some interesting comments. Being from Toronto, she will know that Canada's productivity versus that of the United States has slipped very badly in the last 25 years. Twenty-five years ago the United States was number one in terms of productivity and Canada was number two. We have now slipped to eighth place. In other words, our standard of living has dropped significantly. That is a factor because not only are we trading partners but we are competitors with the United States.

I want the hon. member to take into account the border security issues. If a new automotive plant was about to locate in Canada and it was looking for a place to locate and make a big investment, it would take into account things like border slowdowns. Some 80% of automotive production goes into the United States. They would also take into account whether it could get a return on investment here. What would the energy costs of Kyoto would be. If the United States is not a part of that plan and Canada is, then energy costs could be higher in Canada. How does that serve us to increase investment in Canada, try to get back some of the competitive edge, if we are moving in the opposite direction to the United States in terms of things like Kyoto which will impose huge costs on Canadian industry in Ontario?

Ms. Judy Sgro: Mr. Speaker, we can look at our innovation agenda and the work we are doing on moving forward to ensure that we have the skills necessary in our country to prepare for the future. We can talk about the quality of the workforce, and many U.S. based companies currently in Canada often tell us that the workforce here is excellent, that it has the skills they need. When we are talking about the differences between U.S. and Canada, we have to take into account health care costs. When they measure it up, it is better for them to be doing business here with the kind of health care program we have rather than trying to pay for it in the U.S., where it is a huge cost to have health care.

STATEMENTS BY MEMBERS

[English]

PUBLIC TRANSPORTATION

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, the vote on the Kyoto accord is behind us. It is now time for immediate action to improve public transit across Canada.

All forms of public transit deserve support. The support can be in the form of municipal decisions to, for example, designate bus only routes, or special breaks for passes which involve bus and train use. It could also be in the form of tax breaks for long term public transit passes.

However, in the vicinity of our major cities Kyoto means a much greater emphasis on rail transportation. I urge the federal government to throw its weight behind improving passenger rail service across the country. In particular, I urge that we move now on returning passenger rail service along the Peterborough-Oshawa-Whitby-Pickering-Toronto route.

The studies have been done. Public and municipal support is there. Let us act now.

* * *

FOREST INDUSTRY

Mr. Stockwell Day (Okanagan—Coquihalla, Canadian Alliance): Mr. Speaker, since the expiry of the softwood lumber agreement last year, forest industry employment has been slashed by 25%, throwing over 20,000 Canadian forest workers out of work.

In Okanagan Falls, recently announced prolonged layoffs affected hundreds of families in my riding. In the Nicola Valley, where

unemployment is already at 40%, a further 163 hardworking constituents have been laid off in the past month at two sawmills and a construction forestry company.

The softwood lumber dispute is not the only disaster facing the forest industry in B.C. The mountain pine beetle infestation is the largest and most severe epidemic of its kind in Canada's history, and there is still no realistic involvement by this federal government, only misguided and delayed actions affecting a province which is going to be losing approximately one billion cubic metres of infested wood by next year.

Now more than ever it is time for the federal government to understand the problems faced by British Columbians and work with us on meaningful solutions. Let us give our citizens some reason for hope this Christmas season.

* * *

● (1400)

WESTERN ECONOMIC DIVERSIFICATION

Mr. Raymond Simard (Saint Boniface, Lib.): Mr. Speaker, I am pleased to rise today to speak about the great success of our regional economic corporation, Western Economic Diversification Canada.

Regional economic development has proven to be extremely effective in achieving its objectives. The program is delivered throughout western Canada by community led and community based organizations, for instance, Canada Business Service Centres, Community Futures Development Corporations, Women's Enterprise Centres and, for the francophone community, the CDEMs.

Western Economic Diversification has been successful in leveraging substantial amounts of funding from provincial and municipal governments as well as the private sector. It is a valuable tool that provides a focused economic development strategy based on actual community needs and strengths.

WD is strengthening and diversifying the western economy through programs and services that inspire innovation, encourage entrepreneurship and build sustainable communities. The success stories are too numerous to count.

I encourage all members of the House to continue to support this excellent initiative. Western Canada is much stronger because of it.

* * *

SEX OFFENDER REGISTRY

Mr. John Maloney (Erie—Lincoln, Lib.): Mr. Speaker, the announcement of the development of a national sex offender registry is good news. I applaud the Solicitor General and federal, provincial and territorial justice ministers, whose cooperation has made this happen.

S. O. 31

This registry will improve upon the Canadian Police Information Centre by providing a special new sex offender database. CPIC is accessible by only accredited law enforcement agencies and serves over 60,000 law enforcement officials in every province and territory.

This new legislation will provide police with a new investigative tool to help them quickly locate known sex offenders living near the location of a sex crime. Under the proposed legislation, convicted offenders will have to register within 15 days of being released from incarceration. Re-registration will be required annually and within 15 days of a change in residence. Penalties will be provided for failing to comply with a registration order or for not giving truthful information.

This is part of the ongoing commitment by this government to reform the Criminal Code and protect the safety and security of Canadians.

* * *

CANADIAN FORCES

Mr. Geoff Regan (Halifax West, Lib.): Mr. Speaker, I want to recognize the sacrifices members of our Canadian Forces and their families make for us, especially at this time of year.

While most of us are gathering with our families for Christmas, Hanukkah, Ramadan or other celebrations, our military personnel serving overseas will be far away from their families back home.

The special challenges to family life for our service people should not be overlooked. As much as we appreciate our troops, we also are thankful for the support of those they leave at home.

On behalf of my constituents and, I am sure, on behalf of all members of the House and all Canadians, I want to wish our Canadian Forces members and their families all the best of the holiday season and a Happy New Year.

* * *

PEACE AWARD

Mr. Deepak Obhrai (Calgary East, Canadian Alliance): Mr. Speaker, the South Asian Studies Program at the New College, University of Toronto, is awarding the International Acharya Sushil Kumar Peace Award to Nobel laureate Professor John Polanyi, a very distinguished Canadian scientist.

Professor Polanyi is a professor of chemistry at the University of Toronto and president of the Canadian Committee for Scientists and Scholars. He is a member of the Queen's Privy Council of Canada and a Companion of the Order of Canada. Professor Polanyi's awards include the 1986 Nobel Prize in Chemistry, the Royal Medal of the Royal Society of London, and some 30 honorary degrees from six countries.

The award is named after a most revered and respected Jain teacher, the late Acharya Sushil Kumarji, who spent his life promoting peace and harmony in the Indian subcontinent and the world.

On behalf of the South Asian community and the Canadian Alliance, I would like to congratulate Professor John Polanyi on winning this award.

* * *

MOTHERS AGAINST DRUNK DRIVING

Mr. Gurbax Malhi (Bramalea—Gore—Malton—Springdale, Lib.): Mr. Speaker, the festive season is upon us. I would like to remind all Canadians of MADD, Canada's annual red ribbon campaign against impaired driving.

MADD Canada raises awareness about the dangers of impaired driving and continues to make a difference in the lives of many Canadians.

I ask all members of the House to join with me and the many Canadians who support MADD Canada's red ribbon campaign against drunk driving. If by displaying the red ribbon on our vehicles we can prevent one death or one injury this season, we will have helped save a life.

* * *

● (1405)

[Translation]

FRANÇOIS SAILLANT

Ms. Diane Bourgeois (Terrebonne—Blainville, BQ): Mr. Speaker, the Commission des droits de la personne et des droits de la jeunesse presented its Droits et Libertés award to François Saillant of FRAPRU.

As a coordinator, communicator extra-ordinaire and educator, Mr. Saillant has been working for over 20 years to improve the living and housing conditions of low-income earners. Recognized for his generosity, his constant presence and his proven leadership skills by FRAPRU, a community organization for urban renewal, Mr. Saillant is always there to defend and debate fundamental issues related to housing as well as social policy.

The Bloc Québécois wants to pay tribute to the excellent work done by this individual, whose passion and perseverance attest to his desire to fight for access to decent housing for everyone.

Bravo, Mr. Saillant, and congratulations for those many years dedicated to community well-being.

* * *

LITERACY

Ms. Carole-Marie Allard (Laval East, Lib.): Mr. Speaker, the Maison des mots des Basses-Laurentides will receive \$15,000 for its realizing intellectual potential project in order to develop educational activities tailored to each literacy group with which the organization works.

The Maison des mots will provide training to teachers, educational materials, and tools for evaluation. The project began October 21 and will continue until March 31, 2003.

I would like to congratulate all those who believe in the cause of literacy and wish a merry Christmas to all the associations working to improve the well-being of the voters of the Mille-Îles area and also to all the residents of Laval.

Merry Christmas and all the best in 2003.

* * *

[English]

MULTICULTURALISM

Mr. Gurmant Grewal (Surrey Central, Canadian Alliance): Mr. Speaker, Christmas is around the corner and Canadians are ready for the festivities. Christians should be proud of their religion. It is a time for giving and helping those less fortunate, but the spirit of the season has been bruised by unnecessary political correctness.

The Royal Canadian Mint replaced the 12 days of Christmas with the 12 days of giving. Toronto city hall replaced its Christmas tree with a holiday tree. Statistics Canada speaks of the December experience. Canadian Heritage removed Easter and Christmas from its calendars. The PMO interfered by removing references to Jesus in the memorial service for the Swissair tragedy at Peggy's Cove.

I am a non-Christian and a visible minority. I am not in any way offended when Christians celebrate Christmas. Cultural tolerance and ethnic equality should not mean diluting anyone's faith.

It is time we moved from tolerance to acceptance. We should mutually appreciate and respect each other's traditions, and I wish to say Merry Christmas and a Happy New Year to everyone.

* * *

CANADIAN SPACE AGENCY

Mr. Rick Laliberte (Churchill River, Lib.): Mr. Speaker, I would like to acknowledge the presence of Canadian Space Agency astronaut Dr. Dafydd Williams in Ottawa today. It gives me great pleasure to announce that Dave Williams has been selected for a mission to the International Space Station in November 2003, which will closely follow Steve MacLean's mission in May.

Dr. Williams will perform a series of space walks, assisting in the construction of the station and positioning of solar panels critical to powering the microgravity science laboratory.

Canadians are proud of Canada's continued excellence and leadership in space science and technology and innovation.

The selection of Dr. Dave Williams is recognition of his dedication and contributions to the space station program and of his achievements as the first non-American to hold a senior position at NASA in Houston.

It is also recognition of the work of our astronauts, engineers, scientists and researchers of over 250 companies throughout Canada who are contributing to enhancing global recognition of our vibrant Canadian space program.

During their space walks and space adventure, let us think of them as dancers with our northern lights.

• (1410)

[Translation]

ÉCOLE DE MÉDECINE VÉTÉRINAIRE DE SAINT-HYACINTHE

Ms. Pauline Picard (Drummond, BQ): Mr. Speaker, on the issue of the accreditation of the École de médecine vétérinaire de Saint-Hyacinthe, we really should give credit where credit is due.

As a tribute to the work done by my colleague, I would like to quote the radio commentary by the editorial chief of the *Courrier de Saint-Hyacinthe*, Jean Vigneault.

This is a great victory for the member for Saint-Hyacinthe—Bagot and the coalition he organized. He is the one who fought virtually day and night for the school to get its due from the government.

His comments were less congratulatory of the member for Shefford, and I quote:

The Liberals had nothing to do with this. I think that in the beginning, the Liberals did not even know there was a school of veterinary medicine and that it was in need.

On this issue, as in many others, the member for Shefford waited until the Bloc Québécois did the work, then stepped in and took credit for it. This type of behaviour is shameful and petty.

* * *

HON. MEMBER FOR RENFREW—NIPISSING—PEMBROKE

Mr. Marcel Proulx (Hull—Aylmer, Lib.): Mr. Speaker, I was dumbfounded upon reading the householder of the hon. member for Renfrew—Nipissing—Pembroke, entitled "The Communicator-Fall 2002".

In a message that defies comprehension, she had the audacity to invite her francophone voters to obtain a French version of her householder. I will not repeat the content of the message, but I would like to express to my hon. colleagues my indignation over this type of behaviour.

If the hon. member needs help translating her messages to her voters, which seems evident, the House of Commons has an excellent translation service available to all members. Perhaps the hon. member is simply unaware that this service exists or perhaps it is her lack of regard for her francophone voters that led to her communicating with them in a manner unworthy of our fundamental Canadian values.

The hon. member's behaviour is indicative of the despicable views of Alliance members toward francophones outside Quebec. I hope the hon. member will apologize to this House and to her voters in the next issue of her householder.

* * *

[English]

PEACEKEEPING

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, the following is an excerpt of a poem written by one of our peacekeepers:

S. O. 31

T'was the night before Christmas,
He lived all alone,
In a one bedroom house,
Made of plaster and stone.

I had come down the chimney,
With presents to give,
And see just who,
In this home did live.

I looked all about,
A strange sight I did see,
No tinsel, no presents,
Not even a tree.

No stocking by the mantle,
Just boots filled with sand,
On the wall hung pictures,
Of far distant lands.

With medals and badges,
Awards of all kinds,
A sober thought,
Came through my mind.

For this house was different,
It was dark and dreary,
I found the home of a soldier,
Once I could see clearly.

The soldier lay sleeping,
Silent, alone,
Curled up on the floor,
In this one bedroom home.

I realized the families,
That I saw this night,
Owed their lives to these soldiers,
Who were willing to fight.

I couldn't help wonder,
How many lay alone,
On a cold Christmas Eve,
In a land far from home.

The very thought brought,
A tear to my eye,
I dropped to my knees,
And started to cry.

The soldier awakened,
And I heard a rough voice,
'Santa, don't cry,
This life is my choice'.

I fight for freedom,
I don't ask for more,
My life is my God,
My country, my corps.

Then the soldier rolled over,
With a voice, soft and pure,
Whispered, "Carry on Santa,
It's Christmas Day, all is secure."

One look at my watch,
And I knew he was right,
"Merry Christmas my friend,
And to all a good night".

* * *

QUEEN'S JUBILEE MEDAL

Mr. Mauril Bélanger (Ottawa—Vanier, Lib.): Mr. Speaker, on Monday next, December 16, I will be presenting the Queen's Golden Jubilee Medal in a ceremony on Parliament Hill.

My congratulations go to: Marc Arbour, Harvey Barkun, Georges Edouard Bourgoignie, Pierre Choquette, Robert Charles Day, Jeffrey Docksey, Jennifer Eastham, Sharon Evans, Timothy Graham, Christopher Jackson, John Hadwen, Norman Lafrance, Jack Lee, George Lindsey, Ian Morgan, Faye Morgan, Mario Denis Paillé, the late Joan Robinson, Renald Paquette, Paul de B. Taillon and Philip Whitehead.

I also had the privilege of presenting a posthumous medal to the late Fred Shortt at a commemorative evening held in his honour on Monday, December 9, at the Canadian Aviation Museum. I will also have the honour of participating tomorrow afternoon in the ceremony honouring the National Research Council's outstanding employees.

A well deserved honour to all.

* * *

[*Translation*]

EMILY POUPART

Ms. Jocelyne Girard-Bujold (Jonquière, BQ): Mr. Speaker, allow me to recognize Emily Poupart from Jonquière, who will have the honour of attending the prestigious University of Oxford, in England, to pursue graduate studies.

The Rhodes Scholarships, worth approximately \$50,000, allow ten Canadian students, including two from Quebec, to go to England for two or three years.

Emily Poupart is currently completing a masters in conflict resolution in Victoria, B.C. While in Oxford, she will have the opportunity to embark on either a second masters program or a doctorate project on an international development issue, an area she is fond of and in which she has some experience.

In addition to working on her academic achievements, Ms. Poupart will get to develop her rowing skills with the Oxford team and could even take part in the 2004 or 2008 Olympic Games.

We extend our congratulations to her and wish her the best of luck in England.

* * *

● (1415)

[*English*]

DAVIS INLET

Mr. Brian Pallister (Portage—Lisgar, Canadian Alliance): Mr. Speaker, Christmas is a time for family and friends to be together, but the community of Davis Inlet is being pulled apart by the government's mismanagement. The new community is nowhere near completion and the hopes and dreams of many families for a new home and a new future will just have to wait.

The first time Canadians saw the tragic images from Davis Inlet we all wanted to help. Millions have been invested, but the new town is still under construction. Expectations were high. Parents had hopes for a better future for their children. Now they are being told to take a number. Some families will be lucky and will move, while others will stare across the water and see the flicker of lights, the flicker of hope, on the other side.

Despite saying that money is no object, the mismanagement and bungling by the government has divided this community and turned its dreams into nightmares. How about a Christmas present for the folks of Davis Inlet? Tell them when their homes will be ready so they can move to a better future. They have waited long enough.

* * *

MEMBER FOR HALIFAX

Mr. Brian Masse (Windsor West, NDP): Mr. Speaker, I rise with great pleasure to pay tribute to one of Canada's most committed social activists and one of the House's best parliamentarians, Alexa McDonough who sits for the last day today in the House as leader for the NDP.

Born in Ottawa, Alexa grew up in Nova Scotia and, like so many New Democrats, her activism began early. At the age of 14 she helped initiate, through her church youth group, an outreach and day camp program for children and families of African Canadian families who were struggling with racial barriers and exclusion in her own province of Nova Scotia.

In 1980 Alexa became the first woman elected to lead a major party in a provincial legislature when she became the leader of the Nova Scotia NDP. In 1995 she took over the reins of the federal NDP and triumphantly brought the party back to official party status, electing the NDP's first MPs ever from mainland Nova Scotia and New Brunswick.

She has worn many different hats over the years and she has met all the challenges with grace, fierce determination and unwavering commitment to building a social democracy in Canada.

It has been my pleasure to serve under her leadership. Her support and encouragement since I first decided to run in the byelection earlier this year have been valuable and for that I am deeply grateful.

We would like to recognize and thank her family, David, her sons Justin and Travis and their families, right down to the newest addition to her family, granddaughter Abbie Jean, for sharing her energy and talents with us for all these years.

On behalf of my caucus colleagues and the New Democrats across the country, I would like to thank her for her incredible and tireless efforts as our leader for the past seven years fighting for a better, more democratic and just society that we know Canadians want.

Our thanks to Alexa, we look forward to the inspiration and dedication we know she will bring to the House as the member for Halifax.

ORAL QUESTION PERIOD

[English]

FIREARMS REGISTRY

Mr. Stephen Harper (Leader of the Opposition, Canadian Alliance): Mr. Speaker, yesterday the Prime Minister apparently admitted to his caucus that he knew of cost overruns on the gun registry for years. This is just one more piece of evidence that the

government, in the words of the Auditor General, "kept Parliament in the dark" about spending on the registry.

Will the government now come clean and admit when it first became aware of the billion dollar cost overruns on the gun registry?

Hon. John Manley (Deputy Prime Minister and Minister of Finance, Lib.): Mr. Speaker, the report on spending is available through the estimates over and over. The Prime Minister has made it clear, as all of us have, that we remain committed to the gun registry.

I was looking at the statement of policy of the Canadian Alliance Party, article 31, where it says:

We are committed to keeping guns out of the hands of violent criminals as a necessary part of making our communities safer.

Some hon. members: Oh, oh.

● (1420)

The Speaker: Order, please. The Deputy Prime Minister has the floor.

Hon. John Manley: I am sorry, Mr. Speaker, it deleted that part from its statement of policy in 2002. It is gone.

Some hon. members: Oh, oh.

The Speaker: Order, please. I have to remind hon. members that Christmas is coming and Santa Claus will reward the good and the virtuous. We are hoping that everyone will be quiet today so they will be well treated when Santa appears. The hon. Leader of the Opposition has the floor.

Mr. Stephen Harper (Leader of the Opposition, Canadian Alliance): Mr. Speaker, I will remind the government that violent criminals do not register their guns.

We obviously will not get a straight answer to that question, so let me just follow up on the minister's statement this morning. He admits that the gun registry is running at minimal levels. Gun owners across the country are trying to register by the year end deadline but they cannot get through on the 1-800 number and they cannot get forms.

Will the government announce a general amnesty for gun owners who cannot register by the January deadline?

Hon. Martin Cauchon (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I have said many times, and I repeated it this morning, that the deadline of December 31 is still there and has to be respected. Canadians have known this for a long time ago. Two weeks ago we announced an amnesty for those who would act in good faith respecting the deadline.

Mr. Stephen Harper (Leader of the Opposition, Canadian Alliance): Mr. Speaker, the government has been unable to respect its own deadlines. It has bungled the system. There has been no accountability for minister after minister who has screwed up the system. Now today it has announced that it will have a general amnesty for the bureaucrats who screwed this up, so why not a general amnesty for the gun owners who cannot meet the deadline?

Oral Questions

Hon. Martin Cauchon (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I would like to refer them to the press release which has been issued regarding the question of the deadline. The deadline remains. People were aware of that deadline a long time ago.

As well, regarding the numbers, the Auditor General has stated that all the spending was approved by Parliament. That is quite clear.

* * *

AIRPORT SECURITY

Mr. James Moore (Port Moody—Coquitlam—Port Coquitlam, Canadian Alliance): Mr. Speaker, the Canadian Alliance believes that the air tax should be scrapped immediately, but at minimum the government could reduce it immediately as we go into the holiday season.

To that end, yesterday the transport committee recommended unanimously that the government “implement an immediate and substantial reduction of the air tax”. Will the government do it? Yes or no.

Hon. John Manley (Deputy Prime Minister and Minister of Finance, Lib.): Mr. Speaker, the tax will be reviewed based on the numbers we are generating in response to it and also the expenditures that are being made. We believe that the charge will need to continue to pay for the necessary security enhancements that are being implemented.

Mr. James Moore (Port Moody—Coquitlam—Port Coquitlam, Canadian Alliance): Mr. Speaker, we have heard this promise of studies before. In May the government said it was going to study it and report to the House in September. It failed to do so. It is now December and it still has not studied it.

The transport committee took it on and studied the tax ourselves. We could not find a single witness to say that the air tax as it stands is tolerable. We recommended unanimously that it be substantially and immediately reduced. Will the government do it, yes or no?

Hon. John Manley (Deputy Prime Minister and Minister of Finance, Lib.): Mr. Speaker, it would not be prudent and responsible to do so. We believe in running a balanced budget. We believe in retaining the flexibility based on the amount of revenues that we will receive. Furthermore, there is absolutely no evidence that the fee has reduced air travel.

* * *

[Translation]

NATURAL RESOURCES

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, Quebec will have to move on oil and gas exploration in the Gulf of St. Lawrence as early as next year. There are major reserves representing thousands of jobs, particularly for the Gaspé, where they are sorely needed.

Premier Landry today called for Ottawa to conclude an agreement with Quebec. This is urgent and needs to be done before Christmas. The National Assembly is unanimous in calling for such an agreement.

Could the Deputy Prime Minister tell us why Ottawa has so far not managed to sign an agreement with Quebec? This is urgent and involves thousands of jobs. We do not understand the delay.

● (1425)

[English]

Hon. Herb Dhaliwal (Minister of Natural Resources, Lib.): Mr. Speaker, both Quebec and B.C. have indicated their interest in taking advantage of offshore development in both areas.

As Minister of Natural Resources, I am happy to work with them. I think all members and Canadians will want to ensure that we look at the environmental concerns, that we do it in a socially responsible way and that we have an appropriate regulatory framework. Once we are able to do that, we can move forward, both for B.C. and for Quebec to take advantage of the economic opportunities that may be there in oil and gas exploration.

[Translation]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, all this is well under way. An agreement could be signed by Christmas. It has been done with Nova Scotia and Newfoundland. I wonder why it is taking so long with Quebec, when it went ahead much faster with Newfoundland and Nova Scotia.

Why is it that it always takes longer to reach agreements with Quebec, when it would be easy and in the best interests of Quebecers? Ottawa would even collect taxes from it. Why is it that it works for some, but not for Quebec?

[English]

Hon. Herb Dhaliwal (Minister of Natural Resources, Lib.): Mr. Speaker, I had the opportunity to meet with the minister of energy from Quebec on two occasions. Our officials have been meeting regularly.

We are dealing with Quebec on this issue in the same way as we deal with any other province that wants offshore development but we have to be responsible both environmentally and socially. The hon. member should know that all Canadians, including Quebecers, want to make sure we have the proper regulatory framework and that we respect the environment and do it in a socially responsible way.

[Translation]

Mr. Serge Cardin (Sherbrooke, BQ): Mr. Speaker, senior officials in Quebec City and Ottawa agree in principle on an agreement for oil and gas exploration in the Gulf of St. Lawrence as early as spring 2003.

Now that everyone agrees, what is keeping the Minister of Natural Resources from signing this agreement in principle before Christmas, as called for in a unanimous motion by the Quebec National Assembly?

[English]

Hon. Herb Dhaliwal (Minister of Natural Resources, Lib.): Mr. Speaker, the hon. member obviously had a misunderstanding in terms of his information. There is no agreement that exists. Our officials have been meeting to look forward as to how we can cooperate on this request by the Quebec government.

We will move forward but we will move forward in a responsible way that Canadians expect. We will make sure that we have the appropriate regulatory framework, that we protect the environment and that we do it in a socially responsible way. That is the way we are going to operate.

[Translation]

Mr. Serge Cardin (Sherbrooke, BQ): Mr. Speaker, the Government of Quebec is responsible for the environmental aspect. It wishes to see an agreement in principle signed by the end of December 2002, with a final agreement by March 31, 2003.

Does the Minister of Natural Resources not understand that Ottawa's attitude is preventing the creation of many jobs and much-needed economic development in this region?

[English]

Hon. Herb Dhalwal (Minister of Natural Resources, Lib.): Mr. Speaker, we are very happy to move forward on this. If the Quebec government really wants to move as quickly as it says it does, all it has to do is accept the federal regulatory framework that already exists. If it wants to do that, it would help us. If it wants to get involved and play a role, all these things take time.

We have to be responsible. I can assure the House and Canadians that we will be very responsible as we move forward on looking at new opportunities for economic development whether it is on offshore British Columbia or whether it is in the St. Lawrence.

* * *

FOREIGN AFFAIRS

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, my question is for the Minister of Foreign Affairs.

Seventy-six days ago, 32-year-old Canadian citizen Maher Arar, husband and father of two young children, was returning to Canada through the U.S. from a family vacation. He was apprehended, interrogated and deported without legal counsel first to Jordan and then to Syria, a country he left at the age of 17.

These actions violate international law and they violate his rights as a Canadian citizen. Still there is no explanation for Arar's plight, not from the American government, the Syrian government nor our own government.

When can the wife and kids of Maher Arar expect him home in Canada?

• (1430)

Hon. Bill Graham (Minister of Foreign Affairs, Lib.): Mr. Speaker, I want to assure the hon. member and the House that we are remaining in constant contact with the Syrian authorities to ensure that we have consular access to Mr. Arar. Our ambassador has met with him. We will continue to make sure that he receives consular access. We are making all representations possible to try to get the return of Mr. Arar to his family and to Canada as soon as possible.

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, this young family does not want consular access. They want their husband and father home in Canada.

We are talking about a young wife who has received no explanation for the disappearance of her husband, no explanation

for what he is suspected of and no explanation for why the government cannot do anything about assuring his safe return to Canada. He is languishing in a Syrian jail without legal counsel, without medical care and without even being permitted to make a phone call to his family.

Why has the foreign affairs minister not met with this woman as—

The Speaker: The hon. Minister of Foreign Affairs.

Hon. Bill Graham (Minister of Foreign Affairs, Lib.): Mr. Speaker, consular cases are always extremely complicated. I want to assure the hon. member that the government is doing its best in the interests of Mr. Arar and his family to get him back. We should not engage in politics in the House about the matter, which may or may not be productive in that respect.

* * *

FIREARMS REGISTRY

Right Hon. Joe Clark (Calgary Centre, PC): Mr. Speaker, the Prime Minister now admits that he was both aware of and complicit in the cover-up of the gun registry costs that are climbing to \$1 billion.

Canada has a system of responsible government. That means that when something goes seriously wrong, a minister or the Prime Minister must have the courage and the honesty to accept that responsibility.

Will the Deputy Prime Minister tell us, does the Prime Minister intend to hold any minister responsible for this \$700 million mistake?

Hon. John Manley (Deputy Prime Minister and Minister of Finance, Lib.): Mr. Speaker, what we have now is an obligation to ensure that the registry system that we committed to and that we put into place by Bill C-68 works and is up and running in the appropriate way.

Clearly, the Auditor General has had some criticisms about how the administration of the program was done. It is our obligation and our commitment to improve it.

Right Hon. Joe Clark (Calgary Centre, PC): Mr. Speaker, the obligation is to hold accountable the minister who let \$700 million and counting of Government of Canada money be wasted. This is not something the Deputy Prime Minister can shift off to officials. If responsible government means anything, it means that a minister has to carry the can.

Is it the policy of the government that no minister was awake, no minister was watching, no minister was responsible for this terrible and unacceptable waste?

Hon. John Manley (Deputy Prime Minister and Minister of Finance, Lib.): Mr. Speaker, I understand to a certain extent the hon. member's bloodlust in this, but I think what Canadians want is a gun registry. They believe that it will improve safety. It is a policy that we have advocated for and argued for over a number of years. And yes, they expect us to do it in a fiscally responsible manner. We will do that. We will see that it is done responsibly.

Mr. Garry Breitkreuz (Yorkton—Melville, Canadian Alliance): Mr. Speaker, rhetoric does not save lives.

Oral Questions

This morning the justice minister in his statement said he will pull money out of other programs to fund the gun registry. Parliament demonstrated its lack of confidence in the registry by removing \$72 million from the scheme last week. Now the minister will be using sleight of hand to keep it on life support.

What programs will he take the money from to fund the registry?

Hon. Martin Cauchon (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, we have been talking about transparency. I made my statement this morning because I respect this parliament and as well, the notion of transparency. It is important as well to inform the Canadian population.

As I have said many times, we believe in that policy. The policy is working. The gun registry is up and running. Of course we will keep proceeding at low cost. As I said this morning, there is still funding in the program. Of course at one point we will have to proceed with the same cash management as departments are doing on a regular basis.

• (1435)

Mr. Garry Breitkreuz (Yorkton—Melville, Canadian Alliance): Mr. Speaker, Parliament is still being kept in the dark. The minister could not make it work when he spent \$1 billion. Logic tells anyone that it will not work when it is funded at minimum levels.

Today the justice minister once again refused to extend the gun registration deadline and as a consequence will criminalize one million law-abiding Canadians. The Auditor General reports a 90% error rate in the registry. Only one-third of the guns are registered. Gun owners cannot register their guns even if they want to.

One more time, Mr. Speaker, will he please tell us how much it will cost to complete and how much will it cost to maintain?

Hon. Martin Cauchon (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the hon. member has to understand that there is a deadline. Actually I would like to report that 70% of the guns have been registered at this point in time.

The policy works. The program is up and running as well. We will keep proceeding at low cost, as I said. This morning my statement was about transparency, telling Canadians that we are proceeding and at one point we will have to proceed with cash management. As I said, this is done on a regular basis by most of the departments.

* * *

[Translation]

ÉCOLE DE MÉDECINE VÉTÉRAIRE DE SAINT-HYACINTHE

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, unlike the other schools of veterinary medicine in Canada, the École de médecine vétérinaire de Saint-Hyacinthe has never benefited from major financial support from the federal government in the past. It is now required to invest \$100 million to regain its full accreditation from the American Veterinary Medical Association.

Since the Government of Quebec has already covered its share of the \$100 million, which amounted to \$41 million, can the federal Minister of Agriculture and Agri-Food tell us if he intends to contribute the federal government's full share, which comes to \$59 million, and not \$35 million, as he said earlier this week?

[English]

Hon. Lyle Vanciel (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, as I said to the hon. member in the House yesterday, this is an area that the federal government has never been involved in before. However, we recognize the importance of veterinary colleges for animal health and human health. We made a contribution of \$113 million to assist all of our vet colleges to maintain their accreditation, and \$35.46 million of that went to the college at Saint-Hyacinthe.

[Translation]

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, the minister is wrong, because in the past, the three other schools of veterinary medicine in Canada, the ones in Saskatoon, Prince Edward Island, and Guelph, benefited from up to 50% of the construction and modernization costs in the 1980s, yet Saint-Hyacinthe got nothing.

Does the minister fail to understand the problem is not solved by a partial payment, that there is still a \$24 million shortfall, and that this money needs to come from him, and him alone, if he wants to treat Saint-Hyacinthe the same as the other veterinary schools in Canada?

Will he understand this and will the federal government, for once, contribute its fair share for the construction and modernization costs of the École de médecine vétérinaire de Saint-Hyacinthe?

[English]

Hon. Lyle Vanciel (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, technically this is an area of provincial jurisdiction and the presidents of all the four universities asked the federal government to contribute. Based on their request to us we are contributing 60% of what they said was required. The provinces will therefore have the opportunity to provide the other moneys that are required.

In reference to the comments the member made about other colleges, they receive money through the Canada Foundation for Innovation but that is a totally different situation.

* * *

FIREARMS REGISTRY

Mr. Myron Thompson (Wild Rose, Canadian Alliance): Mr. Speaker, a six month grace period will not solve the massive backlog of registrations or fix the problems facing those currently trying to register firearms. Phone calls go unanswered and registration forms are hard to find. Government mismanagement has made registering nearly impossible. In the end it is the gun owners who will pay for the government's incompetence through fines and jail time.

The Liberal government is spending \$1 billion to make one million criminals. Why will it not just scrap the registry?

Hon. Martin Cauchon (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I do not understand the comments of the hon. member. When we are talking about the registry, as I said, it is a policy that is working. It is about public safety. It is about protecting the Canadian population. On this side of the House we do believe in public safety.

Having said that, the gun registry works well at this point in time. We will be proceeding at minimum costs, as I said. It is important to respect the legislation and therefore to respect the deadline.

• (1440)

Mr. Myron Thompson (Wild Rose, Canadian Alliance): Mr. Speaker, the registry is not working well. Last week Parliament said no to additional money for the firearms registry. This morning the minister said he would find additional money from other resources.

What part of no does the minister not understand?

Hon. Martin Cauchon (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, what we are talking about here is transparency. We have frozen all major spending in regard to the program, but we will keep proceeding with the registry. It is up and running. We have legislative obligations and we will meet those obligations.

* * *

[Translation]

IRAQ

Ms. Francine Lalonde (Mercier, BQ): Mr. Speaker, we parliamentarians voted for the ratification of the Kyoto protocol by the government. It was essential that we do so. So what about the possible involvement of Canadian troops in a conflict against Iraq, which may result in young Quebecers and Canadians getting killed?

Does the Prime Minister recognize that if he sought the approval of parliamentarians on the ratification of Kyoto, it is no less essential that he give them a say in any plans for Canadian participation in a war against Iraq?

Hon. Don Boudria (Minister of State and Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the hon. member is no doubt aware that each time troops were deployed in the past, Parliament was consulted and debates were held in this House.

Should she wish that a parliamentary committee sit during the break, I am prepared to discuss this possibility with her House leader and the other leaders.

Ms. Francine Lalonde (Mercier, BQ): Mr. Speaker, in the same way that prior approval by the Security Council alone can confer international legality on any military action in Iraq, only a vote by Parliament can ensure that the participation of Canada's armed forces in a conflict in Iraq is legitimate.

Will the Prime Minister promise to convene the House of Commons to allow parliamentarians to take a vote before getting Canada involved in Iraq, as his own party requested at the time of the Gulf war, in 1991?

Hon. Don Boudria (Minister of State and Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the

Oral Questions

precedent was used on several occasions. There is even a procedure recognized by all the parties for consultation among them. It normally takes the form of a debate in this House.

There have even been precedents where, between sessions, committees met to discuss such issues. As I said earlier and at the risk of sounding repetitive, I am prepared to have discussions with her House leader and all other leaders.

* * *

[English]

JUSTICE

Mr. Kevin Sorenson (Crowfoot, Canadian Alliance): Mr. Speaker, the government forced innocent firearm owners to register millions of firearms retroactively at a cost of \$1 billion, yet it has failed to allow for retroactive registration of convicted sex offenders.

My question is for the Solicitor General. Why the cop-out? Why would all convicted sex offenders not be registered?

Hon. Wayne Easter (Solicitor General of Canada, Lib.): Mr. Speaker, there was consensus that when the legislation was brought in it could not be brought in retroactively because it might not stand up to the Charter of Rights and Freedoms. This sex offender registry will certainly help make our streets safer and be an investigative tool for police forces in terms of solving sex crimes.

I would think the hon. member opposite would be more supportive of us taking these steps and moving forward.

Mr. Kevin Sorenson (Crowfoot, Canadian Alliance): Mr. Speaker, failure to register a firearm can end up with a prison term of 10 years. Failure to register as a convicted sex offender is punishable by only six months in prison. Firearm owners who provide false information are liable for up to five years in prison. Convicted sex offenders who provide false information are liable for up to six months in prison.

Does the government really believe that innocent firearm owners are a greater threat to public security than convicted sex offenders?

Hon. Wayne Easter (Solicitor General of Canada, Lib.): Mr. Speaker, the hon. member should know that the legislation has had first reading in the House. We must debate this issue further.

I would think the hon. member would be getting up and thanking us for coming forward with this forward looking initiative. We have consensus from the provinces to move forward with this initiative. We intend to bring it forward so that it will stand up to any court challenges in the future. The bottom line is, we will have a better investigative tool for the police to do its work.

* * *

• (1445)

ABORIGINAL AFFAIRS

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, three weeks ago there was a breakthrough on the residential schools file through an agreement on liability with the Anglican Church. At that time the government indicated that it was having discussions with other denominations.

Oral Questions

With the House about to take a break could the minister responsible for residential schools bring us up to date on this matter?

Hon. Ralph Goodale (Minister of Public Works and Government Services, Minister responsible for the Canadian Wheat Board and Federal Interlocutor for Métis and Non-Status Indians, Lib.): Mr. Speaker, for the second time in three weeks the Government of Canada has settled with another church on sharing compensation to victims of abuse at Indian residential schools.

I am pleased to say that last month it was with the Anglicans, today it is with the Presbyterian Church in Canada. Now, rather than debating legal points, we can all focus on humane solutions for the 100% compensation to victims for validated claims.

I wish to commend the Presbyterians as I did the Anglicans for their courage and moral leadership on this file.

* * *

TOBACCO INDUSTRY

Mr. Svend Robinson (Burnaby—Douglas, NDP): Mr. Speaker, over a year ago the then minister of health promised to ban light and mild labels on cigarette packages. Since then big tobacco companies have threatened to sue the government under NAFTA's chapter 11 if the ban goes ahead.

I want to ask the Minister for International Trade, when will the government finally stand up for the health of Canadians, ban these deceptive labels, and get rid of NAFTA laws that allow big corporations to threaten to sue the Canadian government under chapter 11 for protecting the health and environment of Canadians? When will the government finally act?

[Translation]

Mr. Jeannot Castonguay (Parliamentary Secretary to the Minister of Health, Lib.): Mr. Speaker, this is a very important question and I thank my hon. colleague for having raised it in the House. It is also a very complex question.

Some hon. members: Oh, oh.

Mr. Jeannot Castonguay: It is clear that in deciding whether or not to ban the term "light" from cigarette packages, we will have to make sure that the decision is not made in isolation but in a global context to reflect the overall complexity of this issue. This is what we will do.

* * *

HIGHWAY INFRASTRUCTURE

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, yesterday, the leader of the Liberal Party of New Brunswick moved a motion in the Legislative Assembly to compel the federal government to respect the commitment of the Minister of Labour, responsible for New Brunswick, regarding highways 11 and 17. The motion received the unanimous support of all parties. The minister promised an additional \$90 million, but she now says that this is not new money.

Can the Minister of Transport indicate if the federal government will honour its initial commitment and provide the additional

\$90 million for highways 11 and 17, and bring closure to this matter, which is becoming increasingly—

The Speaker: The hon. Minister of Transport.

[English]

Hon. David Collenette (Minister of Transport, Lib.): Mr. Speaker, the hon. member asked this very same question yesterday and I gave an answer. In case the answer was not clear I would direct his attention to *Hansard* and perhaps he will be edified.

* * *

TRANSPORT

Mr. John Herron (Fundy—Royal, PC): Mr. Speaker, earlier in question period I gave notice to the transport minister concerning the closure of the Oshawa marina due to an adjacent contaminated site. Residents of the marina, moreover the municipal government, are distraught by the closure. The Oshawa MP will not even meet with council on the matter and relations have broken down with the port authority.

Would the minister commit to having his officials meet with council and other stakeholders in Oshawa to seek and facilitate a solution to this acrimonious situation?

Hon. David Collenette (Minister of Transport, Lib.): Mr. Speaker, I have discussed this matter a number of times with the mayor of Oshawa, Nancy Diamond. She understands the federal government's position.

The Oshawa Harbour Commission has jurisdiction over these lands and has come to the decision that the contamination is such that it is unsafe to continue the marina operation. It is hoped that the matter can be resolved over the winter months with the restoration of marina services next year.

This issue is proceeding in a normal way and I have hope that the marina will once again be open.

* * *

NATIONAL DEFENCE

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, the Deputy Prime Minister has stated that he did not believe the retired generals who called for increased defence funding.

Last month the minister himself stated that we needed to put more money into the military. He said that Canada cannot sit at the G-8 table and go to the bathroom when the bill comes. The defence committee, the defence minister and the officers of the armed forces have all said we need more money.

What happened in the past month to make the minister flip-flop and why is he going back to the bathroom to hide?

● (1450)

Hon. John Manley (Deputy Prime Minister and Minister of Finance, Lib.): Mr. Speaker, it was my privilege as foreign minister to see members of the Canadian Forces in action on the ground in various parts of the world. In every case I was proud of them, their capability, and their skill at what they were going. I am sick and tired of listening to people like that member get up and rip them to pieces.

Either this is an excellent organization that deserves increased funding or it is as bad as she and others on that side say it is, in which case maybe it should have less money.

* * *

JUSTICE

Mr. Vic Toews (Provencher, Canadian Alliance): Mr. Speaker, the proposed sex offender registry is a puff of wind in a tornado of crime. It exempts all currently convicted sex offenders while future convicts are provided the tools to tie up the courts and frustrate the police. Canadians want a registry where convicted sexual predators are automatically registered.

Will the minister promise Canadians today that registration for convicted sex offenders will be automatic?

Hon. Wayne Easter (Solicitor General of Canada, Lib.): Mr. Speaker, as a former provincial attorney general the member should know that the previous crimes of criminals are in the CPIC system. They are there so police can find information rapidly. The sexual offender registry will be an addendum to the CPIC system. It will give the police the tools to investigate quickly and prevent future crimes.

The member should be congratulating us. As a former attorney general I believe he was one of the ones who wanted it.

Mr. Vic Toews (Provencher, Canadian Alliance): Mr. Speaker, the Solicitor General thinks that the charter only protects the rights of criminals and that is why he brought in this faulty registry. What about victims? Instead of zero tolerance for sexual predators the Liberal minister has shown zero respect for the victims of crime?

Why will the minister not stand up and say that he will automatically register sexual predators?

Hon. Wayne Easter (Solicitor General of Canada, Lib.): Mr. Speaker, as opposed to members in the opposition, this Solicitor General in this government believes in the rights of all Canadians. That is why we established the Charter of Rights and Freedoms.

Maybe the opposition critic does not believe in the rehabilitation of people who have done something wrong in society, went to prison as a result, and did their time. Maybe he does not believe they should have the right to exercise their full human potential. I do, and we will do the right thing here.

* * *

[Translation]

CANADIAN BROADCASTING CORPORATION

Ms. Christiane Gagnon (Québec, BQ): Mr. Speaker, the Journalistic Standards and Practices of the Canadian Broadcasting Corporation are clear. They stipulate, and I quote:

The CBC must not only be impartial, it must also project an image of impartiality.

In this context, how does the Deputy Prime Minister justify the fact that Claude Beauchamp, anchor of the RDI program *Capital actions*, is on the Board of Governors of the very federalist Canadian Unity Council?

Oral Questions

[English]

Ms. Sarmite Bulte (Parliamentary Secretary to the Minister of Canadian Heritage, Lib.): Mr. Speaker, the hon. member knows, being a member of the heritage committee, the role that the CBC plays in this country. The committee has been studying, for almost two years now, the role of the broadcasting industry and looking at renewing the act.

If the member is concerned, as we prepare our report, may I suggest that she bring those things to the committee so it can be tabled in the House where we can all look at it.

[Translation]

Ms. Christiane Gagnon (Québec, BQ): Mr. Speaker, that is not the issue. Not only must the CBC be impartial, but so must its employees.

The Journalistic Standards and Practices of the Crown corporation stipulate that hiring persons identified with political parties or pressure groups may only be authorized if the person concerned has refrained from public activity in the party or group for at least two years.

As Claude Beauchamp is on the Board of Governors of the Canadian Unity Council, will the Deputy Prime Minister finally denounce the CBC for failing to comply with the rules that stipulate—

• (1455)

The Speaker: The Parliamentary Secretary to the Minister of Canadian Heritage.

[English]

Ms. Sarmite Bulte (Parliamentary Secretary to the Minister of Canadian Heritage, Lib.): Mr. Speaker, the Canadian Broadcasting Corporation, which I have said time and time again in the House of Commons, is an independent agency of the crown.

We will not influence the hiring of people. We do not get involved in union negotiations nor contracts. The CBC is independent from the government, and rightly so. It is our national broadcaster. It is not a nation owned broadcaster, so I do not understand the member's concern.

* * *

AGRICULTURE

Mr. Rick Casson (Lethbridge, Canadian Alliance): Mr. Speaker, the government has done nothing to address the situation many of our farm families are facing as result of this year's record drought and disastrous growing conditions.

And now a lack of will by the government to deal with harmful trade policies and an inefficient transportation system has further compounded an already critical situation.

Why has the minister abandoned his commitment to support all sectors of the industry by allowing the importing of butter oil sugar blends and allowing domestic policies that are hindering the flow of grain?

Oral Questions

Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, the concern of the dairy industry with regard to butter oil sugar blends has been taken before the CITT here in Canada. The government did that. The CITT ruled on that and, of course, as the government does, we will abide by the ruling of the CITT.

Mr. Rick Casson (Lethbridge, Canadian Alliance): Mr. Speaker, the dairy industry is very upset with that ruling. As a matter of fact, it is having a rally next week to protest what the government is doing. Grain producers are also unable to ship the grain, what little they have left.

Why will the agriculture minister and the trade minister not get up off their collective sacks of unsold agricultural products and go to bat for Canadian farmers and solve these issues?

Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, the Minister for International Trade and I are constantly working with, not only our industry here but with other countries around the world in order to improve the international rules through the World Trade Organization and our membership in the Cairns Group as well.

In conjunction with the industry, we put together a very strong negotiating position, which is supported by the industry across the country, to take to the WTO to support and work with them on their behalf.

* * *

[Translation]

SPORTS

Mr. Mauril Bélanger (Ottawa—Vanier, Lib.): Mr. Speaker, my question is for the Secretary of State for Amateur Sport.

We all agree, or at least should all agree, that it is perfectly legitimate for our athletes to be proud of the province or region they come from.

Will the secretary of state tell the House how he plans to ensure that national sports organizations respect this freedom of expression for our athletes?

Hon. Paul DeVillers (Secretary of State (Amateur Sport) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, earlier today, I required that Sport Canada forward the following statement to all national sports organizations:

Pursuant to the principles of the Canadian Charter of Rights and Freedoms, the position of Sport Canada is that sports organizations receiving funding from the government must not prohibit athletes who so desire from carrying the Canadian flag or the flag of a province or territory at a sports event, nor should it punish them for doing so.

The purpose of this statement is not to prevent organizers of international sports events from establishing rules and protocols that must be followed—

The Speaker: The hon. member for Kamloops, Thompson and Highland Valleys.

[English]

VETERANS AFFAIRS

Mrs. Betty Hinton (Kamloops, Thompson and Highland Valleys, Canadian Alliance): Mr. Speaker, let me get something straight before I begin. The Canadian Alliance forced the government to register sex offenders. It did not do it on its own and it is doing it wrong. The justice minister is right. He is transparent. On this side of the House, we can see right through him.

My question is for the Minister of Veterans Affairs.

Mr. Trotter and two other veterans have yet to see their cheques. When will these honourable men receive the \$20,000 that the minister promised them?

Hon. Rey Pagtakhan (Minister of Veterans Affairs and Secretary of State (Science, Research and Development), Lib.): Mr. Speaker, I was very pleased to announce on behalf of the Government of Canada that we are able to pay ex gratia payments to Mr. Trotter and other veterans under similar circumstances. In fact, today I just okayed a letter that will go to Mr. Trotter. If the cheque has not been received, it is already in the mail.

• (1500)

Mrs. Betty Hinton (Kamloops, Thompson and Highland Valleys, Canadian Alliance): Mr. Speaker, that is good news and I appreciate that.

While the minister is in such a good mood, let me point out that Al Trotter did not only fly half of his 44 missions. He flew all of them. He did not serve only half of his time in a prisoner of war camp. He served all of it.

Why will the minister not consider giving these veterans every penny that they have earned?

Hon. Rey Pagtakhan (Minister of Veterans Affairs and Secretary of State (Science, Research and Development), Lib.): Mr. Speaker, when I was seized of the case of Mr. Trotter, I thought it would be only fair to consider all prisoner of war veterans who fell under similar circumstances. We should also indicate that ex gratia payments are also based on the principle of responsible public spending. We have taken all factors into account and we feel that this is an offer of gratitude to Mr. Trotter, and we feel that this is fair.

* * *

[Translation]

MAPLE SYRUP PRODUCERS

Mr. Odina Desrochers (Lotbinière—L'Érable, BQ): Mr. Speaker, 87 maple syrup producers in Quebec got a raw deal when a distributor went bankrupt. In addition to not getting paid for their 2000 harvest, these producers are now being forced to reimburse advances given by the federal government under the Advance Payments Program. The Fédération des producteurs acéricoles du Québec estimates the amount of uncollected money to be approximately \$2 million.

Does the minister not believe it is time to support the federation, rather than strangling these Quebec producers by forcing them to reimburse subsidies when they were never paid for their syrup?

[English]

Hon. Lyle Vanclicf (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, I believe this is a business arrangement. This is a business situation that happened between producers and a processor in the province of Quebec. It is one that will have to be worked out according to business standards.

* * *

HEALTH

Mr. John Cannis (Scarborough Centre, Lib.): Mr. Speaker, the member for Saskatoon—Rosetown—Biggar is once again upholding the Alliance tradition of cheap political maneuvering. Notwithstanding the facts, she argued yesterday that the Standing Committee on Health had backtracked on its commitment to discuss health care reform.

Could the chairperson of the Standing Committee on Health inform the House as to the work and the agenda of the committee?

Ms. Bonnie Brown (Oakville, Lib.): Mr. Speaker, members should know by now that the standing committee's first responsibility is to review legislation sent to it by the House. We did that, and this morning I reported on Bill C-13. It might have been faster, except for the obstructionist tactics employed by the Alliance members during clause by clause.

In addition to that, three times in the last two weeks Alliance members asked the committee not to meet due to social events they had to attend. Once again they want to have it both ways. It cannot be done.

* * *

ABORIGINAL AFFAIRS

Mr. Jim Pankiw (Saskatoon—Humboldt, Ind.): Mr. Speaker, according to Statistics Canada, the crime rate for Indians is 10 times that of non-Indians in Saskatoon and 12 times in Regina. This problem is exacerbated by a Criminal Code requirement instructing judges to give preferential treatment to Indian criminals.

There are three Indian affairs bills before Parliament, none of which address the chronic problem of Indian crime, nor the racist two tier sentencing provision.

Why is the justice minister opposed to restoring the Criminal Code to guarantee equality and fairness for all Canadians?

Hon. Martin Cauchon (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, we have been working with the province of Saskatchewan with regard to the situation of natives. We are aware of the situation. We are getting involved with the province through the crime prevention program. We have put in place as well the court worker program. They go together well.

Of course we have to keep working but we are working jointly and in partnership with the province of Saskatchewan.

* * *

PRESENCE IN GALLERY

The Speaker: I wish to draw to the attention of hon. members the presence in the gallery of Mr. Dave Williams, one of our Canadian astronauts who has been selected as a crew member for the

Business of the House

international space station construction site scheduled to launch in November 2003.

Some hon. members: Hear, hear.

The Speaker: I also wish to advise hon. members, since it is the Christmas season, that there will be a small reception for hon. members in room 216 following the royal assent ceremony which will be held, as hon. members know, at 5 o'clock this afternoon. After the ceremony there will be an opportunity for members to come in and raise a glass to celebrate the season. I invite all members to attend.

THE ROYAL ASSENT

● (1505)

[English]

The Speaker: Order, please. I have the honour to inform the House that a communication has been received as follows:

Government House
Ottawa

December 12, 2002

Mr. Speaker:

I have the honour to inform you that the Right Honourable Adrienne Clarkson, Governor General of Canada, will proceed to the Senate chamber today, the 12th day of December, 2002, at 5 p.m., for the purpose of giving royal assent to certain bills of law.

Yours sincerely,

Barbara Uteck,
Secretary to the Governor General

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BUSINESS OF THE HOUSE

Mr. John Reynolds (House Leader of the Official Opposition, Canadian Alliance): Mr. Speaker,

Thirteen days before Christmas and all through the House,
the Prime Minister sat listening to his backbenchers grouse.
When all of a sudden there arose such a clatter,
I dropped both my crutches and yelled, "What's the matter?"
And what did my wondering eyes then behold,
But a tiny House leader all decked out in gold.
"That is government House leader", he boldly declared,
Then sat at his desk and he glared and he glared.
That withering glare made me cower and meek
But I still had to ask for his plans for next week.

Hon. Don Boudria (Minister of State and Leader of the Government in the House of Commons, Lib.): Mr. Speaker, my response will not be in prose and verse. I just have not been hit yet with the attack of *Jingle Bells*, which undoubtedly seems to be striking here and there in the House.

We will continue this afternoon with the prebudget debate.

Tomorrow we shall consider report stage of Bill C-3, the Canada pension plan amendments. If there is any time left, we would then proceed with Bill C-15 respecting lobbyists. I intend to speak to other House leaders about that.

Speaker's Ruling

I shall communicate directly with members concerning the order of business, when we return from the adjournment on January 27. This will include any of the aforementioned business not completed, which includes: Bill C-3 and Bill C-15, obviously; Bill C-2, the Yukon bill; Bill C-6, specific claims; Bill C-10, the Criminal Code amendment; Bill C-19, the first nations bill; Bill C-20, protection of children; Bill C-22, the divorce legislation; and Bill C-23 respecting certain offenders.

As members can see, there are lots of items on the legislative agenda.

I would like to take this opportunity to express my best wishes for the holiday season and, of course, a happy new year 2003 to all hon. members, our staff and pages, not to mention the busboys.

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PRIVILEGESTANDING COMMITTEE ON PROCEDURE AND HOUSE OF AFFAIRS—
SPEAKER'S RULING

The Speaker: I am now prepared to rule on the question of privilege raised yesterday by the hon. opposition House leader concerning the conduct of the Standing Committee on Procedure and House Affairs with respect to its obligations following the adoption by the House of the committee's 4th report.

I thank the hon. opposition House leader for having raised this matter, as well as the hon. members for Beauport—Montmorency—Côte-de-Beaupré—Île-d'Orléans, Acadie—Bathurst and Brandon—Souris, the hon. government House leader and the hon. members for Mississauga Centre and Peterborough for their contributions on the question.

The hon. opposition House leader rests his case on the House's concurrence on November 6, 2002 in the 4th report of the procedure and House affairs committee. He argues that in so doing, the House gave the committee an order of reference to report to it, before the end of the fall sitting, standing orders that would implement the proposals contained in the report.

I need not remind members that the 4th report of the procedure committee contains a wide ranging proposal for changes to our procedure with regard to private members' business. Notably, this proposal guarantees each eligible member debate on at least one item of private members' business during the course of a Parliament. It also provides, except in certain circumstances, that all items of private members' business would be votable. These recommendations repeat those contained in the committee's 66th report presented in the first session of this Parliament but never taken up by the House.

● (1510)

[Translation]

The Procedure and House Affairs Committee has met to review the draft Standing Orders provided by the Clerk. It considered them in the context of a draft report which recommended that they be made the provisional rules governing private members' business for the period January 27, 2003 until the end of this Parliament; and further provided for the committee to revisit and perhaps make changes to this provisional regime a year after its coming into force.

The committee decided by majority vote not to submit the draft provisional Standing Orders to the House.

[English]

Instead, the 14th report of the committee was presented to the House on December 11 recommending the continuation of the existing private members' business procedure "until such time as the Special Committee on... Modernization completes its business and reports to the House of Commons". I am quoting from the words of the report in that case. The hon. opposition House leader argues that in so doing, the committee displayed contempt for the House and asks the Speaker to find that there thus exists a *prima facie* breach of privilege.

As all hon. members will know, like previous Speakers I am always reluctant to interfere in the internal proceedings of committees. Our practice has been quite consistent in disputes such as this one. Should a committee report concerning matters related to breaches of privilege or contempt, the Chair stands ready to accept such a report as evidence of a *prima facie* question of privilege and permit the House to proceed accordingly. I refer hon. members to *House of Commons Procedure and Practice*, page 827 and to the ruling of Mr. Speaker Fraser on March 20, 1990, at pages 956 to 958 of the *Debates*.

The case before us, like many such cases that have been brought before the Chair, is not based on a committee report. Rather the hon. House leader of the official opposition, supported by representatives of the other opposition parties, argues that the procedure committee has acted counter to its order of reference which, as I noted earlier, he interprets as the text of the fourth report in which the House has concurred.

[Translation]

Although I have no intention of entering into a debate on this subject, I believe it is important to note certain facts in this case.

[English]

I draw to the attention of the House a statement from the introductory paragraph of the fourth report which reads, and I quote:

We understand that some Members of the House and some Senators, may have concerns with respect to a few of the recommendations in [the 66th] report, and these should be addressed prior to the changes being adopted and implemented.

The proceedings of the committee indicate that attempts have been made to address those concerns.

Furthermore, and perhaps most significantly, the fourth report concludes with the following words:

Accordingly, we would request that the Clerk of the House of Commons draft the necessary changes to the Standing Orders, and that these be submitted to the Committee for approval when the House of Commons resumes sitting in the autumn of 2002.

My understanding is that the Clerk did submit the changes to the committee and that these changes were considered but not approved by the committee. I refer members to the Journals, December 11, at page 298 and to the minutes of the committee that were tabled with the report.

● (1515)

There is quite evidently a serious problem here, but I am not persuaded that it is a procedural problem. The committee has presented a report recommending an alternate course of action to that which the House selected in adopting its fourth report. It is true that in adopting the fourth report, the House has agreed to a new approach to private members' business. However it is also clear from the concluding lines of the fourth report, that the House agreed to have the draft Standing Orders implementing this new approach presented to the committee for its consideration and approval. The committee has considered the matter and recommends no action at this time.

The Chair can appreciate the frustration expressed by hon. members at this turn of events in the committee. If the House is dissatisfied with the recommendation made by the Procedure and House Affairs committee in its 14th report, there are a variety of options at its disposal to convey its wishes to the committee. Refusal to concur in the 14th report or giving a new order of reference to the committee are two possibilities that readily come to mind. Members will, I am sure, be able to think of others.

The committee has sought to carry out the wishes of the House and has seen fit, after this attempt, to recommend an alternate course of action. I can find no procedural irregularity in such a manner of proceeding. It is for the House to choose the course of action which best suits it in light of what the procedure committee has recommended.

[Translation]

Once again, I would like to thank the hon. opposition House leader for having raised this matter, and all other members who contributed to the discussion.

[English]

QUESTIONS ON THE ORDER PAPER—SPEAKER'S RULING

The Speaker: I am now prepared to rule on the question of privilege raised by the hon. member for Yorkton—Melville on December 4, charging the hon. Minister of Justice and the hon. Parliamentary Secretary to the Minister of the Environment with contempt of Parliament for tabling deliberately misleading information in response to a written question.

I thank the hon. member for Yorkton—Melville for having raised this matter, as well as the hon. Parliamentary Secretary to the government House leader, the House leader of the official opposition, and the hon. members for Winnipeg—Transcona and Pictou—Antigonish—Guysborough for their contributions.

In presenting his case, the hon. member for Yorkton—Melville explained that, during the 1st Session of the 37th Parliament, he had asked a written question of the government, as provided for in Standing Order 39(1), concerning the Canadian Firearms Program. On April 24, a response was tabled on behalf of the government by the hon. Parliamentary Secretary to the Minister of the Environment. The hon. member then presented the procedural basis for a charge of contempt. I summarize his presentation for the House by citing *House of Commons Procedure and Practice*, page 52, which states:

Any conduct which offends the authority or dignity of the House, even though no breach of any specific privilege may have been committed, is referred to as a

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contempt of the House. Contempt may be an act or an omission; it does not have to actually obstruct or impede the House or a Member, it merely has to have a tendency to produce such results.

[Translation]

The hon. member for Yorkton—Melville went on to cite the annual report of the Auditor General, specifically, the study of the Canadian Firearms Program. The Auditor General makes a number of observations critical of the administration of the registry. Among the conclusions the Auditor General reached was that the government had provided the House with incomplete and misleading information concerning the Canadian Firearms Program. The hon. member claimed that the answer to his question fell within the ambit of this misleading information. He then outlined the serious consequences of such behaviour on the public perception of the dignity and the authority of the House.

[English]

The hon. member for Yorkton—Melville highlighted several points in the report of the Auditor General. He cited the apparent failure of the Department of Justice to provide sufficient information to Parliament to allow for a full scrutiny of the gun registry program. He also repeated the claim that the government did not adhere to Treasury Board guidelines and policy in reporting these program expenditures, noting particularly the Auditor General's concerns regarding the lack of an adequate explanation for the program's major supplementary estimates.

● (1520)

Before I respond to the member's concerns, I must first remind members that, in general, the Speaker has no role in reviewing the content of responses to written questions. I refer to Marleau and Montpetit page 443 where a previous ruling makes this quite clear:

The Speaker has ruled that it is not the role of the Chair to determine whether or not the contents of documents tabled in the House are accurate nor to "assess the likelihood of an Hon. Member knowing whether the facts contained in a document are correct".

The Chair's power in this case is limited to whether or not there has been any transgression of our procedural rules or any breach of parliamentary privilege.

[Translation]

Since the hon. member's case rests in large part on the report of the Auditor General, the Chair has reviewed what that report has to say about the gun registry program.

[English]

As members well know, the report raises various serious complaints about the program. However, as your Speaker, it is not up to me to judge the substance of the complaints but rather to ensure that the process for debating or otherwise dealing with them is respected.

Basically, our procedure relating to the business of supply dictates that the government must not spend money on programs without the approval of Parliament. Neither the hon. member for Yorkton—Melville nor the report of the Auditor General have suggested that any program funds were not voted by Parliament.

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I would draw the attention of hon. members to page 234 of Maingot's 2nd edition of *Parliamentary Privilege in Canada*, wherein he lays out the conditions that must be met to constitute a *prima facie* breach of privilege in such a case:

Before the House will be permitted by the Speaker to embark on a debate in such circumstances...(it must be demonstrated) that a Member of the House of Commons was intentionally misled or an admission of facts that leads naturally to the conclusion that a Member was intentionally misled, and a direct relationship between the misleading information and a proceeding in Parliament is necessary.

In reviewing page 141 of the 19th edition of Erskine May, which the hon. member cited in his arguments, it is also stated that it is "a breach of parliamentary privilege to present forged, falsified or fabricated documents to either House or to Committees of either House". No evidence has been presented that a specific item in the government response represents a deliberate attempt on the part of the government to present false or inaccurate information.

[Translation]

The argument has been made that the Department of Justice apparently failed to provide sufficient information to members. That is a matter of debate, not a question of privilege.

[English]

I would remind all hon. members that the responsibility for pursuing a full investigation of the issues during their study of the main and supplementary estimates in this chamber and in committees rests with them. Members require adequate and accurate information to undertake appropriate oversight of government spending. However, it is for members themselves to judge the amount and form of the information provided. For example, recent changes to our Standing Orders provide an extended study in the chamber of specific votes in the main estimates.

The role of Parliament in overseeing government spending has long been a source of concern for hon. members and for observers and commentators on Parliament. Perhaps the airing on this issue will lead to better planning of the study of the estimates over the course of each Parliament. The recent creation of the Standing Committee on Government Operations and Estimates appears to offer an excellent forum for developing creative solutions to the daunting challenge of effective parliamentary oversight of government spending in this day and age. I use the prerogative of the Chair to encourage members in this regard.

Under the circumstances, however, I can find no procedural grounds for finding a *prima facie* breach of privilege in this case. I wish to thank the hon. member for Yorkton—Melville for his well-researched and thoughtful intervention on this matter, as well as other hon. members.

The Chair has notice of a question of privilege from the right hon. member for Calgary Centre arising from question period?

ORAL QUESTION PERIOD

Right Hon. Joe Clark (Calgary Centre, PC): Mr. Speaker, I thank you for your patience. I am really rising to reserve a right to raise a potential question relative to a matter that flowed out of question period today.

The Minister of Justice indicated again in question period today with respect to the \$72 million, which expenditure that had been

denied by Parliament, that he had found other sources in the department but that the taking of that \$72 million from the Department of Justice would have no impact on that department's other operations.

We are all familiar with the practice of exercising recourse to Treasury Board for money taken from a contingency fund that would subsequently be authorized at a later date and later paid back.

I think what we may have here is either an action being taken by the government that is exactly contrary to a decision of Parliament to deny the spending of that \$72 million or we have an action whereby the government is using funds for reasons other than the reasons for which those funds were appropriated by Parliament.

My colleague from South Shore and I are looking into the circumstances of this case, but I wanted to take the first opportunity available to me to reserve my right to raise a question of privilege on a later occasion.

Hon. Don Boudria (Minister of State and Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the right hon. member is alleging that the Minister of Justice will use funding under what is called Treasury Board Vote 5. The Minister of Justice said nothing of the sort. A review of the minister's statement of today would confirm that.

The Minister of Justice committed himself this morning to fulfilling his duties with respect to the firearms registry within the existing authority. He clearly said that. That authority, and we can review it, consists of the Firearms Act and the Appropriation Act passed as Bill C-59 in June 2002.

The minister has indicated that if in managing the funds voted to him last June he requires additional funds to deal with his responsibilities under the Firearms Act, he will come back to the House with a supplementary estimate. We still another round of those before the end of the fiscal year, as the right hon. member will know or should know.

In other words, the minister has said that he will operate within the authority already granted by Parliament and if this is not sufficient, he will ask Parliament for further authority. There is nothing in this that constitutes either contempt or in any way disrespect for this great institution. It is the exact opposite.

• (1525)

The Speaker: I do not think we need hear more on this because the right hon. member is simply reserving his right to raise this. He has not raised it, really, and because he wanted not to be accused of not raising it at the earliest opportunity, I presume, he indicated to the House that he was raising it now in case he finds out other facts that back up his argument, and then he would make more arguments.

The government House leader has certainly issued his point of clarification. I do not think we need hear further at this point because even the right hon. member admitted he did not have a question of privilege yet. He might get one but he has not got one yet. He wanted to make sure his rights to raise this were protected.

In the circumstances, I can thank him for bringing the matter to the Chair's attention and we will hear from him further should the need arise.

[Translation]

The Chair has received another notice of a question of privilege from the hon. member for Hochelaga—Maisonneuve.

SPECIAL COMMITTEE ON NON-MEDICAL USE OF DRUGS

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, I rise on a question of privilege regarding the premature and unauthorized disclosure of the minority report of the Special Committee on Non-Medical Use of Drugs, tabled this morning.

As you know, the contents of the reports of the various House committees have always been considered confidential, up until the moment reports are tabled in the House. Incidentally, page 884 of *House of Commons Procedure and Practice* is very clear on this, and I quote:

Committee reports must be presented to the House before they can be released to the public.

Furthermore, on the same page, it states:

Even when a report is adopted in public session, the report itself is considered confidential until it has actually been presented in the House. In addition, where a committee report has been considered and approved during in camera committee meetings, any disclosure of the contents of a report prior to presentation, either by Members or non-Members, may be judged a breach of privilege.

I know that the Chair has—on numerous occasions, including in the December 9, 1997 ruling by your predecessor, Speaker Parent—refused to recognize that there has been a breach of parliamentary privilege in cases of leaks of committee report contents before they were tabled in the House.

Mr. Speaker, the situation is different in this case. Judging by the various newspaper articles I sent to your office this morning, it seems clear that certain members of the Committee on Non-Medical Use of Drugs gave interviews which to a large extent enabled reporters to learn the contents of the report before it was even tabled here in the House.

I am referring to the interviews given by our colleague, the member for Laval East, and the Canadian Alliance member for Langley—Abbotsford. Such practices are unacceptable. They discredit the serious nature of the work of parliamentarians in general, and the work of the committee in particular.

The sources are clear. Our colleagues for Laval East and Langley—Abbotsford have clearly breached my privileges as a member of the committee. All MPs on that committee were contacted on numerous occasions to give interviews. We will all agree that this is a subject of interest to parliamentary reporters, but there cannot be a double standard here.

I would fault the member for Laval East in particular, since she belongs to the majority party and, as such, ought to exhibit exemplary conduct.

Mr. Speaker, I would ask you to bring down a ruling for once and for all. You are the guardian of our responsibilities. You are the guardian of our privileges as parliamentarians. If a member of this House does his level best in committee, but committees are not

Privilege

places where confidentiality or commitment and respect of one's word must prevail, and the Chair does not call a halt to certain practices which are becoming far too frequent, far too common, then I would respectfully submit that committee work will no longer have any meaning.

Mr. Speaker, I would ask that you entertain my question of privilege. If you authorize me to do so, I will move the appropriate motion under the Standing Orders.

● (1530)

Mr. Jacques Saada (Brossard—La Prairie, Lib.): Mr. Speaker, first I would like to point out that in his statement, my hon. colleague asked that majority members behave in exemplary fashion. I hope he does not mean by that that those members who are not majority members are exempt from such behaviour.

Second, just a few days ago, a preliminary report dealing with the issue under consideration in this committee was released. This goes to show that much was already in the public domain.

Third, I want to associate myself with what my hon. colleague opposite said in this respect. The issue of leaks that breach the confidentiality of reports before they are released to the public is not a new one. It has been a problem for some time. Not so long ago, not quite two years ago, I remember speaking out against the approach taken by the then member for Berthier—Montcalm, who granted an interview on the Sunday morning when the report was to be tabled on the Monday.

I do not find this kind of thing acceptable. I agree with the principle. I am simply challenging today's allegation that this principle whereby reports must remain confidential until they are tabled has been violated by my colleagues. I prefer to stick to facts. These are that a report was tabled, and there have been extensive discussions about its contents before the report was finalized. This in no way suggests that the final report was made public earlier than it should have been.

[English]

Mr. John Reynolds: Mr. Speaker, I would just like to state that the member they were referring to has been ill, is in the hospital and is recovering right now.

I would hope that if there is anything the Speaker would like we would hold off until we come back in the New Year, when I am sure he will be healthy and wealthy after the holiday season and able to explain. I know he is a well respected member of the House and would not be leaking anything in advance, anything that should not be leaked, because he is very much a hardworking member of that committee.

[Translation]

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, I think the allegations of the deputy government whip are unfounded, although not deliberately so, I imagine.

But let us be clear. The special committee on drugs, it is true, passed a motion, and an initial part of our report was released. But the statements made and the interviews given by the two hon. colleagues whom I mentioned dealt with the section specifically released this morning—Chapter 9 on marijuana.

Points of Order

I am therefore asking the deputy whip not to use diversionary tactics and to stick to the facts. All parliamentarians in the House must conduct themselves in an exemplary fashion. I agree with him. However, this responsibility is even greater for members of the ruling party because the government has an executive responsibility. So let us be clear. I am asking that the deputy government whip not use diversionary tactics.

Mr. Speaker, you are the guardian of our freedoms. Breaching the code of honour, which should guide all members of the House, is unacceptable. Giving interviews on the substance of a report before that report is released demonstrates a lack of honour.

Mr. Jacques Saada (Brossard—La Prairie, Lib.): Mr. Speaker, I would like to raise two points very briefly. I do not want to take too much of the House's time on this matter.

First, I want to inform my hon. colleague from the Canadian Alliance that I never referred to anyone leaking anything. I fully respect the possibility that the hon. colleague did nothing reprehensible in this regard.

The matter—decriminalizing marijuana use—that was debated or talked about by the media has been the subject of public debate in the House for many many months now. There is nothing new here. This is a tempest in a teapot.

• (1535)

[English]

The Speaker: Order, please. The Chair will take this matter under advisement that has been pointed out by the hon. member for West Vancouver—Sunshine Coast.

[Translation]

The hon. member from the Canadian Alliance involved in this question of privilege is not in the House at this time, nor is the hon. member for Laval East. I feel we should hear what they have to say before ruling on this matter.

The Speaker's ruling will be deferred to a later date, probably after the House has adjourned for the holiday period.

[English]

I have a notice of a point of order from the hon. member for Renfrew—Nipissing—Pembroke first.

* * *

POINTS OF ORDER

STATEMENTS BY MEMBERS

Mrs. Cheryl Gallant (Renfrew—Nipissing—Pembroke, Canadian Alliance): Mr. Speaker, today during statements pursuant to Standing Order 31, the member for Hull—Aylmer in a statement to the House made a comment that was false. I wish him to withdraw the statement and I wish to have the record corrected.

[Translation]

Mr. Jacques Saada (Brossard—La Prairie, Lib.): Mr. Speaker, I would like my hon. colleague to be more specific in her allegation.

[English]

The Speaker: I agree. I think the hon. member for Renfrew—Nipissing—Pembroke will perhaps have to indicate to the House

what the false statement was. We are quite prepared to review the blues, but he spoke for a minute. Is the entire statement false? Perhaps she could be a little clearer.

Mrs. Cheryl Gallant: Mr. Speaker, the member for Hull—Aylmer made the comment in the House that the householder I provide to my constituents is not available in both official languages. This allegation is absolutely false. While I appreciate the fact that the government members have nothing more to do with their time than waste the business of the House, he should have read my householder more carefully. He would have seen that it is available in French for anyone who requests it.

For Canadians who are watching these proceedings, the House loses every time something like this occurs. The communicator I provide to all constituents is available in both official languages and I invite the member to withdraw his comments.

[Translation]

Mr. Jacques Saada: Mr. Speaker, I can talk about this knowledgeably because I read the part that my hon. colleague is referring to. There was in fact a short paragraph on the front page of the householder that the hon. member sent to her riding. It was in a small shaded box and was supposedly written in French, indicating that the documents might be available in French or that information in French could be obtained from the office.

I was utterly unable to understand what was written, so completely fractured was the French. There were words that do not exist in French. There were words that could be understood individually, but had nothing to do with the subject. The hon. member for Hull—Aylmer was perfectly justified in his criticism.

The Speaker: Obviously, this a subject for debate. In my opinion, it is not a point of order that the Speaker can address. The hon. members may discuss it among themselves.

[English]

I am sure that after some discussion they will reach some kind of understanding, at least of the other's position, but it does not sound to me as though this is a matter for intervention from the Chair.

Mr. Greg Thompson: Mr. Speaker, in thinking of this very generous season that we are moving into I would like some clarity from you as Speaker.

I think I am correct in this, and I sort of scratched down notes as you were speaking. In that generous invitation where you invited all members to join you, the phrase you used was to raise a glass in celebration of the season, but you did not identify or clarify what season you were speaking of, the holiday season or the Christmas season. Which is it, Mr. Speaker?

The Speaker: 'Tis the season to be jolly and the hon. member will want to come and enjoy it. I trust that clarifies the position for the hon. member.

The hon. member for Thunder Bay—Superior North on a point of order.

*Government Orders***GOVERNMENT ORDERS**

● (1540)

FIREARMS PROGRAM

Mr. Joe Comuzzi (Thunder Bay—Superior North, Lib.): Mr. Speaker, my point of order is on the same issue that the right hon. member brought up to protect his rights in the event that somewhere down the line they needed some protection.

What I want to talk about is the ministerial statement made by the Minister of Justice this morning. I think the area of ambiguity, the area that needs some clarification, is this, and I quote from his words: "I have already indicated that there are some limited funds left in the firearms program. We are looking within existing justice operational appropriations to manage any shortfall in program resources until the review is completed".

Those were his words and I trust that he will clarify them. What we are particularly concerned about is that sometime last week when the supplemental estimates were coming before the House there was a \$72 million item that was removed, we will recall, from the supplementary items because of the Auditor General's report with respect to the mismanagement of the firearms registration process.

What we want in the clarification from the minister is that he should also confirm to the House that funds he talks about as operational will not be used from other ministries such as the Solicitor General to support the firearms registration system, but more importantly, that only funds heretofore approved by the House for other justice programs not be diverted to the firearms program.

The Speaker: The hon. member for Thunder Bay—Superior North has raised essentially the same point, notice of which was given by the right hon. member for Calgary Centre. I am sure he will want to follow events in regard to these expenditures with care, as will the right hon. member for Calgary Centre evidently, and I am sure other hon. members. I am sure that should there be some procedural irregularity with respect to expenditure, the hon. members will be back to the House in due course.

However I think the hon. member for Thunder Bay—Superior North knows that really his question ought to go to the government House leader who provided some kind of response in comments he made earlier to the sort of suggestion the hon. member made. Of course he can raise the matter with the Minister of Justice himself, which I know he and the right hon. member for Calgary Centre will do.

* * *

BUSINESS OF THE HOUSE

The Speaker: I have received notice from the hon. member for Lanark—Carleton that he is unable to move his motion during private members' hour on Friday, December 13.

[Translation]

Since it has not been possible to arrange an exchange of positions in the order of precedence, I am directing the Clerk to drop that item of business to the bottom of the order of precedence.

[English]

Private members' hour will thus be cancelled and the House will continue with the business before it prior to private members' hour.

[Translation]

PREBUDGET CONSULTATIONS

The House resumed consideration of the motion.

Mr. Antoine Dubé (Lévis-et-Chutes-de-la-Chaudière, BQ): Mr. Speaker, first, I would like to say that I will be sharing my time with the member for Lotbinière—L'Érable.

Prebudget consultations are held every year. However, they are even more important this year. In fact, there is a very important issue at stake in health care between the federal government and the provinces. There will be a first ministers' meeting about the issue at the beginning of January.

During this meeting, the provinces will attempt to convince the federal government to reinvest in health, perhaps not as much as it did when the Canada Health Act was passed in the late 1970s, but at least as much as Mr. Romanow suggested, which is 25%. Right now the government is only investing 14%. This is the context in which this meeting will take place.

Before beginning my comments, since these are prebudget consultations, I would like to highlight the remarkable effort and talent of our finance critic in recent years. His forecasts have consistently been better than those of the former Minister of Finance, who aspires to be the next Prime Minister. In the last three years alone, the latter has been off in his budget forecasts by 300%.

We were hoping that the current Minister of Finance would be better. Obviously, this will be his first official budget, likely in February. We will see at that time. However, already in his prebudget forecasts, we can see that he suffers from the same propensity—I dare not use a stronger word—as the former Minister of Finance, which is the propensity to hide the surplus somewhat.

Mr. Odina Desrochers: He is massaging the figures.

Mr. Antoine Dubé: As the member for Lotbinière—L'Érable said, he is fiddling with the figures.

An hon. member: He said he is massaging the figures.

Mr. Antoine Dubé: He can say what he likes, because he will have the floor after me. In the spirit of the holidays, I would like to use less aggressive, more parliamentary language.

So, these were errors, but there have been surpluses. These surpluses, year in, year out, have always been greater than \$10 billion recently. Ten billion dollars is quite something.

We could talk about the issue of surpluses for a long time. However, I would like to add another dimension to the debate. For years, for a very long time now, the federal government has enjoyed interfering in areas of provincial jurisdiction.

Our hon. colleague and new finance critic, the member for Joliette, told us that there was intrusion in provincial jurisdictions to the tune of \$15 billion each year.

Government Orders

I remember reading in a report by the Bélanger-Campeau commission that the cost of administering the federal government's intrusions in provincial jurisdictions from year to year, the cost of administrative overlap, was estimated at the time at \$2 billion. That was in the early 1990s. We can assume that this amount has increased since then. It is quite incredible.

Nonetheless, there is a positive note in the Romanow report. He admits that there is fiscal imbalance. A commission in Quebec, headed by Mr. Séguin, had determined that there was fiscal imbalance between the provinces and the federal government, and that the health needs were obviously in Quebec and in the provinces, but the money was in Ottawa.

Here is what is happening. Everyone knows that the population is aging. Health, in terms of technologies, increased cost of medication, equipment and capital investment has become more expensive. Starting with 23% in 1995, the Liberals in power decreased transfer payments to 14%.

• (1545)

We can talk about fiscal imbalance, but it could be argued that with the increase in costs, there are two dimensions that come into play at the same time in provincial budgets. We can talk about fiscal strangulation. By 2010, the portion of the budget allocated to health and education in Quebec will represent 85% of the costs.

Hon. Martin Cauchon: Mr. Landry talks about fiscal strangulation every night on the evening news.

Mr. Antoine Dubé: I have a lot of difficulty talking at the same time as another member, especially when that member is a minister. He is in the first row and even more audible. I know he wants to wish me a Merry Christmas, but I would ask him to be patient and do so when I have finished speaking, if possible.

The Deputy Speaker: It is nice that he is so attentive.

Mr. Antoine Dubé: I appreciate his attention, but I am having difficulty concentrating.

As well as the cuts to transfer payments, there have also been cuts that have had an incredible effect on the unemployed over time. Employment insurance has been cut, and this has affected the regions. My colleague from Jonquière often points out in this House the effect this has on our ridings. We have seen that in particular in Lac-Saint-Jean—Saguenay, despite the Minister of Justice's talk of moral victory—I do not know if there can be such a thing as an immoral victory. I think the Bloc Québécois victory was a stunning one.

I would like to digress for a moment. Like the Minister of Justice, others ask “What about the relevance of the Bloc? One wonders what a BQ supporter is doing in Ottawa.” My response is that, as long as a majority of people vote for the Bloc Québécois, there will be Bloc Québécois members here. If that is the way things are, it is to meet a need. The people of Lac-Saint-Jean—Saguenay are no less smart than anyone else, nor are the people of Berthier—Montcalm. They voted for the Bloc Québécois, for people who defend the interests of Quebec.

During oral question period, I was closely observing the Liberal members from Quebec, in particular, the minister opposite. There was a sense that they wanted to applaud questions posed by members of the Bloc Québécois on regional issues, so good were the questions. But no, they were obliged, instead, to applaud the poor answers given by the ministers concerned. It is amazing to see what people in power must do.

I know that the hon. Minister of Justice probably does so unwillingly. I know that he knows Quebeckers. He is from the Charlevoix region. It is too bad that he chose to get elected in a very comfortable Liberal riding in Montreal. He knew that in Charlevoix, it would have been much harder. Without wishing to be critical of him, the Liberal Party is not popular in Charlevoix. So he ran in a very comfortable riding. There being less pressure in Outremont than elsewhere, he has more time to spend on government matters. This is all good and well for him, but the people of Charlevoix prefer to be represented by a member like my hon. colleague in the Bloc Québécois. This member works very hard.

We also have the member for Lotbinière—L'Érable, who works very hard, and the member for Jonquière, who works very hard defending the interests of Quebeckers. There is also the member for Argenteuil—Papineau—Mirabel. He is the Bloc's critic on transportation. He talks about the real issues that concern Quebeckers.

For as long as sovereignists take an interest in issues that concern Quebeckers, there will be members of the Bloc Québécois in this House. Some might join other parties, like the Progressive Conservative Party. But currently, if the Bloc Québécois were not here, there would be 36 silent Liberal members voting along party lines.

In closing, I wish the hon. Minister of Justice, as well as my hon. colleagues, a Merry Christmas.

• (1550)

Mr. Odina Desrochers (Lotbinière—L'Érable, BQ): Mr. Speaker, I am currently responding to the work of the federal Electoral Boundaries Commission, which wants to cut off part of my riding, the part that corresponds to the word “L'Érable”. This means taking away 50% of my riding. I hope that these few comments I am making now will make them aware of the importance of belonging.

This is the last time in 2002 that I will speak in the House. As regards the comments that I would have liked to have made, it would have been nice to say that I was satisfied and that I found some positive aspects about this prebudget tour. Unfortunately, I cannot find anything positive in this report.

Personally, when I look at what these people contributed to the report on the prebudget consultations, I feel that it was a complete waste of time and an insult to the people who were consulted. I personally made the prebudget rounds twice, from one end of the country to the other. Everyone had the same expectations, it was always the same question, how is the federal government administering its budget?

First there was the reign of the current member for LaSalle—Émard. Right now, his interests have shifted from finance to the leadership of the Liberal Party of Canada. I understand that what he did, he did for his party. I cannot think of any business that would have kept an accountant whose forecasts were as far off the mark as those of the member for LaSalle—Émard. A 300% margin of error is pretty big.

I have always said about the member for LaSalle—Émard that he massages the figures, manipulates them. By this I mean that all the former Minister of Finance did was make dire predictions and say how bad the situation was. Then, we would later learn through the media that there was a big surplus.

I really do not think the situation is going to change with the current Minister of Finance, the departure of the current Prime Minister and the arrival of the new one. I think the way this government operates is a good reflection of the philosophy of the Liberal Party of Canada. It is not complicated: it consists of strangling Quebec. It consists of strangling the unemployed and making cuts.

In this connection, this morning I heard a parliamentary commentator on the government radio network report that the Prime Minister had asked the Minister of Human Resources Development to slash another 15% from her budget. What does that mean? It means fewer employees in the department's regional offices, it means all of the so-called discretionary programs, which are often there to help community groups and the most disadvantaged, are going to be slashed. Why? To give some leeway to this government for the creation of a program that will end up being administered by a foundation. It will ignore the Government of Quebec and deal directly with the municipal level.

This morning I also heard the comments by Hull mayor Yves Ducharme, a good Liberal. Let us listen to what he had to say. This is the same mayor who, last year, was promoting the merger of Hull, Aylmer and Gatineau, into what is now called the City of Gatineau. This morning, that same mayor was laying the blame on the Government of Quebec.

An hon. member: Like the mayor of Saguenay, Jean Tremblay.

Mr. Odina Desrochers: Like the mayor of Saguenay, Jean Tremblay, these people are blaming the Government of Quebec, and telling people “If your taxes go up this year, it is a result of the responsibilities imposed upon us by the Government of Quebec in connection with the merger.” This sort of talk is dishonest.

● (1555)

Now we see how all these Liberal mayors in Quebec are getting ready to come begging on their knees for money in the House. Once again, creating a department of urban affairs would enable the federal government to interfere in areas that are exclusively the jurisdiction of Quebec and the provinces.

That is why the Minister of Human Resources Development has been given the mandate to cut her budget by 15%. Out of a budget of \$85 billion, that means about \$10 or \$12 billion would be cut, which is unacceptable.

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On this side of the House they are calling for the return of the POWA program. The population is aging. This is a program to train people for other jobs. There is a crying need for it in Quebec. The needs are pressing. This morning we learned that POWA will be no more. There will be no more progressive measures to help with training, to enable our workers to acquire skills for other jobs, to prepare them for retirement, to prepare their replacements, to prepare our young people.

I would like to tell a little story. Let us take the case of a young person who is taking over for a seasonal worker; the region where this seasonal job is located is not important. This seasonal worker must work 400, 500 or 600 hours to be eligible for unemployment insurance. Seasonal work is common in many regions of Quebec. When this person leaves his job, if a young person replaces him, the young person needs to work 910 hours before qualifying for unemployment insurance. So, what do young people do? They leave the regions and move to the big cities. They try to get unemployment insurance by working 910 hours.

One of the main causes of this exodus of young people to large communities is the current Employment Insurance Act. Young people are not able to receive the support needed to learn, to get training and to find jobs in the regions, and unemployment insurance is still being cut. There is no news, either, on the disability tax credit.

The report was not that complicated. Next year, instead of touring across Canada and disregarding what it hears, it would be much simpler for the government to take the Liberal Party of Canada's program and simply ask if people agree with that. The former Minister of Finance always used the Liberal Party's program as the basis for his budget anyway.

This budget is really a road map for the Prime Minister legacy. It represents what we could call the current Prime Minister's legacy. I do not think this legacy will involve telling his government to restore all of the health and education transfers. That would surprise me.

I suspect that the legacy of the current Prime Minister, with his centralizing mentality and philosophy, will be to once again barge into Quebec's areas of jurisdiction. This is harmful. What is even more harmful is that regardless of who heads the party, regardless of who leads this Liberal government, this centralizing philosophy, and this lack of respect for Quebec will endure.

Despite everything, I would like to convey to all of the members of the House my best wishes for a happy holiday season.

● (1600)

[English]

Mr. Larry Bagnell (Yukon, Lib.): Mr. Speaker, I enjoyed the speech of the hon. member opposite.

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He talked about the federal government intruding on municipal governments and on the jurisdiction of the province of Quebec. Maybe he could give me an update, but at least last year or the year before, unlike the other provinces which supported municipalities with various programs and subsidies so that they could operate, the province of Quebec actually required the municipalities to pay money back to the province. If they did not have the same funding opportunities as municipalities in other provinces, obviously they would be looking elsewhere for funds. Maybe the member could give me an update on the present status of provincial support to municipalities in Quebec.

[Translation]

Mr. Odina Desrochers: Mr. Speaker, I wonder, first, where my hon. colleague opposite obtained the information he just gave me? I have never heard that the Quebec government took steps to repatriate sums of money.

It is not difficult. The cuts that this government forced on the provinces have made life difficult for all Canadian and Quebec municipalities. This government continues to slash provincial transfer payments. The Canadian Constitution—I hope that the members are familiar with it, because it is their Constitution—states that municipalities come under provincial jurisdiction. That said, how are the provinces supposed to meet the needs and expectations of municipalities, when the federal government continues to slash provincial transfer payments?

This shows a clear lack of responsibility by this government, which says all the time that Canada is beautiful, that this is a great country. Perhaps this is how the media reports it when the Prime Minister or current ministers talk about it. But, in reality, all Canadian municipalities and Quebec municipalities are being penalized. There is also the infrastructure program, which it is hard to squeeze money out of, and there are constant squabbles where Quebec agrees and the other side, the bureaucracy, constantly puts up roadblocks.

If people expect that, under the leadership of this Liberal government, economic growth is going to happen in the municipalities, I think that we are not on the same page.

• (1605)

[English]

Mr. Larry Bagnell: Mr. Speaker, it is unfortunate that the member is not aware of the funding arrangements of municipalities in Quebec, but perhaps he could find that out over Christmas. The UMQ, Union des municipalités du Québec could explain the provincial funding. It has actually been the provincial government that has made the major cuts to municipalities in Quebec and not the federal government.

My question relates to health care. Yesterday, one of the members from that party mentioned that unlike the other opposition parties, that party wanted no accountability for the increased health care funds that may be in a deal being negotiated presently between the provinces and the federal government. I want to make sure that the position of the member's party is that it wants no new accountability. Romanow suggested accountability as the sixth principle. Does the member's party want more funds without any more accountability?

[Translation]

Mr. Odina Desrochers: Mr. Speaker, first I would like to respond with respect to the Union des municipalités du Québec. Its president is Francine Ruet-Jutras, the mayor of Drummondville and a recognized sovereignist. I would be surprised if she had said such a thing at the assembly of the UMQ. This proves once again that the hon. member for Yukon would do well to get away from Parliament Hill and pay a visit to Quebec to see how things are done.

As for his sixth principle, it is difficult enough to operate under the current Canada Health Act. Do not think for one moment that the Bloc Québécois is going to promote this principle. In any event, health comes under provincial jurisdiction. This is Quebec's business. Ottawa needs to stop interfering because it is none of its business.

[English]

Mr. Rodger Cuzner (Bras d'Or—Cape Breton, Lib.): Mr. Speaker, it is a pleasure to stand and speak during the prebudget consultations and offer support for further investment in sport and physical activity. I will be sharing my time with my colleague from Kitchener Centre.

What we have in front of us is a great opportunity. Recent reports that have been published with regard to the state of our young people, with the great concern for their inactivity and youth obesity, have really woken up Canadians as a whole.

The numbers are alarming. Close to 60% of young people are inactive, to the point of endangering their health. Young Canadians aged 2 to 11 are estimated to spend an average of 19 hours per week watching television. That is not taking part in other activities that have become so popular with young people today, such as surfing the net and communicating on chat lines. There is a tremendous amount of non-active time right now with young people in Canada and it is causing great concerns.

Three-quarters of overweight teens will still be overweight when they reach adulthood. We cannot dismiss this because it will have a tremendous impact on our health care system. If we were to address this concern and get young people up and moving, we would save \$2.5 billion annually through our health care system. If we were to get all Canadians active, it would be more like \$5 billion. It is important to get people up and at it.

We are armed now. Canadians know the facts. They have had an opportunity to speak through the Kirby report and through the Romanow report. They have said loud and clear that they believe there should be an investment in physical activity and that we really have to address this problem.

The Kirby report calls for sharper government focus in areas of illness, disease and injury prevention. The report states that the standing committee was told repeatedly by those it consulted that governments should develop public policies and programs that address the non-medical detriments of health. It goes on to urge the Government of Canada to promote health and wellness.

One thing that we all drew from the Romanow report was the sense that Canadians are the major player in improving the overall health, not just of individuals but of our communities. It is an individual's own responsibility for the state of his or her health in many cases. The report acknowledged the alarming level of physical inactivity in Canada and called for a major investment in health promotion.

We recognize that it is not just dollars. It is quality of life issues. You know yourself, Mr. Speaker, that when you come back from a workout in the gym or get back from a brisk walk, whatever it might be, you feel better, you are sharper mentally, emotionally and physically. It is a major initiative that we have to pursue as a government through an investment in sport and physical activity. I certainly hope all members in the House can appreciate that.

Sport and physical activity goes far beyond that as well. We can look at instances in our justice system. We know that active kids are productive kids. We can take certain statistics like teen pregnancy rates. For young females who play an active role in sports, in particular competitive sports, there is almost a 70% decrease in the number of teen pregnancies.

• (1610)

It is incredible how teen smoking rates dissipate when teens are active in sports and have active physical lifestyles.

I had the great pleasure to coach at the elite levels. I had two experiences with the Canada games team out of Nova Scotia where I had the opportunity to deal with the best 16 and 17 year old male hockey players in the province. I always recall the reference to the dumb jock and the hockey players. I must say that the players I saw coming through this program and through elite programs were above average in their physical attributes and their physical fitness levels. They were straight A students, very respectful and mannerly. They had social skills and time management skills. They were very goal-oriented and community minded. They would come back and put something back into their communities. We could see the benefits of their involvement in sports through the Canada games program.

I think sometimes we dismiss the economic impact of sport as well. It is a major industry and it has a tremendous impact on all communities across our country. In my hometown of Glace Bay we host a major event, the Vince Ryan hockey tournament. The impact is incredible. The hotels are booked and the restaurants are full. About 135 to 140 teams take part in the tournament. For five or six days the town is just abuzz. It brings a tremendous amount of economic stimulation into our community. It throws something like \$1.2 million into the economy over that period of time. That is a manageable hockey experience. Sometimes we dismiss the economic impact of sport and sport events.

In two weeks' time Nova Scotia will host the World Junior Hockey championships in Halifax and in Sydney. We are very proud to help with the sponsorship of that event. The event will draw the best 18 and 19 year old hockey players from around the world. Economically, it will have a tremendous impact, not just in Halifax and in Sydney, but throughout Nova Scotia.

We have our fingers crossed because on Monday, December 16, an announcement will be made for the host city for the

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Commonwealth Games. It is down to between two Canadian cities right now. We are really hoping that Halifax will have some success and luck there.

We are a country that takes a great deal of pride in our sports and in our athletes. It is imperative that we invest in our athletes. Our athletes are our heroes and our role models. We do not have to go too far to see a case for this. We only have to look at the recent performance in the Olympics in Salt Lake City of two great Canadian athletes, Catriona LeMay Doan and Marc Gagnon.

In 1988, Catriona LeMay Doan was 12 years old. In 1988, Marc Gagnon was eight years old. It is no coincidence that in 1988 Gaétan Boucher came back from the 1988 Olympics with a pocketful of medals and distinguished himself as one of the greatest speed skaters of all time. He was a role model. With impressionable, young Canadian kids he made an impact. It is important that we continue to support our athletes so that we can continue to pass down that legacy and inspire young Canadians to get involved in sport and lead active lives. I do not think it is a big sell.

• (1615)

With Romanow, with Kirby and with the recent statistics that we have seen about our youth, we can see the benefit in encouraging physically active lifestyles for our young people. We can see the benefit in investing in our lead athletes.

I call upon the House and my colleagues to support further investment in sport and physical activity in the upcoming budget.

Mr. James Rajotte (Edmonton Southwest, Canadian Alliance): Mr. Speaker, I simply must take the opportunity to ask my hon. brother a question. I say my brother because it is Christmastime and we are getting in a much better mood.

I have been asked many times since I was elected how the weather is in Cape Breton. I keep wondering why people ask me this since I am from Edmonton. I think it is because I look very similar to the member from Cape Breton, so we have come to know each other as brothers and friends.

I appreciated the member's comments particularly with regard to sport. I know he has been very active in hockey. I want to ask him about the ParticipACTION program in which I participated. I thought it was a very good program in schools. I want to know whether he thinks that should be reinstated.

The second issue I want to ask him about concerns the mining sector, which I know is very important historically to Cape Breton.

Yesterday at the industry committee we had members of the Mining Association of Canada address the whole issue of the implementation of the Kyoto accord. They were very concerned about the ratification and the need for having a detailed implementation plan. They did not think the targets were achievable, but given that, they were trying to do what they could to work with Parliament to see what they could achieve.

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The association put forward some very specific recommendations for the government to act on which would help its members deal with the emissions targets that are being imposed upon them. One of the things it recommended was the elimination of capital taxes. This was recommended in the November 2001 prebudget report. The government and the opposition agreed that capital taxes should be eliminated.

I want to ask the hon. member first about the ParticipACTION program and second, whether he believes that capital taxes should be eliminated in the upcoming budget.

• (1620)

Mr. Rodger Cuzner: Mr. Speaker, I want to thank my extremely handsome colleague for that particular question. If he would drop the i-n-g-s from most of his vocabulary then he might make it as a Cape Bretoner, because he is a pretty good guy.

First, with regard to ParticipACTION, the program had a tremendous impact on all Canadians. I think we sort of grew up with the whole ParticipACTION program and it did have an impact and got Canadians moving for a period of time.

There were concerns specifically with the program, how the program was being delivered and the costing. Therefore the difficult decision was made to step back from the program.

With the ammunition we have now with the Kirby and Romanow reports, I would hope a program with similar high principles, a program that would offer more than just advertisement and an awareness campaign and where there is actual funding support to create additional recreation and physical activity opportunities, maybe could be developed through that. I see a great deal of merit in a program like that. I appreciate the member's comment on it.

With regard to the tax credits under the Kyoto agreement, the purpose of the deliberations is for the finance minister. I appreciate the challenge that the finance minister and the Prime Minister will be under over the next number of months. For every dollar that is given in a tax credit there are 100 requests for that same dollar. Difficult decisions will have to be made.

We are very fortunate as a government that we are in a position to invest in some of these concerns and in some of the legislation that has come forward like Kyoto, the Romanow report and health care. We are very fortunate that because of the efforts of the government over the last number of years that we are poised financially to make those investments. I am sure that we will make wise decisions.

Mr. Larry Bagnell: Mr. Speaker, I rise on a point of order. I wish to clarify some information that was recently mentioned by the member for Lotbinière—L'Érable relating to some pension fund and student loans et cetera—

The Deputy Speaker: Order, please. This is not a point of order. We are getting into debate and that can be resolved at another time, but certainly not under the guise of a point of order.

Mrs. Karen Redman (Parliamentary Secretary to the Minister of the Environment, Lib.): Mr. Speaker, it is a privilege to rise in the House as this possibly may be the last time that I will be recognized as the Parliamentary Secretary to the Minister of the Environment.

I will begin by talking about how important Kyoto is seen in my riding of Kitchener Centre, not only for the health of the people whom I represent, but truly for the health of all Canadians. The people I represent have recognized that.

Kitchener is in southern Ontario about 100 kilometres from Toronto and we are in the Montreal-Windsor corridor.

We experienced more bad air days last summer than in the history of recording of smog days by Environment Canada, as well as a record number of days over 30°C. People in my riding recognize that the climate is changing and because we are an urban centre they recognize the kind of solution that can be held out by urban transit and by better intensification of existing infrastructure.

This is why they are so supportive of the government's continued investment in infrastructure, not only because infrastructure is important in my riding of Kitchener Centre, and indeed to large urban centres right across Canada, but because one of the cornerstones of how the people in Kitchener and indeed in the Waterloo region operate is that of partnership. We were operating in partnerships long before it became the commonly used word and the approach that it is today.

In the past two budgets the government has funded four infrastructure initiatives: a \$2 billion infrastructure program, a \$6 million strategic highway infrastructure program, the \$2 billion Canada strategic infrastructure fund, and the \$6 million border infrastructure fund. All of these funds, I am proud to say, have been recognized as having value and indeed most of them have application in my riding of Kitchener Centre.

Obviously the border infrastructure funds did not directly deal with businesses in Kitchener Centre except that by streamlining border access and ability to move goods and people across the border it made good business sense for Kitchener Centre.

Kyoto is something that the people of Kitchener recognize.

I have been told in no uncertain terms by many people, not the least of whom is the Greater Kitchener Waterloo Chamber of Commerce, that they have no desire to see the government go back into deficit. I must agree with them and my colleague who spoke previously commented on the fact that it was the good fiscal management which we demonstrated over our tenure as government that enabled us to do the kind of investment we have done through the infrastructure fund.

We are committed to continue that kind of balance in our fiscal structure as a government. That is why we have restored the \$3 billion contingency reserve and the economic prudence which has been the cornerstone of allowing us to wrestle down a \$43 billion deficit which we inherited, and not only move from deficit but indeed to an era of surpluses.

We have worked with the chief economists of Canada's chartered banks and three lending forecasting firms to ensure that the average private sector forecast is reasonable when used for planning purposes. We would continue to make budget decisions on a rolling two year horizon so that we would not commit to spending resources we do not have.

The people I represent have good fiscal management in their homes and do not spend more money than they take in. They expect no less from the government and we remain committed to that.

I already mentioned the infrastructure program and what a great bonus it has been to the people of Kitchener Centre and Waterloo region. For years we have also invested in technology and research and that too has had an incredible benefit, not only for creating jobs in the Kitchener-Waterloo region and across Canada, but also in finding green solutions to technological and environmental questions.

• (1625)

I would like to draw the attention of the House to technology partnership grants which are offered through Industry Canada. I can think of four or five industries in my region that have been able to avail themselves of technology that was on the cutting edge, that needed to be developed, and was commercially viable.

We have seen great gains, whether it is ATS, GFI, IMS and many other companies. Those are a few that come to mind when I think of companies that have been on the cutting edge of great technology. They have kept bright minds in Canada and created jobs in our community.

Research and development is one of the key investment tools that we have used in our budgets in restoring fiscal balance in Canada. We have spent in 2001-02 an estimated \$4.6 billion. This is the highest level ever. In addition, we have provided \$1.5 billion in investment tax credits annually to Canadian businesses in order to perform their own research and development.

Nearly \$3.5 billion since 1997 has gone into the Canadian Foundation for Innovation and Genome Canada. This is good news for Canadians. We used to often hear about the brain drain. It is this kind of investment which would keep those bright minds and that fantastic technology in Canada, working for Canadians, but also creating a market for export.

Over \$1.4 billion annually has been invested in university based research through the federal granting councils supporting researchers and graduate students. We have seen this kind of benefit in my region where we have the University of Waterloo, Wilfrid Laurier University and one of the finest community colleges in Canada, Conestoga College. These are the kinds of investments that those sectors are telling me to continue because they provide funding for graduate students.

We have looked at providing some of the costs of the overhead of providing computers and the infrastructure costs that are necessary. We are looking at a deficit of university professors that is global within the next 10 years. We need to act now and by investing in research and development we can help address that. We can help keep the best and bright minds here. We can create new technology which leads to new jobs. We can bring forward our green agenda, which is so important to the people I represent, as well as Canadians right across this fine country.

We have invested \$2 billion annually on research in federal laboratories, including about \$6 million for the National Research Council to support the health and safety of Canadians, as well as strengthening the regional clusters of excellence. It is important to

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recognize that when we work at the federal level we need to come to these solutions with a pan-Canadian point of view.

I am a great fan of working in partnership and listening to ideas, whether they are at the regional, provincial or municipal level, that help lead to the kind of solutions that are necessary.

I must tell the House that homelessness is a huge issue. Members on this side of the House brought forward this issue to the government and continue to say that it is something we care about. We said it was a federal problem and if we did not want to own the whole solution we had to provide leadership. I am proud to stand here and tell the House that the supporting communities initiatives project invested money in my region. One of the reasons it was able to invest the money was because the social planning councils locally had done all the statistical backup to justify the fact that we had urgent needs for people who were homeless in Kitchener.

Our region has 450,000 people and perhaps that does not sound huge. However, we are the largest urban centre in the Waterloo region. We had many of the homeless gravitating to downtown Kitchener. SCPI funding helped us create shelters for homeless people throughout the region. It provided services for people in other urban centres, as well as the balance between rural and urban needs.

In many ways the area that I come from poignantly represents the kind of strengths as well as the stresses and challenges that Canada is going through as a nation. We have the urban and rural pulls, as well as the fact that we are moving from a manufacturing base to a high tech sector.

• (1630)

We need to continue to have an urban strategy that highlights the initiatives that are important to Kitchener. The infrastructure partnerships are critical, and we have mentioned those in the Speech from the Throne. This budget would continue along the commitments that the government has made and would further strengthen communities such as Kitchener Centre.

The Deputy Speaker: Before we proceed to questions and comments, it is my duty pursuant to Standing Order 38 to inform the House that the question to be raised to night at the time of adjournment is as follows: the hon. member for Burnaby—Douglas, Justice.

The hon. member for Nanaimo—Alberni.

Mr. James Lunney (Nanaimo—Alberni, Canadian Alliance): Mr. Speaker, we wish to acknowledge the member opposite for her hard work on this file as parliamentary secretary. She has taken it to heart, however we do have ideological differences on the issue of Kyoto.

I also know Kitchener having lived there for some 15 years. From Kitchener it is about a three hour drive down the road to Windsor and to Port Huron. We have a large and cold country. It is also very hot in the summer, as the member mentioned, and that means air conditioning. It is energy intensive if we want to live comfortably. We have huge transportation costs.

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Kitchener has a large industrial base, with the auto parts industry, Lear Siegler, tire manufacturers and so on. Many of our businesses though are at least owned in part by the U.S. If we put the burden of Kyoto on our businesses on this side of the border, is the member not concerned that industry and jobs would flow south of the 49th? We have seen this happen in British Columbia. In consequence, the emissions from the industry moving south of the 49th would continue to blow across the border into our neck of the woods.

What will the government do to fence out emissions from south of the border? It seems to me that Kyoto is a good plan for developing the northern United States. Is the member not concerned about job losses in her own community?

• (1635)

Mrs. Karen Redman: Mr. Speaker, I appreciate the thoughtful context with which my hon. colleague has asked the question.

Kyoto could be a missed opportunity. Ratification of Kyoto is the first step. In addition to that, as a government, we must look at the tools at our disposal, and that may be regulatory, and it may be incentives that we build into our tax system.

The next piece of the Kyoto protocol and the implementation, which is probably the more interesting piece, would be found in the budget and in the regulatory regimes that we would bring forward which would impact industry.

However, I would point out to my hon. colleague that while Canada is inside Kyoto and the United States is outside Kyoto, smog and greenhouse gas emissions do not need a visa to cross the border. So his point is well taken. That is why the governors of the eastern states have formed an agreement with the maritime provinces and they are working on reaching the kind of targets that are maintained within the Kyoto protocol in reducing those greenhouse gas emissions.

I would also point out to my hon. colleague that there are international companies, like DuPont, that have brought down their greenhouse gas emissions by 85%. There are many large international corporations that voluntarily are recognizing that this is a regime that would be worldwide. As all industries that are successful, they want to be ahead of the pack and are already moving in that direction. As the government we need to continue to facilitate that in order to make jobs viable in Canada.

Mr. Deepak Obhrai (Calgary East, Canadian Alliance): Mr. Speaker, I would like to commend my colleague opposite for being a parliamentary secretary. I do not know if her term is coming to an end.

An hon. member: It is.

Mr. Deepak Obhrai: It is. So I would like to congratulate her and wish that she get another position.

She raised an important point and my colleague from Nanaimo reiterated the same point to which she responded. The government refuses to acknowledge the crux of the matter pertaining to Kyoto, but she has today finally acknowledged it. It is an important point that must be re-emphasized, namely that Canada will be inside Kyoto, and the U.S.A. will be outside Kyoto.

Agreements have been signed between our countries and many states in the U.S.A. have set up targets to ensure that their environment is clean. At the end of the day there are more regulations coming out because companies are regulating themselves in the U.S.A. It is making Kyoto look like a second hand treaty because their targets are more important.

Why is it necessary for us to sign Kyoto and have impacts on our regions? There may not be any impact on her specific region in Kitchener, but there are impacts on other regions. Why do we want to sign a flawed treaty while we can do the same thing the U.S. is doing, setting targets that can achieve what we are all trying to achieve, a safer greener world?

• (1640)

Mrs. Karen Redman: Mr. Speaker, again I appreciate the good wishes of my colleague opposite.

There are specific advantages to being inside the Kyoto protocol because 168 countries have negotiated this. Despite the fact that the United States has not been party to the ratification of Kyoto, it continues to send people to be part of the negotiations. Therefore there are advantages for Canada being part of the Kyoto protocol.

Again I would stress that in the United States, 42 of its states have regulatory regimes which are very much in line with greenhouse gas emissions. President Bush made two major announcements; one was \$4.8 billion and the other was \$4.6 billion. The United States is doing something.

I would draw to the attention of my hon. colleague to the fact that the premier of Ontario, my province, stood beside Mr. Klein and vilified ratification of Kyoto until we had the hydro problems. The environment minister from Ontario could have stood right beside our Minister of the Environment because all of a sudden being green to them made economic sense. It makes economic sense across Canada and for Canadians. It will be part of the government's responsibility to ensure we implement that.

Mr. Deepak Obhrai (Calgary East, Canadian Alliance): Mr. Speaker, that was an interesting comment. I will respond to that in due course, which will give her the opportunity and members on the other side to ask me questions on Kyoto.

Before I start, Mr. Speaker, I would like to wish you and your family a merry Christmas and to all my colleagues in the House on all sides, a merry Christmas and a happy new year.

It is a pleasure for me to speak in the prebudget debate as the year comes to an end and we reflect back. At this juncture I would like to thank all my colleagues who sent me best wishes this year when I was going through some health difficulties.

I have stood back and looked at the government's record. Government members have stated time after time that they have tackled the issue of the finances of the country and that they are excellent money managers. They want to leave the legacy that they were excellent money managers and because of that we had surpluses.

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Before I carry on, Mr. Speaker, I will be splitting my time with my colleague from Calgary Southeast.

Earlier this week the Prime Minister stood up and said that the Liberals had five years of surpluses and therefore they were great, despite the fact there is evidence to the contrary.

We have a very excellent Auditor General who has taken the government to task and is not afraid to speak her mind about the finances of the country and about the mismanagement of the government on that aspect. Canadians have a high degree of respect for the Auditor General. If it was not for her, we would not have known that the government was mismanaging our money.

For the Prime Minister to say that the record of the Liberals in managing Canadian taxpayer dollars over the years has been good and that is why we have a surplus is a fallacy. The former finance minister is also going to stand on that record in his run for leadership. Over the course of time, we in the opposition and, I hope, the Auditor General will show that to be the contrary.

Let us look at this. It all started with the HRDC boondoggle, which we must not forget. We must not brush these things under the table. What happened with that? Nothing much. No minister took responsibility for that.

The right hon. member for Calgary Centre, who has held numerous positions in the government, today mentioned it was important for ministers holding those positions to show accountability. Yet on that side, nobody took responsibility for the HRDC \$1 billion boondoggle.

Then lo and behold we had the advertising fiasco for the unity issue and the wastage of money that went to Groupaction. We eagerly await the Auditor General's report on that. When that report comes out, I do not know who will take responsibility, because the person who could be held responsible for that fiasco was sent on a patronage appointment to Denmark. That is second boondoggle and no one has accepted responsibility for it.

Now of course we have the third boondoggle, which is the gun registry. Who is taking responsibility for that fiasco? Nobody. The Prime Minister likes to say "What's a billion dollars here or there?". It is loose change for him. However, for Canadians it is a lot of tax money. This is a lot of money to those single parents, or those students whose debts are increasing, or to those families who are working hard. If they had that money in their pockets, they could do well for their children, for themselves and overall for the economy.

● (1645)

Now we have the Kyoto issue. The government has forced this and will implement the treaty but we do not know the real cost. We do not know how it will affect jobs or whether this will be another boondoggle. Nobody seems to know. We are grasping in the dark.

We could have done something. As the Parliamentary Secretary to the Minister of the Environment just said, the United States of America is working hard without the burden of Kyoto to achieve targets that are even better than Kyoto. It is a fallacy for the Liberals to say that they are a special kind of green people and that we are not because we are opposed to Kyoto. That is absolute nonsense. We believe in greenery too. We have children too. We want to live in an

environment that is safe and sound for our future generations. Because we are opposed to Kyoto does not mean that we are not in favour of the environment. We are opposed to Kyoto because we see danger.

The Parliamentary Secretary to the Minister of the Environment talked about her region. It is excellent that her region is doing well. I come from Calgary, Alberta, which is going to face severe economic consequences from this. Naturally I have to look at this. Those who live in Alberta are Canadians too. They also have the right to let their points of view be known, but the government will not listen to them. It ignored the plea to work cooperatively with all provinces so they could come up with an agreement that would enable us to fulfill our requirements to meet environmental sensitivities. However at the same time we are not going to sign a cheque. That would be devastating to the province's economy.

We have had the HRDC boondoggle and the gun registry. We do not know where the gun registry will go or how much money it will cost at the end of the day. Our party has asked questions all week about the cost of the gun registry but the Minister of Justice has refused to answer that simple, straightforward question. Canadians also are asking that question.

Now we have the question of GST fraud. The government is cooking the books, as it is called in accounting terms, and has created a scenario where Canadians no longer have confidence. The government does not know where the GST money has gone. The Minister of National Revenue, when answering questions from this side, has not allayed the fears that the GST money has been lost in fraud.

I would like to conclude by saying that the legacy the government wanted to leave of sound management of Canadian tax dollars lies in tatters. When the budget is brought down, we will look at it and raise these points again.

● (1650)

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC):

Mr. Speaker, I want to congratulate my colleague on his remarks and I share many of his concerns, particularly with the commentary on government mismanagement and waste of taxpayer money. Two of the emerging themes in the debate over prebudget consultations seem to focus in on the need for money, obviously for health care and our Canadian military. We can discuss at length helicopters, submarines and personnel and the need to give them the support they need.

Clearly health care has been the dominant debate in the country but I have an issue with respect to something that spans both those important programs, and that is support for veterans and, in particular, support for gulf war veterans who are suffering from, in many instances unknown and as yet undiagnosed ailments which seem to be associated with their time spent in the Persian Gulf. Many of them are suffering symptoms akin to multiple sclerosis, muscular dystrophy, a severe ailments which seem to be associated with uranium poisoning. They are not receiving the government's support that they need and in many instances the medical help that they require for their quality of life.

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Does my colleague have any suggestions or any constituents who might be similarly affected and does he agree that this is an obligation on the government to address this very important syndrome, gulf war syndrome, that is prevalent in the United States as well?

My constituent, Perry Holloway, and his family are terribly affected. Sue Riordon from West Nova in Nova Scotia has been championing the cause for these gulf war veterans. I met with some people on the Hill just this week. They are severely concerned about the lack of attention that this government has afforded them.

Does my colleague have any comments on that?

Mr. Deepak Obhrai: Mr. Speaker, my colleague has raised some good points. The moneys wasted by the mismanagement and the boondoggles could very well have been utilized effectively for health care and for the military. Canadians recognize the military is starved of funding. The government's direction has made our military more like the Boy Scouts. If it is carried on, we will have a military hardly worthwhile calling a Canadian force.

We have had a couple of reports on health care because there has been a major concern over the state of health care. The moneys that were wasted in these boondoggles could have effectively been used to provide the services that Canadians want.

In reference to the gulf syndrome, I am aware of it. I have read about it. I know this has surfaced recently and that our soldiers are facing some health problems. Absolutely it is our responsibility that when our soldiers go to fight for our flag we must ensure their health and well-being. Naturally, it is extremely important that we address this issue. There is an obligation on the part of the Government of Canada to address that issue.

* * *

• (1655)

[Translation]

MESSAGE FROM THE SENATE

The Deputy Speaker: I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed certain bills, to which the concurrence of this House is desired.

* * *

[English]

PREBUDGET CONSULTATIONS

The House resumed consideration of the motion.

Mr. Jason Kenney (Calgary Southeast, Canadian Alliance): Mr. Speaker, I am pleased to rise in this prebudget debate. I regret that, as has become the new convention in the House under this government, these debates are essentially meaningless time set aside for members to keep themselves busy while the government has no legislative agenda.

I have commented before on the convention at the Westminster mother parliament where, in an honest take note debate of this nature, one will find ministers of the crown or their senior designates

sitting in the chamber to take note. It has some meaning there. Regrettably that is not the case here as usual.

Let me say though—

Mr. Larry Bagnell: Mr. Speaker, I rise on a point of order. A member is not allowed to comment on whether or not members are present in the House.

The Deputy Speaker: If I was listening as attentively as I thought I was, I do not recall the hon. member naming any one individual on either side of the House. Possibly he was referring to a larger group. I will take the member's words as words of caution.

Mr. Jason Kenney: Mr. Speaker, there is a very senior member opposite whom I had not noticed earlier. I am sure he has a direct pipeline through to Eddie Goldenberg and therefore all that I say will be taken due note of.

An hon. member: By whom?

Mr. Jason Kenney: The Prime Minister in effect.

I am distressed with this debate also because, as the finance critic when the last finance committee report was tabled prior to the last budget, I saw a number of good recommendations which were the result of honest effort on the part of Liberals and other members, each and every one of which were virtually ignored by the government in its own budget.

For instance, after its broad national consultations, the finance committee recommended an effective cap on spending at roughly the rate of inflation plus population which essentially meant a spending growth cap of 3%. That was completely ignored in a budget which effectively proposed a 10% program spending increase.

That finance committee report last year recommended expanding tax relief, particularly by increasing the maximum allowable amount under the RRSP deferral from \$13,500 to \$19,000. That recommendation was completely ignored.

It recommended reform to employment insurance payroll taxes which would have reduced the job killing disincentive on employers to hire workers by implementing a yearly basic exemption on EI premiums for new hires. That recommendation was ignored.

It recommended a continuation of the prudence and contingency factors for budget planning as well as an annual allotment toward repayment of the market debt, all of which were ignored. The last budget of the member for LaSalle—Émard proposed not a cent in debt reduction for the next five years.

The finance committee report made solid recommendations in a number of areas which were completely ignored. I can predict that will happen again. I see many of the same recommendations. It is like déjà vu all over again.

I hear talk about the need for spending review, spending restraint and reallocation. What does reallocation mean? It means getting our priorities straight.

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The government seems to believe that there is not a single dollar within its \$175 billion spending envelope, which includes the massive \$40 billion in debt interest payments, which can be cut, which is waste. In fact, we had the spectacle of the former finance minister, the member for LaSalle—Émard, making the bizarre assertion last year following his budget that he could not find a dollar to cut from one program to reallocate to a higher priority.

That was from a man who aspires to be prime minister, who says he wants a real debate about the choices Canadians can make for the future. He could not make a single choice when it came to reallocating dollars to reflect changing public priorities. He implied that there was not a dollar of waste in the \$175 billion global budget and the \$135 billion program budget of his government. What a joke from somebody who claimed to be a responsible finance minister when we see the kind of waste now before us. Other of my colleagues have made this point.

When that finance minister said last year that he could not find a dollar to reallocate toward health care or further tax relief or national security and defence, he was sitting on top of information about the \$1 billion firearms registry boondoggle. He knew there was money going through the window, being burned in the furnaces at the justice department, and he did nothing to stop it. He did not redirect those funds. He apparently did not ask any serious questions. He just continued to sign the cheques and continued to make the wrong choices for Canadians.

The story of the member for LaSalle—Émard's fiscal management since 1998 is a travesty. It is a travesty of a nearly 30% increase in program spending since fiscal year 1998. It is average program spending increases of 6% and 7%, the highest levels we have seen since the disastrous fiscal train wreck of the latter years of the Trudeau administration.

• (1700)

All of this means there are fewer choices to make to increase our standard of living, to improve our productivity, to allow working families in Canada to keep more of what they earn.

The government tells us we do not have a tax problem anymore. The government claims it solved that in the 2000 budget. That is nonsense. The finance committee report calls for the further implementation of the so-called \$100 billion tax cut. There is no such thing. The government is cooking the books on the order of what happened in the justice ministry to come up with that figure.

When we net out the enormous increases in taxes for the CPP premium; when we net out the non increase of taxation through the de-indexation of the tax system in the 2000 budget; when we net out the increase in the child tax benefit, which is counted as a tax cut but is in fact a spending increase; when we look at the real numbers, the tax change in the year 2000 was actually \$48 billion spread over five years. This has had virtually no discernible impact for working families or entrepreneurs.

The federal tax to GDP ratio today is as high as it has ever been. The overall Canadian tax to GDP ratio, including all levels of government, has gone from 41%, the peak in 1996, to 40.1% today. It is a tiny incremental reduction in the overall Canadian tax burden for the one taxpayer of whom we all frequently speak. It is

attributable largely to the real, substantive tax cuts of the provincial administrations in Ontario, Alberta and elsewhere. These are provincial administrations that parenthetically had to absorb the massive arbitrary cuts in their federal transfers for health care, which the government claims is its highest priority. What a joke.

Further, when it comes to setting priorities, there is a massive national consensus from left to right emerging across the country that we must get serious about protecting our national security and investing in at least a minimum capability for our Canadian forces, our military.

We hear this from the Commons defence committee, the Senate defence committee, citizens' review committees on defence, from expert panels, from left wing Liberal academics like Tom Axworthy and his brother Lloyd. From left to right there is a consensus that if we are serious about protecting our sovereignty and our national interests, then we must invest an adequate minimum to support our men and women in uniform.

Yet what did we see in the newspaper today? The hon. Minister of Finance was mocking those who have called for further investment for basic minimum national defence saying that they are essentially telegraphing; that notwithstanding the recommendation of the committee report, which we are debating today; notwithstanding the recommendation of Liberal members on the defence committee; notwithstanding the recommendation of the defence minister himself; that there will be no significant new resources for national defence.

In closing, what I foresee unfortunately is another missed opportunity to get the fundamentals of this economy right in terms of productivity growth and standard of living through further tax relief that will get our priorities wrong in terms of national security and health care, which will fail to address our still massive \$530 billion debt. I hope that is not the case.

Let us see whether the present finance minister has any greater capacity to make priorities that are in Canada's best interests than did his predecessor, the member for LaSalle—Émard.

• (1705)

Mr. Larry Bagnell (Yukon, Lib.): Mr. Speaker, I always enjoy the hon. member's comments, his depth of research in finance and the points he brings forward.

I would just like to ask about two of them. We had this discussion in the last budget actually. One is related to Canada pension plan premiums. As he knows, the Canada pension plan was not self-sustaining. We did a study to make it self-sustaining and now he seems to be complaining about the premiums again. Is he suggesting that we put that excess cost into income taxes or reduce it so that it is again out of sync with reality and it is not funding itself?

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Also, I know the member was limited for time and he would love to restate the position that the Alliance is against the regional development funds which are used to help all parts of Canada, except southern Ontario, funds such as western diversification, the Atlantic opportunities agency and the one in Quebec. I want to give him that opportunity.

We target those funds at innovation and knowledge based opportunities. A lot of them are projects that will help our competitiveness, and of course that is the key to productivity. The Alliance has questioned our productivity compared to the United States but when we have these tools where we are trying to solve that problem the Alliance is against them as well.

Mr. Jason Kenney: Mr. Speaker, I appreciate the always thoughtful questions from that very diligent member.

Let me say with respect to CPP premiums that, like any economist would understand, we believe that the CPP premium is a tax. It is a disincentive. It reduces wealth in the economy and the ability of people in this economy to produce wealth. As such, it is a burden.

Having said that, obviously there are enormous actuarial problems with the government monopoly generational transfer scheme, which is the current model of the CPP. We would like to reform the plan so that younger workers could allocate a small portion of their mandatory pension savings toward private investments that would generate over a lifetime a higher yield and a larger pension at a lower cost. I think we ought to learn the lesson of other jurisdictions in that respect.

In terms of regional development, I thank the member for the opportunity to restate my party's policy. It is one of strong and consistent opposition to all forms of corporate welfare and taxpayer handouts through what we have learned is an increasingly corrupt political apparatus to favoured corporations, be it through western economic diversification, FORD-Q, ACOA or any of the other alphabet soup of corporate welfare programs.

I note today that the Minister of Industry was handing out another \$60 million in technology partnerships Canada funds to a Liberal party fundraiser, who also happens to be a billionaire, Terry Matthews. If Mr. Matthews could make a business case that this so-called government investment could generate a reliable profit, then there would be private sector creditors lined up outside his door to provide the credit he needs.

Why does he need to dip preferentially into the taxpayers' pockets? Why does he go to the front of the line? It is because he raises money for the government in power. This corporate welfare game is one of the terrible aspects of the politics of corruption in this country.

THE ROYAL ASSENT

A message was delivered by the Usher of the Black Rod as follows:

Mr. Speaker, the Honourable Governor General desires the immediate attendance of this honourable House in the chamber of the honourable the Senate.

Accordingly, the Speaker with the House went up to the Senate chamber.

• (1720)

[Translation]

And being returned:

The Speaker I have the honour to inform the House that when the House went up to the Senate chamber, Her Excellency the Governor General was pleased to give, in Her Majesty's name, the royal assent to the following bills:

Bill S-2, An Act to implement an agreement, conventions and protocols concluded between Canada and Kuwait, Mongolia, the United Arab Emirates, Moldova, Norway, Belgium and Italy for the avoidance of double taxation and the prevention of fiscal evasion and to amend the enacted text of three tax treaties—Chapter 24

Bill C-14, An Act providing for controls on the export, import or transit across Canada of rough diamonds and for a certification scheme for the export of rough diamonds in order to meet Canada's obligations under the Kimberley Process—Chapter 25.

Bill C-11, An Act to amend the Copyright Act—Chapter 26.

Bill C-21, An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 2003—Chapter 27.

Bill C-8, An Act to protect human health and safety and the environment by regulating products used for the control of pests—Chapter 28.

Bill C-5, An Act respecting the protection of wildlife species at risk in Canada—Chapter 29.

GOVERNMENT ORDERS

[English]

PREBUDGET CONSULTATIONS

The House resumed consideration of the motion.

Mr. Larry Bagnell (Yukon, Lib.): Mr. Speaker, I would like to start with a clarification that I tried to make related to a point of order earlier in the day. I could not make it in that format. It was just an incorrect number quoted from a newspaper by the member for Lotbinière—L'Érable, I think. It seemed to infer that HRDC, which is responsible for pensions, security, student loans et cetera, was cutting \$12 billion from its \$85 billion budget. There was a report in the media to which he referred which was simply incorrect.

HRDC's budget is not \$85 billion, nor is it cutting its budget by 15%. The budget is in fact \$65 billion and more than \$60 billion, or 92% of this spending, goes directly to individual Canadians through employment insurance, the Canada pension plan, old age security, Canada student loans and other statutory transfer payments. I wanted to correct the misconception around these facts.

What I would like to do today in this prebudget debate, and I certainly appreciate the opportunity to do this, is talk about items both in my constituency and nationwide that I would like to see in this and subsequent budgets. As I think people know, we are very close to a balanced budget. There is not much surplus to keep the government running and there are huge requirements that everyone is aware of, related to defence, health care, greenhouse gases et cetera, so there is not much room to manoeuvre.

I am going to list a number of things that I am in support of for when it is feasible to do them. I will talk about my riding first and then Canada-wide material and as many elements of the Standing Committee on Finance that I can get to before my 20 minutes run out.

In my riding, there is a big item that I of course want to make sure there are sufficient funds for and that is the Alaska Highway natural gas pipeline, which I will talk about after I have completed the items for my riding.

Also, of course, the issue of fetal alcohol syndrome needs support. Some members of the House have talked eloquently about this. Prevention of this through health care is much more economical and humane than letting the problem go on. Hopefully the resources required to prevent fetal alcohol syndrome will be allocated.

One of the excellent programs in that area is the Headstart program. I have been a big supporter of the Headstart program for years and I would like to see more of it. In the throne speech there was a reference to expanding this program. I want that trend to continue. It has been an excellent program in my riding. We would like to get more programs set up in other locations and keep the funds in the existing ones. Because they are so popular there are more demands on them.

The homelessness program, or the SCPI program, is also very popular in my riding and I know that it has been popular in a number of ridings. There have been a number of projects. In fact in my riding it was mentioned by the minister as one of the unique programs in the country. But the problem has not been solved. We have an excellent local committee, chaired by Ross Findlater, which has done some very innovative things, but of course the needs still go on and we want to keep energizing these volunteers to organize projects like this and have more success stories.

First nations make up a significant portion of the population in my constituency. I want to of course make sure that there are sufficient funds for anything required for signing the remainder of the specific land claim agreements as well as implementation. When they are signed is really when the hard work starts. Funds are required for implementation. I hope it is sufficiently funded.

● (1725)

We also need funding to protect northern sovereignty. I have spoken in the House about this before. A number of anecdotes have been told right across the north, and northern MPs have mentioned them, about foreign vessels coming into our northern waters and not being accountable. There is not enough surveillance. As we, the three MPs from the north, have this debate with the other 298 MPs and are making good points about the requirements for defence and the Coast Guard, I want to make sure that our part of the north is not neglected. I would like the Coast Guard and national defence to get a significant portion of any increases in that area.

There is child poverty in my riding as there is in any other riding and it is a concern for me as it is for any member of the House of Commons. I support efforts for change in that direction.

There are also regional northern economic development funding and infrastructure needs. I am going to talk about that a bit later. Of course I was delighted when the Government of Canada announced

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that it will support the Canada Winter Games in Whitehorse. It will be the first time in history that the games are held north of 60.

There were some items related to the Romanow report that were very exciting for the north and for my riding. Specifically, the report recognized and addressed a number of the problems we have in the north, some that are specific to the north. The commission talked about the rural fund, which would hopefully deal with some of these problems. We are very excited about this. In particular, one recommendation that was not specific to the north but was addressed in the report is waiting lists. I have certainly had a number of constituents approach me on this problem. This is something my constituents would like to see improved.

A problem that is specific to the north, though, is the recruitment and retention of northern medical specialists. This problem was well documented in the Romanow report. The report outlined suggestions to deal with it. Another specific problem we have in the north is related to guaranteeing timely access to specialists and for major surgery. Roughly half of Canada is north of 60 and there is no hospital that can do major surgery, so we all rely on using other people's health care systems in the various provinces, in B.C., Alberta, Ontario and so on. This means that we in the north are at the whim of these provinces. They treat us very well and I am not complaining about the way the provinces treat us, but we do not have guaranteed access so that our medical practitioners can plan.

Also, for specialists, of course, there is not always the economy of scale in regard to having all the specialists in the north. Once again, how can our doctors refer people to specialists in other health care systems? We hope this will be dealt with.

Of course mining is one of the large economic generators in my riding. For many years it was the biggest private sector contribution to the GDP, or the GTP. I support the initiatives that members have talked about which would help the mining industry.

Also, tourism right now is the largest private sector employer as far as number of employees is concerned. I find the assistance for the tourism sector in marketing and so on very positive.

I thought that the reports of the finance committee both this time and last time were very perceptive. I was very happy that the committee referred to the fact that infrastructure in the north cannot be done, as it was historically, on a per capita basis.

This has been mentioned on several occasions and I am sure everyone in the House recognizes and agrees with it. Because of the low population there are fewer taxpayers and they are so widely dispersed that a per capita allocation of money for infrastructure just does not work. We would not get very much done that way. In the north we have unusual conditions due to permafrost. That also makes infrastructure very important. I am delighted that people recognize that and it has on occasion already been incorporated into infrastructure calculations.

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As I said at the beginning of my remarks, I will talk a little more about the pipeline. There are two Arctic gas pipelines that could come to Canada, the Mackenzie pipeline and the Alaska Highway pipeline. They would create a lot of jobs for Canada. I have talked in support of these pipelines before.

● (1730)

I think people have heard a lot about the Mackenzie Valley, but I would like to just talk about some of the benefits of the Alaska Highway pipeline because it has not been talked about as much and people may not know about it. There are several studies that show there could be 100,000 person years of work in western Canada and in Ontario from the Alaska Highway gas pipeline, and over 165,000 person years indirectly in Quebec and Ontario, \$1.2 billion in revenue for Canadians, \$31 billion for Canada's GDP, and 8,600 jobs in B.C. just during the construction of such a pipeline.

This actually would be the largest such project in the history of the world, so we are delighted with the recent appointment of the government to the Northern Pipeline Agency, which will help facilitate the project because of course Canada's role is to be the regulator. We want to make sure that if and when someone applies to put either of these pipelines through, the government is ready and has the resources to regulate quickly and efficiently.

There is a great demand for natural gas. All of the objective projections of natural gas requirements for North America show that the demand will be far more than the capacity of these two pipelines. If these two pipelines are built as large as they are planned and are filled with gas, they will provide only a very small percentage of the demands projected by the estimators.

A lot of this is the result of new electrical generation capacity in the United States, but it can also reduce greenhouse gases as the United States and other places replace coal and diesel. For instance, we have a lot of diesel in the Yukon. If that were to be replaced with cleaner burning natural gas it would reduce greenhouse gases.

I am supportive of the government making sure that this is regulated very quickly. If we delay, the demand will still be there, and the United States in particular will fill the demand from other places. They are already starting to build plants for LNG, to bring liquid natural gas to both coasts of the United States. Then Canada would lose out completely on a project where we could get roughly half the construction benefits, a project that could be a tremendous boon to the economy in Canada.

I hope that when the United States Congress reconvenes in February it will once again support an energy bill that will not permit drilling in ANWAR but will have provisions to help make sure the Alaska pipeline can go ahead to move Alaska gas through Canada where we Canadians can get the benefits.

As I said earlier, I was very happy with some elements of the report of the Standing Committee on Finance. The most important part for me was about rural Canada and the north. I will quote one sentence:

The Association of Yukon Communities told the Committee that its request for \$160 million for infrastructure spending would not only "bring Yukon communities to a level that will help make them more competitive with their southern and northern neighbours," it would also "replace much-needed infrastructure, such as roads, water,

and sewer, and high-speed cable fibre, and build a much-needed bridge across the Yukon River in the Klondike."

I am very excited that the finance committee has recognized these needs in my riding and that they show up in the report.

I am also very excited about recommendation 27, which suggests that:

The federal government ensure that adequate attention is paid to the needs of rural and remote communities. Moreover, the government should focus resources on working with remote communities in Northern Canada to advance their economic development efforts.

I would like to switch gears and talk about some Canada-wide directions of which I am in favour, as well as my responsibilities in that respect. Of course many of them will have positive benefits for my riding.

● (1735)

As the chair of the defence caucus, I support the efforts to make sure our military is well funded and efficient. Our Canadians are as talented as anyone in the world and there is no reason that we cannot have a military that can do the job, that takes care of its employees and has the most advanced equipment, notwithstanding that it is has to be put in the context of the entire needs of the budget and what is important for Canadians.

I am very pleased with the \$100 billion tax cut, the largest tax cut in history, and about the fact that a majority of it will not go to high income people. One of the members from across the way was asking about that yesterday. I am also quite proud of the child tax credit. As I said earlier, more needs to be done in those areas and I will be in support of anything we can do in those areas.

Having directed the programs in the International Trade Centre in the Yukon in a previous career, I am quite sensitive to our requirements in that area. As we all know, we are very dependent in Canada on international trade and, in today's environment, to security and to international information related to terrorism, drug trafficking, and those areas.

We need to support sufficiently our foreign service, our ability to collect and obtain foreign intelligence, and facilitation related to trade with the world. For instance, Mexico has more resources in the United States than we do to support trade, but we also have to diversify because we also have a huge dependence on the United States. This would actually be one of the less costly improvements because we have absolutely superb talent in this area and we just need to make sure that we have sufficient resources.

I mentioned yesterday that I had talked to a constituent a few weeks ago who was disabled. He told me that he liked to work but that sometimes he was not able keep up with people who were not disabled. We need to set up a program that would allow disabled people to stay in the workforce, and not cut them off for whatever reason, when they might otherwise not be cut off if they did not have their particular disability.

I am also in support of a modern, knowledge based economy in order to be competitive with our neighbours. I am in support of all the efforts that the government is putting forward for advanced skills, advanced learning, advanced education, especially the support to the unemployed in those areas, and also the lifelong learning of Canadians.

I have always been in support of the efforts the government has taken on the rural file. It has been so successful with such little funds that it could even be enhanced. I am sure I speak for our rural caucus on this. The urban people have mentioned that the mayors of the big cities have said that people are coming in from rural areas and causing them problems and that they have more costs. As the mayor of Dawson says, that is a symptom. If we could actually solve the problems of the economies and the lifestyles, and keep these people healthy and productive in the rural areas, then this would not be a problem for cities.

I applaud the rural community capacity projects that are underway. I know my riding has some. I also applaud the rural lens and hope that continues so that any new program is looked at from the rural perspective to make sure that it is as efficient as it possibly can be for rural people.

I will now go on to some of the recommendations from the standing committee which I strongly support.

• (1740)

First, I am totally in support of any income tax reductions or tax reductions as long as they are done in the context of making sure that the other needs in the budget are covered.

Recommendation 4 talks about us making sure that tax rates in Canada are competitive with others in the G-7. However, as the House knows, some of our rates are already competitive or more than competitive, but I applaud our efforts to move in that direction.

I also applaud the efforts to increase the limit of registered retirement savings funds so people can help fund themselves in their old age, as well as the Canada savings grant exemption.

Recommendation 11 talks about reducing the federal excise tax applicable to small breweries to achieve parity with the United States. In the debate we had earlier, I said that I was totally in favour of this and delighted that it was being recommended. We have an excellent, award winning brewery in the Yukon that produces excellent beer that I recommend to everyone. Of course we would like it to be competitive.

The air travel security charge is only sufficient to cover the needed costs without jeopardizing safety. Canadians have told me that they want to definitely be safe but do not want it to unduly hurt the tourism industry.

I was also delighted with recommendation 13, which talks about the federal granting councils. I was on the industry committee, as was my colleague, and we constantly talked about funds in research for smaller universities and colleges such as we have in the north.

Recommendation 13 states:

—consider the concerns of smaller universities and colleges when disbursing funds, and should ensure that they do not face discrimination.

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I am delighted that recommendation, for which we fought so hard, was in there.

I am grateful for the opportunity to debate the many items that I think could be helpful to Canada and to my riding.

• (1745)

Mr. James Rajotte (Edmonton Southwest, Canadian Alliance): Madam Speaker, I appreciate the comments by my hon. friend from the industry committee. I know he is a very diligent, hardworking, serious member. I do want to ask him a few specific questions.

He talked about tax cuts. Would the hon. member be in favour of an increase in the basic exemption to allow for tax cuts for lower income Canadians in particular?

The second thing I would like to know is whether he is in favour of increasing the RRSP limit to allow Canadians to better provide for their retirement.

The member is on the industry committee. Yesterday at the industry committee the members of the Mining Association of Canada presented to us. They asked us to eliminate capital taxes in the upcoming federal budget in order to stimulate investment as a way for them to deal with the post-ratification Kyoto environment.

I would like to know if he would agree with those three recommendations.

Mr. Larry Bagnell: Madam Speaker, I thought I had answered two of the member's questions in my speech when I said that I was in favour of increasing the registered retirement savings limit and when I said that I was very proud that in our \$100 billion tax reduction plan, which is the biggest in Canadian history, that a majority of the people getting that would not be high income people.

I also applauded any tax provisions, not only the capital tax but I also approached the finance minister on other tax provisions that I hope can help the mining industry. The mining industry, such as flow through shares, et cetera, is very critical to my riding. In fact, the report talked about the mining association presentation to the industry committee yesterday. It also said that innovation was about reducing cost. I agree with that. Hopefully we will have funds for innovation because we have a major innovation strategy for Canada.

The report also talked about the funds being competitive, and that we need an efficient tax regime which supports and rewards innovation. Of course that is what the government's whole innovation agenda is about and I am in favour of that.

Private Members' Business

• (1750)

Mr. Peter Stoffer (Sackville—Musquodoboit Valley—Eastern Shore, NDP): Madam Speaker, I have a lot of questions for my fellow Yukoner from my former Yukon days but I will narrow them down to specific areas that would help my riding.

First, we all know that the military is severely underfunded in terms of the Sea King replacements and those need to be addressed.

Second, the previous industry minister, Mr. Tobin, had said the government would have a shipbuilding policy. It wrote a booklet called "Breaking Through" and we still do not have a shipbuilding policy which would help the domestic shipbuilding industry, especially in Atlantic Canada.

Third, we know that the Coast Guard, from coast to coast to coast and in central Canada, is in dire straits.

What would the hon. member recommend to his finance minister to correct all three deficiencies prior to the next budget?

Mr. Larry Bagnell: Madam Speaker, I do not think shipbuilding will have a big impact on my riding in the near future, so I will comment on the other two.

First, in relation to the helicopters, I am delighted that the bidding has been put into one package. That will speed up the process which is, I think, what all members in the House want.

I would be disappointed, however, as there is always a cost to everything, if the cost of not splitting that bid ended up reducing employment in that industry. I and I am sure Canadian workers would be disappointed if that were to happen.

I was delighted to hear the member mention the Coast Guard because I can again mention the comment I made when we had the debate on the Coast Guard, which had to do with northern sovereignty.

Some countries do not accept that all the islands north of Canada, beyond the mainland, are part of Canada. The waters are opening up and ships are going through there. My colleagues from Nunavut and NWT have mentioned examples of ships just showing up. They can be polluting with oil. They can be dropping immigrants. They can be infringing on our sovereignty if we do not make a presence. I know we have increased it some but the use of military or the Coast Guard is not the simple solution.

In the north, because resources are so limited, we need a strategy to increase them all. We have wonderful support from the Canadian Rangers, who quite often are aboriginal people, who patrol there. I totally agree with my colleague opposite that we need to increase those resources so we can protect Canada's north.

Mr. Clifford Lincoln (Lac-Saint-Louis, Lib.): Madam Speaker, I am extremely interested in aboriginal issues. My colleague has referred to the head start program and to university education.

As a member of the standing committee of arctic parliamentarians and also having taken part in many of the works of the Arctic Council over the years, the whole question of university training for young aboriginal people in the north is central, not only to Canada but to the other nations in the Arctic.

Being from Yukon, my colleague will have a special interest in this question. The president of Yukon University is also the president of the new Arctic College founded by the Arctic Council. I want to get the member's views as to how he sees the future for young people in the north, given the thrust today to new technologies and new ways of learning, so they can take their rightful place in the modern world.

Mr. Larry Bagnell: Madam Speaker, my colleague has asked a very good question. The new knowledge based economy in technology opens up a future for people in the north, both aboriginal and non-aboriginal, that was never there before.

It is quite exciting because, as the hon. member mentioned, there was no university north of 60 in Canada before. However, because of technology, we now have this virtual university of the Arctic that comprises the pan-northern world of all the nations. Because everything can be done by computer, this university can be connected by computer. The north, which has many first nations people and aboriginal people in many countries, can now be connected and have a sharing of common solutions to common problems right across the north.

The farthest community in Canada from here is a place called Old Crow. It is the farthest northwest—

• (1755)

The Acting Speaker (Ms. Bakopanos): I apologize to the hon. member, but the time has expired.

It being 5:54 p.m., the House will now proceed to the consideration of private members' business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[English]

EMPLOYMENT INSURANCE ACT

Mr. Peter Stoffer (Sackville—Musquodoboit Valley—Eastern Shore, NDP) moved that Bill C-206, an act to amend the Employment Insurance Act (persons who leave employment to be care-givers to family members), be read the second time and referred to a committee.

He said: Madam Speaker, I cannot say how pleased I am, along with my colleague from Vancouver East and all of the New Democrats, and all members of Parliament and yourself sitting in the chair, to lead off in what I think is a historic debate. We are debating how we could use the laws of Parliament to change Canada's employment insurance system to assist anywhere from 200,000 to three million Canadians when they provide care.

On a personal note I am honoured that my hon. colleague and good friend from Vancouver East seconded the bill. She has experience on the subject and can give personal testimony to exactly what we are speaking about. It would be unfair for me to go into that as she will so eloquently state her personal experience.

Every single one of us probably knows someone, or we ourselves have gone through what the bill addresses. Bill C-206 would allow individuals to care for a dying relative or someone who is under severe rehabilitation in the comfort of their own home. Individuals would be able to leave their place of employment and would have job protection and would collect employment insurance while they provided the loving, palliative care that is so desperately required by dying Canadians.

Bill C-206 will not solve or even get into the discussion of all aspects of caregiving. It is not meant to do that. Being a member of the fourth party, the New Democratic Party, in order to assist the government and other opposition parties it is our role to provide some advice or suggestions. It is our role to say, "Here is an idea. Let us forget about the politics and let us work together to see where we can go on this initiative". That is the purpose of this debate.

This bill originated in 1997. I had received a call from two of my constituents. Unfortunately, one of them has since passed away. Their names are Pearl and Doug Fleming of Oakfield, Nova Scotia. They were in their seventies and Pearl was dying of cancer. She had been a robust woman of 120 pounds but when I met her she was down to 75 pounds.

All of the doctors told Mr. and Mrs. Fleming that she was dying, that she must be in the Nova Scotia hospital for 24 hour care. Mr. Fleming said no, that if his wife was going to die, he was going to care for her in their home. The doctor said fine and listed the equipment that would be required and the concerns that should be kept in mind. They needed an air filtration system, a ramp, a lift for the vehicle, a special tub, widening of rooms, et cetera.

All the man wanted was to deduct those expenses from his taxes. After fighting for it for over two years, we were finally successful in getting a tax deduction for him. That opened my eyes to what happens in this country and the difficulties that people face time and time again.

I will not use any names, but I know of a woman who now lives in Fort McMurray, Alberta. She was working in the tar sands. She left a small community in Newfoundland for economic reasons. Her father passed away in 1998. In 2001 her mother was diagnosed with cancer and Alzheimer's and was dying.

Being the only child, the young lady had a choice. She could either institutionalize her mother so that her mother would die in a strange building surrounded by people she did not know, or she could quit her place of employment, move back to Newfoundland and provide the care that her mother so desperately needed. She chose the latter. When her mother passed away, she returned to Fort McMurray to see if she could get her job back but unfortunately, it had already been filled.

● (1800)

That should not be allowed. That young woman made a life decision which affected her career. All she wanted to do was care for her dying mother in the comfort of her mother's own home. She did not want the taxpayer to pay hundreds of dollars a day for health care in a nursing home. She wanted to give her mother the care that her mother had given to her when she was a child. She saved the state a lot of money. This young lady left her home in Newfoundland to

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find work, which is what we encourage Canadians to do to become productive members of society. Yet when she made a life choice, there was no program in place to assist her.

This is just one story of thousands of stories I could tell and they are all true. Every day in our society people make that difficult choice when they get a phone call telling them a relative is dying or has been in a severe accident. I hope and pray that it never happens to any parliamentarian or staff member or anybody in Canada who is watching this.

Madam Speaker, imagine if you were to receive a call today that one of your children had been involved in a severe accident. I know what you would be doing right now. You would be rushing to the aid of that child and you would be with your child for as long as you could. But what if you suffered financially because of the concern and love you have for your child? Madam Speaker, what if your employer could not let you go because of constraints or some other reason? You would then have to make a very difficult choice.

I know what most Canadians who are loving parents would do. They would worry about the money aspect later and would concentrate on the here and now which is the care and love for the child.

Madam Speaker, if you were pregnant and gave birth to a wonderful child you could take a year off with pay under the maternity leave provisions in the employment insurance program. There are paternity leave provisions as well. This is a great program to have at the beginning of a person's life. That nurturing for the first year of a child's life is wonderful and I do not think anyone wants to take that away.

But what do we have at the end of someone's life? Nothing. That is what the bill is meant to correct. Bill C-206 is not perfect. What I am asking is that members send the bill to committee so we can debate the issue more thoroughly and carefully. I am asking for a full year but if members of Parliament feel that is a little much and that we should start slowly and work up, I would agree with that.

I am trying to start the debate on palliative care, end of life care, and severe rehabilitative care, and there is hope. It has been mentioned recently in two throne speeches given by the Liberal government. In his report Senator Kirby has dedicated a whole chapter, either chapter 8 or chapter 9, to this issue. Commissioner Romanow in his recent report on health care mentioned it on pages 184 to 188. There is hope. The debate is out there.

We recently sent out letters to over 500 organizations across the country looking for their support. In the span of two days we received close to 200 e-mails saying that we absolutely have to do this. Those e-mails came from across Canada.

Again, for those who are watching, my bill would allow a person who leaves their place of employment to care for a dying loved one to have job protection. The person would be able to stay at home and care for their dying loved one, under a physician's care. The physician would have to indicate that if that person was not getting the care at home, the person would need to be institutionalized.

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● (1805)

We all know how much institutional care costs. Depending where one is in the country and depending on the level of care, it could cost \$180 a day, \$700 a day, or even more.

We are asking that an individual be able to collect employment insurance so they can leave their place of employment in order to provide that care. It would save money. In fact we have hard evidence from very good sources that for every dollar spent on the employment insurance program we would save five to six dollars in health care. Who would be the biggest winners financially? The provinces.

I was very pleased to see on *CBC National* after the federal and provincial health ministers met that Mr. Gary Mar of Alberta said he was more than willing to work with the federal government on a palliative care leave program. Gary Mar and I may come from different walks of life politically but I was very proud of him for having said that. He knows that something has to happen.

The burden of care is really hard on a lot of people. In fact, an awful lot of employees feel they have to fudge their statistics at work, that they have to lie. They have to claim sick leave or take stress leave. That costs the economy almost \$2.6 billion a year. Employees have had to leave because of the tremendous stress they are under providing that type of care.

Financially, the provisions in the bill would make it a win-win situation for the country. It would be a win situation for the families.

There are companies doing this already, for example, GlaxoSmithKline, a big pharmaceutical company. I called Leanne Kitchen the other day. That company has a 13 week program that allows its employees leave with pay in order to assist a relative under palliative care in an end of life situation. GlaxoSmithKline is quite large and very profitable so it can afford to do that. Many businesses cannot afford to do that, so we need the federal government to step in and show leadership.

The House of Commons can show leadership. Every single program we have has come with a struggle but nothing compares to the struggle that families have in making decisions when it comes to their loved ones.

I want to state four points. Every Canadian has the right to die with dignity. Every Canadian has the right to be free of pain. Every Canadian has the right to be surrounded by their loved ones. Every Canadian has the right to die in the setting of their choice.

On a personal note, I cannot thank my sister enough for the care she gave my father when he was dying. I was fortunate that my mother and father lived in the basement suite of my sister's and her husband's house. When my father was dying it took a long time but my sister and my mother provided the care for him when he was dying. I was lucky because members of my family could do that.

Think of that woman from Newfoundland who did not have family members to do that and think of the choice she had to make. She had to quit her job and move back to Newfoundland because of her love for her mother. She watched her mother die knowing she was out of work and wondering what she was going to do when her mother did pass on. Fortunately, after a year she was able to find

work again and she is back on her feet but what a struggle. She has asked me not to use her name because of her pride. That is just one story of many others.

● (1810)

I cannot thank enough Gail Broom, of the Family Caregivers Association of Nova Scotia, who has been helpful in assisting me in drafting the bill knowing full well that the bill is just one aspect of caregiving. There are many aspects of caregiving, from Alzheimer's to physical disabilities to mental disabilities, and so on. We can talk for a long time in the House on all aspects of that.

Again, I am concentrating more on the end of life care and severe rehabilitation. If we were to move toward that effort it would be wonderful.

I wish to mention another aspect that we tend to forget sometimes, that of seniors who in many cases are looking after more elderly seniors, especially in rural areas. Those of us who come from rural areas know that the access to medical care and facilities is not as available as it is in major urban centres.

A classical example is my good friend Floyd Day from the Eastern Shore in Nova Scotia. He is 72 years old, his mother is 92. His wife is elderly as well. His wife and mother are not doing well and he has to provide the care for both of them.

This particular bill would not assist him in that particular case, but it would show the possibilities of what we can do to assist people like Floyd Day, when seniors care for seniors, especially in rural areas.

Approximately 220,000 Canadians die every year. A recent poll said that 90% of Canadians, if they had the choice, would prefer to stay in the comfort of their own home and be able to die in their own home. About 6% of caregivers in the country feel that they could adequately care for their loved ones under that circumstance. Nearly 75% of those 220,000 people die in strange places, such as hospitals and long term care facilities.

We will all get old one day. Dying is something we should not be afraid to discuss or talk about. It is a fact of life.

Madam Speaker, if you had the choice, where would you prefer to die? Would you not want to be free of pain? Would you not want to be surrounded by your loved ones? Would you not want to die in a setting of your choice? Would you not want to know that your caregiver was not suffering under financial strain, or respite strain, or whatever requirement to be able to provide you with high quality care?

We all know that when people enter a strange building, such as a long term care facility or a hospital, right away they are emotionally drained and are looking around, saying, "Is this it? Is this what I have to look forward to for the rest of my life?" No.

When the time comes for me to die I hope that I am surrounded by my daughters—hopefully they would have kids of their own—my dog, or if my dog is not around maybe another one, my beautiful wife, my brothers and sisters, and my good friends. I do not want my caregivers to suffer financially because there was no program in place that would assist them.

I want to thank the members of the House of Commons for listening today. I want to thank my seconder, the hon. member for Vancouver East, who has personal experience with this issue. I want to thank Floyd Day, and Doug and Pearl Fleming for their stories, and for the ability to meet with them and share with them their experiences.

I encourage the House to move the bill along. If it needs to be amended, so be it. But let us work on it together and let us give Canadians truly a beautiful and blessed Christmas present. God love you.

● (1815)

[Translation]

Ms. Yolande Thibeault (Saint-Lambert, Lib.): Madam Speaker, the hon. member for Sackville—Musquodoboit Valley—Eastern Shore has introduced a relevant bill at an appropriate time. I am talking about Bill C-206, to amend the Employment Insurance Act, which deals with one of the most important issues raised in the recent Speech from the Throne. This issue was also raised in both the Romanow report and the Kirby report.

This is a relevant bill because, as we know, a growing number of Canadians have to strike a balance between their work responsibilities and the need to care for family members. It is timely, and I congratulate my hon. colleague on drawing attention to such an important commitment made by the Government of Canada in the Speech from the Throne.

Obviously, the government shares his concerns about those who have to balance family responsibilities of this sort with work responsibilities. I can confirm for the hon. member that officials are looking into the matter.

While we appreciate his interest in this issue, we do have reasonable concerns about the proposals contained in this bill.

We are starting from the premise that Canadians ought not to have to choose between keeping their job and looking after a family member. In the Speech from the Throne, the government stated its intention of ensuring that workers were not forced to make that choice.

Nevertheless, the amendments proposed in Bill C-206 would require people in such a predicament to choose between leaving their job or being let go so that they could collect benefits while looking after a family member.

Instead of this, we want to encourage people to retain their connections with the job market, particularly with a shortage of skills looming. However, we want to proceed by acknowledging the specific requirements, often temporary, that occur.

As a result, we oppose the provisions of Bill C-206, which would oblige workers to leave their jobs or be let go in order to be eligible for benefits.

Then there is the question of costs, or at least an estimate of costs for this type of measure. It is one thing to propose new measures if one sits on the opposition benches, but those of us who sit on the government side also have to be concerned about the potential costs of such proposals.

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For example, this bill calls for benefits to be paid for up to 52 weeks. It is not easy to imagine a worker being able to draw 52 weeks of benefits to look after a family member, when if he or she were ill, there would be only 15 weeks of eligibility. As well, we need estimates of what the cost of such a long benefit period would be.

I wonder if the member has looked at the potential costs of such a proposal. They might be very high, particularly given the wider definition of family member that is being proposed as part of the amendments to section 23 of Part 1 of the Act. In addition to listing immediate family members such as children, parents and spouse, this bill includes in its definition brothers and sisters, aunts and uncles, and even members of the spouse's family and those of the common-law spouse's family.

● (1820)

This definition could include a very large segment of the population, particularly in the context of an aging population. We must ask ourselves seriously who should be included in the definition of family, since we must be able to support the costs involved.

We know that Canadians are experiencing increasing difficulties in balancing the conflicting obligations of their work, on the one hand, and their family, on the other, and we want to do something about it. However, we do not think that the approach proposed in Bill C-206 is the solution.

We must re-examine this issue together.

Close to half of all Canadians are experiencing moderate to severe stress because of their professional responsibilities. Workers who must care for children or elderly people say that they experience much greater conflicts between their professional and private lives than do other workers. Many employers recognize the importance of providing temporary help to these workers, but they cannot fully meet their needs.

A survey conducted among medium and large businesses showed that 59% of them provide some form of leave for family obligations, but that only about half of them had an official policy. Usually, the support provided by employers is largely non-monetary, unofficial and short term.

The data shows that 77% of Canadians who provide care to a family member have taken a leave of absence. Among them, 69% were absent from work for more than two weeks. In 56% of the cases, they were on leave without pay.

The challenge for the government is to take advantage of existing supports in the workplace, so as to establish a program which will ensure that workers can remain in contact with the labour market during a period of temporary family related stress, and which will also be affordable.

Therefore, we are pleased to discuss the proposals included in Bill C-206 and we are quite prepared to continue to work with all members of the House.

Private Members' Business

Temporary income support and employment security are appropriate roles for the federal government. This is an opportunity to set an example by meeting the needs of Canadian workers and their families, and by adding an important feature as a support measure for an improved health care program.

Again, I applaud the initiative of the NDP member, and I am sure this is just the beginning of the debate.

[English]

Mr. Monte Solberg (Medicine Hat, Canadian Alliance): Mr. Speaker, it is my pleasure to debate Bill C-206 and to congratulate my colleague, the member from Nova Scotia, for bringing this forward.

I do not think there is anyone in this place who has not, at one time or another, either personally faced, heard about or had someone close to them who has faced a situation where a family member has been diagnosed with a terminal illness. All of a sudden big life choices must be made about how to deal with that and how to look after that person. We would not have a heart if we were not concerned about that and did not want to find ways to help. My friend has done a good job of starting the debate by introducing Bill C-206 and asking how we address those types of issues.

Not too long ago I was in my office and I had a lady come in who had a family member who was gravely ill. She made a very good point. She said that she had home care coming in to look after this person, but that it was hugely expensive. It was something like \$2,500 for a home care person. She said that if someone would give her \$700 to stay home, she would do it herself. I thought that was pretty interesting.

There are lots of people thinking about this and my friend is correct when he suggests that this would be a money saver for the health care system. I do not quibble with any of that. It is important that we find a way to deal with those sorts of issues. My friend mentioned that it was raised in the Kirby report. Obviously people from the health care perspective are thinking about this and that is very important.

Where I differ from my friend is with respect to how this should be funded. During his speech my friend mentioned that right now, maternity benefits have been greatly improved. They allow people who have just had a child to spend some time with their new child. I do not think anyone would quibble with that. Everyone wants to see a new mother or father spend some time with their children, especially right after birth. That is a good thing. The question is, how do we fund it?

The reason I do not agree completely with my friend's bill is that I do not think this should be funded out of employment insurance. Employment insurance started out as an insurance program to look after people in the event they lost their jobs through not fault of their own. The premiums would match the payouts and it was pretty simple. Since that time all kinds of new aspects have been added on. The original intent of the program is no longer respected at all in many different ways. I talked about that a little earlier today in the prebudget debate when I said that even the Auditor General said that the intent of the Employment Insurance Act was no longer respected with respect to premiums equalling benefits.

The question is, how do we fund this? The country wants to put money into this. Clearly Gary Mar is talking about this in Alberta. As the population ages and a lot of elderly people at some point in the not too distant future will be facing that last chapter of their lives, how do we address this so that our children have a way to deal with this? I would argue that we should address it through the health care side. That is where we should address it.

The same thing applies, frankly, with respect to maternity benefits. We should not continually ask employers and workers to fund maternity benefits. It should be a separate program. We should make it a social program. We should do the same thing with this issue if that is the will of the provinces and the country. If that is what they want to do, let us hive it off and make it a different program. Let us keep EI for what it was intended. That is what I would rather do.

●(1825)

We could have a big debate about how it is funded. I do not believe we should get away from the original intent of the employment insurance program because it serves us well. The further we get away, the more chance we have of destroying what is a good program. If it were funded through EI then what would we do for people who are self-employed? For example, if a consultant or a farmer has a situation that comes along, that individual would not be eligible for EI benefits. It may make more sense to take that money out of the health care component to fund this.

My friend knows I plan to raise the issue of 52 weeks. He said it might be too long or too short. All I am suggesting is that instead of picking an arbitrary number such as 52 weeks, it may make sense to do some research. First of all it is obvious we need to find out how much this would cost after having gone through the firearms thing. It is important that we nail those facts down so that we know how much we would have to budget.

We should find out for instance what is the average amount of time home care would be needed for palliative care? That should be the figure used rather than an arbitrary 52 weeks.

This issue could be benefited by more study. My friend has mentioned he would like to get it to committee so that it can all be discussed. I do not have a problem with that. We need to have these kinds of discussions. I am not sure if it should be discussed in the human resources committee or perhaps in the health committee. Let us find a way to get it to committee and have some discussion on it.

I will conclude by again congratulating my friend for bringing forward this important issue. It would be one of the most meaningful things in our lives to spend some time with our parents before they pass away and it does not necessarily have to be only parents. We need to find a way to accommodate that. My party strongly believes in family. We must find a way to support families. I know my friend believes in that as well and I applaud him for that.

I would like to wish all my colleagues in the House a Merry Christmas and all the best over the holiday season.

●(1830)

[Translation]

Mr. Michel Guimond (Beauport—Montmorency—Côte-de-Beaupré—Île-d'Orléans, BQ): Madam Speaker, I am extremely pleased to speak on this important bill. I must congratulate my colleague from the NDP for having introduced Bill C-206 as well as for having managed to convince the subcommittee on private members' business that it should be votable.

I am a bit constrained by the need for secrecy on the deliberations of that subcommittee, being a member of it. I do want my colleague to know, however, that this bill will be voted on because its subject was found to be highly relevant.

We must point out that, above all else, a Parliament is a forum for individuals of varying backgrounds, varying visions, and varying political ideologies and allegiances.

In the case of the Bloc Québécois sovereignists, we have a different vision of the relationship that should exist between a sovereign Quebec and the rest of Canada. I believe that this is democracy, and it is within this view of democracy that our two new colleagues were elected in the Monday December 9 byelections in Lac-Saint-Jean—Saguenay and Berthier—Montcalm.

The reason I have referred to these differences in backgrounds is that the member's bill transcends party lines and political ideologies and allegiances.

When a bill addresses compensation, remuneration for natural caregivers, someone who has had to leave a job in order to look after a sick person, there must be no attempts at partisan politics. Our approach has to be people-centred. In matters such as this, we cannot be technocratic or number-obsessed. We cannot start asking how it will be funded. In this connection, I do have some suggestions as to how it could be financed, but that ought not to be the focus of the debate.

I am convinced that the question we have to answer as parliamentarians—and I am basing this on what I have heard from the colleagues who preceded me—is whether we would be capable of obtaining a unanimous vote in this assembly so that this matter can be settled. I am sure that, with some good will, this bill could be passed.

I have been fortunate in that I have not had to deal with this situation in my own family. I do, however, have friends who have had to leave a job in order to take care of a sick father or mother or some other close relative, or to be with a child with cancer during the child's last days on earth.

It is important to ensure that these people are compensated. This will not cure the sick; it cannot ease the terrible suffering of the caregiver. However, it can, at the very least, ease someone's mind, quiet a concern, and it might allow the caregiver to face the terrible illness of the person under their care with greater peace of mind.

So, this would eliminate all financial worries. Then again, when I say all financial worries, I should say some financial worries, because it is not possible to reimburse all the expenses incurred when someone loses their job.

Private Members' Business

●(1835)

I want to take this opportunity to congratulate and thank the lawyers who help us parliamentarians draft bills, because we do not all have a law degree. Fortunately, we have benefited from the assistance of very competent lawyers, although unfortunately there were too few of them. I think that there are plans to increase the number.

The purpose of the bill is to introduce important definitions. Among them, we find “caregiver”. I want to quote subsection 23(1) of the bill:

“caregiver” means a person who leaves employment voluntarily or whose employment is terminated because the person is unable to carry out work or attend work at the times required by the employer by reason of caring for a member of the person's family—

Further on, the word “family” is defined. It says, and I quote:

“family”, with respect to a person, includes

(a) a spouse or common-law partner; and

(b) a child, grandchild, parent—

Most eventualities are covered.

The bill would also allow the person to collect employment insurance benefits. This is found in clause 4 of the bill. It reads:

—no benefit is payable to a major attachment claimant under this section—for more than 52 weeks in total in one or more periods in any two year period.

Finally, another important element of this bill is that it also refers to caring for a person who:

(a) has an impairment as defined in section 118.3 of the Income Tax Act; and

(b) is not an in-patient in a medical facility or a resident of a long term care facility or home.

This refers to situations where people make the decision to live out their final days at home, among their things, in their own bed. I have had the opportunity to visit people—not in my own family—whose families had to literally adapt a room, for example, having a hospital bed. Some diseases, such as bone cancer, are so painful that a normal bed cannot be used. The family must get a special bed.

It is more and more common in our society for people who know they have a terminal illness to say they would like to end their days surrounded by family at home. I think this should be encouraged.

I believe that the surplus in the EI fund—I talked about this with my hon. colleague in charge of the file—is currently around \$6 billion. Let us not forget that the Liberal government helped itself to more than \$42 billion of the EI fund surpluses. Let no one say that the current regime is unable to take on these new responsibilities and fund these new measures. I think that with the EI fund surplus, we now have enough to compensate these people. That is basically what I wanted to say.

Private Members' Business

As this is probably my last intervention on a bill, I would like to take this opportunity to wish all of my colleagues in this House a Merry Christmas and a wonderful 2003. I would also like to wish a happy holiday season to those watching. This year, fresh from this bill, I would like us to take a moment to think about those who will be spending the holidays alone, or those who are sick and staying in long term care or in a hospital.

• (1840)

As parliamentarians, let us try to take the time for someone who might not otherwise receive any visitors over the holidays. Evidently, the holiday season is a very difficult time to spend alone. Food for thought.

[English]

Mr. Loyola Hearn (St. John's West, PC): Madam Speaker, it is a delight to speak on this bill introduced by my friend from Sackville—Musquodoboit Valley—Eastern Shore, and saying that takes up half my speech time.

It is an extremely important bill. I have noticed, as each person spoke, that he or she had positive comments particularly when starting off, which leads one to believe that there is something here with which everybody agrees.

It is unfortunate that the Liberals immediately put up a red flag, and that is no reflection on the clothes that the hon. member was wearing. However, they always have this way of coming at us, saying, "This is a wonderful idea". Then we suddenly think, wow, they are believing in something for a change, they have a bit of a vision. Then there are the buts: "but it doesn't fit regulations"; "but it is going to be costly"; "but it is going to take people out of the workforce", but et cetera.

The crux of the proposal put forward by the member is that his bill is meant to generate talk and discussion. He made it quite clear throughout his discussion that the bill could easily be amended. There may be all kinds of things, whether it be the amount of time or a combination of other ideas that people come up with, but the bottom line to it all is that proper care, kind, considerate family care, can be provided to those who are in need. There is nobody in the House, if they think at all, who can disagree with what has been suggested.

One of the reasons we in opposition, and all of us I guess collectively feel this way, are always given by government is this: "Sorry, it costs money". What do we do in life these days that does not cost money? And here we are not talking about just any old people. We are talking here about our parents, our loved ones, family individuals who are at the end of their lives. We are not talking about somebody who gets a toothache so we will take a year off of work because that person has had a root canal or something. We are talking about people who are basically on their deathbed. Usually it does not take a long time; however, some people do have very lengthy illnesses.

Some of us have experienced it. By that, I do not mean being at that stage in life but being by the side of people who are in their last days. No one realizes the value of being comforted by someone who that person knows. People who are sick, people who are dying, do not want to end up their last days in an institution where they do not

know anybody. Even though they might have all kinds of care, it is not the loving, personal family care given by their relatives. The setting is not the home where these people have lived all their lives.

A person very close to me who is getting very old turned to her family just recently and said, "Please do not put me in a home. Do not put me in a hospital. If I get sick and I die, I want to die in my own home". We all know there comes a time occasionally when because of the medical needs of an individual the person has to go to the hospital or to some place where the care is such that we would not be able to provide it within the home, but quite often that is the exception rather than the rule. Unfortunately from a government perspective, it is becoming a rule rather than the exception.

• (1845)

The government talks about the cost of home care. If anybody looks at the cost of looking after someone in a nursing home, or in a hospital where a person quite often ends up taking a bed from somebody else who needs to get in for short emergency care, simply lying in that bed because there is no other place to put the person, the individual would rather be home. The family would rather have the person home as long as there is somebody there to assist. Who can better do it than the family?

I think it was probably the member from the Alliance Party who mentioned that perhaps we should look at this through the health care sector. There are programs within the health care sector to assist in home care. Unfortunately, one is not allowed to hire anybody from the family or anybody who is closely connected. I guess the reason for this is that it is felt somebody will try to rip off the system. If a person is diagnosed with a certain illness or if in the health care assessments that are being done the person is determined to be eligible for care, then does it matter to the government who looks after the person? It certainly matters to the person who is sick and I think that is what we should be looking at.

Time will run out, and there are so many aspects to this, but let me come back to the premise of the hon. member. I know I am paraphrasing him, but I am putting this idea on the floor for discussion purposes. Let it go to the committee. Let it be analyzed. Let us pick the nuts and bolts apart. But within the bill there is an idea. The idea is that we should be providing for those who have given so much to us, to our country, those who are at death's door, the possibility, within every reason that we can come up with, the possibility of living their last days in peace and happiness with their own people.

Now if in order to be able to do this we have to take present regulations and throw them out the window, what difference does it make? We have to dream. We have to find better ways of doing things. We cannot give bureaucratic answers like "the regulations prevent it".

The regulations do not prevent it. Madam Speaker, I was a minister in government. When people came to me with that, if the regulations were no good I asked if a new set could be ready for the next cabinet meeting, which might have been a day away. If it is legislation, that is why we are here. We are getting paid to create legislation which is beneficial to the people of Canada.

If we have to take some aspect of the health care regulations and some aspect of the EI regulations and, in certain particulars perhaps, we have the assistance of the private sector that provides time and leave depending on the situation, a combination of factors can create the type of general environment that enables those who want to care for people. As long as it is clearly determined that the care is needed and that it is close to the end, the mechanism should be there. Money or costs should not be the reason for not doing it, because the way we are doing it now is a lot more costly, an analysis would show, than keeping the person in the home even if government subsidizes the caregiver through employment insurance.

Really, bottom line, what is the difference between subsidizing wages through employment insurance or the department of health or the department of fisheries? It is government money collected from the people of this country so that government can provide the services that are needed.

• (1850)

Let us be subjective about this. All of us will see the day, and many of us have already, when our parents and loved ones are on death's door. If we took a poll and asked, "Do you want to see these people cared for and cared for well", we would not get many noes.

The will should be there to do it. It certainly is on this side of the House. The mechanism is there provided we who make these rules make it possible. Through putting the idea forward on the floor, through the efforts of committee and through a little vision for a change, we could ask if there is a better way. Robert Kennedy once said, "Some people see things as they are and ask why. I see things that never were and ask why not".

In conclusion, what we should ask is not why or how this can be done. The question is: why can we not do it?

Ms. Paddy Torsney (Burlington, Lib.): Madam Speaker, I first want to thank the hon. member for Sackville—Musquodoboit Valley—Eastern Shore for bringing this issue of great concern to many Canadians to the House. It is such an issue of concern that the Speech from the Throne introduced last September specifically referenced the need to have compassionate care leave. It stated:

The government will also modify existing programs to ensure that Canadians can provide compassionate care for a gravely ill or dying child, parent or spouse without putting their jobs or incomes at risk.

Consultations have already begun on that point. We already know that 56% of caregivers work full time and 12% work part time. Four in ten Canadians say that they have been in the situation where they have had to care for a gravely ill or dying family member and the majority of Canadians, in fact something like 80% of Canadians, support this kind of initiative.

While the member for St. John's West may not like it, the question is which piece of legislation is the best way to do it and how to get there. We on this side will be responsible by ensuring that it is the best legislation and that it covers all kinds of compassionate care which are important to Canadians. He only referenced end of life care. It could be somebody much younger who needs care as well.

Many Canadians are juggling and dealing with the stress of having to deal with their own children who are healthy and their

parents. We need to find a solution that is in the interest of all Canadians.

Therefore I am pleased to support the initiative of the member opposite. I share his interest in compassionate family care leave and trust that all members of the House believe in the importance of this issue.

Finally, members have referenced merry Christmas and happy holidays to everybody. I specifically want to thank all the people who work with us in the House and in these complexes for the great job they do. I am sure all of us send a specific set of good wishes to our pages who are writing their first set of university exams. To all young people across Canada, the best of luck. They will get through them and it will be a nice Christmas. Have a good time.

• (1855)

The Acting Speaker (Ms. Bakopanos): The time provided for the consideration of private members' business has now expired and the order is dropped to the bottom of the order of precedence on the Order Paper.

ADJOURNMENT PROCEEDINGS

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

[English]

JUSTICE

Mr. Svend Robinson (Burnaby—Douglas, NDP): Madam Speaker, on October 9 of this year, a young Chinese student in Burnaby, British Columbia, in my constituency, tragically died. Amanda Zhao was murdered on October 9. For some days afterwards, there was no public notification of her disappearance. Many of my constituents raised concerns about the circumstances of Ms. Zhao's death and, more important, about the way in which the public notification took place in this instance.

Last month I spoke out on behalf of my constituents and raised these concerns directly with the Solicitor General. Last week I raised additional concerns about the importance of seeking the return from China of the person who is now the prime suspect in her murder, her former boyfriend, Mr. Ang Li.

On the issue of the RCMP's handling of the initial complaint, I want to be very clear that the RCMP conducted an extensive internal investigation into the circumstances. It appears that it has acknowledged that there was an internal communications problem. In its words, it said that an internal communications problem occurred in the process of information dissemination, specifically how information was transferred among civilian employees and regular members of the RCMP. Unfortunately, there appeared to have been a breakdown in communication, which led to the delay of a week before the public was notified of the tragic death of Zhao.

However it is important to emphasize that when the RCMP attended to the call around the disappearance of Amanda Zhao, the investigation and the information gathering subsequent to that was first rate.

Adjournment Debate

I understand that the RCMP members involved in the case conducted detailed interviews. They gathered DNA samples from her home. They made a thorough examination of the route that she walked. They immediately obtained security videotapes from the food market where she was heading. They left messages on her e-mail account in the chance that she might be accessing the system after she had disappeared.

I do not want to in any way fault that investigation. I am pleased that the RCMP has indicated that it has taken steps to deal with the communications breakdown, as well as the manner in which it responds to missing persons complaints. There will no longer be an automatic 24 hour delay in those circumstances.

I want to stress the importance of Canada seeking China's full assistance and cooperation in returning Ang Li to Canada to face trial for the murder of Amanda Zhao, assuming that an arrest warrant will be issued in this case. We assume that is the case because the RCMP has issued a sworn statement in an indictment charging Ang Li's cousin and roommate Han Zhang as being an accessory after the fact in Zhao's murder. In that statement, they swore that "Li Ang had murdered Zhao Wei", the young woman.

I am appealing once again to the government to do the right thing and ensure that he is returned to Canada to face trial for this tragic murder.

It has been a very difficult time for the family. I want to extend my condolences to the family of Amanda Zhao, her friends and her fellow students at the college at which she studied. This was a terrible thing that she had to go through.

I would also note that there have been a number of other murders and attacks on young Asian women. I do not suggest that there is in any way some kind of epidemic here. Indeed the RCMP in the Burnaby detachment has responded to the concerns that have been raised on this point as well, around the number of Asian females who are victims of serious crime. However we do want to emphasize that we want to ensure that justice is done in this case.

● (1900)

Mr. Geoff Regan (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.): Madam Speaker, first, I would like to extend my deepest sympathies to the friends and family of the victim in this case for their loss under such very tragic circumstances. My hon. colleague referred to the tragedy that this is and I agree with him wholeheartedly.

[Translation]

I believe the RCMP is in contact with the Chinese consulate regarding its investigation. The RCMP is pursuing this investigation and gathering evidence related to any further charges in this case.

In addition, the RCMP will remain in contact with representatives from the departments of justice in Canada and China, and will call on them for assistance if it deems it appropriate.

[English]

As the House knows, the RCMP has arrested one individual in this matter and as this is before the courts it would be inappropriate for me to comment further. In addition, of course, the RCMP is

continuing to conduct a criminal investigation into this matter and, as such, again it would be inappropriate for me to comment.

In response to public concerns regarding the handling of phone calls related to the victim's disappearance, this matter has been the subject of an internal review by the RCMP. The results of that review were made public and the RCMP has undertaken action to address the issues of timeliness.

The RCMP in E Division are continuing to keep the public informed of developments where appropriate and have asked the public's help in providing any information via the tip line. Since this matter falls under the responsibility of the solicitor general of British Columbia, any further questions should be directed to his office.

Mr. Svend Robinson: Madam Speaker, I thank my hon. friend for his response on this and for recognizing the seriousness of the issue.

I really want to pursue one particular area and that is with respect to the question of the importance of Canada seeking the full cooperation of China in the event that an arrest warrant is issued for the arrest of Ang Li, the former boyfriend of Amanda Zhao.

As my friend will know, there is no extradition treaty in place between Canada and China but clearly there have been a number of precedents in similar circumstances for seeking the return of an individual who is charged with an offence to stand trial in Canada.

I would simply ask for his assurance that Canada will make every possible effort to do that in the event that an arrest warrant is issued, in order that he face justice and stand trial in Canada.

Mr. Geoff Regan: Madam Speaker, I can assure my hon. colleague that the government has a grave interest in justice and in seeing justice done in all matters.

As I indicated, the Solicitor General has reviewed the concerns in this case and he has provided his own sincere regrets to the victim's family and friends.

[Translation]

The RCMP is proceeding with a criminal investigation. Under these conditions, it would be inappropriate to comment on the case any further. The intergovernmental nature of the case underscores the need for open communication and dialogue between partner organizations in international law enforcement.

● (1905)

[English]

To this end, the RCMP has been in communication with the Chinese consulate in Vancouver using appropriate channels to inform the victim's family in Canada.

[Translation]

The RCMP believes in open communication and cooperation between partners at all levels, both nationally and internationally.

[English]

The RCMP continues to investigate and gather evidence regarding any additional or subsequent charges in this matter. The RCMP will also liaise with and request assistance as deemed appropriate from Canadian justice officials as well as Chinese officials.

Adjournment Debate

[*Translation*]

House stands adjourned until tomorrow at ten o'clock, pursuant to Standing Orders 24(1).

The Acting Speaker (Ms. Bakopanos): The motion to adjourn the House is now deemed to have been adopted. Accordingly, this

(The House adjourned at 7:06 p.m.)

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