



CANADA

# House of Commons Debates

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OFFICIAL REPORT  
(HANSARD)

**Monday, October 29, 2007**

—

**Speaker: The Honourable Peter Milliken**

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# HOUSE OF COMMONS

Monday, October 29, 2007

The House met at 11 a.m.

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*Prayers*

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## PRIVATE MEMBERS' BUSINESS

### CANADA STUDENT FINANCIAL ASSISTANCE ACT

The House proceeded to the consideration of Bill C-284, An Act to amend the Canada Student Financial Assistance Act (Canada access grants), as reported (with amendment) from the committee.

• (1105)

[*English*]

#### SPEAKER'S RULING

**The Speaker:** There are three motions in amendment standing on the notice paper for the report stage of Bill C-284. Motions Nos. 1 to 3 will be grouped for debate and voted upon according to the voting pattern available at the table.

[*Translation*]

I wish to inform the House that the motions seek to restore the original title and provisions of the bill that had been removed in committee.

[*English*]

I draw members' attention to the fact that according to our practice Motion No. 2 would ordinarily be irreceivable if not accompanied by a royal recommendation. However, it was selected since it proposes to restore one of the bill's clauses which was deleted in committee.

That being said, members will recall my ruling of November 9, 2006, in the *Debates* at page 4979, if anyone wants to look for it, identifying Bill C-284 as requiring a royal recommendation. This ruling would remain in effect should Motion No. 2 be adopted to amend this bill.

I shall now propose Motions Nos. 1 to 3 to the House.

#### MOTIONS IN AMENDMENT

**Hon. Geoff Regan (Halifax West, Lib.)** moved:

Motion No. 1

That Bill C-284 be amended by restoring the title as follows:

"An Act to amend the Canada Student Financial Assistance Act (Canada access grants)"

Motion No. 2

That Bill C-284 be amended by restoring clause 1 as follows:

"1. The Canada Student Financial Assistance Act is amended by adding the following after section 14:

### CANADA ACCESS GRANTS

14.1 (1) The Minister, an appropriate authority or a body authorized by the Minister for a province, may make a Canada access grant to a qualifying student if the student

- (a) has a permanent disability;
- (b) meets the criteria set out in subsection 12(1); and
- (c) is not denied further student loans under section 15 of the regulations.

(2) To receive a grant under this section, a qualifying student shall provide, with the loan application, proof of their permanent disability in the form of

- (a) a medical certificate;
- (b) a psycho-educational assessment; or
- (c) documentation proving receipt of federal or provincial disability assistance.

(3) The amount of all grants made under this section to a qualifying student in a loan year shall not exceed the lesser of

- (a) the qualifying student's assessed need; and
- (b) \$2,000.

14.2 (1) The Minister, an appropriate authority or a body authorized by the Minister for a province, may make a Canada access grant to a qualifying student if the student

- (a) meets the criteria set out in subsection 12(1)
- (b) is enrolled as a full-time student in a program of studies of at least two years that leads to a degree, certificate or diploma at a designated educational institution;
- (c) first enrolled in that program within four years after leaving secondary school;
- (d) has never previously been enrolled in a program of studies; and
- (e) is a person in respect of whom a national child benefit supplement, or a special allowance under the Children's Special Allowances Act, is payable or would be payable if the person was less than eighteen years of age.

(2) The amount of a grant made under this section to a qualifying student in a loan year shall not exceed the least of

- (a) the qualifying student's assessed need;
- (b) 50% of the student's tuition; and
- (c) \$3,000.

(3) In this section, "national child benefit supplement" means that portion of a child tax benefit determined under the description of C in subsection 122.61(1) of the Income Tax Act.

14.3 (1) The Minister shall pay to the appropriate authority or other body authorized by the Minister for a province the amount the authority or other body requires to make Canada access grants to qualifying students for a loan year under section 14.1 or 14.2.

(2) Each appropriate authority or other body shall provide to the Minister at the end of each loan year, or on request of the Minister during a loan year, an accounting of all grants made to qualifying students by that appropriate authority or other body during that loan year or other period identified by the Minister.

*Private Members' Business*

(3) An appropriate authority or other body shall repay to the Minister any money provided for a loan year that is not given as grants in accordance with section 14.1 or 14.2. The overpayment becomes a debt due to Her Majesty in right of Canada on the day after the last day of that loan year."

Motion No. 3

That Bill C-284 be amended by restoring clause 2 as follows:

"2. Sections 40.01 to 40.03 of the Canada Student Financial Assistance Regulations are repealed."

He said: Mr. Speaker, it gives me great pleasure to rise in the House to debate the report stage of my Bill C-284. Let me recap for a moment for members the intent of Bill C-284.

The purpose of the bill is to extend to all four years of university the Canada access grants for students from low income families and students with disabilities. They now receive these grants in the first year of university. That is the intent of the bill: to make this program available for all four years of university to these students who are in need of assistance.

Many members of the House are aware of the demographic challenges the country faces, particularly in the coming decade or two. As the members of the House of Commons human resources committee have heard over the past year or so in their study on employability, and I was a member of that committee last year, many sectors in our country are facing shortages in the coming years in terms of skilled workers.

Some are already facing those shortages. Certainly members from Alberta are aware of challenges some employers there already have. I can tell the House that as well there are employers in Nova Scotia who are facing challenges in getting the people they need with the skills they need.

It is a problem all over the country. We heard from industries that are facing shortages over the next 10 to 15 years, shortages in the order of 100,000 or more people that they will need and do not believe they will have in terms of the numbers of people being trained now and what will be needed in the future.

That creates a real problem for our country in terms of productivity. If our businesses and organizations do not have the skilled people they need to perform the jobs that are now being performed, they are going to have a real problem being as effective and as efficient as they are today, let alone that they need to be in the future. That productivity challenge is one that is closely connected to the human resources challenge, the human capital challenge, we face in the country in terms of demographics.

One of the things we also heard in that committee was that many people in Canada are not able to take part in and benefit from the strength of our economy because of obstacles they face, whether it be because of low income and an inability to go to university or because of other kinds of problems. They may have disabilities and there may be obstacles to working. They may need assistance with a few little things that an employer might do in the workplace to make it possible for a person with a disability to work there and in fact make a great contribution. We have seen cases of employers who have made those changes, who have adapted their workplaces, and people have made tremendous contributions to their organizations or businesses.

That productivity issue is an important one. We need to make sure that no one in our country is left behind. That is why it is so important that we invest in our human capital and in education and make sure that no one in our country misses out on the chance to go to university or a community college. I hope that members in all parties agree.

[*Translation*]

I hope that all the members in this House will acknowledge that the government should make it a priority to ensure that there are no barriers to education and that people have the opportunity to take advantage of the inherent benefits of Canada's prosperity. This is very important.

In a country with great resources like Canada, it would be helpful for most Canadians to realize that if a person obtains the necessary grades to attend university, community college or CEGEP, it must be possible for them to do so.

• (1110)

[*English*]

In other words, I think Canadians would agree that in a country with our tremendous financial and human resources, if students have the marks to get into university, they get to go. That is the way it should be in this country. If students want to go to university and they have the marks, they should be able to get in.

Post-secondary education holds the key for us in developing the best trained, the most highly skilled and the most innovative Canadians. It is very important that we have these people. It is very important that we maximize the potential of Canadians. It is imperative that we nurture in this country a culture of education, whether it is by supporting the measures contemplated by the bill or whether it is in other ways, by encouraging people to recognize how important knowledge is and how important learning is.

We all remember what it was like when we were kids. Sometimes, unfortunately, among children, the kids who do the most to pursue knowledge, who are sometimes the best students, are treated negatively by other students. They are called "geeks", for example, or other names of that sort, such as "professor". When they are in grade four or five, it is a negative connotation, unfortunately, and we need to change that.

I do not know how we do it, but we need to change our society so we recognize that young people who are learning and gaining knowledge and others who have a lot of knowledge are critical for our economy. Those are the people who lead us to innovate. Those are the ones who do important research, who provide for our economy the innovations that make us competitive. These people have the knowledge and skills that can give us a better quality of life, so it is important to nurture that culture of education.

The timing for a bill like this and for the measures included in this bill could not be better. I know that many members sat down last week with representatives of student groups across the country to talk about facing educational challenges in our universities and community colleges. I had the pleasure of meeting with a bright young student from Nova Scotia, who kindly gave me a copy of a recent poll done in my province on post-secondary education. The poll addresses issues such as tuition fees, access to education, and debt.

Unfortunately, the average university tuition fees in Nova Scotia are currently \$6,571. That is the average tuition for universities in the province and it is the highest average in Canada. It is actually a little bit less than it was last year, but unfortunately, other costs such as housing, room and board, books, et cetera, have gone up to compensate for that slight decrease we have seen.

Not surprisingly, 89% of those polled in my province supported a reduction of tuition fees for students in Nova Scotia. The fact is that the high cost of tuition is having a dramatic impact on enrolment. For example, the number of undergraduate students at Acadia plummeted by 10% this year.

By the way, that university is in the middle of a labour dispute, which I hope is quickly settled, not only because my daughter is a student there. While we like having her at home, it is important that she get the benefit of an education and maximize her time.

That drop in the number of undergraduate students at Acadia is the biggest drop in the Maritimes and that is a concern. We are seeing students go to Memorial University of Newfoundland because the cost of tuition there is much lower. It is obviously attractive to go there, but that means it is a challenge for the excellent universities we have in Nova Scotia.

On the question of access, an amazing 90% of Nova Scotians polled were concerned that young Nova Scotians will not get to go to a publicly funded university or community college even though they are qualified. In other words, although they get the grades, they do not get to go. People are worried about that. Obviously something needs to be done.

Bills like this, and the measures contemplated by the bill, are an excellent place to start. In committee, we tried to make some technical amendments and so forth. There were concerns brought forward by government members in relation to technical issues. At the committee stage, the various clauses in the bill did not pass, unfortunately, but we knew at the beginning, as you ruled, Mr. Speaker, that it required a royal recommendation, which means that when a bill contemplates spending efforts a minister has to rise and indicate support for the government for those efforts. Otherwise, the bill cannot go all the way to become law.

The important thing is that the bill has been before the House for a year and a half and the government has had all kinds of time to bring forward the kinds of measures suggested by the bill. There is no excuse for not doing it. There is no excuse for the government not doing it on its own. I think that is very disappointing.

• (1115)

I was pleased last year when a member from the NDP said that Bill C-284 “represents the most progressive and effective way of

### *Private Members' Business*

putting money directly into the hands of students who do not have the means to pay their tuition fees. I should add that the NDP also wanted to see some improvements to Bill C-284, and we did work together to try to make amendments and to make those improvements.

However, that is a far cry from the attitude of those across the way on the government side. Last year they pumped up their chests and trumpeted their meagre measures to address the current situation facing our students, and we will probably hear about that in a minute.

I hope that the discussion today reminds the government of the importance of bringing forward the kinds of measures that are considered in this bill to help those low income students, students with disabilities, students in need, to get the access to education that they need so much.

**Mrs. Lynne Yelich (Parliamentary Secretary to the Minister of Human Resources and Social Development, CPC):** Mr. Speaker, I thank you for the opportunity to speak to Bill C-284, An Act to amend the Canada Student Financial Assistance Act (Canada access grants), as put forward by my hon. colleague from Halifax West.

I believe, as all members in the House do, that if our star is to shine brighter in the 21st century than it did in the 20th, support for our students is paramount.

The Minister of Finance has begun implementing a five point plan called Advantage Canada that will ensure that the prosperity and potential of Canada and all Canadians is met.

One of the five key points is a knowledge advantage. A knowledge advantage seeks to create the best educated, most skilled and most flexible workforce in the world. Success moving forward requires nothing less. A direct support for students, to students, parents and post-secondary institutions is just one of the ways this government will bring about a knowledge advantage, which is why this government has invested over \$8.4 billion this fiscal year to support post-secondary education through transfers, direct spending and tax measures. Starting next year this government will invest \$800 million more per year in our post-secondary education system. That is a 40% increase in one single year.

We are also providing \$1 billion to provincial and territorial governments through the infrastructure trust fund to rebuild and renovate campuses across the country. After years of Liberal cuts to post-secondary education which resulted in tuition and student debt loads rising to historic levels, these funds are necessary but they alone are not the answer.

This is why this government has acted to provide direct support to students. We are committing substantial tax relief to help students and parents with the cost of text books. It is why we have exempted scholarships and bursaries from income tax. And it is why we committed \$35 million over two years to expand the Canada graduate scholarships program.

*Private Members' Business*

We also recognize that not all parents are able to contribute to the cost of their children's education. Therefore, this government has cut the amount that parents are expected to contribute to the children's higher education, because ability to pay cannot be a barrier to access. This is our record and it is one that I would put up against the Liberal record of cuts and inaction any day.

Our work did not stop there. This government recognized that the Canada student loans program was in need of a review. We need to see if it is meeting the needs of Canadians, which is why in budget 2007 we announced a long overdue review. As many in the House are aware, the review is currently ongoing. Online consultations with Canadians have just concluded. The result of the review will be announced in budget 2008. It is important that the results of the review be examined by the minister and by the House before drastic changes are made to such a valuable program.

Under the previous government's watch, tuitions skyrocketed, attendance stagnated and infrastructure crumbled. The Liberal record is one of cuts. The Liberal record is one of inaction on the post-secondary file. This government can and must do better. Unfortunately, the bill does not aspire for better. Like so many other bills being proposed by the official opposition, this bill is fatally flawed and there are many reasons why we cannot and will not support it.

From the outset the bill was poorly conceived and drafted. The provinces and the territories, the vast majority of which are responsible for the implementation of this program, have openly admitted that they are years away from being able to implement the proposals put forward in the bill. The provinces have been asked if they support the bill and they answered with a resounding no.

This government received a mandate from Canadians 20 months ago. Canadians spoke and said that the days of the federal government imposing its will on the provinces was over, that a new age of open federalism and cooperation with the provinces had begun.

• (1120)

The mandate has been reaffirmed with the passing of the Speech from the Throne and I would like to thank my Liberal colleagues for providing the Prime Minister and this government with that mandate. We will work with the provinces; we will not work against them.

As it stands now, the province of Quebec and the two territories that administer similar programs of their own have the right to opt out of this program and receive transfers of alternative payments so long as they can prove to the minister that their programs are substantially similar and that the money will go directly to post-secondary education.

The proposals that have been put forward in this bill effectively remove millions from the education purse of the provinces and the territories. A little due diligence on behalf of my hon. colleague from Halifax West and by his Liberal colleagues would have brought this to light. Unfortunately, this did not happen.

We will not support the Liberal record of taking money out of post-secondary education even if the members of the Liberal Party do. Those types of changes just do not make sense to me or to Canadian students.

These issues were examined in detail at committee stage of this bill. My colleagues on the human resources committee exposed the fact that instead of providing money for education, this bill stripped it away. We exposed the fact that not a single province has come forward in support of this bill. We discussed the fact that even if we wanted to implement the proposals outlined in this bill, the provinces that actually do all the work have said that they do not want it and that they are years away from being able to do it. It was for these reasons this bill was all but defeated at committee stage.

I thought that consensus had been reached. I thought we came to the conclusion that this bill was bad for the country and that it was bad for students. Even members of the Liberal Party openly admitted that they wished this bill would simply disappear. Therefore, everyone can imagine my surprise on Friday when I saw on the notice paper that my Liberal colleagues had moved a motion to reinstate this bill, flaws and all. Given the track record of the previous Liberal government, a record of \$25 billion in cuts to, among other things, post-secondary education, perhaps my surprise was misguided, but regardless, I cannot support the passage of this bill.

In closing, I would like to again say that this bill is seriously flawed. It seems that enshrining Canada access grants in legislation would slow the program down and make it less responsive to changing circumstances as it would be harder to make changes such as increases to reflect the cost of living.

The alternative payments formula is based on Canada student loans, the net cost for loans and payments to individuals as per grants set out in regulation. By enshrining the grants in legislation, the grants would no longer be included in the calculation of alternative programs.

This bill is fatally flawed. The member who introduced this bill has obviously not done his homework. If he had, he would have understood that this bill simply cannot be supported by any good governing party no matter what its stripe. However, I thank the member for trying.

• (1125)

[*Translation*]

**Ms. France Bonsant (Compton—Stanstead, BQ):** Mr. Speaker, I am pleased to speak today as part of the debate on Bill C-284, which proposes to amend the Canada Student Financial Assistance Act.

Education is the cornerstone of the development of societies throughout the world, and the Quebec nation is no exception. The evidence of this is that a number of years ago, Quebec implemented a very successful education policy.

*Private Members' Business*

I would like to remind this House that just 40 years ago, Quebec had the lowest enrolment rate in North America. In 1960, only 63% of students entering elementary school finished grade 7. Just 13% of francophones finished grade 11, and only 3% went on to university. During my childhood in Waterville, despite the creation of the Université de Sherbrooke in 1954 and the presence of Bishop's University in a neighbouring city, it was rare to come across a university graduate. Now, my younger colleagues and my daughters have had the opportunity to go to CEGEP or university, and it is common practice in many places.

This fall in Sherbrooke, nearly 22,000 students were enrolled at our two universities, not to mention another 8,000 students at our post-secondary training centres. To achieve this level of education in our region and everywhere in Quebec, Jean Lesage's government and those that followed made a radical policy shift to improve access to education. Thanks to its three-pronged approach—increasing funding for post-secondary studies, maintaining low tuition rates and instituting an effective loans and bursaries program—Quebec's government made extraordinary progress in a short period of time. Today, enrolment rates in Quebec are on par with Canada's in some fields and higher in others.

For example, recent statistics show that 69% of young people in Quebec who have completed high school also have a post-secondary diploma or a university degree, compared to 63% in Ontario, 61% in the Atlantic provinces and 54% in western Canada. Despite such impressive efforts, Quebec is still trying to do even better. The only things missing now are the financial and governmental tools currently under Ottawa's control. These include control over income taxes, research funding programs, training programs and access to international forums. Someday, these tools will be in the hands of a sovereign Quebec, but in the context of today's debate, the main problem is that the federal government keeps trying to encroach on jurisdictions where it does not belong without giving full, unconditional compensation to Quebec and the other provinces that want it.

While Quebec is still trying to outdo itself, the federal government, be it Conservative or Liberal, prefers to create its own specific programs, ignoring the unique features of Quebec's education system. Today's motion by the Liberal Party to increase federal student financial assistance is yet another example of this centralizing vision. In fact, this is a typically Liberal debate, just like the debates we became accustomed to during the 13 years the Liberals were in power.

The solution is simple, though. The federal government should stay away from education and, by extension, from investments in access to post-secondary education, especially if it wants to limit the federal spending power. As I said earlier, Quebec has made great strides in education in the past 40 years, and our loan and bursary system is now recognized the world over. As in many other areas, Quebec is leading the pack in student financial assistance. During the debate in committee, the Bloc Québécois proposed amendments that would have recognized the difference between Quebec's loan and bursary system and the system Canada wants to introduce.

● (1130)

We proposed that Quebec be allowed to opt out of the Canada Student Financial Assistance Act with full compensation and no strings attached, but the committee chair ruled that these amendments were out of order. This is the same chair who, along with his government, has talked about open federalism, respect for Quebec's jurisdictions and limiting the federal spending power. I question his sincerity.

We in the Bloc Québécois recognize that most of the provinces have not developed the sort of services and programs Quebec offers. That is why we proposed to include a clause in the bill that would have recognized Quebec's efforts and allowed it to opt out unconditionally and with full compensation.

Because our amendments were rejected, Quebec will not be compensated for the excellent initiatives it has put in place. We are getting used to that. Previously, the issue was child care centres, and now, it is the loan and bursary system. It is easy to conclude that the Conservative and Liberal governments are using every means possible to try to standardize all the programs and services for Canadians, despite obvious interference in areas of jurisdiction that do not concern them.

The other reality is that the Quebec nation is distinct and has made its own choices. If the other provinces would like to follow the example of certain programs and services developed by Quebec, they are entitled to do so. It comes under their areas of jurisdiction. We would even encourage them to do so, for it is true: we have very effective programs.

At the risk of repeating myself, in Quebec, we are always striving to outdo ourselves. We believe that, in order to broaden the Quebec loans and bursaries system even further, the easiest and most effective solution, apart from sovereignty, does not involve further interference on the part of the federal government. The easiest solution remains, for now, a substantial increase in transfers to Quebec and the provinces in the areas of education and social services.

Because of the fiscal imbalance, which was created by Ottawa, the federal government now thinks it has to help students financially, so they can access post-secondary education. However, by restoring transfers to the provinces for education, the federal government would never again have to introduce an initiative such as the one before us here today.

Despite the increased transfers in budget 2007, there is still a \$3.5 billion shortfall in education for the provinces for 2008-09, and more than \$834 million for Quebec alone. Unfortunately, it seems that Ottawa is ignoring our proposed solution of significantly increasing transfers, even though it has achieved consensus, not only in Quebec, but also amongst the provincial governments.

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For the Bloc Québécois, when it comes to social services and education, we believe that Quebec and the provinces must determine their priorities themselves. In short, under the circumstances, the Bloc Québécois will not support the motion tabled here today by the Liberal Party.

• (1135)

[English]

**Mr. Pat Martin (Winnipeg Centre, NDP):** Mr. Speaker, I am pleased to enter into the debate on Bill C-284 on behalf of the New Democratic Party caucus and on behalf of the critic for post-secondary education, the member for Victoria, who was unable to be with us today due to surgery, but I am proud to represent her views. I will begin by recognizing and paying tribute to the admirable work she has done on behalf of post-secondary education on a regular basis since she came to Ottawa to represent the riding of Victoria, B. C.

I also would like to recognize the efforts of the member for Halifax West and his stubborn determination to see this issue through, in spite of some very adversarial treatment, I am told, at the committee stage.

Mr. Speaker, I think you would agree with me that the way this bill was dealt with at committee was not in keeping with what we would consider honourable parliamentary practice. It was reported back to the House with all clauses deleted. Can you imagine?

The job of committees is to add to, complement and improve bills that are put in their charges. As members know, when a bill leaves the House it is in the hands of the committee to do with as it will. The dominant members of that committee, the Conservatives and the Bloc in this case, eliminated every clause of the bill. How is that improving the bill? How is that a sincere and genuine attempt to add to this important issue?

If I were the member for Halifax West, I would be some peeved if my efforts had been dealt with in such a cavalier fashion. It is not the way we are supposed to do business around here.

What we are faced with today is a motion by the member for Halifax West and, I believe, the member for Mississauga South who are trying to reintroduce the same clauses that were deleted, one by one, in a very cavalier and heavy-handed fashion at the committee.

If one were in favour of the original bill, as was my colleague from Victoria and the NDP caucus, we support this effort on the part of our Liberal Party colleagues to reintroduce those same clauses in this very worthwhile initiative to provide access grants to more post-secondary education students, to not only reinstate the policy that was put in place in August 2005, which gave tuition to students from low income families in the amount of \$3,000 in their first year of post-secondary education, but actually to augment that and to give that same level of grants to students from low income families for every year of their first university degree, if I understand the bill correctly.

Even though I know my colleague from Victoria was careful to point out that this would not fill the gap in post-secondary funding, it is the first idea that we have seen to take any meaningful steps toward improving legitimate access and bringing down the over-

whelming, crippling debt load that too many post-secondary students are carrying today.

Naturally, we would support this bill as one step, hopefully, in a multi-faceted approach to expanding access to post-secondary education. Again, it confuses me as to why the Conservatives would treat us in such a way.

Let me expand again on some of the difficulties that I have with the process here. If the Conservatives had the votes to defeat the bill in the House at some stage, why would they take this back door approach to undermine and to scuttle this bill at committee by deleting every clause? I would put it to the House that the only reason they would take that avenue of recourse is that they are ashamed and embarrassed to stand in the House of Commons and vote against such a worthwhile and fair initiative to help students.

In the days and months preceding an inevitable federal election, the Conservatives do not want to be standing in their places, sitting on a multi-billion dollar surplus, I might add, and, in such a miserly way, deny the students of the poorest of poor families the ability to achieve post-secondary education. That is the only reason.

• (1140)

The Conservatives must have looked it up in the anarchist handbook that they use at committees on how to sabotage and undermine the activities of committees. They must have looked at page 32 of that anarchist handbook and decided that if all else failed, they would buy off the Bloc, delete every clause, clause by clause, and then report back to the House with a blank piece of paper. That is a pretty dirty trick. I believe it undermines the integrity of the House and the integrity of committee work generally.

I heard a wise man say once that education is the greatest social equalizer that we have. Post-secondary education in this country is the only reliable means to go from poverty to middle class and beyond in a single generation.

This bill specifically targets lowest income families. If I understand the point made by my colleague from Halifax West, to be eligible for this, total family income must be lower than \$36,000, which is a very low threshold. A family whose total family income is well below the national average of \$36,000 needs assistance if their children are going to get into post-secondary institutions. If students have to rely totally on loans, and this is one thing I find fault with the previous Liberal government, the burden of tuition has gone up such a degree that they will be carrying a debt the size of a small mortgage by the time they graduate.

Every year that the Liberals were in power, the average student debt rose by \$1,000 per year. In other words, if the average debt was \$15,000 at the start of the Liberal tenure, by the end of it a student was carrying \$28,000 in debt. At the same time, transfers to the provinces for post-secondary education through the CHST were slashed in 1995 from \$20 billion a year down to \$11 billion a year, leaving the burden once again on the provinces and then on students.



I am proud to say that in my own home province of Manitoba, since the NDP formed government in 1999, there has been a tuition freeze every year. This is the ninth or tenth year in row that tuition has been frozen. Manitoba now has the second lowest tuition in the country, and access has never been greater.

Nobody can deny that there is a direct correlation to tuition fees and the degree of participation in post-secondary education. If one needs any graphic empirical evidence, they can look at the great socialist province of Manitoba where everyone virtually can achieve post-secondary education, or money at least will not be a barrier.

While I am critical of the Liberals' approach to post-secondary education in the time they had the opportunity to make it more accessible, I cannot help but recognize and applaud the efforts of the member for Halifax West to do something for Canadian students who are staggering under this crippling debt load.

I find it very regrettable that the debate today is on the motion from my colleague from Halifax West to reintroduce the clauses that were eliminated and deleted from his bill at committee stage. A legitimate amendment at committee stage adds to, compliments, or changes the character of a clause. It does not simply delete everything from the title on down. That is dirty pool by anybody's standards and shows again how vulnerable the Conservatives and the Bloc would be if they had to stand up in the House and vote against such a laudable notion as accessible post-secondary education in the days and weeks leading up to a federal election, especially when they are sitting on a record budget surplus, the likes of which we have never seen before.

If those members cannot find a couple of shekels to help post-secondary education and to help students access post-secondary education, then they can explain that to the general public during the next federal election.

• (1145)

**Mr. Michael Savage (Dartmouth—Cole Harbour, Lib.):** Mr. Speaker, I am pleased to speak today to the bill that was brought forward by my colleague, my friend from Halifax West. I want to commend him. He has a particular interest in this. He has long been interested in post-secondary education and has been a champion of it. He now has one daughter who is going through it at great expense. He has more on the way, so he might have a particular interest.

The bill has to do with Canada's most needy. I do want to associate myself with some of the comments made by the previous speaker from the NDP about the process. However, I would be remiss if I did not indicate that the chair of our committee, who is a Conservative, has been a very fair minded chair and I think has run his meetings better than Canadians might have heard some other committees being run, so I commend him for that.

The biggest challenge we face domestically, I believe, is the issue of productivity. When we talk about productivity, we have to talk about human resources and human capital, as my colleague from Halifax West spoke of earlier. We have to talk about education.

Most Canadians would say that if we are talking about productivity in Canada, we should talk about education, but surprisingly, the government did not in the Speech from the Throne. I would like to just read the entire part of the Speech from the Throne

### *Private Members' Business*

that dealt with education. This is quite staggering. It says: "—families worry about the rising costs of higher education". That is it. There is no answer and no further comment.

That is hardly startling information. Bill C-284 would be a very effective way to deal with that. It would be a very good start for helping Canadians who need help the most.

The Canada access grants, a Liberal initiative, provide financial assistance to low income persons and persons with disabilities who were traditionally shut out and very underrepresented in university, community college and all post-secondary institutions.

In supporting the bill, Amanda Aziz, from the Canadian Federation of Students, who is a very effective advocate for post-secondary education, said, "The research is clear: low-income students are under-represented in Canada's universities".

One would hardly think we could argue with that. All the evidence indicates that low income persons, persons with disabilities and aboriginal Canadians are those who do not get to take part in the richness of Canada because they do not have the opportunity to access education.

Canada access grants is a great program. The problem is that it only extends to one year. Of course, this piece of legislation would have extended those grants to all four years. Persistence, that being the ability of students once they are in university to stay in university, is a big issue for low income Canadians. The bill would have helped that immeasurably.

It is not that new. In 2005, in the economic update of the previous Liberal government, it was in a piece of legislation that came before the House: \$550 million over five years to provide grants for post-secondary education to an additional 55,000 students from low income families. It went further, back in November 2005: \$2.2 billion over five years to help make post-secondary education more affordable for low income and middle income Canadians.

There was \$210 million to encourage graduate studies, \$150 million specifically for Canadians to study abroad, \$1 billion for a post-secondary education innovation fund, \$3.5 billion for increasing workplace and employer led training, and \$65 million over five years to improve labour market information available to Canadians.

This is not the first time we have had the opportunity to actually do something for Canadians who need it the most. The response of the government was to refuse a royal recommendation to the bill and to not want to do anything about it. That is a shame.

Instead, what we see from the government is tax changes, tinkering with the tax system. I would like to quote the Canadian Federation of Students again who say:

The net benefit for a student enrolled full-time for eight months is expected to be a mere \$80, less than the cost of one textbook per academic year.

That is not much. George Soule, the national chairperson in 2006 of CFS, said, "Tinkering around the edges of the tax system is not going to increase access to college and university".

*Private Members' Business*

That is really what we need to do in Canada. We have to find a way so that the entire nation can benefit economically, but from a social justice point of view in order to provide an opportunity for Canadians so they can maximize their human resources potential. Surely that is an admirable goal that we would all support.

• (1150)

If the government is not going to allow Bill C-284, in its original form, to be adopted, let me at least make a couple of recommendations tied in with that which would make sense.

Number one, the Coalition for Student Loan Fairness had an active summer. Julian Benedict was heard quite often talking about the problems. There was an article today in the *Globe and Mail* that talked about the allegedly heavy-handed tactics of the Canada student loan program harassing students.

The Coalition for Student Loan Fairness put out eight recommendations this summer. I think some of those recommendations are entirely reasonable. I would certainly associate myself with many of them. I think many Liberals would support a large number of these recommendations.

Student debt has unquestionably risen in the last 15 to 20 years. It is out of control for many Canadians. Even though the federal government introduced programs like the millennium scholarship, Canada access grants, learning bonds and a whole host of other initiatives for students, student debt has risen.

Now that we are in a time of surplus, a time of great wealth, we should be looking to assist students. Hundreds of thousands, if not millions, of Canadian students are coming out of university with huge debts and facing an inability to deal with that debt and, at the same time, are trying to start their career, maybe buy their first home, get married, or even buy a car. When they already owe \$25,000 to \$40,000, a small mortgage without a home, it is hard to even think about investing in other things. I think the government should take a realistic look at student loans.

The other thing is the Millennium Scholarship Foundation. The problem with the millennium scholarship is the same problem that we had with Canada access grants. It is the problem we had with the Canada student summer jobs program. The problem is that it works, but it is a Liberal initiative that works.

We saw what the Conservatives did with the summer student job program. They tore it apart and then tried to put it back together piecemeal, on the fly. People were still left out. There were less students hired this summer than the year before. At a time of increasing surpluses, we do less for students. The Millennium Scholarship Foundation is an opportunity for this government to reinvest in students.

This year a group of seven student associations, some of which had not always been fans of the Millennium Scholarship Foundation, did a study on this and released a paper called "Sleepwalking towards the precipice: the looming \$350 million hole in Canada's financial aid system". On page 1 of the paper, it states:

Eliminating \$350 million from the Canadian financial aid system will have a disastrous impact on the accessibility and affordability of a post-secondary education in Canada.

That is the \$350 million that goes to students. Some people have always said the millennium scholarship is not a needs-based program and part of it is in fact merit-based. However, on page 3 of this report, it states:

The Millennium Bursary program is the Foundation's main grant program. 84.8 per cent of the Foundation's grant funding goes towards the Millennium Bursaries, which helps to ensure that high-need students are able to access and continue their post-secondary studies.

High-need students receive 85% of the funding. "It's a foundation", some people say, "That's not accountable". On page 5 of the report, it states:

The Foundation is fiscally efficient and has lower administrative costs than government departments, ensuring that students receive the maximum benefit from federal funds.

By the way, the millennium foundation, which is based in Montreal, works with all the provinces and territories of Canada.

The Millennium Scholarship Foundation is the ideal way for the government, along with Canada access grants, to invest in the Canadians who most need assistance.

We are not a country that can afford to take that many chances. We have been a great nation. We have educated our people very well. We are now facing huge challenges. China, India and Brazil, all the emerging nations of the world, are investing in post-secondary education. Canada has done well in the OECD rankings, but we are getting warnings from it that we are not doing as well as some of the European nations in investing in our students.

The most important thing we can do to improve productivity in Canada is invest in Canadians. The most important way to invest in Canadians is to invest in equality of opportunity for all Canadians. The way to invest in equality of opportunity for all Canadians is the bill that my colleague, the member for Halifax West, brought in and to reinvest in programs like the Millennium Scholarship Foundation, so that not only economically for the nation but socially for every Canadian education becomes the priority that it should be and is not under this government

• (1155)

**Mr. Dean Allison (Niagara West—Glanbrook, CPC):** Mr. Speaker, I am grateful to speak today to Bill C-284. I look forward to the opportunity to speak about our government's record, especially when it comes to education and students. Over the past 20 short months, our government has stood up for post-secondary education and for all Canadian students. What we have done is really worth talking about.

Before I do that though, I offer my congratulations to the member for Halifax West. I know this issue has been very important for him. It is something he has been interested in over the years.

I also appreciate what the member for Dartmouth—Cole Harbour had to say on how our committee works. It is not without any issues. All committees struggle a little with a minority government and how we can move things forward.

*Private Members' Business*

From what the member for Winnipeg Centre had to say, unfortunately he has not had a chance to participate in any of our committees. I know we have talked about the anarchist handbook and all these kind of crazy things that go on. We do have a lot of things going on in committee.

We had been working on the employability study, which has been very important. We had to put that on the sideline because of a lot of private members' business and work came to the House, which I understand takes priority. When we start back with committees in the next week or so, I am hopeful we will have an opportunity to continue on with that employability study, which, once again, touches on education. It also touches on a lot of other areas, such as how we can become more productive as Canadians as we deal with this vast geography.

While I would say there has been no such thing as the anarchist handbook for committees, I suggest to my NDP member that he look at the committees for dummies book. Maybe that would be more preferable in terms of how he could figure out the way committees work. We have said that not all committees work as easy as they can because of a minority government, but our committee has been able to get some good work done.

As my colleague from Blackstrap mentioned a few moments ago, the government has brought forward a plan called "Advantage Canada" under the Minister of Finance. That is an important plan. As we move forward on the issues of education, it is important to move forward with a master plan that will address all issues and that will take Canada in the right direction.

I think it is fair to say, and we should say it for the record, that there were many years of Liberal cuts and inaction on this file. I believe an ad hoc proposal and really no cohesive vision for post-secondary education presents a challenge when we have a strategic plan that will help us get where we are heading.

The government has had a record of which to be proud. We support parents and students. The government is supporting the provinces and also post-secondary education. This is why we have provided direct support to Canadian students and to parents. It is why we have committed substantial tax relief to help students and parents with the cost of textbooks. It is why we have exempted scholarships and bursaries from income tax. It is why we have committed over \$35 million over two years to expand the Canada graduate scholarship program, a program that will help an additional thousand students every year move on to graduate studies.

The government recognizes that not all families can afford to help their children with the high cost of a post-secondary education, a cost that has doubled and even tripled under previous governments. This is why we have cut the amount that parents are expected to contribute to their children's education before they are eligible for student loans.

We believe that all students who want to attend university and who have shown they will work hard, study and do well deserve the chance to go, regardless of how much money their parents make.

It is no great secret that the previous Liberal government cut more than \$25 billion from the Canadian social transfer to the provinces and the territories, which pay for things such as post-secondary

education. Now the Liberals claim to realize that education is important in Canada, that they know how to assist students with their education and that now they suddenly have found answers they did not have before.

I think Canadians do know better. Canadians know the Conservative government has been working to restore the funding that the previous government cut. Canadians know the government is making meaningful investments in post-secondary education by investing more than \$8.4 billion this fiscal year through transfers, direct spending and tax measures. The government has invested over \$800 million more per year for post-secondary education through transfers to the provinces. This represents a 40% increase in a single year.

● (1200)

We are also providing \$1 billion to provincial and territorial governments through the infrastructure trust fund to rebuild and renovate campuses across the country. It is important to note that for many years there has been crumbling infrastructure around the country. The \$1 billion will go a long way to providing what is necessary for spaces and infrastructure on college and university campuses.

Under the previous Liberal government, tuition skyrocketed, attendance stagnated and infrastructure crumbled. We are working to fix these problems. That is why the government announced a long overdue review of the student loan regime in budget 2007. The review will be completed shortly and the results will be announced in budget 2008. As my friend from Blackstrap stated earlier, it is important that the minister and the House have time to examine this review before changes are made to such an important program.

Unfortunately, the bill does not help the government achieve the goals of a stronger, more accessible post-secondary education system. That is why I will vote against it.

As all members in the House know, it is the responsibility of the provinces and territories, which want to take part in the program, to do the ground work, and I believe my Bloc colleague mentioned that, and to implement the program and deliver it to students. Yet, one of the challenges with the bill is the lack of consultation with the provinces and the ability for them to get on side to support this initiative.

During the committee process, not a single province came forward to support the bill, not that provinces would not be supportive of more money if they did not have to be accountable for how it was spent. However, they were not ready to implement the bill for several years. The provinces have been asked and, at this point in time, their responses have been that they are not in support of the bill.

*Business of Supply*

One thing we have been doing as a government is talking to provinces, trying to work through proposals as we look at different areas in which we would like to participate, areas that we would like to help out. Probably a better way to look at how we can work with the provinces on these issues is to consult and work forward. Any proposals we would bring forward to the House would have the support of the provinces. It is especially important, as the Bloc member mentioned earlier, because it is a responsibility of the provinces to implement such programs. With good consultations, we can work forward as we have been doing.

The provinces should be consulted and they were not on this bill. We will not impose the will of the federal government on the provinces, especially in areas that are not our own jurisdiction.

During the committee review process, it also came to light that the bill would strip millions of dollars from the provinces and territories, moneys that the provinces could use to pay for universities and colleges. I think that is where our Bloc colleagues said that they could not support the bill. They realized that this would take money out of particular programs at which they were already looking. The bill could be perfect in other aspects, but we cannot support it because of this oversight.

The government has also made it clear that we will not support any initiatives that takes money out of the provincial pockets. Once again, we do not want to take money out of existing programs to pay for this, especially when that money is used for post-secondary education.

I appreciate that private members' bills cannot be expected to be perfect in every sense, but we do not want to look at taking money out provinces, such as Quebec and the territories, to pay for the program, a program of which every province has indicated to us they are not in support.

These are not the only problems with the bill, but adopting these proposals will severely limit the flexibility of the government to make timely changes to the programs when the need arises. It is important that we look at a framework, as we have with the Minister of Finance and "Advantage Canada", that we look at it holistically and that we look at how we can move forward and be more productive as Canadians. We realize education is important. Certainly the future of Canadian students is very important. This is why we need to ensure that all the money and the tools are available to them.

The government cannot support the program, which takes money from the provinces and territories. We cannot support the program as a result of a lack of consultation with the provinces. Therefore, we will not support the bill.

I understand the motivation of our colleague who entered the bill, and I believe those were noble. However, we will have to look at another way to make this happen.

**The Acting Speaker (Mr. Royal Galipeau):** Resuming debate. The hon. member for Cape Breton—Canso is recognized for ten minutes, of which there will be only two minutes today and eight minutes at a future date.

●(1205)

**Mr. Rodger Cuzner (Cape Breton—Canso, Lib.):** Mr. Speaker, in the two minutes I have, I congratulate my colleague from Halifax West for bringing this important private members' business forward. It is something not only for Nova Scotians. We recognize we pay the highest tuitions in the country right now.

We are very proud of our post-secondary institutions. They have continued to lead the way in research in many areas. They continue not only to score well in *Maclean's* rankings, but they continue to be respected from coast to coast and internationally for the great job that they have done as well. However, because of the cost of tuition, more and more students have to make a decision as to whether they can pursue a post-secondary education, and truly that is unfortunate. By bringing this forward, my colleague is allowing this debate to take place here on the floor.

One thing we do know is that an \$80 tax deduction for the purchase of books does not make too much difference when we look at \$6,000 to \$8,000 in tuition fees at one of these institutions. We have to do more for our students and for young Canadians so we can continue to build our economy and allow those young people to take part in that economy.

The discussion taking place today is a positive one. I look forward to adding more in my subsequent eight minutes at a later date.

**The Acting Speaker (Mr. Royal Galipeau):** 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.

When Bill C-284 returns, there will be eight minutes left for the hon. member for Cape Breton—Canso.

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## GOVERNMENT ORDERS

[Translation]

### BUSINESS OF SUPPLY

#### OPPOSITION MOTION—FEDERAL SPENDING POWER

**Mrs. Vivian Barbot (Papineau, BQ)** moved:

That, in the opinion of the House, given that the Prime Minister has promised to eliminate the fiscal imbalance and that this imbalance cannot be eliminated without the elimination of the federal spending power in areas that fall under the jurisdiction of Quebec and the provinces, the bill on federal spending power that the government will introduce should, at a minimum, provide for Quebec to have the right to opt out with no strings attached and with full financial compensation from any federal program, whether existing or not and cost-shared or not, which invades Quebec's areas of jurisdiction.

She said: Mr. Speaker, the wording of this motion may seem complicated but the basic message is quite straightforward.

Is it normal for the federal government to spend in any area, without regard for the division of powers in Canada?

Is it normal for Quebec to be forced to accept federal priorities and requirements, even in those areas where it is supposed to be completely autonomous and sovereign?

*Business of Supply*

Is it normal for Ottawa to collect 50% more taxes than needed to carry out its own responsibilities and for Canada to use this money to dictate to Quebec how to organize its own society?

Is it normal for Ottawa to take up so much space that the Quebec nation does not even have the capacity to tax in order to carry out projects that it chooses, simply because the glutton next door takes up the entire tax base?

Well, no, none of that is normal.

As Robert Bourassa said in 1970:

Quebec continues to believe that this federal spending power in areas that come under exclusive provincial jurisdiction ought quite simply not to exist, and the federal government would do well to quite simply renounce it totally.

Today's debate goes to the heart of a historic and longstanding dispute between Quebec and Canada. In 1867, English Canadians wanted a centralized Canada where the central government could dictate the priorities for the entire country—including Quebec—and in all areas. John A. Macdonald's speeches in this regard are eloquent.

Today we find the same discourse among those defending the federal government's spending power and its authority to set priorities in all areas. However, in 1867, Quebecers did not wish to be controlled by the neighbouring country. They would never have accepted that Canada dictate how to organize their society, nor will they do so today. For that reason, the Constitution of 1867 provides for a distinct separation of powers and Ottawa does not have the right to legislate in Quebec's jurisdictions.

Like all nations, we have the right to control the development of our own society. Otherwise, Quebec would never have joined the Canadian federation. At that time, Quebec nationalists sincerely believed that they had obtained all of the autonomy that was needed for Quebec to be in charge of its own development.

In its editorial on July 1, 1867, the newspaper *La Minerve* wrote: "As a distinct and separate nationality, we form a state within a state, with full enjoyment of our rights and a formal recognition of our national independence."

And yet the promise that was made to Quebec is constantly being broken. Ottawa cannot legislate in areas under Quebec's jurisdiction? No matter, it will do it by the back door.

By occupying the tax field as it has done, Ottawa has acquired far too much financial latitude. And with money comes the power of money, let us not forget. And so, because the National Assembly of Quebec is the only body with the power to legislate in certain areas, Ottawa need only hire it, with the money from the fiscal imbalance, and it can then insinuate Canada's priorities into Quebec.

● (1210)

Quebec's legislative autonomy is just some minor problem that it can easily circumvent. It is simple, it is logical, it is even brilliant, when you think about it, but it is unacceptable. The Quebec nation will never agree to be relegated to the status of a subcontractor for the nation next door, never!

"I, for my part, have a great deal of difficulty in reconciling the values underlying the Canadian federation with the idea of a federal

spending power that is in no way subject to the division of powers." I am not the one who said that; it was Benoît Pelletier, the Quebec Minister for Canadian Intergovernmental Affairs, who said it on March 24, 2004. He is a true blue federalist, let us not forget.

What I am talking about is not some abstract idea, it is a question of dignity. Imagine a couple in which one spouse has a higher income than he or she needs to cover his or her share of the family responsibilities, and the other spouse does not have enough income to cover his or her share, even the essential needs. That is what the fiscal imbalance is. Imagine that the first spouse, being a fine fellow, says to the other: "Listen, it is not such a bad thing if your income is not enough for you to cover your responsibilities. I am going to transfer money to you. Of course, because it is my money, I am going to decide what you will do with it." And that is what the transfers for health care, education and social programs are.

And as if that were not enough, imagine that the richer member of the couple decides to interfere directly in the other spouse's affairs, to go to the store to buy that spouse's clothes according to his or her own taste, to order directly for the other spouse at restaurants and go over that spouse's head to speak on his or her behalf to the spouse's friends. Ultimately, the less fortunate spouse has no decision-making power left, has no authority over his or her own life, because it is the other spouse who is using that spouse's money to control him or her completely. That is what the spending power is.

It is transfers that reduce Quebec's autonomy and multiple instances of federal interference in its affairs. It is its scholarships or research grants, or its inappropriate involvement in health care. It is transfers to families, whether in the form of the child tax credit or the Conservatives' \$1,200. It is the Mental Health Commission announced this fall.

The fiscal imbalance and the power to spend in areas under Quebec's jurisdiction are two sides of the same coin; they prop each other up and they prevent the Quebec nation from controlling and organizing its own society based on its own needs and its own priorities.

So long as Ottawa has enough money to intrude into jurisdictions that are not its responsibility there is still a fiscal imbalance. When I hear Conservative members say that the fiscal imbalance has been resolved, I can only think that they do not understand it at all. If the controlling spouse I just mentioned decided to give his or her partner more money, would that mean that the imbalance in the couple's incomes had been resolved? No. In fact, the spouse with more money would have even more power over the other spouse, while the spouse with less money would have even less decision-making ability over his or her own life.

In the last election, the Prime Minister said that the fiscal imbalance had to do with more than just money. I think he was right. He also said that the federal government's excessive spending power had given rise to a paternalistic, domineering federalism. I agree with that too. Ultimately, the fiscal imbalance and the spending power are about power.

*Business of Supply*

Will it be Quebecers or Canadians who have the power to steer the way in which Quebec develops? That is what we are discussing today because we are giving the Prime Minister an opportunity right now to show that his words actually mean something, that open federalism is more than just an election slogan, and that his promises to Quebec are not just a fraud.

I am pretty skeptical though. It is obvious that the Prime Minister loves power and does not like to share it. He has picked fights since the election with all the checks and balances in society: journalists, judges and various organized groups—through the elimination of the court challenges program—the parliamentary committees, whose work he has tried to sabotage, and the Senate, which he has been criticizing.

• (1215)

This fall it is the representatives of the people whom he is trying to dragoon: either the hon. members agree with everything he says or else he will order the dissolution of the House.

This Prime Minister has picked fights with all the checks and balances. All of them. Within his own party, he exerts total control, reducing his members to silence and forbidding his ministers to spend anything on programs that his office has not approved.

Ever since he was elected, he has not shared a gram of his power with Quebec. He guards it jealously, including the most important power of them all: the spending power. We will see when the time comes for a vote whether open federalism is more than an empty slogan.

The spending power is more than just a symbolic issue. It hampers the development of Quebec. For example, as everyone knows, I used to head up the Fédération des femmes du Québec in the early 2000s. Twenty-four years ago, the Fédération des femmes du Québec asked that a real family policy be instituted with real parental leave. Five years later, the Government of Quebec bought into the idea but Ottawa had already intruded into this jurisdiction through employment insurance.

When Quebec asked the federal government to transfer money so that the province could set up a real parental insurance plan, Ottawa said no.

A few years later, Quebec took another stab at receiving approval for a socio-economic summit of all sectors of Quebec society. Ottawa again said no.

Then there was a unanimous resolution at the National Assembly. Ottawa again said no.

Quebec then went ahead and legislated its own parental insurance plan, which would come into effect as soon as Ottawa transferred the money. Ottawa again said no. There was consensus in Quebec in an area exclusively under its own jurisdiction, but the answer was no.

It took having a minority government in Ottawa being hounded by a strong group of Bloc Québécois MPs for Ottawa to finally say yes.

Anyone who wanted parental leave to have children in the early 1990s had to wait until their child finished university before seeing this program implemented. That is another aspect of spending power.

I could provide more examples of this ad nauseam. For 42 years now Quebec has been hoping for Ottawa to stay out of regional development and implement a real policy.

The same is true for culture or university research where Ottawa invests more than Quebec, and for the promotion of French, which has to compete with federal spending that would make Quebec bilingual.

Is it any wonder that a wave of cultural insecurity and identity crisis is currently going through Quebec? There is not a single area left where the people of Quebec can decide what is best without any interference from Canadians.

Three years ago, Canada controlled 18% of the Quebec government's budget. With the increases in transfers, Canada now has control over 22% of Quebec's budget. In three years, it will be 25%. And the fiscal imbalance is being corrected? No, it is getting worse.

This brings me to the Speech from the Throne. What did the Speech from the Throne say about the spending power? There are words, but they are devoid of meaning.

The government's commitment is limited only to new programs. It is already spending \$55 billion in areas not under its jurisdiction. Ottawa is spending almost the equivalent of Quebec's entire budget in areas under the jurisdiction of Quebec and the provinces.

It says, "Just forget about all that, would you?" Well no, we will not forget about it.

As if this was not inane enough, the Speech from the Throne does not even limit the federal spending power in all new programs in Quebec's areas of jurisdiction. Instead, it deals only with new cost-shared programs.

There are no cost-shared programs left to speak of. There is the agricultural policy framework, but agriculture being a shared jurisdiction, the commitment made in the throne speech does not apply to that program.

There is also the infrastructure program, but Quebec has already obtained the right to choose projects. Since Quebec already has control over these, what will the Speech from the Throne change? Nothing.

Apart from that, there are no cost-shared programs left.

• (1220)

There are conditional transfers, but without any real cost sharing. In addition, there are instances of direct interference where costs are not shared. Had such a commitment been made in the 1940s, it would have been meaningful. Today, however, it comes three generations too late. This Speech from the Throne is empty, completely empty.

Last year, the House of Commons recognized the Quebec nation. It was about time. But what does Canada do now that it has recognized that we exist? That is what we are addressing today. Nation is a fine word. Recognizing a nation is like recognizing a person: there are rights that come with that recognition.

*Business of Supply*

Like people, nations have fundamental rights, the most fundamental of which is the right for a nation to have control over the social, economic and cultural development of its society. That is called self-determination, a right that every nation may exercise from within or, if that is impossible, by achieving independence.

This is a fundamental and inalienable right because it answers a natural and irrepressible impulse. The Quebec nation exists. It has a culture, values, concerns, plans, aspirations and interests which are its own. It think there is agreement on this, since the House recognized it last year.

However you cannot, on the one hand, recognize that the Quebec nation has the right to make choices different from those of Canada, and on the other deny that right to Quebec by maintaining the federal spending power. That power is the negation of my nation.

I realize that today, as in 1867, Canadians want the central government to be able to set the directions and priorities for the entire country in all fields. After all, the provinces recognized Ottawa as having the role of leader on social development by signing—without Quebec, I would emphasize—the social union framework agreement. Somewhat like the night of the long knives, but in broad daylight.

I know very well that the chances are slim that Canadians will agree to put a total stop to federal spending in areas of provincial jurisdiction. That would be in keeping with the promise made to Quebec 140 years ago, but not in keeping with their vision of Canada.

It is for that reason that today's motion proposes a compromise, in saying that Ottawa should, at a minimum, grant Quebec the full right to opt out from any federal spending in a field which invades provincial areas of jurisdiction. Canadians can continue to deny the spirit of the pact creating the federation as much as they want in their own particular province, but not in Quebec. All they are losing is the power to keep Quebec under their tutelage. Is it all that dramatic? In spite of everything, I know that we are clashing with the centralizing visions of the Liberal Party and the NDP. I know that we are clashing with the Prime Minister's desire to keep his power for himself alone.

That is why I am now issuing an appeal to Quebec MPs from all parties. Today's motion is consistent with what has been demanded by every Quebec government since Duplessis, on the left and the right, sovereignist as well as federalist. It is consistent with the unanimous resolutions adopted by the National Assembly of Quebec for decades, calling for the full right to opt out from every instance of federal interference.

Whether those hon. members here in this House be federalist or sovereignist, red, blue, yellow or green, native or adopted, it matters little to me: they are Quebecers, and their first duty is to represent and defend the people who elected them to speak on their behalf. There is a consensus that, in Quebec, Quebec comes first.

Today I am asking these hon. members to move beyond partisan quarrelling. Taking action to put a stop to Canadian interference in the internal affairs of Quebec by use of the federal spending power can return the power to control the development of Quebec to Quebecers, at least in part.

I can imagine what it is to be imprisoned in a pan-Canadian party where Quebecers are a minority. I presume that their boss is counting on them to defend the interests of Canada in Quebec, rather than vice versa—

• (1225)

**The Acting Speaker (Mr. Royal Galipeau):** I regret to interrupt the member, but I have been giving her several indications. She should know that, when the Speaker stands up, she must sit.

Questions and comments.

Resuming debate, the honourable Minister of Transport, Infrastructure and Communities.

**Hon. Lawrence Cannon (Minister of Transport, Infrastructure and Communities, CPC):** Mr. Speaker, welcome to the Bloc Québécois' grand parliamentary theatre.

The Bloc wants to talk about the powers of the federal government. They want to eliminate the fundamental powers long used by the Parliament of Canada. But which political party will never be in power? Which political party is unable to use any power except the power to block and criticize? The Bloc, of course.

The Bloc is the anti-power party or the party of powerlessness. The Bloc members dream of making the federal government as powerless as they are. They want the federal government to abdicate its responsibilities and to be happy with making empty statements or issuing phony ultimatums, just like they do. They want a government living in a make-believe and impossible world.

I want to say very clearly to the Bloc members that we will not follow them on this path. We will not eviscerate the Government of Canada just because the Bloc members are allergic to any federal collaboration with the province of Quebec. According to the terms of the motion put before us, the Bloc is saying that the bill on federal spending power that the government will introduce should, "at a minimum, provide for Quebec to have the right to opt out with no strings attached and with full financial compensation from any federal program, whether existing or not and cost-shared or not, which invades Quebec's areas of jurisdiction."

Because of its natural naivety, unless it is its innate anti-federalism, the Bloc seems to think that the federal government's power to launch new programs is in itself an evil, a kind of perverse conspiracy against Quebec. The reality is that, over the years and throughout our common history, the federal spending power has proven to be a major social development factor. It has enabled us to establish, in concert with provincial and territorial governments, nationwide social programs, such as medicare. It has also played a key role in promoting equal opportunities for all Canadians. Finally, it has helped ensure that our fellow Canadians have access to basic social programs and services that are of similar quality, regardless of where they may live.

The founders of our country had the foresight to build a flexible federal system, so as to accommodate diversity and equality right across the country.

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• (1230)

[English]

As the Prime Minister said in this chamber in reply to the Speech from the Throne:

In fact, the federation of 1867 created one of the most solid political institutions in the world, unbroken by tyranny or conquest, unbroken by social disorder or economic chaos. And we mustn't forget that Canada—a country born in French, a country with two languages and a multitude of cultures, which will soon be celebrating the 400th anniversary of the founding of its first capital, Québec—is one of the biggest success stories in history.

Of course, I do not argue that Canada is perfect, and so we are committed to reforming it for the better. Our government has worked hard to respect the federal division of powers, to strengthen long-neglected federal jurisdictions, and to work cooperatively with the provinces.

As the Prime Minister also stated:

In the next session, in accordance with our government practice, we will be introducing legislation to place formal limits on the use of federal spending power... in areas of provincial jurisdiction without provincial consent and to provide for opting out with compensation...

We will also act within the federal jurisdiction to strengthen Canada's economic union, which is a fundamental responsibility for the national government, one that it must take in the interests of all Canadians.

[Translation]

The sudden elimination of the federal spending power, as proposed by the Bloc Québécois, could have serious consequences for all Quebecers and for other Canadians. Completely eliminating the federal spending power would also result in the elimination of federal health, education and equalization transfer payments, among others.

The Bloc Québécois is up to its eyeballs in contradictions. We have often seen it urging the federal government to pour more money in Quebec, for various projects. But today, it wants to eliminate federal transfers. To be a Bloc Québécois member must require a lot of flexibility, and even being able to do acrobatics. It is true, as I mentioned in this House last Monday, that the federal spending power, which is not mentioned anywhere in the Canadian Constitution, has been haunting federal-provincial relations for generations.

However, ever since we were elected, we have made it clear that we want to restrict the use of the federal spending power. As the Prime Minister said in Montreal, on June 20, 2006: “No proposal goes through our federal Cabinet unless we are assured it respects the division of powers between the federal and provincial governments”.

Open federalism means restricting the federal spending power which, as we know, was used so excessively by the federal Liberals.

In addition, the Speech from the Throne stated that “Our government believes that the constitutional jurisdiction of every level of government must be respected”.

I should also point out that respecting the constitutional jurisdictions of each order of government has been a fundamental principle of the Conservative Party since its creation. This is why, guided by our vision of open federalism, our government will introduce a bill, as the Prime Minister said, to place formal limits on the use of the federal spending power for new shared-cost programs in areas of exclusive provincial jurisdiction. This legislation will

allow provinces and territories to opt out with reasonable compensation if they offer programs compatible with the national objectives.

Our will to restrict the spending power is the direct result of a concern that has been strongly expressed by all Quebec governments from Duplessis to Lévesque to Charest. The leader of the Bloc Québécois himself recently asked whether the rumours are true and the federal government will take action to limit the federal spending power in Quebec's areas of jurisdiction. The answer is yes, but, true to form, the leader of the Bloc Québécois has changed his mind. Now, he does not want to limit the federal spending power as his party has been calling for since 1990; he wants to dispense with limits altogether.

As I said on Monday, the root cause of the problem, of this abuse of the federal spending power, will always be the fiscal imbalance. In other words, if the federal government did not have disproportionate revenues compared to those of the provinces, it would probably be less inclined and, more importantly, less able to get involved in areas other than exclusive federal jurisdictions. This is precisely why we wanted to restore fiscal balance within the federation, as early as in the 2006 budget.

• (1235)

We in the Conservative Party provided \$26 billion in tax relief, and then we reiterated our support to long term and predictable funding for health care. We also made new, major investments in infrastructure. Moreover, we provided funding, to the tune of \$3.3 billion, to the provinces and territories to alleviate short term pressures in the post-secondary education, affordable housing and public transit sectors. We also put in place measures to increase the federal government's fiscal accountability and budgetary transparency and we clarified the governments' roles and responsibilities by targeting spending in areas that clearly come under federal jurisdiction, such as defence and security.

Budget 2007 also included a renewed and strengthened equalization program, a renewed and strengthened territorial formula financing program, a new approach to long-term funding support for post-secondary education, a new approach to long-term funding support for training, a new long-term plan for infrastructure, and a new approach to allocating unplanned federal surpluses.

I think it is appropriate to point out that before a major problem can be resolved, it has to be acknowledged. The previous government thought otherwise. It denied that there was any fiscal imbalance in this country.

The Bloc has shown, as it has done countless times before, that it can raise major issues but cannot do a whole lot about them. Once again, the Liberals did not want to and the Bloc could not. Our government has honoured its commitments, and we have acted.



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We are very pleased that provincial governments, especially the Government of Quebec, have welcomed the measures we have taken to ensure fiscal balance. However, I should point out that this initiative was not a unilateral concession to the Government of Quebec. It was not a political favour. We wanted to ensure fiscal balance and limit federal spending power because we believe that this will improve the federal system.

We all know why Quebec's governments—of all political stripes—have always been more concerned about fiscal imbalance and federal spending power than other provincial governments. It is because, since Confederation, Quebec's governments have been responsible for protecting and developing a society with unique historical, cultural and social characteristics within this country.

Recognizing the distinct nature of Quebec society has repeatedly created difficulties during recent and not-so-recent federal-provincial negotiations. At the Prime Minister's urging, Canada's Parliament recently made a historic decision to recognize that Quebecers form a nation within a united Canada. To my mind, that is the crowning glory of our policy of open federalism toward Quebec. That being said, clear recognition of Quebec's uniqueness must not result in abdication of our responsibilities to the entire Canadian federation. Indeed, we want to reinforce Canada's economic union by clarifying everyone's roles and responsibilities.

The motion introduced by the Bloc Québécois shows a deep lack of understanding by these party members not only of Canadian reality, but also of Quebec's history. For the last 140 years, the Canadian Confederation has served Canadians well when the government properly understood and applied the spirit of the Fathers of Confederation.

● (1240)

Each generation of Quebecers has taken part in the advancement of our political system to make it increasingly efficient and equitable. There is absolutely no doubt in my mind that, by practising open federalism, together we can build a better Canada.

That is why I am asking all members of this House who are proud of our country's history and who believe in its future to reject the ill-advised motion of the Bloc Québécois. By voting against this motion, we vote against giving up and against sabotaging our institutions. We vote against those who want to block Quebecers' future within the country that they created and developed. In so doing, we express our pride in our past as well as our trust in the future.

● (1245)

**Mrs. Vivian Barbot (Papineau, BQ):** Mr. Speaker, the speech by my honourable colleague is both a part of the ongoing dialogue of the deaf and a twisting of the facts. One cannot cite events in the history of Quebec to deny that every Quebec premier has asked that the fiscal imbalance be resolved. With regard to the solution of this matter, it really does demonstrate the most abysmal bad faith. To hear it coming from a Quebecer is even more disagreeable.

I would like to say a few words about my colleague's thoughts on how the spending power has been of great service to Quebec. I would like to remind him that beggars can't be choosers. Year after year, decade after decade, we have had to accept the federal

government's crumbs even though we wished to be able to decide for ourselves what we wanted in Quebec and to establish our own priorities for our full development.

Having said that, I would nevertheless like to ask the hon. member if he could acknowledge that every Quebec premier, without exception and no matter what his party affiliation, has always complained about the federal spending power and that the Prime Minister's announcement in the throne speech does not at all resolve the issue.

**Hon. Lawrence Cannon:** Mr. Speaker, with respect to the first part of the member's statement concerning whether all of Quebec's premiers have denounced this, I could go back as far as Duplessis. Any further back than that was before my time.

The second part of her question had to do with the federal spending power and progress made on that score. To move forward as a federation takes a lot of discussion, discussion that can be quite lively at times. Even the late René Lévesque—who died 20 years ago today—made a significant contribution, with the “beau risque” to the Canadian federation's rapid evolution.

I can understand why my honourable colleague would interpret this very differently. Nevertheless, we have achieved great things because of solid dialogue with men and women who want progress. Above all, these people were able to act in the best interests of residents and taxpayers—in short, of Quebecers. We know that once they decide to work with Canadians, Quebecers are capable of great things.

Quebeckers have been asked for their opinion twice now, and both times, they decided to remain part of Canada.

I would like my honourable friends from the Bloc Québécois to acknowledge that that democratic decision enabled Quebecers to grow and develop within Canada and to make a substantial contribution to our tremendous progress and to the fascinating history being written as we speak. It would be nice if the Bloc Québécois members recognized that much. As I said, the Bloc Québécois is an intrinsically contradictory political organization. It criticizes some things and wishes for others, but at the end of the day, it cannot do anything at all for Quebecers.

If good faith was even a tiny part of the Bloc's agenda—to repeat the words my colleague used against me—its members would see that the battle is to be fought not here, but in Quebec City.

● (1250)

**Mr. Yves Lessard (Chambly—Borduas, BQ):** Mr. Speaker, my colleague from Papineau was not referring to the pre-Duplessis era. She was talking about a time when the member himself was a minister in the Quebec government. It is pretty recent.

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Let us say that all governments after Duplessis, including the government of which the minister was a member, asked Ottawa to stop spending in areas that fall under the jurisdiction of Quebec and the provinces. The other provinces will decide whether or not they agree with that but, in Quebec, the feeling on that is unanimous.

What has changed in the life of the Minister of Transport, Infrastructure and Communities for him to change his position so radically? Is it the fact that he is now serving Canada?

**Hon. Lawrence Cannon:** Mr. Speaker, it was a valiant effort to try to save the situation, but his colleague had indeed referred to all premiers.

There was, under Mr. Bourassa, an agreement with regard to health insurance. The proposal brought forward by the Bloc today would eliminate all that. My colleague does not realize the consequences of what he is saying. He would like to see the federal spending power eliminated tomorrow. But if he looks at what has been done, he will see that things have evolved for the benefit of all our fellow citizens.

Health insurance was negotiated by Robert Bourassa. We are the ones who corrected the fiscal imbalance, not the Bloc Québécois. I would like the Bloc Québécois to respond to this. I could read numerous quotes from Bloc members to show how they were all so eager to brag about the fact that they had corrected the fiscal imbalance. That was until their leader chastised Michel Gauthier, the former member for Roberval, telling him not to talk too fast.

The Bloc Québécois did not correct the fiscal imbalance, even though Michel said it did. Sometimes there are contradictions and confusion coming from that party. I am leaving it to those members to explain their lack of consistency.

**Mr. Marc Lemay (Abitibi—Témiscamingue, BQ):** Mr. Speaker, I have listened closely to what my hon. colleague had to say. I have a very specific question for him. Let us take the Aboriginal people for example.

Here is an area of jurisdiction in which the government has had the power to spend almost since the beginning of Confederation, namely Aboriginal people, under the Indian Act and so on. That is a power they have and that they exercise very poorly.

If you are so good, why do you not invest \$2.5 billion per year in resolving education, housing and health issues in our first nations?

**The Acting Speaker (Mr. Royal Galipeau):** The hon. Minister of Transport. I hope he will word his remarks in the third person.

**Hon. Lawrence Cannon:** Yes, Mr. Speaker. You will understand that the temptation is very strong.

It seems to me that my hon. colleague has suddenly shifted the focus of the debate slightly away from the federal spending power in areas that fall under the exclusive jurisdiction of the provinces and territories.

I do not know if he vacationed outside Quebec last summer, but I was in Montreal when an unprecedented agreement was signed with the Cree people. In fact, this agreement between the federal government and these people was just recently ratified by a 90% vote.

We, on this side of the House, have moved things forward over the past 18 months. The work of my hon. colleague, the Minister of Indian Affairs and Northern Development, comes to mind, as does the issue of compensation for residential school victims. We are talking about concrete action, tangible things.

That is what the people of Quebec want: an agreement on medicare, an agreement with the first nations, the Cree, and so on. I can list a slew of examples of actions taken by the federal government on an everyday basis for the citizens of this country. These are results.

I can speak about results, something they will never be able to do because they will never be in government.

• (1255)

**Hon. Dominic LeBlanc (Beauséjour, Lib.):** Mr. Speaker, first let me say that I will be splitting my time with the member for Notre-Dame-de-Grâce—Lachine.

I am very pleased to address the House today as the Liberal Party's official critic for intergovernmental affairs, a position that my leader assigned to me a few weeks ago. I am glad that the member for Papineau has raised a subject as important as the federal spending power in this House.

I listened attentively to the speech by our colleague the Minister of Transport, Infrastructure and Communities. I do not agree with a number of things he said regarding the success of his government, for example, with the alleged fiscal imbalance. I did agree with him on one thing, when he described the reasons why, in his view, the Bloc Québécois put forward this motion in the House today: that it is pointless to discuss a question as important as the fiscal imbalance when the discussion is led by a party that does not believe in Canada and whose objective is to separate Quebec from Canada.

It must be acknowledged, from the outset of our discussion, that the federal spending power is constitutional. It is a power of the federal government, of this Parliament, that the Supreme Court of Canada has assigned to the national government on several occasions. To us in the Liberal Party, it is an essential tool in the development and socio-economic progress of this country. Unfortunately, the Bloc Québécois sees the federal spending power as a conspiracy to invade areas that are under the jurisdiction of the provinces and to interfere in Quebec.

We do not see it that way. The federal spending power can be exercised responsibly, in partnership with the provinces. I would remind the member of the perfect example, in our opinion: the Liberal plan of the former Martin government regarding child care and early childhood education. The former Liberal government—Mr. Speaker, you corrected me by signalling me not to use the name of our former Prime Minister who still sits as a member, and I apologize—used the federal spending power precisely as part of a partnership to promote a very important social policy relating to children, early childhood education and excellent public day care everywhere in Canada.

[English]

For us, the federal spending power is an important instrument of social progress. It is something the Supreme Court has recognized as constitutional on a number of occasions but its use needs to be reasonable and responsible and in partnership with the provinces.

• (1300)

[Translation]

This needs to be pointed out: the Bloc Québécois has no interest in promoting a partnership between the federal government and the province of Quebec. As I said, and as the Minister of Transport, Infrastructure and Communities clearly explained, it is in the interest of the Bloc Québécois to make it plain that Canada cannot be a positive and responsible partner in the social progress of Quebec society.

I must also remind the House that our leader, the leader of the opposition, made enormous progress on limiting and circumscribing the federal spending power when he was Minister of Intergovernmental Affairs under a previous government.

In the Social Union Framework Agreement, the former Liberal government, with the provinces' agreement, found a way for the federal government to be able to exercise its federal spending power, but in a responsible and constitutional manner. It is a way that in fact allowed for action to be taken in respect of social programs as important as the former early childhood education and day care program, a program that was in fact eliminated by the present government.

In our view, when the Liberal government signed the Social Union Framework Agreement with the provinces in 1999, the aim was to clarify federal, provincial and territorial jurisdictions in relation to, for example, health care, social services, higher education, social assistance and training.

These are perfect examples where the federal spending power can be used responsibly, in partnership with provincial governments, to share the costs of these social programs that are so important for the country, such as medicare.

As I mentioned, this initiative was spearheaded by our leader when he was the intergovernmental affairs minister. It was the result of a willingness to limit the federal spending power in areas of provincial jurisdiction, but also a desire to ensure adequate, stable and viable funding for these social measures and to avoid duplication, to increase transparency and accountability and to deal with issues that may arise between governments.

[English]

I represent in the House a constituency in the province of New Brunswick. For our province and for Atlantic Canada, the federal spending power is an essential instrument of social and economic progress and, yes, sometimes in areas that the Constitution confines to provincial governments, this power can be used in partnership with the provinces to advance social policy and economic policy across the country.

The new Liberal Government of New Brunswick has a very ambitious program for self-sufficiency. Premier Graham and his

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government have outlined a number of initiatives that they plan on taking to make New Brunswick a have province, to make New Brunswick less dependent on the federal government and to make New Brunswick self-sufficient.

I think all members would agree that this is a very laudable and very worthy objective. However, if the Bloc Québécois were to have its way and the federal government could never spend money, even in partnership and in cooperation with provincial governments in areas of provincial responsibility, then the very ambitious higher education agenda that the province of New Brunswick has set for itself would not be possible because the province is asking the Government of Canada to be its partner, to use that federal spending power in a way that advances the common interests of the Government of Canada, the people of Canada and the people of my province of New Brunswick.

Our view is that the federal spending power need not be further limited than that done by the social union framework agreement negotiated by our leader when he was minister of intergovernmental affairs. It was a very historic moment when the Government of Canada accepted that the federal spending power in areas of provincial jurisdiction needed to be used in partnership with provinces on agreed upon objectives and not simply, as the Bloc would want people to imagine, as a way to intimidate or push provincial governments into doing things that they would not otherwise want to do.

Our country has many great social innovations, whether it is public health care, employment insurance, a federal role in the protection of economic security of elderly people, the Canada pension plan, old age pensions or minority language education.

[Translation]

I come from a province where education of francophone minorities is essential, and the federal government has an important role to play in this. For example, it has to ensure the survival of institutions that are important to us, such as the University of Moncton. We believe that, by trying to limit this power, the Bloc Québécois is acting irresponsibly. It sees no point in having a federal government that works actively, in partnership with the provinces, toward social progress.

This is why we oppose this motion by the Bloc. Indeed, the Liberal Party intends to vote against the motion of the member for Papineau. We believe that the federal government has a crucial role to play in the social progress and the economic development of our country. We see no contradiction between this role, the respect of provincial jurisdiction and the good partnership between national and provincial governments, including the Quebec government.

• (1305)

**Mr. Jean-Yves Laforest (Saint-Maurice—Champlain, BQ):** Mr. Speaker, I listened carefully to the hon. member discussing the Bloc Québécois motion introduced by the member for Papineau. I heard him say that he was not in favour of the motion, one of the reasons being that, according to him, the Bloc Québécois wants to separate Quebec from Canada.

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I would ask the member if he is aware of the consensus among political parties at the Quebec National Assembly, in agreement with the motion presented by the Bloc Québécois, that is, to strictly limit the federal spending power in Quebec's exclusive areas of jurisdiction.

When he says that the Bloc Québécois wants to separate Quebec from Canada, does he know that the agreement, which goes back to 1867, was never complied with during all those years? Does he know that the actions of the Government of Canada itself created the consensus in Quebec around the need to limit the federal spending power in provincial areas of jurisdiction?

Quebec political parties and the Bloc Québécois are only trying to make everyone aware that these exclusive jurisdictions belong to Quebec and that they must be respected. This is what the motion is saying.

**Hon. Dominic LeBlanc:** Mr. Speaker, I want to thank the member for Saint-Maurice—Champlain for his question. He talked about a consensus in Quebec. Personally I believe that there is a consensus throughout Canada that the federal government should exercise its spending power responsibly. As I mentioned earlier, it should do so especially in areas exclusively under provincial jurisdiction.

We can say without any hesitation that the federal spending power must indeed be limited. However, we believe that the best way to do this is under the social union framework agreement that was negotiated by our leader when he was Minister of Intergovernmental Affairs.

The Bloc would simply eliminate the federal spending power in Quebec—even though we believe it is essential to our country's economic and social progress—and replace it with the transfer of tax points to the Quebec government. However, that would lead to serious inequities for provinces such as mine, New Brunswick. A tax point is worth more in some provinces than in others.

We find this proposal from the Bloc irresponsible. The simple fact of claiming that it is possible to solve this issue without creating jurisdictional conflicts does not seem responsible to us.

[*English*]

**Mr. Rodger Cuzner (Cape Breton—Canso, Lib.):** Mr. Speaker, I appreciate and respect some of the points brought forward in my colleague's presentation. I want him to think back to even the health accord of 2000 where a federal-provincial agreement had been struck to try to increase the capital investment in hospital equipment by each of the provinces.

It was a program that was embraced by the provinces. The number of MRI machines from coast to coast went from about 15 to about 150 over the course of the program and it certainly had a great impact on wait times for MRI services from coast to coast.

The member made reference to regional economic development. There have been some successes in federal-provincial agreements but I want my colleague to comment on just what type of impact legislation like this would have on regional economic development.

**Hon. Dominic LeBlanc:** Mr. Speaker, the member for Cape Breton—Canso knows very well the importance of federal involvement in economic development. Since his arrival in this

House in 2007, the same election in which I was given the honour of representing the people of Beauséjour, he has been a tireless advocate for the economic development of Cape Breton and for the important role, for example, that the Enterprise Cape Breton Corporation plays and that the Atlantic Canada Opportunities Agency can play.

When parties that do not believe in Canada, such as the Bloc, think that we need to limit the federal spending power, those are code words, really, for eliminating federal action in areas as important as economic development. I am glad that the hon. member for Cape Breton—Canso raised this.

● (1310)

[*Translation*]

**Hon. Marlene Jennings (Notre-Dame-de-Grâce—Lachine, Lib.):** Mr. Speaker, I am very happy to take part in this debate on the motion introduced today by the Bloc Québécois.

I am sure that this has already been done, but I would like to read the motion.

That, in the opinion of the House, given that the Prime Minister has promised to eliminate the fiscal imbalance and that this imbalance cannot be eliminated without the elimination of the federal spending power in areas that fall under the jurisdiction of Quebec and the provinces, the bill on federal spending power that the government will introduce should, at a minimum, provide for Quebec to have the right to opt out with no strings attached and with full financial compensation from any federal program, whether existing or not and cost-shared or not, which invades Quebec's areas of jurisdiction.

As my colleague from Beauséjour said earlier, the Liberals and, I believe, most Canadians, including the people of Quebec, will never be able to agree to eliminate federal spending power. Limiting or regulating federal spending power is quite another matter.

I believe that the work the former Liberal government did to negotiate with all the provinces, including Quebec, and the three territories in order to reach an agreement on how the federal government could spend in areas of shared or provincial jurisdiction—the social union agreement—is an excellent example of how Canadians saw a government tackle this issue so that when it comes to social programs, people across Canada will be entitled to equivalent services, no matter what province or territory they live in.

The social union framework agreement went a long way toward strengthening the national social measures that matter to all Canadians, including Quebeckers. I am thinking of measures such as health insurance. It was also vital in promoting equal services for all Canadians, no matter where they live.

Recently, this framework agreement was crucial to the successful negotiation of agreements on early learning and child care with the provinces and territories, agreements that the current Conservative government threw out. The Conservatives discarded these agreements, depriving millions of children and families of billions of dollars.

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The Liberals will not allow the current Prime Minister to create a compartmentalized federalism or to sit back idly and give Quebec separatists any ammunition. I heard a member of the Bloc Québécois say there is a strong consensus in Quebec on, first of all, the fiscal imbalance and, second, on the complete elimination of the federal spending power. This is interesting, because the consensus, which was reached in the National Assembly, was based on the Séguin report. Mr. Séguin is a prominent economist, well known in Quebec and throughout Canada. It would be interesting to see what the Séguin commission reported and concluded in its report as a result of the consultations held throughout Quebec regarding the fiscal imbalance.

• (1315)

It is interesting to note what the Séguin commission proposed to correct what it identified as the provincial fiscal imbalance—it made no reference to the federal side, even though Canada's national debt is far greater than the combined debt of all the provinces and territories. Indeed, the federal government's revenue is much lower than the combined revenue of all the provincial and territorial governments. Yet, that is a separate issue. I have no desire to debate the issue of whether or not there is a provincial fiscal imbalance.

The Séguin commission concluded that the solution to the fiscal imbalance lies in transferring tax points. It also proposed some other possible solutions, such as transferring the value added tax, commonly known as the GST, from the federal government to the provinces.

I would like to quote an excerpt from page xii of the Séguin commission's March 2002 report.

The Commission expresses its preference for an occupation of the GST field by the provinces. In light of the financial objective adopted, the federal government should entirely relinquish the GST in favour of the provinces. However, the Commission does not wish to reject the scenario calling for a new division of the personal income tax field.

Of course, the fact that the federal Conservative government has already reduced the GST by 1% without the Quebec government raising its own sales tax, the QST, to take advantage of the tax room thus created, and to reduce the so-called fiscal imbalance, undermines the Bloc's argument.

Again, the Quebec government had the opportunity to use the tax room created by the federal Conservative government when it reduced the GST by 1%. If it had really believed that a fiscal imbalance existed, the Quebec government could have increased the QST immediately in order to occupy the tax room that had been created. But it did not do that. It is interesting to note that the Bloc never mentions this fact. It does not mention that the Séguin commission said that it preferred that the GST be used as a tax field to deal with the so-called fiscal imbalance. But the Bloc never makes mention of this.

We must look at what sources of revenue are available to the provinces. As I already mentioned, there is the tax on the sale of goods and services. In Quebec, this is the QST. But there is also the personal income tax. This is the tax that people pay as a percentage of their income, which may include their salary, pension, investments and property income.

The federal government has access to the same sources of financing or revenue. However, the provinces have other sources not available to the federal government, such as lotteries, royalties on natural resources, and taxes on the sale of alcoholic beverages.

The federal government does not have access to any of these fields of taxation. In my opinion, the provinces are in control of their destiny and can use these tax fields as they please, in order to provide their citizens with the services that they are entitled to, under the sharing of jurisdictions provided by the Constitution.

• (1320)

I thank hon. members for listening to my remarks.

**Mr. Yvon Godin (Acadie—Bathurst, NDP):** Mr. Speaker, I am pleased to rise today to speak to the Bloc motion presented by the hon. member for Papineau.

The use of the federal spending power is an important issue. Many Canadians recall the debates on that spending power around the time of the Meech Lake accord, the Charlottetown accord and the negotiation of the social union framework agreement in 1999, all trying to try to reach a consensus on this issue. This is not a new issue.

This is a debate we will continue to have. In the Speech from the Throne, the government promised to introduce bills on the spending power during this session. The New Democratic Party is pleased with this debate. We want to explain our vision of a cooperative and asymmetrical federalism in the framework of this debate. We also want to hear from the provincial governments, including the Government of Quebec, which absolutely must be heard on this issue.

Today, however, we do not have any legislative measures to debate and the provincial governments have not been consulted. Today, all we have is a Bloc motion. We have to wonder why. Why is the Bloc presenting this motion today?

We are starting to see certain trends among Quebec sovereignists here in Ottawa and in Quebec. Their popularity is going down in the polls. They have put the possibility of another referendum on ice, but they are trying to stir up disputes. They introduced an unfortunate bill on Quebec citizenship. They are picking a fight with minority groups. These are not actions to bring people together. These are actions to pit people against one another.

I cannot help but think that this motion serves that same purpose. It does not seem to be a serious attempt to find common ground. It appears to be designed to divide the members of this House of Commons.

Should we be surprised to see that their motives are questionable? Of course not. We know that the “best before” date on the Bloc expired a long time ago.

Can we rely on their so-called attempt to revive Canadian federalism, when their stated and resolute goal is to separate Quebec from Canada? I do not think so. They do not want Canada to work better. In fact, they do not want Canada to work at all. As André Pratte, a columnist for *La Presse* said, “When it comes to analyzing the development of Canadian federalism, the PQ and the Bloc have zero credibility”.

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That is why we cannot support the Bloc motion.

I am a man of hope, though, and the NDP is a party of hope. The day when the Bloc clearly states it wants to work together with the rest of Canada, it will be possible to see something other than trickery in their proposals. The lobster fishing season is over.

The NDP is very much looking forward to the debate on the legislation that the government promised to introduce on the spending power.

The NDP has long supported the autonomy of Quebec and Quebec's distinct identity within Canada. And I mean "within Canada". We feel that Canada is better off with a strong Quebec and Quebec should have all the tools it needs to continue to prosper within Canada.

The NDP's policy on a cooperative, asymmetrical federalism that recognizes the distinct nature of Quebec was adopted decades ago.

• (1325)

We see this as a matter of principle and practical applicability.

The NDP has always comported itself in ways that respect the areas of jurisdiction, while focusing on results. These are not just empty words for we have always added substance to what we say. Here are a few examples.

In 2005, the NDP had an opportunity to rewrite the budget. We took \$4.6 billion that the Liberals wanted to spend on tax cuts for big corporations and made sure that it was invested in the priorities of Canadians, including public transit and reduced tuition. We were careful to address the concerns of the provinces by negotiating how this money would be used.

In this Parliament, my friend from Victoria sponsored a bill on early childhood education. So far, it has enjoyed broad support in the House. It explicitly recognizes the special circumstances obtaining in Quebec when it comes to daycare programs and allows Quebec to opt out.

These are examples of cooperative federalism, a practical federalism that gets real results for the families of today. We hope this is the kind of federalism that all parties in the House can support.

This brings me to the government's plans for the spending power. What are these plans? We do not know. They have not provided any details yet on their proposal in the throne speech. Would it be like the social union framework agreement? That would be a good start, but as the hon. members of this House know, the Government of Quebec has not agreed to it yet. So what are they planning? We will see.

Once again quoting the columnist André Pratte, I would say that "the wording of the commitment made by the Harper government still allows for different interpretations".

[English]

**The Acting Speaker (Mr. Andrew Scheer):** I must remind the hon. member for Acadie—Bathurst that we do not use proper names.

[Translation]

Please do not use proper names but rather the name of the constituency or a title.

**Mr. Paul Crête:** Mr. Speaker, if I understood my colleague correctly, he was naming an editorial writer with *La Presse* and not a member when you asked him not to use proper names. What I understood from the speech was that he was speaking of Mr. Pratte of *La Presse* and not about a member.

**The Acting Speaker (Mr. Andrew Scheer):** I heard the name of the Prime Minister and I thought it was the honourable member who had used it. It was my mistake. I apologize.

• (1330)

**Mr. Yvon Godin:** Mr. Speaker, in fact, I mentioned the Harper government and I apologize.

At present, the Conservative federal government is open to many interpretations, and we will see.

What we do not accept is an approach that creates division. Canadians, and Quebecers in particular, have had enough of the old debates about federalism; those old debates between two fixed positions. We have seen so many times already that false debate between two unrealistic positions. On one hand, insisting on no role for the federal government, and on the other hand, standardized programs. Today's families have had enough of campaigns that try to arouse fear. Some parties want to create division, but we do not.

As we begin the debate over spending powers, some people will be tempted to focus on the processes and mechanisms, and, of course, on symbols. Those debates are sometimes unavoidable but at other times, they prevent us from concentrating on the practical realities. We must not lose sight of the principle before us. The principle is that we want better and more equitable programs. We have to do that in a way that respects the jurisdiction and specific circumstances of Quebec.

That principle and that practical reality have been lost from sight during the years of debate over spending powers. While the two sides of the false positions have been tangled in that debate, almost nothing has been accomplished. Increasingly the interests of the people have been overlooked while governments and parties squabble. Spending reductions and unilateral decisions have thrown a cloud of mistrust over federal-provincial relations. It is time to put an end to all that. We need a constructive approach, based on principles, to escape from that vicious circle.

In conclusion, I thank the House for giving me this opportunity to take part in this debate. However, as I said, an even more important debate over the federal spending power needs to take place. I encourage this government to start consultations with provincial governments in an open and transparent manner, and to bring forward legislative proposals so that we can have a real debate. Rather than trying to obstruct debate and revive their party, I encourage my colleagues in the Bloc to participate in this debate in a constructive way.

**Mr. Yves Lessard (Chambly—Borduas, BQ):** Mr. Speaker, I have a question for my hon. colleague from the NDP. I want to understand his reasoning and his thought processes.

*Business of Supply*

At the time of the throne speech, the Bloc Québécois brought forward an amendment to the amendment to the Speech from the Throne, to the effect that the Canadian government ought to limit its spending power in areas that fall under the jurisdiction of Quebec and the provinces. The Bloc Québécois added that commitments needed to be made in connection with the crisis in the forestry and manufacturing sectors. At that time, the argument used by our NDP colleagues over the way was that, had the amendment to the amendment not brought in the other provinces but just Quebec, they would have voted in favour of it. Well, today's motion does indeed mention only Quebec. So why would they not vote in favour of this motion?

The arguments served up to us today are the total opposite of the ones they used during the debate on the Bloc amendment to the amendment. I would therefore like to understand our colleague's mental processes in order to determine whether it makes sense to say one thing one week and the opposite the next.

**Mr. Yvon Godin:** Mr. Speaker, I would like to thank my colleague from the Bloc for his question. If he has not grasped where we were going with this, we will try to clarify a little.

As far as the throne speech is concerned, now that the government has announced that there will be a bill on spending power, is the Bloc wondering if there will be consultations, debates and an opportunity given to the provinces and to Quebec to express their opinions on such an important bill?

The Bloc is proposing a motion just as a pre-emptive strike, but for what purpose? That is what I wonder. There is a bill in the offing. We do not even know anything about its details yet. The reality is that it will give everyone an opportunity to discuss spending power, and that will be a good thing for Canada and for Quebec. It will also give us an opportunity to understand each other.

The members of the NDP remember the bill on child care. An amendment was proposed so that Quebec could opt out because it has a good child care system. I congratulate the people of Quebec for their good child care system, one that can well serve as an example.

The NDP has worked toward that, and we want to have a debate in which everyone ...

•(1335)

**The Acting Speaker (Mr. Andrew Scheer):** Questions and comments.

The member for Papineau.

**Mrs. Vivian Barbot (Papineau, BQ):** Mr. Speaker, it is my turn to be surprised by the reasoning of my colleague opposite. On one hand, he tells us that he totally agrees with the power of the provinces, with what we should have; on the other hand, he wants a debate. Apparently, a debate is coming and we should wait for it.

However, what keeps him from talking about it now and from considering the same elements that he would present in a pseudo debate on a bill? This is still useful today.

However, he makes quite a dangerous association between the Bloc Québécois and the Parti Québécois. I would like him to remember that we are a sovereignist party in the federal Parliament.

We are 49 members who legitimately represent the Quebec people. This is not insignificant. That is why we want to be listened to.

I would like to ask him whether he thinks it is right that, on issues concerning our own areas of jurisdiction, Canada can intervene at any time and spend massive amounts.

**Mr. Yvon Godin:** Mr. Speaker, I would like to thank the member for Papineau. I thought she had heard the answer I gave to the member for Chambly—Borduas, but I can repeat it once more.

Why not wait for the bill? What is the Bloc trying to gain today by proposing this motion while the topic will be covered by the bill? What is the Bloc trying to gain before discussions are held with the provinces, giving them respectfully the right to express their views, and before the subject is investigated and witnesses are heard in Ottawa or elsewhere in the country so that we can find what our citizens from all provinces have to say on such an important bill?

I do not see what the Bloc is trying to achieve. This is yet another case of division and quibbling, and Quebecers are fed up with it. This is why the Parti Québécois is losing ground in the polls. Quebecers want action. They want a federal government who can agree with provincial governments to obtain good results for citizens across Canada, including Quebec.

**Mr. Jean-Yves Laforest (Saint-Maurice—Champlain, BQ):** Mr. Speaker, I listened to our NDP colleague referring twice to an editorial writer from *La Presse* newspaper to form his opinion about the Bloc and the Parti Québécois. It will soon be two years since I was elected. I am asking my question based on my own observations in this place on the NDP's behaviour.

He was commenting on the credibility of the two parties. From my observations over two years on a centralizing party such as the NDP, I am asking him how credible he thinks the NDP is in the discussion on limiting and eliminating the federal spending power in Quebec's areas of jurisdiction?

•(1340)

**Mr. Yvon Godin:** Mr. Speaker, I would like to thank the hon. member for Saint-Maurice—Champlain. I wonder where he was when we passed the day care bill, which provided for Quebec to opt out and receive compensation. The NDP set an example which proves that it understands. Where was the hon. member when we voted to recognize Quebec as a nation and to allow it all that follows from that?

My colleague says that he has been an member of this House for two years and that he knows the position of the Bloc Québécois. So he must know that, since the NDP has now secured 18% of voting intentions in Quebec, that means that Quebec is starting to look at the NDP as the party that could represent it. The Bloc wants us to believe that if you are not in the Bloc, you cannot represent the citizens of Quebec. However I am sure that the hon. member for Outremont, for example, will be a very good representative of the province of Quebec and its interests.

I am proud of the Quebecers who have finally given a Quebecer a chance to represent them under the NDP banner. This will be the future of Quebec. We will be there to work together, to succeed, for all Quebecers. I invite my fellow Quebecers to vote for the NDP, and change will come.

*Business of Supply*

[English]

**Mr. Bruce Stanton (Simcoe North, CPC):** Mr. Speaker, I thank my hon. friend from Acadie—Bathurst for his presentation this afternoon. As a matter of fact, I was quite encouraged by the tone that he took in terms of a strong and united Canada.

I wonder if he might point to some examples of how such a constructive and cooperative approach that has been taken in terms of federal spending power has in fact helped his great province of New Brunswick.

[Translation]

**Mr. Yvon Godin:** Mr. Speaker, one can give other examples. As for the Canada Pension Plan, Quebec has its own program similar to that of Canada, and one that it administers very well. It is on these sorts of things that we have to work together, while acknowledging that Quebec holds a special place in Canada, as has been recognized in the House of Commons. We can work together for certain programs. For example, Quebec has its own immigration office. We can work together on things like that.

What do we need? We need a united country with different programs that suit the provinces in promoting the well-being of citizens. Today there is squabbling every day that the House is in session. Who are the losers for this? It is the citizens, the Quebecers, the Acadians, and Canadians across the rest of the country. We have to work together.

**Mr. Pierre Paquette (Joliette, BQ):** Mr. Speaker, I will be sharing my time with the member for Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, our finance critic, who will be dealing with matters more technical.

I would like my NDP colleague to understand why the Bloc is making this motion. The Conservatives' throne speech refers to limiting Quebec's and the provinces' spending power. There is absolutely no mention of limiting federal spending power. The aim is to take from the provinces the political autonomy they need to set up the programs chosen by their people and by their national assembly, in the case of Quebec. If the other provinces do not want this and wish to remain under the watchful eye of the federal government, big brother in Ottawa, so be it. This is why we refer in our motion to the right to opt out unconditionally with full compensation for Quebec. If the others want to remain under federal control, that is their business. We want to come out from under it. We found nothing like this in the Conservative government's throne speech. For years and years, governments in Quebec, both federalist and sovereignist, have tried to break free of the yoke of federal spending, a yoke with no constitutional basis. Limiting federal spending would amount to an acknowledgement of the federal government's right to spend in areas under the exclusive jurisdiction of the provinces and Quebec. This is not even to be found in the Constitution of 1867 and would be a step backwards from it. We want to eliminate this power, which has no constitutional basis.

We do not have to wait two or three weeks to see the bill. We know what it will contain. It will be exactly the same as what all the other federal governments have done throughout Canada's confederation—find ways to diminish Quebec, prevent it from growing as it wishes by setting conditions. They still talk of Quebec's areas of jurisdiction. So long as we remain within confederation, we will not

prevent the federal government from spending in its areas of jurisdiction. Let it do so. If it limited itself to these areas, it would not have its present surpluses. Its power to tax would be significantly reduced.

Over the years, the federal government has had more than ample funds to spend in its own areas of jurisdiction. It has so much money that it has used it to invest in provincial jurisdictions with the approval of the Canadian provinces other than Quebec, within Quebec's jurisdiction, even going at times against the aims of the Government of Quebec and the National Assembly and the consensus of the people of Quebec. There is no question of limiting federal spending power. As I have said, there is no constitutional basis for it. Why limit something that has no basis? We want it eliminated—pure and simple.

But we have understood. The comments of my colleague from the NDP were pretty clear: the rest of Canada wants the federal government to be involved in areas of provincial jurisdiction, with all the risks this entails.

Let us look at the example of social housing. In the 1950s and 1960s, the federal government barged in and started funding social housing programs. Most notably, low-cost housing was built. At some point, the government unilaterally pulled out. What happened then? The provinces are stuck with renovating housing at their own expense—particularly Quebec, since its needs in this area were very high—but social housing is underfunded, even though the need is there. If the tax base had been shared, taking jurisdictions into account, Quebec's own tax field should be much larger, enabling Quebec to assume all its responsibilities within its jurisdictions, such as education, health, culture, environment or agriculture. That is the real solution to the fiscal imbalance.

A look at the Speech from the Throne reveals that it is all smoke and mirrors. There is absolutely nothing in the speech about limiting anything. To quote what the Governor General said, “—our Government will introduce legislation to place formal limits on the use of the federal spending power for new shared-cost programs—”. So, anything that was done before does not count. Bloc Québécois researchers spent days trying to figure out what the shared-cost programs were.

● (1345)

Basically, they found two: the infrastructure program and the agriculture policy framework. For the rest, all the funding involves transfers in fields that fall under the jurisdiction of the provinces and of Quebec, transfers that could easily have been made by a transfer of income tax points, period.



There are practically no shared-cost programs. We have been calling for one for many months. I refer to a support program for older workers that would be funded in part from the employment insurance fund, which, unfortunately, has been under federal jurisdiction since 1942. I always say that Adélard Godbout would roll over in his grave if he knew that he had agreed to a constitutional amendment that permitted the federal government to take control of employment insurance. There are no, or practically no, shared-cost programs.

In *La Presse* on Saturday, October 20, Alain Noël wrote:

The [Prime Minister's] proposal on the federal spending power, is a bit like Ottawa offering to allow the provinces full control over the manufacture of black and white television sets.

Those are things that do not exist any more, and they would like us to believe that this would be a solution to the demand Quebec has been making year after year, for at least the last 40 years.

Again, reading from the Speech from the Throne, "This legislation will allow provinces and territories to opt out with reasonable compensation." It does not even say full compensation. That makes no sense but that is what is written. Words are supposed to mean something, at any rate, the Bloc Québécois believes so.

"This legislation will allow provinces and territories to opt out with reasonable compensation if they offer compatible programs." Compatible means similar. You can have any colour of car, so long as the colour is black. That is exactly what the Speech from the Throne says to us, and that is not the position supported by Quebec.

I read in a book that was published at the time the social union agreement was signed, and which quite properly is entitled, *The Canadian social union without Quebec*, an article by Claude Ryan where he reviewed the position of different Quebec governments over the years; it was always the same: the right to opt out with full compensation and without conditions, whenever the federal government brings forward initiatives, whether it is in a shared or exclusive jurisdiction, whether shared cost or not, when it is a federal initiative in Quebec's field of jurisdiction.

It is easy to see why: that is how it is trying to build the Canadian nation. I respect that, but that is not how we in Quebec want our nation to be built by our state, the Quebec state.

We are talking about the right to opt out with no strings attached, and it is absolutely non-negotiable. The Bloc Québécois will continue to fight for the position traditionally held by Quebec's successive governments. Whether federalist or sovereignist, this policy has always been the same.

I would like to go back to the Prime Minister's promise to Quebec to eliminate the fiscal imbalance. What does eliminating the fiscal imbalance mean? It means eliminating the federal spending power in areas that fall under Quebec's exclusive jurisdiction. Here is what the Prime Minister said when he made that promise on December 19, 2005:

As I have said before, even after the new government came to power, my party and I oppose the federal spending power in areas of provincial jurisdiction.

Could it be any clearer than that?

### *Business of Supply*

The Prime Minister did not say "monitor". He said "eliminate". He also said this:

I think that this kind of spending power in areas of exclusive provincial jurisdiction is contrary to the very spirit of federalism. Our government has made it clear that we do not intend to act that way.

Nevertheless, that is exactly what the government has done, just like every other federalist government in Ottawa, because as you know, there have only ever been federalist governments here, and there will only ever be federalist, centralist governments here. They might look different on the outside, but inside, they are all the same. In this case, the Prime Minister promised to correct the fiscal imbalance and to eliminate the federal spending power. He broke his promise. Quebeckers need to know that, and they should speak out against it during the next election by voting for the only party that is capable of standing up for Quebec in this House: the Bloc Québécois, whose members I congratulate.

● (1350)

**Mr. Yvon Godin (Acadie—Bathurst, NDP):** Mr. Speaker, I would like to thank and congratulate the hon. member for Joliette for his speech and his opinion. His stance and his request are quite clear.

But would he be willing to agree on the following? He said that we are a centralizing party and that when we introduced a bill on child care, offering compensation to Quebec, the Bloc Québécois supported us by voting in favour of the bill. This means that it is possible to have a federalism that works with the provinces. The Bloc Québécois supported the NDP on a bill that could work. That is the kind of federalism that I envision: with Quebec as an integral part of Canada. That is how I see it. We can make this work, but only if we all work together.

As the hon. member for Joliette just said, we can work to ensure that it does not work at all. On the other hand, we can work together, like the NDP, to find solutions regarding various programs, while ensuring that Quebec's areas of jurisdiction are respected, as we did and as others saw.

**Mr. Pierre Paquette:** Mr. Speaker, I do not want to argue with anything in my hon. colleague's speech, but in the case of child care, Quebec was the only province that had set up a real network of child care centres. It would have been absurd to tell all Canadian provinces to set up a child care program and tell Quebec that it had to add to an already existing program. So, this only makes sense. Even the previous Liberal government admitted that Quebec had already invested considerable resources in its child care program and that it could invest elsewhere.

Therefore, this is definitely not an example. On the contrary, it is a counter example that shows just how centralizing the New Democrats are.

● (1355)

**Mr. Paul Crête (Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, BQ):** Mr. Speaker, I would like to thank my colleague from Joliette for his clear presentation. I would like to examine the reason for today's Bloc motion. Let us reread it.

### Statements by Members

That, in the opinion of the House, given that the Prime Minister has promised to eliminate the fiscal imbalance and that this imbalance cannot be eliminated without the elimination of the federal spending power in areas that fall under the jurisdiction of Quebec and the provinces, the bill on federal spending power that the government will introduce should, at a minimum, provide for Quebec to have the right to opt out with no strings attached and with full financial compensation from any federal program, whether existing or not and cost-shared or not, which invades Quebec's areas of jurisdiction.

The first sentence of the motion clearly answers the NDP member's question as to why we are tabling such a motion today. The Conservative Prime Minister promised to eliminate the fiscal imbalance and this is not at all addressed in the Speech from the Throne. The government has done very little. It had promised to eliminate its spending power and that is what Quebeckers were expecting. In 1970, Mr. Robert Bourassa, then the premier of Quebec, said:

Quebec continues to believe that, ideally, this federal spending power in areas that come under exclusive provincial jurisdiction ought quite simply not to exist, and the federal government would do well to quite simply renounce it totally.

That was the position, in 1970, of the Quebec premier, Mr. Robert Bourassa, who has been called an excellent premier by the Minister of Transport, Infrastructure and Communities, who was a cabinet member in Quebec City and was of the same mind. Now that he is in Ottawa, he has changed masters and his position. As a result, today, in this House, he has denounced the Bloc Québécois' position by stating that the desire to cooperate was lacking.

The desire to cooperate is expressed in the final words of the motion, which states:

—right to opt out with no strings attached and with full financial compensation from any federal program, whether existing or not and cost-shared or not, which invades Quebec's areas of jurisdiction.

For a long time, people said that this could not be done, but also that Quebec should have this right because it was a distinct society. People even said in this House that Quebec was a nation. Today, we are asking the members to support a motion recognizing that Quebec has the right to opt out with full compensation so that it is not required to introduce a similar program. We do not want to annoy the rest of Canada with this motion. We are not asking the members to practise the same type of federalism in the rest of the country. We are asking them to give Quebec this one thing.

Unfortunately, the same thing always happens when it comes to these issues. Often, on social issues, we see eye to eye with another party in this House. Today we are asking for the historical rights Quebec has been demanding for years. I quoted Robert Bourassa, and before him was Maurice Duplessis. The people of Quebec also had that problem.

In 1970 I was 17. Today, my daughter is 17 and the situation still has not changed. That proves how stagnant the federal system is. There is a huge difference between what the federalist leaders like the Prime Minister say on the campaign trail and what they say in the House of Commons. People seem to go back on their word, and that is what is causing the problem.

In the past, we fought hard for the manpower agreement and the agreement on parental leave. We thought that the current government was offering us an interesting opportunity. What we found in the throne speech, though, was not this opportunity, but the same old drive to centralize.

I will continue my speech after oral question period.

**The Acting Speaker (Mr. Andrew Scheer):** The hon. member will have five minutes following oral question period to finish his speech.

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## STATEMENTS BY MEMBERS

[English]

### RADARSAT-2

**Mr. Gary Goodyear (Cambridge, CPC):** Mr. Speaker, last week the Minister of Industry visited the Canadian Space Agency's David Florida Laboratory, where he viewed and spoke about RADARSAT-2, Canada's newest and most advanced earth observation space satellite.

This new satellite represents powerful state of the art technology that will enhance our ability to protect Canada's sovereignty in the far north, in keeping with our Arctic strategy outlined in the Speech from the Throne.

RADARSAT-2 will also provide improved surveillance and monitoring capabilities for management of our natural resources and monitoring of the environment. In cases of disaster, RADARSAT-2 will be an indispensable tool to provide rescue and humanitarian aid for those most in need.

RADARSAT-2 will be launched in December of this year and is proof of Canada's commitment to leading edge research. We can all be proud of its contribution to the global scientific community.

\* \* \*

● (1400)

[Translation]

### ADISQ GALA

**Hon. Mauril Bélanger (Ottawa—Vanier, Lib.):** Mr. Speaker, last night at the 29th ADISQ Gala, Isabelle Boulay and Nicola Ciccone were named performers of the year.

Three trophies were also awarded yesterday to Mes Aïeux. They won the Félix for group of the year, for album, top sales, and the award for pop song of the year for their song *Dégénération*.

Daniel Bélanger—no relation—won the award for best pop-rock album for *L'Échec du matériel*. He also won the highly coveted Félix for writer-composer of the year.

I also want to acknowledge Pierre Lapointe for winning a Félix for show of the year in the writer-composer-performer category, and Tricot Machine for best new artist of the year.

Our artists work hard and their achievements should be celebrated. The official opposition is committed to them and offers its most sincere congratulations to the winners and all the nominees.

### DALAI LAMA

**Ms. Diane Bourgeois (Terrebonne—Blainville, BQ):** Mr. Speaker, as part of the Dalai Lama's visit, the city of Blainville in my riding has accepted the invitation from members of the Canada-Tibet committee to raise the Tibetan flag in support of the Tibetan cause and its spiritual leader, the Dalai Lama.

Blainville is the first city in Quebec to raise the Tibetan flag today to officially support the cause. It did so in the tradition of major European cities and at the invitation of the Canada-Tibet committee, which has taken a stand against the human rights violations, particularly of freedom of religion, currently taking place in Tibet. Justice, compassion and freedom are fundamental and legitimate values to which Tibet is entitled.

My colleagues in the Bloc Québécois join me in expressing, as Blainville has done, their solidarity with the Tibetan people. We also want to take this opportunity to wish the Dalai Lama an excellent stay.

\* \* \*

[English]

### ORGANIZED CRIME

**Mr. David Christopherson (Hamilton Centre, NDP):** Mr. Speaker, last week my constituents in Hamilton Centre were horrified to learn that a federal prosecutor had dropped drug and weapons charges against suspected members of a cocaine ring.

These men were thought to have connections to the Hells Angels and other organized crime gangs across Canada. Their arrest was seen as a major blow to the hard drug market and followed months of investigation. Why drop the charges? Because the RCMP's investigators are on sick leave due to problems with morale in their office.

What is going on here? Could Conservative mismanagement be so bad that drug dealers are going free? Sadly, shockingly, the answer is yes. Over the past year, the Standing Committee on Public Accounts heard hours of testimony about morale problems due to RCMP mismanagement.

The Minister for Public Safety promised change, and now we see he broke his promise. Morale is worse than ever and the result is that accused drug dealers are back on the street. I demand the minister review this case and stop letting poor management be the criminals' "get out of jail free card".

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### PEACEKEEPING

**Mr. Colin Mayes (Okanagan—Shuswap, CPC):** Mr. Speaker, there is no better way to describe Canada's role on the international stage than that of a peacekeeper. Canada has earned the reputation through our willingness to rise to the call from our allies to stand beside them to provide peace for the world.

Canada has proven that we are a leader in the cause of peace, but peacekeeping is not for the faint of heart. Peace is not won around the tables of negotiations only. Nor is it won by the stroke of a pen, but rather by the resolve of the brave. In fact, more often than not, it

### Statements by Members

is won through the actions of the strong and brave men and women of the peacekeeping forces.

Canada's peacekeeping efforts have provided not only might to the cause, but have brought a heart of compassion, a mind of understanding and a hand of generosity.

Those Canadians who have served in the cause of peace are nothing less than Canadian heroes and should be recognized by the House and the citizens whom we represent.

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### NOVA SCOTIA SPORT HALL OF FAME

**Hon. Geoff Regan (Halifax West, Lib.):** Mr. Speaker, I am proud to rise today to pay tribute to Penny LaRocque, a proud Nova Scotian, a great Canadian and a valued constituent.

Penny is known as a lot of things to friends and family. She is a great mom, a wise adviser and a trusted confidant. To many sports fans across our country, she is known as one of the best curlers Canada's ocean playground has ever produced.

In 1983 Penny won the Canadian women's title and placed third at the world's. She has also won an amazing 19 provincial championships, including five women's championships and two senior mixed championships.

Penny is also a published scholar, whose competitive drive and wonderful sportsmanship has been recognized around the globe as well as at home.

Penny was honoured for her achievements when she was inducted into the Nova Scotia Sport Hall of Fame on October 19. I cannot think of a more deserving person.

I ask my colleagues to join me in congratulating Penny and her family on this well deserved recognition.

\* \* \*

● (1405)

### JORDAN ANDERSON

**Mr. Rod Bruinooge (Winnipeg South, CPC):** Mr. Speaker, there is no greater sacrifice than to lay down one's life for one's country, and it can be especially painful to lose someone who is just beginning his life. Such sacrifice deserves a special honour. I applaud the University of Manitoba for its decision to award a posthumous degree to a fallen Canadian soldier, Corporal Jordan Anderson.

On October 18, the U of M honoured Anderson not only for his work as a political studies major, but for his service to his country. Anderson was a member of the Princess Patricia's Canadian Light Infantry in Winnipeg. He was completing his arts degree through the U of M's military support office when he was killed by a roadside bomb near Kandahar. I admire the courage of Corporal Anderson's wife, Amanda, who accepted the arts degree on her late husband's behalf.

*Statements by Members*

I commend the House to recognize the sacrifice of young men and women like Anderson and the sacrifice of their spouses and families. We would not be where we are today without such sacrifice. It is men and women like Anderson who make me truly proud to be a Canadian.

\* \* \*

[Translation]

**A DOCUMENTARY ENTITLED *LE PEUPLE INVISIBLE***

**Mr. Marc Lemay (Abitibi—Témiscamingue, BQ):** Mr. Speaker, last Saturday evening was the opening night of Abitibi-Témiscamingue's 26th International cinema festival, which will run to November 1, as well as the premiere of the latest release by Richard Desjardins and Robert Monderie, *Le peuple invisible*.

*Le peuple invisible* is a documentary that paints a troubling picture of the Anishnabe, also known as the Algonquin. The Anishnabe nation has long endured a panoply of difficulties. Poverty, inadequate housing, health and education problems and an atmosphere of hopelessness haunts both young and old in the community.

*Le peuple invisible* points an accusing finger at governments for their many years of inaction which have led to the injustices suffered by the Algonquin.

\* \* \*

[English]

**SIMCOE STREET UNITED CHURCH**

**Mr. Colin Carrey (Oshawa, CPC):** Mr. Speaker, this past weekend the Simcoe Street United Church in my riding of Oshawa celebrated both its 190th anniversary as a congregation and the 140th anniversary in its current location.

Simcoe Street United has played an active role in our community for almost two centuries, through charitable and youth outreach and ministries to those in need. The church is a positive influence within Oshawa and is worthy of recognition.

This beautiful and unique church is recognized by the city for its architectural significance and is an historic landmark in Oshawa. I have had the opportunity to attend musical performances, baptisms, weddings and funerals at Simcoe Street United and can positively attest to the influence and strength of its congregation.

I congratulate Reverend David Moore for his 12 years of leadership and the 27 previous reverends who have faithfully led this congregation since 1869.

One hundred and ninety years is a truly amazing accomplishment.

Congratulations, and I thank it for its continued commitment to our great city of Oshawa.

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[Translation]

**EDMUNDSTON ARTS HALL OF FAME**

**Mr. Jean-Claude D'Amours (Madawaska—Restigouche, Lib.):** Mr. Speaker, I am very proud to have this opportunity to congratulate the most recent members of the Edmunston arts hall of fame: Audrey Côté St-Onge and Claude Roussel. I had the pleasure

of attending their induction ceremony yesterday afternoon, October 28.

Audrey Côté St-Onge has devoted her entire 46 year career to setting up cultural events and encouraging people to take action and participate. She has been a role model to people of all ages, who admire and acknowledge her boundless energy and commitment and her determination to succeed.

As for Claude Roussel, he too has been a true pioneer in the advancement of the arts in New Brunswick. This multidisciplinary artist is constantly engaged in the creation of sculptures, engravings and drawings, as well as in staunchly defending artists' rights.

The obvious commitment of these two new hall of famers to the development of the arts has helped to forge a vibrant artistic community and has made the arts part of the daily reality of Edmunston.

My congratulations again to them both.

\* \* \*

● (1410)

[English]

**VIETNAM**

**Mr. Dave Van Kesteren (Chatham-Kent—Essex, CPC):** Mr. Speaker, on October 24, I was privileged to attend a meeting sponsored by Bloc 8406, a democracy movement in Vietnam. The keynote speaker, Professor Nguyen Chinh Ket, the founder of Bloc 8406, is wanted by the Vietnamese government and faces arrest upon his return home. His crime: the promotion of democracy in Vietnam.

Professor Nguyen Chinh Ket recounted to the delegation that when the Prime Minister visited Vietnam at the recent WTO conference, he was the only leader who spoke of human rights with the Prime Minister of Vietnam.

I am proud to stand behind the members of Bloc 8406 and challenge the Vietnamese Communist government to allow free and open democracy in Vietnam and respect for human rights by freeing all political dissidents who are imprisoned or under house arrest today.

I ask all members of Parliament to pay special attention to Professor Nguyen Chinh Ket's case when he returns home to Vietnam.

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**LUMBER INDUSTRY**

**Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP):** Mr. Speaker, last week, we saw another community fall victim to the government's failed strategy for the softwood lumber industry.

Last year, when the government trotted out the train wreck it called the softwood lumber deal, New Democrats stood in our place, warned of job losses and mill closures and, sadly, this prediction has come to pass.

Last Wednesday, West Fraser Timber announced the indefinite closure of Skeena sawmills in Terrace, leaving 100 families out of work.

The people of my riding are hard-working and expect fair dealing from their government. They have contributed billions of dollars to the coffers of both federal and provincial governments and expect support in their time of need.

It is time for the hard-working families of Terrace, Fort St. James and Houston to get their fair share. It is time for the government to show a little dignity and courage in dealing with these communities.

\* \* \*

#### UNIVERSITY OF TORONTO MISSISSAUGA

**Mr. Omar Alhabra (Mississauga—Erindale, Lib.):** Mr. Speaker, I have the honour of representing the riding of Mississauga—Erindale, the host for one of the fastest growing and most dynamic university campuses in Canada.

This year, the University of Toronto Mississauga celebrated its 40th anniversary. Thanks to its administration, faculty members, students and local community partners, this campus has accomplished a great deal in a short period of time.

Since I was elected, I have been in constant contact with the administration and students, listening to their concerns and aspirations. There is huge disappointment with the Conservatives and their inaction in providing a leadership on post-secondary education.

Canadians expect their government to invest in their most important assets: human resources. The Conservatives consistently pass over the needs of students and their families while failing to outline a vision and an action plan to help them deal with post-secondary education accessibility and mounting debts.

I urge the Prime Minister to demonstrate genuine interest by responding to their needs, which are crucial to the future success of our country.

\* \* \*

[*Translation*]

#### ADISQ GALA

**Mr. Robert Vincent (Shefford, BQ):** Mr. Speaker, last night I had the honour of attending the 29th ADISQ gala, which rewards Quebec's talented artists, singers, songwriters and performers.

I would like to offer my hearty congratulations to the winners: Daniel Bélanger, Isabelle Boulay and Mes Aïeux, who each took home a Félix, and Nicola Ciccone, who won the male artist of the year award.

Congratulations to all of the artists who won last night, including Claude Dubois, and to up-and-coming French-language musicians, such as Tricot machine. The next generation is looking great.

I am proud of my artists. Quebec is proud of its artists. These men and women are making the Quebec nation look good all over the francophone world. My Bloc Québécois colleagues and I will continue to support them and to love their music.

#### *Statements by Members*

Last but not least, I want to mention one of the highlights of the evening, the stirring tribute to Patrick Norman for his lifetime achievements, particularly for his involvement in promoting country music.

\* \* \*

[*English*]

#### REMEMBRANCE DAY

**Ms. Nancy Karetak-Lindell (Nunavut, Lib.):** Mr. Speaker, I rise today to pay tribute to Canada's soldiers and veterans. Remembrance Day is the day we honour all those who served this nation with distinction, remembering the millions who served in World War I, World War II, the Korean War and around the world from Europe to the Middle East.

On the 11th hour of the 11th day of the 11th month, as thousands of Canadians gather at the National War Memorial to remember, let us wear our red poppies with pride and admiration. Let us take a moment to remember those who gave their lives in sacrifice on our behalf.

Our thoughts and prayers are with all of Canada's war veterans, in particular the active members of our armed forces and their families currently in Afghanistan.

To echo the words inscribed at the base of the Monument to Canadian Fallen soldiers: "WE WILL NEVER FORGET YOU BRAVE SONS [and daughters] OF CANADA".

\* \* \*

● (1415)

[*Translation*]

#### ADISQ GALA

**Mr. Daniel Petit (Charlesbourg—Haute-Saint-Charles, CPC):** Mr. Speaker, I would like to congratulate all the artists nominated for the 29th edition of the ADISQ Gala. The gala recognizes the talents of Quebec's top artists of the year.

Last night's gala honoured, in particular, the group Mes Aïeux, singers Isabelle Boulay and Nicola Ciccone, songwriter Daniel Bélanger, and group of the year, Tricot Machine.

During its 17 years in Ottawa, the Bloc Québécois has been unable to do anything to support Quebec artists, since it has never been in power. Fortunately, the Conservative government is here to really do something to promote culture, from song to cinema to museums.

Unlike the perpetual opposition with its empty rhetoric, we are taking real, concrete action. The Bloc Québécois can continue to criticize. Our government has the means to act in the interest of Quebecers and Canadians, and our government keeps its word.

## Oral Questions

## ORAL QUESTIONS

[Translation]

## AFGHANISTAN

**Mr. Michael Ignatieff (Etobicoke—Lakeshore, Lib.):** Mr. Speaker, in the spring, the government said that there was no evidence of torture in Afghanistan, but today an authority in an Afghan prison said that, in fact, detainees are being tortured. As well, the Independent Afghan Human Rights Commission contends that a third of prisoners are tortured.

Since April, we have been asking this government to assume responsibility for protecting Afghan detainees. Why has nothing been done to ensure the agreement is respected?

**Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC):** Mr. Speaker, we were expecting allegations like this from the Taliban. It is their usual *modus operandi*. In any event, we have put in place mechanisms to ensure that transfers of Taliban prisoners by the Canadians are supervised and monitored.

**Mr. Michael Ignatieff (Etobicoke—Lakeshore, Lib.):** Mr. Speaker, denouncing the detainees as Taliban is an evasion of ministerial responsibility.

[English]

In May, the government rushed into a transfer agreement to end the scandal caused by its mismanagement. Since then, it has done nothing to ensure this accord is respected.

Does the government even know how many allegations of torture there have been since the agreement came into force in May? Why has the defence minister done nothing to ensure that the agreement is respected?

**Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC):** Mr. Speaker, I will repeat, this time in English, that we do expect these kinds of allegations from the Taliban. It is their standard operating procedure to engage in these kinds of accusations. I would caution the hon. member against taking them instantly as words of truth without penetrating beyond them.

As the member well knows, we now have mechanisms in place to monitor and follow up Canadian transferred Taliban prisoners.

**Mr. Michael Ignatieff (Etobicoke—Lakeshore, Lib.):** Mr. Speaker, why will the Minister of National Defence not answer the questions here?

[Translation]

We learned this summer that in addition to allegations of torture, there are also accusations of disappearances. Fifty Afghans transferred by the Canadian Forces to the Afghan authorities have gone missing.

Can the Prime Minister tell us how many of these detainees have disappeared since May when the new agreement was signed? What will the Government of Canada do to restore Canada's reputation as a defender of human rights?

**Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC):** Mr.

Speaker, I am going to quote Michael Byers, who holds the Canada Research Chair in Global Politics and International Law at the University of British Columbia. He said that this improved arrangement is now better than the Netherlands-Afghanistan memorandum, and that in fact it is a first class agreement.

[English]

Most of all, it is a heck of a lot better rule than what was put in place by the Liberals when they sent the troops into Afghanistan.

[Translation]

**Hon. Robert Thibault (West Nova, Lib.):** Mr. Speaker, Canadians expect the government to protect international law, to defend human rights and to uphold our international reputation. But when it comes to the possible torture of Afghan detainees, this government takes a hands-off approach.

How can it be so sure when it does not even know what happened to the 50 detainees transferred to the Afghan authorities?

● (1420)

[English]

**Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC):** Mr. Speaker, it is very much the intention of our government to protect the human rights of Afghans, which is why our troops are there. They are there to defend them from the Taliban who seek to dismiss their human rights and crush them as they have in the past.

**Hon. Robert Thibault (West Nova, Lib.):** Mr. Speaker, the facts are pretty clear. The government's detainee transfer agreement was nothing more than political damage control.

How much longer will we need to wait for the government to get serious about its responsibilities to uphold the Geneva Convention? Maybe if the Minister of National Defence spent less time primping for photo ops he would be able to tell us who really speaks for National Defence: John Manley, Rick Hillier, who? It is certainly not him. When will he take his responsibilities seriously?

**Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC):** Mr. Speaker, we are speaking for Canadians, for Canadian values and we are speaking for the Afghan people. That is why we are in Afghanistan.

We, of course, have an agreement in place which was reported by the *Globe and Mail* as:

...the Canadian government can now say it has the most stringent safeguards of any NATO country operating in Afghanistan....

That is something to be proud of, as it is to be proud that we are there defending the Afghan people. We are standing up for ordinary Afghan people against those who do not tolerate their human rights.

[Translation]

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, a few months ago, the Prime Minister boasted that he had settled the issue of Afghan detainees since he had reached, with the Afghan government, a new agreement protecting detainees from being tortured. However, this morning, the headline of the daily *La Presse* tells us that detainees handed over to Afghan authorities by Canadian troops are still being tortured, and this almost systematically.

*Oral Questions*

How can the Prime Minister tell us that this agreement has solved the issue of Afghan detainees, when we are well aware that they are still being tortured?

**Hon. Maxime Bernier (Minister of Foreign Affairs, CPC):** Mr. Speaker, this sort of allegations is to be expected from the Taliban. This is how they operate. We are in Afghanistan to protect and to promote human rights with the duly elected government of Afghanistan, and with the international community. Some mechanisms have been put in place following the agreement that we signed in May. That agreement specifically protects those rights, and it ensures that we have one of the best agreements among NATO countries.

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, the comments made in *La Presse* are those of a journalist who is more serious and professional than the Minister of Foreign Affairs, who still thinks that Aristide is the President of Haiti.

The Canadian government reached an agreement with Afghan authorities on the fate of detainees, but is not implementing it.

Will the Prime Minister tell us if even a single Canadian official has visited the facilities to monitor the conditions in which detainees are held? If so, did that person write a report? If so, can we see it?

**Hon. Maxime Bernier (Minister of Foreign Affairs, CPC):** Mr. Speaker, we are proud of that agreement.

[English]

As Alex Neve of Amnesty International said on May 3, “It also appears that it may even be better than the other agreements that other NATO countries have...entered into with the Afghan government”.

[Translation]

It is a very good agreement for the protection of human rights, and we are ensuring that it is respected by the Afghan government.

**Mr. Claude Bachand (Saint-Jean, BQ):** Mr. Speaker, the Minister of Foreign Affairs may well be proud of himself. We can tell him that we, on this side of the House, are not at all proud of him.

Under the agreement signed on May 3, Canada has full and direct access to prisoners captured by the Canadian Forces and transferred to the Afghans. It seems that has not happened. We would say that the minister is living on another planet. He alleges that this story is Taliban propaganda, but it was a journalist for *La Presse* who wrote that report.

A journalist was able to go to Kandahar and to visit people who had been tortured. What does this government have to hide? The minister—

**The Speaker:** The Hon. Minister of Foreign Affairs.

**Hon. Maxime Bernier (Minister of Foreign Affairs, CPC):** Mr. Speaker, we have absolutely nothing to hide. We are proud of the record of our Canadian troops in Afghanistan, and the Afghans are also proud of the Canadian troops. In a recent independent survey carried out in Afghanistan, 73% of Afghans said that the women are treated better today than they were five years ago. We have improved the situation for human rights. It is still a difficult situation. We have

to work together, with the duly elected Afghan government and with the international community. That is what we are doing.

• (1425)

**Mr. Claude Bachand (Saint-Jean, BQ):** Mr. Speaker, it is one of two things: either the Conservative government has not ensured monitoring of the Afghan prisoners—and in that case, it is failing in its duty—or the Conservative government knew exactly what was happening and washed its hands of the matter.

Does the Prime Minister, or the Minister of Foreign Affairs who is so proud of him, realize that their government's failures are exposing not only Canada, but also the soldiers themselves to a risk of prosecution for non-compliance with the Geneva convention?

**Hon. Maxime Bernier (Minister of Foreign Affairs, CPC):** Mr. Speaker, we respect our international obligations. An agreement was signed with the duly elected Afghan government. I repeat, it is one of the best, most modern, agreements of the NATO countries. That agreement protects human rights. That is why we are in Afghanistan, to enable the Afghans to live in a democratic country—as we do here in Canada—and a secure country, where there is development and where children can go to school. We are doing that and the Canadian Forces are there to bring security to the country, because without safety and security there can be no development.

[English]

**Hon. Jack Layton (Toronto—Danforth, NDP):** Mr. Speaker, for the first 18 months that the NDP raised this issue, two governments were in denial. Finally an agreement was signed. The question before the House today is whether or not this agreement is worth the paper it was printed on, whether or not the government is taking action to ensure that what is on paper is in fact being followed.

This is the question we are asking because we now have headlines in the papers which suggest that Canada is facilitating a process of torture. This is extremely serious. It is also serious under international law. Will a representative of the government, the Prime Minister or someone, stand up and tell us what steps are being taken to make sure—

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

**Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC):** Again, Mr. Speaker, I have to caution the hon. member on taking as the truth incomplete statements such as a few comments from unattributed sources and anonymous individuals about unnamed prisoners, alleging some torture, especially when we are talking about combating the Taliban, whose major business was trampling the human rights of Afghans.

We are there to protect the human rights of Afghans and to support our troops in doing that.

[Translation]

**Hon. Jack Layton (Toronto—Danforth, NDP):** Mr. Speaker, Canada's reputation has been tarnished by headlines such as this one: “You, Canadians, are responsible for torture”. This is serious. The government must take action on this.

*Oral Questions*

My question is serious and very specific. When was the last time government representatives used their visitation right to visit prisoners, detainees, who are being held by the Afghan authorities? [English]

**Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC):** Mr. Speaker, we take our responsibilities seriously. We expect the Afghan government to do the same. We have an agreement which ensures that can happen.

We are very proud of the work of our troops. When we talk about our reputation, the reputation of Canadians is clear. It is shown in the polls of Afghans who say their lives are better, they enjoy more human rights than they did before, and they want the troops of Canada and NATO to stay there to protect their human rights from the Taliban. That is what we are doing.

**Hon. Bryon Wilfert (Richmond Hill, Lib.):** Mr. Speaker, amidst the latest allegations of torture and abuse, there remains a government desperate to confuse the public about its true intentions for the future of our mission in Afghanistan.

How else to explain the differing accounts of the end date of the combat mission? The Prime Minister says one thing. The Chief of the Defence Staff says another. Who is telling the truth?

**Hon. Peter MacKay (Minister of National Defence and Minister of the Atlantic Canada Opportunities Agency, CPC):** Mr. Speaker, I think General Hillier was very clear on this point. He said that there is no contradiction whatsoever. As the hon. member knows, we have a February 2009 end date. There was discussion in the throne speech of the date of February 2011 with respect to our signature on the Afghanistan Compact.

Those are the facts. They speak for themselves. The general has been very clear. There is no contradiction.

**Hon. Bryon Wilfert (Richmond Hill, Lib.):** Mr. Speaker, the positions of the minister and the Chief of the Defence Staff are not reconcilable.

Canadians expect the government to be honest, truthful and unambiguous. Canadians are clear. They want our combat mission to end in February 2009.

The only question that remains is this one. Who is telling the truth about these future plans, the Prime Minister, who wants to extend our combat mission to 2011, or the Chief of the Defence Staff, who says 2017? Which is it?

• (1430)

**Hon. Peter MacKay (Minister of National Defence and Minister of the Atlantic Canada Opportunities Agency, CPC):** First, Mr. Speaker, let us get the facts straight. The Chief of the Defence Staff never used that date. The member is making up that particular fact.

We have been very clear. Unlike the members opposite, who were part of the government that sent soldiers to Afghanistan not only ill-equipped but without a mandate from Parliament, as there was no vote, we have committed to having a vote in the House of Commons. We have been very clear on our commitment with respect to February 2009. We have been very clear in the throne speech.

What is incredible and unacceptable is that a member opposite who was part of that government would now stand up and advocate to bring those troops home.

**Hon. Denis Coderre (Bourassa, Lib.):** Mr. Speaker, 2007 plus 10 equals 2017.

The disarray between the government and our military with respect to the Afghan mission is astounding. The Prime Minister has told Canadians that our troops are to remain until 2011 in Afghanistan. Last week, the CDS made it clear that it cannot be. It would take at least another 10 years.

Who is in charge? General Hillier or the Prime Minister, who has said before that Canada has a moral obligation to stay until the Afghan army can take over? Is it 2011 or 2017?

**Hon. Peter MacKay (Minister of National Defence and Minister of the Atlantic Canada Opportunities Agency, CPC):** Again, Mr. Speaker, I believe that if the member were to look at the words of General Hillier, he would see that he has been very clear. He gave a very clear indication that there is no separation, that there is absolutely no difference whatsoever with what he is saying. He was referring to the building of a professional army. He was referring to some of the necessity of the longer term.

With respect to the mission, there is a mandate from Parliament by virtue of a vote taken last spring to go to February 2009. There is a reference to the Afghanistan Compact of 2011. The only person trying to cast aspersions on the mission, the only person in the House trying to further confuse the issue, is the member opposite.

[Translation]

**Hon. Denis Coderre (Bourassa, Lib.):** Mr. Speaker, General Hillier was very clear: he said 2017. It is the members opposite who are still creating confusion. The political incompetence on this issue is pathetic.

According to reports, not only was the Prime Minister's office furious about what General Hillier had said, but even the Minister of National Defence was apparently unaware of the visit by the Chief of Defence Staff, which proves that the general does as he pleases.

Either the military is carrying out this mission and the Prime Minister and his spokespeople have no control, or this Conservative government is not telling us the truth and the real end date for the combat mission is 2017. Who is telling Canadians the truth: General Hillier, who is saying 2017, or the Prime Minister, who is saying 2011?

**Hon. Peter MacKay (Minister of National Defence and Minister of the Atlantic Canada Opportunities Agency, CPC):** Mr. Speaker, I thank the member without borders for his question.

It is clear. The minister, the Prime Minister and the Chief of Defence Staff agree. They said the same thing last week. It is clear.

The member is trying to show that the government is divided. This is not true. It is clear: the mission will end on the same date for all government representatives.



## INTERNATIONAL AID

**Ms. Caroline St-Hilaire (Longueuil—Pierre-Boucher, BQ):** Mr. Speaker, a journalist went to Afghanistan to ask CIDA authorities some questions. Although she kept insisting, the only answer she received was “I cannot speak to you, call Ottawa”.

Although the government boasts of investing millions of dollars in humanitarian aid, it continues to lack transparency with regard to Canadian aid.

The minister must understand that she is responsible for international aid and not the military. Therefore, could she give us a straight answer?

[English]

**Hon. Bev Oda (Minister of International Cooperation, CPC):** Mr. Speaker, in the Prime Minister's throne speech, and also in budget 2007, the government committed to more aid effectiveness and to accountability and transparency. If the member has a specific question to ask about a specific amount, project or program, I would be happy to answer the question.

[Translation]

**Ms. Caroline St-Hilaire (Longueuil—Pierre-Boucher, BQ):** Mr. Speaker, will the government table, in this House, all the reports it has so that we can know the true amount of the humanitarian aid it is so proud of providing?

Does the government monitor the monies invested or is it only good at distributing cookies to make itself look good?

• (1435)

[English]

**Hon. Bev Oda (Minister of International Cooperation, CPC):** Mr. Speaker, our international assistance to countries is distributed according to criteria. The criteria are very clear. We have a reporting process. We have accountability. We have audits being done both internally and by external parties.

Again, I would say to the member that if she has a specific project or matter she would like to have addressed, I would be pleased to give her the information, as appropriate.

\* \* \*

[Translation]

## BROADCASTING AND TELECOMMUNICATIONS

**Mr. Maka Kotto (Saint-Lambert, BQ):** Mr. Speaker, in a press conference held today, 18 artist and cultural business groups asked that the Minister of Canadian Heritage use her power to issue policy directions to the CRTC to ensure that, in CRTC decisions, priority is given to the social and cultural reality, as required under the Broadcasting Act.

Will the minister accede to this request from artist and cultural business groups and support a firm and efficient regulatory framework for broadcasting?

**Hon. Josée Verner (Minister of Canadian Heritage, Status of Women and Official Languages, CPC):** Mr. Speaker, the Broadcasting Act pursues cultural and social objectives, not only economic ones. There is no doubt that our government reaffirms the importance of these objectives and that it is the responsibility of

## Oral Questions

the CRTC to make regulations to ensure that these objectives are achieved.

Our government expects the CRTC to make regulations promoting the production and broadcast of Canadian content. That said, yesterday evening, I had the pleasure of speaking with M. Dion-Hébert, and we have agreed to meet to discuss—

**The Speaker:** The hon. member for Saint-Lambert.

**Mr. Maka Kotto (Saint-Lambert, BQ):** The name is Dupont-Hébert, Mr. Speaker.

The regulatory debacle at the CRTC is nothing new; it has even intensified since the Conservatives took office. They are encouraging it instead of containing it.

Does the Minister of Canadian Heritage realize that, by promoting deregulation in the broadcasting and telecommunications industry, her government is sending this simple message: culture is secondary and not worth protecting?

**Hon. Josée Verner (Minister of Canadian Heritage, Status of Women and Official Languages, CPC):** Mr. Speaker, as the hon. member knows very well, the CRTC is an arm's length agency.

That said, a strong Canadian content is a priority for our government. Take our new support for arts and culture for example.

In our budget 2006, \$50 million over two years was earmarked for the Canada Council for the Arts. On July 20, it was announced that \$30 million out of that \$50 million would be recurring.

In September, \$30 million for the festivals program was announced. This will help support the next generation in all parts of the country.

That is what our government is doing for arts and culture.

\* \* \*

[English]

## ELECTIONS CANADA

**Hon. Marlene Jennings (Notre-Dame-de-Grâce—Lachine, Lib.):** Mr. Speaker, the in-and-out financing scandal implicates at least six Conservative ministers, like the public safety minister and the foreign affairs minister. Their response? Dead silence.

The member for West Vancouver—Sunshine Coast—Sea to Sky Country did the right thing. At the very first hint of any questions about his campaign he stepped aside so he could clear his name.

The independent investigation into the Conservative scheme has not been completed. Will the government demonstrate true leadership and demand resignations from its six ministers?

**Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC):** Mr. Speaker, the chutzpah of the Liberals when it comes to campaign finance stuff never ceases to amaze me. Friday we had the Liberals' spooktacular with corporate sponsorships contrary to the act. This week we have the “Blair witch project”.

*Oral Questions*

Contrary to what the hon. member for Notre-Dame-de-Grâce—Lachine says, B.C. Liberal organizer Mark Marrissen, the Liberal leader's campaign manager, told *The Province* he was passed documents that he submitted to the party's green-light committee which vets candidates.

The Liberals had it for a long time. They were content to sweep it under the carpet until it was on the front page of the newspaper.

**The Speaker:** I would caution the government House leader to comply in all respects to the rules. He knows he is not to refer to a member by name and I have a feeling that is what he was doing. I am not sure, but it sounded as though it might have been that.

The hon. member for Notre-Dame-de-Grâce—Lachine.

• (1440)

[Translation]

**Hon. Marlene Jennings (Notre-Dame-de-Grâce—Lachine, Lib.):** Mr. Speaker, dubious expenses claimed by six Conservative ministers are at the very heart of the elections commissioner's investigation into this \$1.2 million scheme. And the list is growing. The list includes the Minister of Transport and the Minister of Canadian Heritage.

The reputation of the Government of Canada is being tarnished by these Conservative shenanigans.

When will the Prime Minister show true accountability? When will he do what he should and ask these six ministers to step down?

[English]

**Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC):** Mr. Speaker, all our practices are open, transparent, disclosed and within the law. That is a far cry from the Liberal Party. In regard to the case of the member for West Vancouver—Sunshine Coast—Sea to Sky Country, it says in the *Vancouver Province*:

—former campaign workers and business associates have come forward claiming the MP committed grave breaches of the Canada Elections Act in failing to report campaign expenses. Liberal insiders who worked for the candidate in the 2005-2006 election allege [he] ran a campaign using cash payments and did not report all his spending...They claim many campaign expenses were never reported to Elections Canada.

Big, big difference. That is clearly contrary to—

**The Speaker:** The hon. member for Moncton—Riverview—Dieppe.

**Mr. Brian Murphy (Moncton—Riverview—Dieppe, Lib.):** Mr. Speaker, the government's lead adviser on electoral reform and democratic reform is implicated in this scheme. In an email filed with the Federal Court, Mr. Donison directed candidates that “the amounts of money to be wired for that candidate will be identical to the amount transferred”.

Further, Conservative officials were quoted: “this is a transfer in and then back out, same day...Therefore, as agreed there will be no net cost or cash flow impact”.

Does the Conservative government believe that if it does not pay for something it can still claim it as an expense?

**Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC):** Mr.

Speaker, the activities the member speaks about are all entirely legal, follow the act, every single word. It is a far cry from what the *Vancouver Province* reports about the Liberal member for West Vancouver—Sunshine Coast—Sea to Sky Country. About him it says:

If proven true, the allegations would represent a serious breach of the Elections Act and could bring penalties of fines, prison time...[He] did not report campaign expenses to Elections Canada and paid for supplies off the books, in cash, a breach of the act.

Clear, in black and white.

**Mr. Brian Murphy (Moncton—Riverview—Dieppe, Lib.):** Mr. Speaker, our leader and the member acted accountably. Will this government start acting accountably?

First, Mr. Donison and the Prime Minister were caught in this before. They ran afoul of the Canada Elections Act before. There was \$1.9 million in convention fees that had to be returned. Elections Canada said so. Elections Canada has prevailed on the Prime Minister to pay this money himself.

When will the denial-athon end and real accountability occur? When will the minister know it all and answer nothing give us a straight answer? When will Mr. Donison resign?

**Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC):** Mr. Speaker, the denial-athon goes on and on, from the HRDC boondoggle into Liberal coffers, from the sponsorship scandal into Liberal coffers. Then we have the latest about the Liberal member from West Vancouver, the pretty boy, and the Liberal leader's campaign manager, Mark Marrissen. And guess what? The Liberals are still denying it.

\* \* \*

[Translation]

**FINANCE**

**Mr. Luc Harvey (Louis-Hébert, CPC):** Mr. Speaker, I have a real question this afternoon.

[English]

Would the Minister of Finance like to advise the House on his plan for the economic well-being of the country?

**Hon. Jim Flaherty (Minister of Finance, CPC):** Mr. Speaker, may I advise the House that I intend to present the fall economic statement tomorrow at 4:00 p.m. It is my intention to make the statement in this House, but that would require unanimous consent. Two of the parties have consented, I understand, and one, the NDP, has not consented.

I would ask the NDP to reconsider so that the fall economic statement may be presented here to the elected representatives of the people of Canada rather than in another place.

*Oral Questions***ARMS SALES**

**Ms. Dawn Black (New Westminster—Coquitlam, NDP):** Mr. Speaker, Canada has become one of the world's largest exporters of guns, military equipment and munitions. Canada is now the sixth largest exporter of arms in the world; not a list that many Canadians would be happy to see us so high on. Many of these weapons built in Canada eventually end up in the wrong hands.

How many weapons has Canada exported this year? Why has the government failed to provide this information on foreign arms sales? And why the lack of transparency?

• (1445)

[*Translation*]

**Hon. Maxime Bernier (Minister of Foreign Affairs, CPC):** Mr. Speaker, we take allegations surrounding export controls very seriously. That is why, contrary to the opposition, we are currently studying a report covering the years 2003 to 2005. According to these allegations, this happened under the former Liberal government. When we are ready, after consideration of this report, we will follow up on the matter.

[*English*]

**Ms. Dawn Black (New Westminster—Coquitlam, NDP):** Mr. Speaker, how can we believe the government when it will not even produce the figures when it is supposed to? Releasing these numbers is a matter of law, and refusing to table these numbers shows contempt for Parliament and Canadians.

What is it that the government is afraid of? Is it afraid of the reaction when ordinary Canadians find out that their government is flogging small arms to war-ravaged third world countries? When we ask foreign countries to be accountable for their arms sales, why will Canada not do the same?

[*Translation*]

**Hon. Maxime Bernier (Minister of Foreign Affairs, CPC):** Mr. Speaker, the report is being wrapped up. As I was saying, as soon as it is ready, we will release it to the public.

\* \* \*

[*English*]

**MIDDLE EAST**

**Mr. Mark Holland (Ajax—Pickering, Lib.):** Mr. Speaker, despite campaign promises to increase transparency in government, the Prime Minister continues to conceal the truth. Perhaps the PMO should be renamed the chamber of secrets.

In the latest example, numerous access to information requests for the now near mythical Middle East report by the member for Mississauga—Streetsville are being denied? Why? Because the Privy Council Office says it has no such report under its control.

If the report even exists, why does the Prime Minister not just table it? Let us see what \$38,000 bought.

**Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC):** Mr. Speaker, it is very amusing to hear the Liberal Party today concerned and interested in the views of the member for Mississauga—Streetsville. We all know he was once in its caucus. It certainly was not interested in his views back then.

**Mr. Mark Holland (Ajax—Pickering, Lib.):** Mr. Speaker, we are supposed to believe that the member for Mississauga—Streetsville uncovered foreign state secrets so sensitive they cannot be shared with the Canadian public, or even other MPs. Frankly, I do not believe the member is 007; this is more like a 00 con.

My question for the Prime Minister is simple. Why did he mislead Canadians in the last election, promising transparency, only to conceal every bit of information he can now get his hands on? What is he trying to hide and why will he not release this \$38,000 Middle East report?

**Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC):** Mr. Speaker, I guess the report was not in the boxes he grabbed from the movers.

That being said, it is typical again of the Liberals to do as I say, not as I do, because they had some special advisers. Jean Augustine, former MP, received a little gig on Grenada. Sarkis Assadourian was given one on the Middle East, Sophia Leung on trade, and the member for Bourassa on Haiti.

I do not recall that they were ever willing to release any of those reports, and you know what? They were not.

\* \* \*

**PASSPORTS**

**Mr. John Maloney (Welland, Lib.):** Mr. Speaker, the government continues to contribute to the megacrisis at passport offices. The former foreign affairs minister told us nine months ago that 500 new passport employees had been hired, yet there is still a growing backlog and a six week delay to receive mail-in passports.

The massive lineups at passport offices across the country are only going to get longer as Canadians begin to plan their winter vacations. When is the government going to get control of the situation so Canadians can get their necessary passports quickly?

[*Translation*]

**Hon. Maxime Bernier (Minister of Foreign Affairs, CPC):** Mr. Speaker, we have taken a number of measures to ensure that Canadians get their passports within a reasonable timeframe. Seven hundred employees have been hired to speed up passport application processing. We have also accelerated the process to ensure that Canadians receive their passports on time. We have delivered more than 2.4 million passports, which represents a 42% increase over last year.

Passport Canada is working very hard and we want to ensure that Canadians get their passports within a reasonable timeframe.

*Oral Questions*

[English]

**Mr. John Maloney (Welland, Lib.):** Mr. Speaker, in January the Auditor General specifically singled out the Conservatives because they had no plan to deal with the demand for passports. It appears they still have no plan and Canadians are the ones who are going to pay the price in cancelled trips and sheer frustration.

How long will the government continue to mishandle this file? How long will it be before Canadians are able to get their passports when they actually need them?

• (1450)

[Translation]

**Hon. Maxime Bernier (Minister of Foreign Affairs, CPC):** Mr. Speaker, as I just said, we have taken administrative measures to speed up passport application processing. That is what we are doing. There has been a sharp increase in these applications by Canadians and we have implemented procedures to ensure that Canadians get their passports on time.

\* \* \*

**CANADA ELECTIONS ACT**

**Mr. Michel Guimond (Montmorency—Charlevoix—Haute-Côte-Nord, BQ):** Mr. Speaker, in the recent federal byelections, the Chief Electoral Officer refused to deny women wearing veils the right to vote. He justified this refusal saying that parliamentarians had to make clear legislative changes to the act. The changes proposed by the government remain unclear, and the authority continues to lie with the Chief Electoral Officer.

Has the government failed to understand the recent message from the Chief Electoral Officer, who said that amendments to the act are the responsibility of the lawmakers alone?

**Hon. Lawrence Cannon (Minister of Transport, Infrastructure and Communities, CPC):** Mr. Speaker, as we know the government announced in the throne speech its intention to introduce a bill to prevent voters from wearing a veil. We also know that the Bloc opposed this, but we kept our promise. Friday, we had the pleasure of tabling the bill.

**Mr. Michel Guimond (Montmorency—Charlevoix—Haute-Côte-Nord, BQ):** Mr. Speaker, the bill threatens the principle of equality between men and women, because it opens the door to the potential gendering of officials' duties by allowing a voter to insist on being served by a man or a woman.

Does the government realize that it could undermine the principle of equality between men and women by thus delegating these powers to the Chief Electoral Officer?

**Hon. Lawrence Cannon (Minister of Transport, Infrastructure and Communities, CPC):** Mr. Speaker, a few seconds ago, our hon. Bloc colleague was claiming that the bill was unclear. Now, he seems very much aware of the specifics of the bill. I have no doubt that he will have an opportunity to express his opinion when the matter is debated in committee or in this House.

What counts is that we said we would resolve the matter, and we will.

[English]

**CHILD CARE**

**Hon. Carolyn Bennett (St. Paul's, Lib.):** Mr. Speaker, Canadian families were dealt another blow this weekend when they learned that the Conservatives knew all along that their plan to use tax credits to create child care spaces would not work.

Against the advice of business and child care experts, the government persisted in its stupid strip mall solution. The plan has failed miserably. The minister has confessed that he will not be able to deliver the 125,000 spaces promised to Canadian families.

Will the minister finally admit that he knew full well that what was in budget 2007 was an ideologically-driven farce?

**Hon. Monte Solberg (Minister of Human Resources and Social Development, CPC):** Mr. Speaker, I am very proud of the fact that this government is delivering directly to parents and child care providers and to the provinces three times as much in support of child care than the previous government. We are creating thousands of spaces.

One thing we will never do is take away the universal child care benefit like the leader of the Liberal Party has said he would do. To me that speaks volumes about his lack of faith in the ability of parents to raise their own children.

\* \* \*

**HIS HOLINESS THE DALAI LAMA**

**Mr. David Sweet (Ancaster—Dundas—Flamborough—Westdale, CPC):** Mr. Speaker, Canada has a distinguished visitor this week. The 14th Dalai Lama, the 1989 Nobel Peace Prize laureate and our third honorary citizen, is in Ottawa.

Could the Secretary of State for Multiculturalism and Canadian Identity tell the House about this meeting with the Dalai Lama?

**Hon. Jason Kenney (Secretary of State (Multiculturalism and Canadian Identity), CPC):** Mr. Speaker, I should acknowledge that the member was one of the sponsors of the unanimous resolution in this place to grant honorary citizenship to His Holiness the Dalai Lama, whom I had the pleasure of meeting this morning and discussing issues related to pluralism, of which he is a world leader.

He has just met with the Prime Minister and earlier met with parliamentarians from all parties of both houses. He is now on his way to meet with Her Excellency the Governor General.

The government, the people, and I believe the Parliament of Canada, are proud to welcome this honorary citizen to Canada, this champion of peace and pluralism. We wish him and the Tibetan people all the best.

•(1455)

### VETERANS AFFAIRS

**Mr. Peter Stoffer (Sackville—Eastern Shore, NDP):** Mr. Speaker, in June 2005 the then opposition leader and now Prime Minister promised a widow of a veteran that if the Conservatives were elected, they would immediately extend VIP services to all veterans and all widows.

Again in the same month, the same Prime Minister said that all victims should be compensated for the agent defoliant spraying. In fact, the veterans affairs minister said that the government would stand up for full compensation for all persons exposed to defoliant spraying from 1956 to 1984, and yet the government came out with a package for only those from 1966 to 1967.

On VIP and agent orange, why did the government mislead these honourable veterans?

**Hon. Greg Thompson (Minister of Veterans Affairs, CPC):** Mr. Speaker, the voting record of that member and his party on veterans and our men and women in the military speaks for itself.

We have acted on all of those files. If the member would only take a minute and come from his corner in the House and talk to me on the VIP, I would outline this plan to him as I have done with other members.

In terms of agent orange, we acted where previous governments would not. This weekend I was in Oromocto, Hoyt and Gagetown, New Brunswick. The people down there are happy, as are our men and women in uniform.

**Mr. Peter Stoffer (Sackville—Eastern Shore, NDP):** Mr. Speaker, the veterans we are standing up for are the same ones who liberated my family in the liberation of Holland in 1944 and 1945.

If those political sycophants called the Conservative backbenchers are not willing to stand up to the minister and the Prime Minister for veterans, then I guarantee that it will be those of us in opposition who will do it.

The minister made these promises to the widows and veterans. The minister made these promises to the people and changed the program. I ask the minister one more time, why do so many of these soldiers and their families have to go to court to get the compensation they so rightfully deserve?

**Hon. Greg Thompson (Minister of Veterans Affairs, CPC):** Mr. Speaker, this is why the member is back on his feet. He is usually silent in this place. That party's record on veterans is deplorable. They never stand up for veterans. They never stand up for our men and women in uniform.

I urge the member and all parliamentarians to check the NDP's voting record over the history of this place. Those members never stand up for our veterans. They never stand up for our military. They never stand up for our international obligations. It is a deplorable record.

### Oral Questions

#### TOURISM INDUSTRY

**Hon. Mark Eyking (Sydney—Victoria, Lib.):** Mr. Speaker, tourist operators across this country are being crippled by the impact of the Canadian dollar. Big businesses, small businesses, mom and pop operators across the country are struggling as the dollar reaches a 47 year high. Along with the manufacturing sector, this sector is being savaged.

The Conservative government hurt our operators by taking away a tax credit for tourist operators. When will the government do one single thing to help tourist operators?

**Hon. Diane Ablonczy (Secretary of State (Small Business and Tourism), CPC):** Mr. Speaker, the member opposite is actually incorrect. As he well knows, the government reintroduced a program to make sure that tour operators and conventions could in fact claim the goods and services tax credit.

I do not know what he is complaining about. He is behind the times if he does not realize that the program is firmly in place.

\* \* \*

#### WATER

**Mr. Joe Preston (Elgin—Middlesex—London, CPC):** Mr. Speaker, one of the most important responsibilities of any government is to ensure the health of Canadians. This can be achieved through a variety of means, including increased access to clean drinking water.

Can the Minister of Transport, Infrastructure and Communities explain what initiatives our government has taken to ensure clean water in my local communities?

**Hon. Lawrence Cannon (Minister of Transport, Infrastructure and Communities, CPC):** Mr. Speaker, I thank my colleague for that most interesting question. Of course our government believes in clean water and clean drinking water. We feel that it is essential for healthy communities.

This is why we have committed up to \$50 million toward the HELP Clean Water project, to increase residents' access to treated water in the London region. Our government, along with the project proponents, looks forward to matching funds from the provincial government so that this environmentally friendly initiative can proceed as quickly as possible.

\* \* \*

•(1500)

[Translation]

#### SEASONAL WORKERS

**Ms. Louise Thibault (Rimouski-Neigette—Témiscouata—Les Basques, Ind.):** Mr. Speaker, in the Speech from the Throne, the government announced that it planned to “improve the governance and management of the Employment Insurance Account”.

Beyond the reserve needed to deal with an economic crisis, the huge amounts accumulated in this fund must be used to protect the financial security of citizens and to increase employability.

*Routine proceedings*

When will the federal government transfer more funds to provincial governments and to Quebec, which are responsible for labour force training, so they can implement permanent strategies to extend the weeks of work for seasonal workers?

[*English*]

**Hon. Monte Solberg (Minister of Human Resources and Social Development, CPC):** Mr. Speaker, I want to thank my colleague for her important question. Actually, this government did commit to improving the governance and management of the employment insurance account.

We have also announced in the budget \$3 billion in transfers to the provinces so that they can provide more training for people who have never been in the workforce. We have also put in the targeted initiative for older workers. We have reduced premiums. We have improved benefits.

No government in history has spent more on providing training to unemployed workers than this government is spending. I am very proud of that.

\* \* \*

**PRESENCE IN GALLERY**

**The Speaker:** I would like to draw to the attention of hon. members the presence in the gallery of Her Excellency Katalin Szili, Speaker of the National Assembly of the Republic of Hungary.

**Some hon. members:** Hear, hear!

\* \* \*

**WAYS AND MEANS**

MOTIONS NOS. 1 AND 2

**Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC):** Mr. Speaker, I rise on a point of order. There have been consultations among the parties and I seek the unanimous consent of the House for the following motion:

That ways and means motions 1 and 2 be adopted.

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

**Some hon. members:** Agreed.

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

**Some hon. members:** Agreed.

(Motion agreed to)

**The Speaker:** I declare Motions Nos. 1 and 2, ways and means, carried.

**ROUTINE PROCEEDINGS**

[*Translation*]

**AERONAUTICS ACT**

**Hon. Lawrence Cannon (Minister of Transport, Infrastructure and Communities, CPC)** moved for leave to introduce Bill C-7, An Act to amend the Aeronautics Act and to make consequential amendments to other Acts.

He said: Mr. Speaker, pursuant to the special order made previously, I would like to inform you that this bill is in the same form as Bill C-6 was in the previous session at the time of prorogation.

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

**The Speaker:** The Chair is of the opinion that this bill is in the same form as Bill C-6 was at the time of prorogation of the first session of the 39th Parliament.

[*English*]

Accordingly, pursuant to order made on Thursday, October 25, 2007, the bill is deemed read a second time, considered by the Standing Committee on Transport, Infrastructure and Communities, reported with amendments, and concurred in at report stage with further amendments.

(Bill read the second time, considered in committee, reported with amendments, and concurred in with further amendments)

\* \* \*

● (1505)

[*Translation*]

**CANADA TRANSPORTATION ACT**

**Hon. Lawrence Cannon (Minister of Transport, Infrastructure and Communities, CPC)** moved for leave to introduce C-8, An Act to amend the Canada Transportation Act (railway transportation).

He said: Mr. Speaker, pursuant to the special order made previously, I would like to inform you that this bill is in the same form as Bill C-58 was in the previous session at the time of prorogation.

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

**The Speaker:** The Chair is of the opinion that this bill is in the same form as Bill C-58 was at the time of prorogation of the first session of the 39th Parliament.

[*English*]

Accordingly, pursuant to order made Thursday, October 25, 2007, the bill is deemed read a second time and referred to the Standing Committee on Transport, Infrastructure and Communities.

*Routine proceedings*

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

\* \* \*

[Translation]

**SETTLEMENT OF INTERNATIONAL INVESTMENT  
DISPUTES ACT**

**Hon. Maxime Bernier (Minister of Foreign Affairs, CPC)** moved for leave to introduce Bill C-9, An Act to implement the Convention on the Settlement of Investment Disputes between States and Nationals of Other States (ICSID Convention).

He said: Mr. Speaker, pursuant to the special order made previously, I would like to inform the House that this bill is in the same form as Bill C-53 was in the previous session at the time of prorogation.

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

[English]

**The Speaker:** The Chair is satisfied that this bill is in the same form as Bill C-53 was at the time of prorogation of the first session of the 39th Parliament.

[Translation]

Accordingly, pursuant to order made on Thursday, October 25, 2007, the bill is deemed read the second time and referred to the Standing Committee on Foreign Affairs and International Development.

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

\* \* \*

[English]

**INCOME TAX AMENDMENTS ACT, 2006**

**Hon. Jim Flaherty (Minister of Finance, CPC)** moved for leave to introduce Bill C-10, An Act to amend the Income Tax Act, including amendments in relation to foreign investment entities and non-resident trusts, and to provide for the bijural expression of the provisions of that Act.

He said: Mr. Speaker, pursuant to the special order made previously, I would like to inform the House that this bill is in the same form as C-33 at the time of prorogation.

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

[Translation]

**The Speaker:** The Chair is of the opinion that this bill is in the same form as Bill C-33 was at the time of prorogation of the first session of the 39th Parliament.

[English]

Accordingly pursuant to order made Thursday, October 25, 2007, the bill is deemed adopted at all stages and passed by the House.

(Bill read the second time, considered in committee, reported, concurred in, read the third time and passed)

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**NUNAVIK INUIT LAND CLAIMS AGREEMENT ACT**

**Hon. Chuck Strahl (Minister of Indian Affairs and Northern Development and Federal Interlocutor for Métis and Non-Status**

**Indians, CPC)** moved for leave to introduce Bill C-11, An Act to give effect to the Nunavik Inuit Land Claims Agreement and to make a consequential amendment to another Act.

He said: Mr. Speaker, pursuant to special order previously, I would like to inform the House that this bill is in the same form as Bill C-51 at the time of prorogation.

**The Speaker:** I agree with the minister except the name of the minister on the front of the bill has been changed.

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

**The Speaker:** The Chair is satisfied that this bill is in the same form as Bill C-51 was at the time of prorogation of the first session of the 39th Parliament.

[Translation]

Accordingly, pursuant to order made Thursday, October 25, 2007, the bill is deemed approved at all stages and passed by the House.

(Bill deemed read the second time, considered in committee, reported, concurred in at report stage and read the third time and passed)

\* \* \*

**BANKRUPTCY AND INSOLVENCY ACT**

**Hon. Jean-Pierre Blackburn (Minister of Labour and Minister of the Economic Development Agency of Canada for the Regions of Quebec, CPC)** moved for leave to introduce Bill C-12, An Act to amend the Bankruptcy and Insolvency Act, the Companies' Creditors Arrangement Act, the Wage Earner Protection Program Act and chapter 47 of the Statutes of Canada, 2005.

He said: Mr. Speaker, pursuant to the special order made earlier, I would like to inform you that this bill dealing with wage earner protection is in the same form as Bill C-62 was in the previous session at the time of prorogation.

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

● (1510)

[English]

**Hon. Ralph Goodale (Wascana, Lib.):** Mr. Speaker, for the information of the House, could the Minister of Labour give us the assurance that in the bill the technical issues that so bedevilled Parliament in the spring session have in fact been addressed and that those issues are now all adequately covered?

[Translation]

**Hon. Jean-Pierre Blackburn:** Mr. Speaker, members will recall that certain amendments were made. We will respect the will of the House. Our intention is to send this bill directly to the Senate, if members so wish.

*Routine proceedings*

**The Speaker:** The Chair is satisfied that this bill is in the same form as Bill C-62 was at the time of prorogation of the first session of the 39th Parliament.

[*English*]

Accordingly pursuant to order made Thursday, October 25, 2007, the bill is deemed adopted at all stages and passed by the House.

(Bill read the second time, considered in committee, reported, concurred in, read the third time and passed)

\* \* \*

**CRIMINAL CODE**

**Hon. Rob Nicholson (Minister of Justice and Attorney General of Canada, CPC)** moved for leave to introduce Bill C-13, An Act to amend the Criminal Code (criminal procedure, language of the accused, sentencing and other amendments).

He said: Mr. Speaker, pursuant to the special order made previously, I would like to inform the House that this bill is in the same form as Bill C-23 at time of prorogation.

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

**The Speaker:** The Chair is satisfied that this bill is in the same form as Bill C-23 was at the time of prorogation of the first session of the 39th Parliament.

[*Translation*]

Accordingly, pursuant to order made Thursday, October 25, 2007, the bill is deemed approved at all stages and passed by the House.

(Bill deemed read the second time, considered in committee, reported, concurred in at report stage and read the third time and passed)

\* \* \*

[*English*]

**CANADA POST CORPORATION ACT**

**Hon. Peter Van Loan (for the Minister of Transport)** moved for leave to introduce Bill C-14, An Act to amend the Canada Post Corporation Act.

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

\* \* \*

**DONKIN COAL BLOCK DEVELOPMENT OPPORTUNITY ACT**

**Hon. Gary Lunn (Minister of Natural Resources, CPC)** moved for leave to introduce Bill C-15, An Act respecting the exploitation of the Donkin coal block and employment in or in connection with the operation of a mine that is wholly or partly at the Donkin coal block, and to make a consequential amendment to the Canada—Nova Scotia Offshore Petroleum Resources Accord Implementation Act.

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

[*Translation*]

**BUSINESS OF SUPPLY**

## OPPOSITION MOTION—FEDERAL SPENDING POWER

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

That, at the conclusion of today's debate on the opposition motion in the name of the member for Papineau, all questions necessary to dispose of the motion be deemed put and a recorded division deemed requested and deferred until Tuesday, October 30, 2007, at the expiry of the time provided for government orders.

**The Speaker:** Does the honourable member for Montmorency—Charlevoix—Haute-Côte-Nord have the unanimous consent of the House to propose this motion?

**Some hon. members:** Agreed.

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

**Some hon. members:** Agreed.

(Motion agreed to)

\* \* \*

● (1515)

[*English*]

**PETITIONS**

## INCOME TRUSTS

**Mr. Paul Szabo (Mississauga South, Lib.):** Mr. Speaker, I am pleased to present another income trust broken promise petition, from Mr. Neil Leeson of Calgary, Alberta, who remembers that the Prime Minister boasted about his apparent commitment to accountability when he said that the greatest fraud was a promise not kept.

The petitioners remind the Prime Minister that he had promised never to tax income trusts, but he recklessly broke that promise by imposing a 31.5% punitive tax, which in two days wiped out over \$25 billion of the hard-earned retirement savings of over 2 million Canadians, particularly seniors.

The petitioners therefore call on the Conservative minority government to admit: first, that the decision to tax income trusts was based on flawed methodology and incorrect assumptions; second, to apologize to those who were unfairly harmed by this broken promise; and, finally, to repeal the punitive 31.5% tax on income trusts.

## AGE OF CONSENT

**Mr. Steven Fletcher (Charleswood—St. James—Assiniboia, CPC):** Mr. Speaker, I have a petition from members of my riding and many other Manitobans to raise the age of protection.



*Routine proceedings*

The petitioners point out that our children are being pursued by sexual predators. They point out that at present it is legal in Canada for adults to have sexual relations with minors as young as 14 years of age. They say that the Canadian Police Association, many provincial governments and a parliamentary committee report have all called for the age of sexual consent to be raised.

Therefore, there is overwhelming consensus within our society that the age of protection should be raised. Fourteen is too young. They would like to see the age of protection raised to 16 years of age.

## FIREARMS REGISTRY

**Mr. Steven Fletcher (Charleswood—St. James—Assiniboia, CPC):** Mr. Speaker, my second petition deals with the scrapping of the gun registry. The petitioners, consisting of a lot of members from Manitoba and my riding of Charleswood—St. James—Assiniboia and Headingley, point out that the vast majority of violent crimes are committed by unregistered and illegal firearms, that the long gun registry has cost Canadian taxpayers over \$1 billion, 500 times the original cost projection, and that the long gun registry unjustly targets law-abiding citizens, farmers, sport shooters and hunters.

The petitioners ask that the long gun registry be scrapped.

## ASBESTOS

**Mr. Pat Martin (Winnipeg Centre, NDP):** Mr. Speaker, I, too, have a petition with thousands of names of people from all over Canada.

The petitioners remind the government that asbestos is the greatest industrial killer the world has ever known, yet Canada remains one of the largest producers and exporters of asbestos in the world, dumping over 200,000 tonnes per year into third world and developing nations. They say that Canada allows asbestos to be used in our country in building materials, textile products and even children's toys and that it spends millions of dollars subsidizing the asbestos industry and blocking international efforts to curb its use.

Therefore, the petitioners call upon government to ban asbestos in all its forms and institute a just transition program for asbestos workers, end all government subsidies of asbestos in both Canada and abroad and stop blocking international efforts, such as the Rotterdam Convention, designed to protect workers around the world from this terrible carcinogen.

## HUMAN TRAFFICKING

**Mrs. Joy Smith (Kildonan—St. Paul, CPC):** Mr. Speaker, I have a hundreds of names on a petition that people from across Canada have sent in concerning the growing crime of human trafficking on our soil.

The petitioners appeal to our government and Parliament to continue efforts to combat the horrific crime of human trafficking.

## ASBESTOS

**Mr. Charlie Angus (Timmins—James Bay, NDP):** Mr. Speaker, I am very proud to stand today in the House to bring forward a petition signed by people from British Columbia, Newfoundland, Saskatchewan, Ontario and Nova Scotia, concerning Canada's shameful record as the number one pedlar of asbestos into the third world.

In light of the shocking article in the *Globe and Mail* this Saturday by international photographer, Louie Palu, which shows the effects of the Canadian asbestos industry and happens in places like India, it is opportune to bring this before Parliament.

The petitioners call on the government to ban of asbestos in all its forms and institute a just transition program for asbestos workers in those communities affected, end all government subsidies of asbestos, both in Canada and abroad, and stop blocking the international health and safety convention designed to protect workers from asbestos.

As a former asbestos worker, I know the extraordinary length we had to go to protect Canadian workers. Yet workers in the third world have been treated like human trash and we are left with this horrific stain on our reputation.

I am proud to bring this petition forward.

• (1520)

**Mr. David Christopherson (Hamilton Centre, NDP):** Mr. Speaker, I join with my colleagues in presenting further petitions signed by hundreds of Canadians concerned about the role that Canada continues to play. We believe we cannot underscore and enunciate this message strong enough.

The petitioners call for the three things for which my colleagues have also called: first, ban of asbestos in all its forms and institute a just transition program for asbestos workers and the communities they live in; second, end all government subsidies of asbestos both in Canada and abroad; and last and very important, stop blocking international health and safety conventions designed to protect workers from asbestos, such as the Rotterdam Convention.

Protection needs to go beyond just Canadian workers. Workers everywhere deserve to be protected. The petitioners call for that to be done.

\* \* \*

## QUESTIONS ON THE ORDER PAPER

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

**The Speaker:** Is that agreed?

**Some hon. members:** Agreed.

*Business of Supply***GOVERNMENT ORDERS**

[English]

**BUSINESS OF SUPPLY**

## OPPOSITION MOTION—FEDERAL SPENDING POWER

The House resumed consideration of the motion.

**The Speaker:** Order, please. When the House was last debating the motion the hon. member for Montmagny—L'Islet—Kamouraska—Rivière-du-Loup had the floor. He had five minutes left in his remarks and then five minutes for questions and comments. Therefore, I call on the hon. member for Montmagny—L'Islet—Kamouraska—Rivière-du-Loup.

[Translation]

**Mr. Paul Crête (Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, BQ):** Mr. Speaker, I did indeed deliver half of my speech before oral question period. Therefore, I should remind the House that the motion is basically asking the federal government to recognize that Quebec should have the right to opt out with no strings attached and with full financial compensation from any federal program, whether existing or not and cost-shared or not, which invades Quebec's areas of jurisdiction.

This wording seems clear. Yet, in this Parliament there are parties which, as the NDP announced this morning, will vote against this motion, whose scope we really wanted to restrict to Quebec, so that, as seems to be the NDP's wish, the federal government can continue to get involved in the jurisdictions of the other Canadian provinces. Such interference goes against the Quebec tradition, regardless of the provincial party in office. Back in 1970, Robert Bourassa, who was a federalist Quebec premier, said:

Quebec continues to believe that ... this ... spending power in areas that come under exclusive provincial jurisdiction ought quite simply not to exist, and the federal government would do well to quite simply renounce it totally.

Therefore, I am quite surprised today to hear the NDP tell us that it voted and presented a motion to allow Quebec to have its own child care program. It is fine that we managed to get it, but why not move forward in the same fashion for all of Quebec's jurisdictions, since this has to be done? We are not talking about federal jurisdictions. We are not asking the federal government to stop getting involved in its own jurisdictions at Quebec's request. We are simply asking that the Quebec government be given the assurance that the federal government will not interfere in its jurisdictions, and that if it does get involved in other provinces' jurisdictions, then that Quebec be fully compensated.

This is not only a matter of principle. What the federal government does in actual practice is often contrary to what Quebec wants to do. It adds something or does things a different way. This can be seen very well in the general approach taken by the Conservative Party. If its approach to young offender issues is compared with the approach that Quebec has been taking, there is clearly a fundamental difference. When the federal government's intrusions into areas of provincial jurisdiction are at odds with the objectives that Quebec is pursuing, we are left with a totally ridiculous situation. That is why we introduced this motion today, although we would have preferred not being forced to do so.

If the Canadian Prime Minister had kept his commitment to eliminate the spending power, which he made during the election campaign and mentioned again in the Speech from the Throne, we would not have been compelled to debate this issue. He did it for supply management. That was the only one of the conditions set by the Bloc and desired by Quebec that the federal government met. It has failed to meet Quebec's demands on the spending power. It is not only sovereignists and independentists who want this but all of Quebec. It is all the parties in Quebec and Quebecers in general. We are a nation. If the federal government wants to intrude into our jurisdictions, into matters for which Quebec is responsible, it should promise to give Quebec the money with no strings attached.

I call upon all the hon. members from Quebec in this House and especially the Conservatives who said during the election campaign that things would be different with them, that they would make progress and recognize Quebec. Today is the time for some practical action, and that is to support this motion. Tomorrow we will be voting in favour of it. Then we will see where the Conservative members really stand.

I think, unfortunately, that in actual fact they have already become Ottawa's advocates in their ridings rather than the other way around. They should be defending Quebec's interests in Ottawa, but instead they defend Ottawa in their ridings. The people will judge them harshly if they continue to conform to the position taken by the Conservative government, which is the traditional approach of federal interference in Quebec's areas of jurisdiction.

• (1525)

**Mrs. Carole Lavallée (Saint-Bruno—Saint-Hubert, BQ):** Mr. Speaker, first of all, I would like to congratulate my colleague from Montmagny—L'Islet—Kamouraska—Rivière-du-Loup for his excellent speech.

I have an important question to ask him. I have always heard that the Prime Minister of this Conservative government made an important speech—according to what I was told—on December 19, 2005, in which he promised to limit the federal spending power.

I would like my colleague to tell us what exactly the Conservative Prime Minister promised regarding the federal spending power.

**Mr. Paul Crête:** Mr. Speaker, during the election campaign, the Prime Minister promised that he would eliminate the federal spending power in areas under provincial jurisdiction, and that is what all Quebecers understood. That is what he said during the campaign.

But the minister was not there during the campaign. We have the statement word for word, and I understand that it may surprise her. The Prime Minister says some things when he is in English Canada and other things when he is in Quebec.

That is why we have to be here in this House. We were elected to contradict these kinds of statements from the government.

When the Prime Minister said that during the campaign, Quebecers understood that this contentious issue that has been around for 50 or 75 years or even since Quebec has been part of Confederation could finally be resolved.

*Business of Supply*

We are talking here about areas under Quebec's jurisdiction, about our constitutional responsibilities, but we are still expected to get down on our knees to tell the federal government that it can spend in our province but that if it does so, maybe it would want to give us full compensation provided that we put in place an equivalent program. It makes no sense at all.

This is not how Quebec wants to assume its responsibility with regard to areas under its jurisdiction. Quebec wants the elimination of the federal spending power and wants the federal government to stop infringing upon areas under Quebec's jurisdiction. It is asking Conservative members from Quebec in particular to have the courage to stand up and vote in favour of Quebec rather than vote in favour of Canadian federalism against Quebec.

• (1530)

**Mr. Yves Lessard (Chambly—Borduas, BQ):** Mr. Speaker, the hon. member for Charlesbourg—Haute-Saint-Charles is currently sitting in this House. When he was elected, he promised shoe industry workers in his constituency that the POWA would be restored.

In the analysis of the spending power, can my colleague tell me whether this cost-shared program can be included, which had been abolished in 1997 but which the Conservatives promised to restore?

**Mr. Paul Crête:** Mr. Speaker, I thank my colleague for his question. The government is adopting the same behaviour on the older workers issue as on the spending power issue. They say things during the election campaign, but when they come into this House they say the opposite.

Until 1995 there was a cost-sharing program between the two governments on this matter. There is still a demand for this, for there are people 55, 58 or 60 years of age who cannot find work. Furthermore, the federal government has put billions of dollars into paying off the debt—\$14 billion last year, as of March 31, 2007—and the same amount will be paid again this year. Despite this, the government is not able to find the few million dollars to provide for the dignity of these people. This is unacceptable.

The government is taking the same position on the spending power. The Prime Minister made a commitment which he did not honour in the throne speech, and that is why the Bloc Québécois continues to present the wishes of the Quebec nation. That is why the Conservative members from Quebec must not let themselves be overrun by the federal machinery and the position of the Conservative government, and must stand up in this House and vote in favour of the Bloc Québécois motion, which truly defends the interests of Quebec.

**Hon. Rona Ambrose (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister of Western Economic Diversification, CPC):** Mr. Speaker, the real question for my colleagues is this: what is the true rationale for the Bloc Québécois in Ottawa? As I see it, the truth is that our government has delivered for Quebec and will continue to do so.

[*English*]

I wish to advise the House that I will be splitting my time with the Parliamentary Secretary to the Minister of Finance, the hon. member for Macleod.

[*Translation*]

I am pleased to take part in this debate today on the Bloc Québécois motion to have the spending power eliminated. I want to stress the way that the government is proposing to deal with the issue of use of the federal spending power—not by eliminating it, but by passing legislation to limit its use in areas of exclusive provincial jurisdiction.

Our government believes that if use of the federal spending power is limited, the provinces will be in a better position to meet the needs and requirements of their citizens. The Canadian population will then benefit from better programs and services. This measure will also strengthen our federation—one of the key themes of throne speech.

[*English*]

Our government will be tabling legislation setting limits on the use of the federal spending power in new, shared cost programs in areas of exclusive provincial jurisdiction.

[*Translation*]

This legislation will allow the provinces and territories to opt out of these new programs, with fair compensation, provided they offer compatible programs.

It was the leader of the Bloc who put the following question to the Prime Minister: “Will the Prime Minister heed this consensus and introduce a bill to limit his spending power to his own areas of jurisdiction?”

The answer is yes.

[*English*]

This is something that has long been a priority for this government. Indeed, it was one of the commitments that Canadians voted for on January 23, 2006, a commitment that our government has now reiterated and a commitment on which we will deliver.

The Government of Canada values an approach to federalism that fully respects provincial jurisdictions and a key element of such an approach involves the limitation, not the elimination, of the federal spending power. In essence, unlike the Bloc, we do not want to eliminate the federal spending power. We want to eliminate the abuse of the federal spending power. Elimination, of course, means separation and we on this side of the House are federalists.

Over the last few decades, many provinces began to feel that the federal government was intruding into exclusive provincial jurisdiction through the use of its spending power distorting the ability of the provinces to provide programs and services that meet the priorities of their own citizens.

• (1535)

[*Translation*]

Many of these federal spending initiatives in areas of exclusive provincial jurisdiction meant additional financial pressure on the provincial and territorial governments, which forced them to make changes, and not changes for the better, to their priorities as far as taxation and expenditures were concerned, particularly in the area of 50-50 federal-provincial cost-shared initiatives.

*Business of Supply**[English]*

Furthermore, while the federal government was using its spending power to dictate policy direction in areas of provincial responsibility, it was also creating risk with the uncertainty that the provinces would be left funding the total cost of the program if the federal government withdrew funding.

Indeed, the federal government often used the federal spending power to entice the provinces into significant long term financial commitments and then left them facing greater budgetary challenges when the federal government reduced its own contribution.

*[Translation]*

Increased spending in areas mainly under provincial jurisdiction weakened the links that unified our federation and created tensions between the federal government and the provinces and territories when spending was incurred without consultation or sufficient consensus on priorities.

Increased federal spending in areas under provincial responsibility and the insufficient attention given to areas falling clearly under federal jurisdiction has given rise to concerns about unclear accountability.

This lack of clarity has made it more difficult for Canadians to determine which level of government should be required to be accountable for a specific policy or initiative.

*[English]*

In the Speech from the Throne, the government laid out its position clearly: Our government believes that the jurisdiction of each order of government should be respected. With the government's commitment to introduce legislation to place formal limits on the use of federal spending power for new shared cost programs in areas of exclusive provincial jurisdiction, an important step has been taken in federal-provincial relations in this country.

This legislation would allow provinces and territories to opt out with reasonable compensation if they offer compatible programs. Canadians now have a government that keeps its promises and delivers on its priorities. The government's approach to spending power helps define a clearer and more respectful vision of federalism, one rooted in our Constitution, not in the narrow impulse to centralize.

Our approach strikes a balance between the objectives of clarifying roles and responsibilities and maintaining an appropriate and meaningful federal role.

*[Translation]*

The objective our government has set by renewing its commitment to limit the scope of the federal spending power is indicative of the type of federalism we are determined to practice: a federalism of openness in keeping with the needs and aspirations of Canadians, while at the same time respecting the jurisdiction of our provincial and territorial partners.

*[English]*

Canadians want their governments to agree and to cooperate. They do not want our federation's development to be marked by discord

and confrontation. Limiting the federal spending power will lead to a real partnership between the federal and provincial governments. Because of the accountability created by an opt-out provision, federal departments will have to partner with provinces to implement future cost shared programs in areas of provincial jurisdiction.

This will mean that federal officials will have to work harder and more effectively to achieve national objectives and this will serve as an accountability mechanism within our federal system.

The Right Hon. Prime Minister wants Canada's future to be one of vibrant optimism and renewed confidence. The throne speech mapped out that future in a way that inspires and rallies all Canadians. The direction that we want to take our country in reflects their priorities, their hopes and their expectations.

The legislation on the federal spending power that we will introduce will be faithful to that spirit of cooperation, respect and confidence. The future we foresee for Canadians focuses on a federalism of openness and respect with which all Canadians, no matter what region they live in, can identify and look to with confidence.

● (1540)

*[Translation]*

Such openness has, of course, not been received with the unanimous support of the House. One of the non-negotiable conditions set out by the leader of the Bloc Québécois in exchange for his support of the throne speech concerned the elimination, pure and simple, of the federal spending power. He claimed he was speaking for all Quebec political parties in opposing this power.

In recent days, however, we have seen that not everyone in Quebec politics shares his opinion. I would point out, first of all, that this is not the first time the Bloc Québécois and its leader have been wrong in claiming to be the only ones speaking for Quebecers. This is clearly not the case. Other parties may perhaps be opposed to certain aspects of federalism, but not to federalism per se. When it comes down to it, what the leader of the Bloc has in mind is not so much elimination of the federal spending power as elimination of federalism itself. The motion before us shows that clearly.

The fact is that the commitment made in the throne speech and the announced legislative measure represent real progress. While some use nothing but words, we will be enacting legislation. As for the Bloc motion, this is once again an obvious attempt to undermine the very foundations of federation.

*[English]*

Our policy on the federal spending power will reflect our desire to strengthen our federation and make it more effective, while fully respecting the Constitution and creating real partnerships with the provinces. The government committed to addressing this issue and we are moving forward on our commitment.

At the same time, the government has concentrated on its national role by reinvesting in core federal responsibilities such as trade, defence, public safety and security, while pursuing our federalism of openness that respects provincial areas of responsibility and recognizing the strength and contribution of each region of this country.

*Business of Supply*

[Translation]

The government will continue to provide leadership in promoting national interests in conjunction with the provinces and territories. It has absolutely no intention to subscribe to the separatist vision of federation the Bloc Québécois is promoting.

[English]

Quebeckers, like other Canadians, want their governments to continue working together. We have every intention of staying the course to build a better country and lead this nation to a great future.

**Hon. Charles Hubbard (Miramichi, Lib.):** Mr. Speaker, I listened to the member's speech and have some concerns, because most provinces have great needs in terms of their relationship with the federal government. I was surprised that the minister talked in a very negative way about how some provinces had major concerns with this relationship.

For example, we in New Brunswick and in fact people in most provinces enjoy the fact that socially and with infrastructure and many programs that are generally federally funded we benefit greatly as a result. Therefore, I would like the minister to give us some examples as her speech was very general in nature. What provincial examples can she give us, except for Quebec, which is opposed to this concept? Second, what programs is she thinking of, in terms of agriculture, transportation and infrastructure, that might be in jeopardy?

The minister said that her government had a mandate. The mandate was from 35% of Canadian voters. Maybe she could explain a little about those three ideas: examples of which provinces, examples of which programs might be in jeopardy, and what the mandate really is.

• (1545)

**Hon. Rona Ambrose:** Mr. Speaker, of course the concept behind limiting the federal spending power is to do exactly what the member has recognized, which is to create a real partnership with the provinces. Previous Liberal governments spoke about federal-provincial relations and spoke about seeing the provinces as partners, but we know that was not true. Previous Liberal governments imposed their will on the provinces many times without them having any opportunity to fund those programs.

Limiting the federal spending power will make sure that if the federal government wants to create a partnership with the provinces, it will actually have to consult with the provinces. It will be law. The will of the majority of the provinces will be needed to proceed with a national program. That is a good thing for Canada. It is a good thing for Canadians, because all of our provinces represent Canadians from coast to coast to coast, and they will have a say in what matters at the national level. This is exactly what limiting the federal spending power will do.

This is a great thing for the partnership between the federal government and provincial governments and it is a great thing for strengthening our federation moving forward.

[Translation]

**Mr. Christian Ouellet (Brome—Missisquoi, BQ):** Mr. Speaker, the Conservatives are using a management style that is dangerously close to the social union, which did not become law, because the

Government of Quebec refuses to participate. The National Assembly of Quebec unanimously rejected it.

How can the minister say that the Conservatives want to avoid confrontation regarding this situation?

I have one last question for the minister. The Bloc has 66% of Quebec's members. How can she say that it is not representative of the will of Quebeckers?

[English]

**Hon. Rona Ambrose:** Mr. Speaker, I believe the Bloc has become more irrelevant as we have seen Quebeckers and the Government of Quebec working with the federal government and other provinces to create a strong province within a united Canada.

Limiting the federal spending power will do exactly that. There is an opt out clause. Quebec, along with other provinces, including Nova Scotia and Alberta, supports limiting the federal spending power. This will be in law for the first time: the Government of Canada will not be able to impose its will on the provinces and territories or on Canadians. There will have to be a real partnership and a real conversation about what the majority of Canadians want if a new national program is to proceed. That is how medicare happened. That is how all new national programs should proceed.

We should make sure that if we ever use the federal spending power it has the support of the majority of the provinces and the support of the majority of Canadians.

**Mr. Ted Menzies (Parliamentary Secretary to the Minister of Finance, CPC):** Mr. Speaker, the hon. minister's fine speech articulated exactly what this government's intentions are and also the proactive approach this new government is taking to its plan for open federalism.

I join today's debate regarding, among other matters, bringing fiscal balance back to federal-provincial affairs. Before discussing what our Conservative government has achieved on this front in a relatively short time, it is important to place this debate in context.

It may be helpful to my hon. colleagues to think back to the state of affairs of just a few years ago under the previous Liberal government. The former Liberal government believed the concept of fiscal imbalance was mere allegation. It consistently and repeatedly refused to even acknowledge its existence.

Indeed, the former Liberal minister of finance, my friend from Wascana, was unequivocal on this matter. He stated that on "the allegation of a fiscal imbalance in Canada...I do not agree". He said that "to those who hold these views, I believe that they are, in my opinion, wrong...they are in error".

Even after being relegated to opposition, Liberals have remained consistent in their position. That is not something one can say often about Liberals, but in this case they appear to be.

The current Liberal leader has repeatedly reiterated the Liberal Party's dismissal of the fiscal imbalance's existence, bluntly stating earlier this year: "Don't ask me to pretend there is a fiscal imbalance...and [hope] I will fix it. I don't want to create these kinds of expectations".

*Business of Supply*

While the Liberal government was dismissing the fiscal imbalance, the Bloc, the mover of today's motion, was largely ineffective in ensuring the fiscal imbalance was addressed. As a regional party, it has been by its very nature relegated to opposition. In contrast, our national Conservative government, with a strong Quebec contingent, had the ability to deliver by addressing the fiscal balance.

That is where the balance debate has been situated: a Liberal government that denied the existence of the fiscal imbalance and an ineffective Bloc opposition unable to deliver results. Liberals would not act and the Bloc could not act.

When our Conservative government came to power, we committed to an approach of open federalism, an approach that would restore fiscal balance to Canada. In budget 2006, we started the process by setting out a principles based plan. In budget 2007, we followed through on that plan, clearly outlining how we would restore the fiscal imbalance.

Before continuing, I note for the benefit of the House today that the Bloc effectively endorsed our plan to restore fiscal balance when it voted for the budget.

Indeed, by providing over \$39 billion in long term equitable and predictable funding for shared priorities, budget 2007 effectively restored fiscal balance with provinces and territories.

What is more, transfers were put on a long term predictable path. Through the Canada health transfer, we are providing provinces and territories with long term support, support that will continue to grow at 6% annually, reaching \$30.3 billion by 2013-14. The Canada social transfer, growing at 3% annually, will reach \$12.2 billion by 2013-14.

Also, by that time we will have provided \$3 billion in total support for labour market training.

Additionally, in that year alone, we will be providing \$5.7 billion for provincial, territorial and municipal infrastructure.

Altogether, funding under these transfers will have grown to \$48.7 billion by the year 2013-14, a massive 60% increase compared to the 2005-06 numbers.

We also made governments more accountable to Canadians by clarifying roles and responsibilities while simultaneously strengthening the economic union based on our Advantage Canada blueprint.

• (1550)

Restoring fiscal balance ensures provinces and territories have both the means and the clarity of purpose to develop and provide programs and services that serve Canadians well.

For Quebec, this means that in 2007-08 the province will receive over \$15 billion in federal funding for equalization, health, post-secondary education, labour market training and infrastructure.

This plan ensures our federation will work for the good of all provinces and all Canadians, including Quebecers. Indeed, an array of prominent Quebecers praised our plan. Quebec premier, Jean Charest, noted that it gave his government "satisfaction in the sense

that we have fought for this for a number of years, and now the Conservative government has moved substantially on this issue".

The then finance minister of Quebec, Michel Audet, called it "a real breakthrough as far as the fiscal imbalance is concerned".

Another former Quebec finance minister, Yves Seguin, labelled the plan "a big step forward" that significantly redressed the fiscal imbalance.

The well respected *La Presse* economic commentator, Claude Picher, remarked that the plan tackled the fiscal imbalance issue "credibly and coherently".

A key element of that plan for restoring fiscal balance legislated in budget 2007 was a renewed and strengthened equalization program. The new equalization program, fair to Canadians living in all provinces, is formula driven and principled.

Based on the findings of an independent expert panel chaired by Al O'Brien, the plan simplified equalization to enhance transparency and accountability.

It cleaned up, in the words of the *Toronto Star*, "the equalization mess the [former Liberal government] left behind" by returning stability and predictability to the program.

The O'Brien report proposed comprehensive, principle based reform to the equalization program that formed a solid foundation for the program's renewal. This new system provides a higher relative equalization standard. In 2007-08, it will provide nearly \$13 billion, a \$1.6 billion increase over 2006-07.

Further, the renewed and strengthened equalization program ensures payments are put back to a formula driven measure of provincial fiscal disparity. Provinces with relatively low fiscal capacity will receive the most on a per capita basis, while provinces with higher fiscal capacities will receive less. As a province's relative fiscal capacity declines, the new program will ensure that payments grow accordingly and vice versa.

Consequently, some provinces may no longer qualify for equalization payments, while others may begin to qualify. This is the proper functioning of a formula driven, principle based program as envisioned by the independent expert panel.

To quote Al O'Brien himself, budget 2007 "adopted our recommendations as the core framework.... I'm really quite encouraged".

By restoring fiscal balance, this government, under the Prime Minister and finance minister, has laid the foundation for a stronger federation to help Canadians realize their potential.

In the words of the prominent *Globe and Mail* columnist, John Ibbitson, this Conservative government has removed:

...the fiscal imbalance as a primary irritant in federal-provincial relations for some time. That's a good day's work, and deserves greater recognition than this Finance Minister has thus far received.

*Business of Supply*

With fiscal balance restored, governments can focus on things that matter to Canadians and work toward our shared goals of a strengthened health care system, an improved post-secondary education system, the best skilled workforce in the world and a modern infrastructure system and a stronger economic union.

Our Conservative government promised to restore the fiscal balance, where the Liberals would not. In budget 2007, we delivered where the Bloc could not.

• (1555)

**Mr. Alan Tonks (York South—Weston, Lib.):** Mr. Speaker, I thank my colleague for the overview that he has given with respect to economic federalism in particular.

For the record, I would like to point out that one of the cases that he mentioned, the Canada social transfers, came out of the social union framework agreement, which was an exercise in cooperative federalism. The other case, contributions to training, came out of the labour market agreements that had been reached under the Liberal initiatives over the past several years. Therefore, it is not totally without context here that we start pointing fingers with respect to the nature of federalism.

However, my question is one that is more directed in terms of equalization. The same article that the member referred to also points to the dilemma, with respect to the province of Ontario, that the infrastructure, the investments, the research and development in industry and the trade that stimulates the Ontario economy in order for it to make the contribution through equalization are at risk.

In the member's notion of open federalism, can he see the day when Ontario will be one of those provinces that is a beneficiary with respect to that formula as opposed to the heavy duty load that it is carrying now against the liabilities that it has being a manufacturing economy?

**Mr. Ted Menzies:** Mr. Speaker, I also, as the hon. minister does, reside in Alberta. We are very fortunate that we have such a strong economy in Alberta and have never been a recipient of transfer payments. We always looked, from our view in Alberta, with envy at the strong industry strength that Ontario had. It has been a strong partner in this country and that is an important aspect that we need to address today.

We talk about open federalism. We talk about respecting provinces. It is that respect that the government provides to every province, be it Alberta, be it Ontario or be it Quebec, so they will be able to participate on an equal and balanced level. We all look forward to the day that all provinces and all territories in this country are have provinces.

This government is very cognizant of the issues that are facing some of our provinces, which is why we are working hard to ensure that all the provinces and territories are treated equally, are able to benefit from the strong economy that we have and the jobs that the industries in Ontario provide to strengthen the entire economy all across this country.

• (1600)

[Translation]

**Mr. Christian Ouellet (Brome—Missisquoi, BQ):** Mr. Speaker, I think the hon. member across the floor is mistaken. He is fooling

himself when he says that the Conservatives, of whom he is one, can pride themselves on their strong representation in Quebec. I would remind him that Conservative members hold only 13% of the seats from Quebec and the projected vote for their party is only 24%.

I would also like to tell my colleague that the people he knows very well, that is, members of the ADQ—a new little group on the Quebec political scene that is very familiar to the Conservatives—also agree with the longstanding consensus that federal interference in areas of our jurisdiction must stop. The ADQ program states:

That the members of the Action Démocratique du Québec reaffirm their commitment to the principles of the division of power and the pursuit of autonomy, which are at the core of the Allaire report and remain the goal to strive for in a real confederation.

I would like the member across the floor to please explain to me how all Quebecers cannot accept the theory he is defending.

[English]

**The Acting Speaker (Mr. Royal Galipeau):** Mr. Speaker, the hon. Parliamentary Secretary to the Minister of Finance should know that the questioner has burned the clock but I will allow him a few moments to respond.

**Mr. Ted Menzies:** Mr. Speaker, speaking of autonomy, I am quite certain that Canadians have autonomy from Great Britain. That was received a long time ago. I think most Canadians would be most appreciative if the Bloc actually joined with us to ensure Canada becomes a stronger nation as a whole.

[Translation]

**Mr. Yves Lessard (Chambly—Borduas, BQ):** Mr. Speaker, with supporters like that, our motion will certainly pass. It is obviously well received by some Liberals.

Before getting to the heart of the matter, I would like to tell you that I have the honour of splitting my time with the member for Châteauguay—Saint-Constant.

If we were talking about a football score, we might be talking about 49 to 10. Forty-nine Bloc members and 10 Conservative members. Not a wonderful outcome for them.

Far be it from me to boast about this result. The idea is to rein in the Conservative members who are preening themselves on their 10 members a bit. I would recall that the Liberals once had 74 members in Quebec out of a total of 75. Today, they have 12. Why? Because they did not keep their promises. They showed disrespect for Quebecers, most notably when they unilaterally patriated the Constitution.

The question of the fiscal imbalance is somewhat similar. In the pact that was made regarding the division of powers between Canada and the provinces, there was a very clear division in terms of the powers and jurisdictions of each of these two levels of government.

I would recall that the motion we have introduced in this House says that having regard to the promise of the present government to eliminate the fiscal imbalance, it cannot be eliminated without the elimination of the federal spending power in areas that fall under the jurisdiction of Quebec and the provinces.

*Business of Supply*

The government will introduce a bill on the federal spending power. If the other provinces want, they can continue to be under the control of the federal government. That is not what Quebec wants. My colleagues said it earlier: what Quebec wants, as unanimously expressed by the National Assembly, is for the federal spending power to be eliminated in relation to areas under Quebec's jurisdiction, with full financial compensation for any federal program, whether existing or not, and cost-shared or not, which invades Quebec's areas of jurisdiction.

On the question of the division of responsibilities, the 1867 pact on the division of powers between Ottawa and the provinces was quite simple, in fact, if we look at it in the context of the 19th century. If something related directly to people and how they organized their society, it was under the jurisdiction of Quebec or the provinces. That was the case, for example, for the civil laws, which codified the relationships of people with one another and also the way the society itself was organized, through social programs relating to such things as health care, education, cultural matters and, later, agriculture and the environment.

For the responsibilities of the federal government, if something did not relate directly to people or the internal organization of their society, it could be federalized. Examples include monetary policy, international trade and the general regulation of business and industry. We can see very clear distinctions between the powers of the different levels of government.

In the Speech from the Throne, the Prime Minister repeated a commitment he made during the election campaign, to limit his spending power. It must be recalled that there are two important concepts when it comes to those limits. First, the limits apply to new programs. At present, the federal government subsidizes existing programs in the amount of \$54 billion. Those funds have already been committed by the federal government and they compromise the provinces.

● (1605)

Moreover, there is another important distinction. It is stated that the federal government will limit its spending power and that provinces can opt out and receive reasonable compensation. What does reasonable compensation mean? Is it reasonable compensation for the federal government? That would amount to very little, for the reasons I mentioned previously. Indeed, almost no new program could benefit from this measure, since nearly all the programs under provincial responsibility are already covered by the federal government.

Earlier, the minister of the Conservative government referred us to the Séguin commission and its analysis of the federal spending power. However, what she did not say was that the Séguin commission determined that almost all the provincial fields of jurisdiction are currently affected by the intrusion of the federal government into provincial spending power. I rightly pointed out that we are talking about \$54 billion.

I could list a number of fields of jurisdiction where federal departments have intruded, in particular, Agriculture and Agri-Food Canada, the department of Veterans Affairs, some parts of the department of Citizenship and Immigration, the Treasury Board, the Privy Council Office and the department of National Defence. It also

affects areas such as economic diversity, the environment and finance, especially taxation. Other intrusions are made by the departments of Industry, Justice and Canadian Heritage and the agencies that report to them, which should be provincial of course. As well, the department of Fisheries and Oceans does not deal only with its own field of jurisdiction but also intrudes into provincial jurisdiction in terms of the environment. The departments of Human Resources and Social Development, Natural Resources, Health, Public Safety, Transport, including Infrastructure Canada, also intrude; and I am only mentioning some of them.

The federal government must make a commitment to respect the unanimous will of the Quebec National Assembly and of all stakeholders across Quebec. The most recent motion on this topic was again adopted unanimously by the National Assembly in June 2002.

In short, it seems to me that the motion before us today is one that should be welcomed by all parties in the House of Commons. It reflects the commitments made by the last two governments, especially the current government. If that is not to be seen as a frivolous commitment, once again deceiving the people of Quebec, we must proceed in the direction of this motion from the Bloc Québécois. It is the only way to correct this very serious injustice towards the provinces.

I repeat, some provinces want to remain under federal control because it is in their interest and is what they want, but that is not what Quebec wants. I, therefore, invite my colleagues in the House of Commons to vote in favour of our motion.

● (1610)

**Mr. Daniel Petit (Charlesbourg—Haute-Saint-Charles, CPC):** Mr. Speaker, I listened intently to my colleague opposite, who speaks about the spending power.

First, I would like to remind him that, in the Speech from the Throne and during the election campaign, we discussed the spending power. We are the only party that put everything on the table. Before, the Liberal Party did not make this an election promise. We made it an election promise and we indicated this. This subject was most certainly on the agenda for the second throne speech.

Since the beginning, I believe that members on the other side of the House have agreed with us—even though the approach strikes them as a little tiresome—that we are practising an open federalism, which they never did.

All they have done until now, that is for the last 17 years, is that, instead of being a separatist party, they have been a do nothing party. For the last 17 years, they have been parked in Ottawa and they are unable to return to Quebec City.

We offered to discuss the spending power. Today, my colleague seems to know it all. He knows in advance everything that will be discussed and he thinks that he should reject it outright. Since the beginning, the Bloc members have been saying no when they have not yet seen the text, the regulations, nothing at all. However, they say no right away.

Where did my colleague find all these answers, since I do not have them right now?



**Mr. Yves Lessard:** Mr. Speaker, I thank my colleague for his question.

My answer is that there are two reasons for that. The Speech from the Throne explains when limits will be placed. First, there will be limits only for new programs, but we know that there will be practically none. Indeed, as I mentioned earlier, all aspects of areas that fall under the jurisdiction of Quebec and the provinces are already covered by existing programs.

Second, there is the issue of reasonable compensation. We know that, for the federal government, reasonable compensation is very different from the real value of the programs.

I will give two examples. This is one reason why I appreciate it when the member focuses on the attitude or the behaviour of the previous government because nothing has changed with this government.

There is a deficit with regard to the upgrading of municipal infrastructures. As unbelievable as it seems, this is due to the fact that the federal government withdrew from that area. And yet it kept the money over the last 12, 13 or 14 years, if not 15 years. It kept the money and did not give it to the provinces so they could pass it on to the cities. This just started happening very recently.

With regard to social housing, it is the same thing. We see surpluses of \$5.4 billion that could be used for social housing at a time when there is an acute need in that area. The federal government did not invest in social housing for 15 years but it still kept that money in Ottawa.

These are the reasons why we do not believe the Conservatives. We must be cautious because there is a certain degree of apprehension. It is the Conservatives that created that apprehension by setting out the two conditions I stated earlier.

• (1615)

**The Acting Speaker (Mr. Royal Galipeau):** The hon. member for Saint-Bruno—Saint-Hubert should know that there is only one minute left for the question and the answer.

**Mrs. Carole Lavallée (Saint-Bruno—Saint-Hubert, BQ):** Mr. Speaker, I will be very brief.

In his December 19, 2005 speech, the Conservative Prime Minister said this:

We will monitor federal spending power, which has been so abused by the federal Liberals. This outrageous spending power gave rise to domineering and paternalistic federalism, which is a serious threat to the future of our federation.

I would like to ask my colleague from Chambly—Borduas if he believes that the Conservatives have in fact been doing the same as the Liberals before them.

**The Acting Speaker (Mr. Royal Galipeau):** The hon. member for Chambly—Borduas has 20 seconds to answer the question.

**Mr. Yves Lessard:** Mr. Speaker, my colleague is absolutely right, and her question is particularly relevant since it allows me to remind our other colleagues in this chamber that, in Quebec, not only do we feel that we are facing a domineering and paternalistic federalism, but we are convinced that such is the case.

**Mrs. Carole Freeman (Châteauguay—Saint-Constant, BQ):** Mr. Speaker, it is a pleasure for me to rise today as part of the Bloc

### *Business of Supply*

Québécois opposition day. Our motion pertains to a problem that has persisted, in our view, for far too long: the federal spending power. This power constitutes a serious intrusion into Quebec's areas of jurisdiction. The division of powers was supposed to be firm enough to ensure that the majority nation, Canada, could not impose its views on our nation, Quebec.

I remember the Prime Minister first promising to eliminate the fiscal imbalance. The fiscal imbalance results, in short, from Ottawa raising more in taxes than it needs to assume its own responsibilities. As a result, when Quebec no longer has the tax room needed to finance its own activities independently, the problem cannot be resolved without reducing or even eliminating the federal spending power in areas that fall under the jurisdiction of Quebec.

In connection with our review today of these obvious intrusions by the federal government, the Bloc Québécois is proposing that the bill the government will introduce on the federal spending power should, at a minimum, give Quebec the right to opt out—with no strings attached and with full financial compensation—from any federal program, whether existing or not and cost-shared or not, which invades Quebec's areas of jurisdiction.

I should point out that the Bloc Québécois and successive governments in Quebec City have traditionally held that the federal spending power should be eliminated. The Séguin report, which was supported by all the parties in the National Assembly, recommended that “Quebec vigorously reiterate its traditional stance concerning the absence of a constitutional basis for ‘federal spending power’ since this ‘power’ does not respect the division of powers stipulated in the Constitution” and that “Quebec maintain its demand to exercise an unconditional right to opt out with full financial compensation in respect of any program implemented by the federal government in a field falling under provincial jurisdiction”. The Séguin commission was very clear that the problem of the federal spending power is closely connected therefore to any discussion of the fiscal imbalance. The exercise of this power is based on the surplus resources under the control of the federal government.

The Conservative government is hesitating, however, to do all that it promised and seems to prefer reserving this power for its own purposes. The Prime Minister fuelled a lot of expectations, however, on December 19, 2005 when he said, “We will work to eliminate the fiscal imbalance between Ottawa and the provinces”.

As I said earlier, eliminating fiscal imbalance involves eliminating federal spending power in Quebec's areas of jurisdiction. I add that, in November 2006, *Le Devoir* quoted the Prime Minister as emphasizing the importance of eliminating federal spending power:

I have said many times, even since the election of this new government, that I am opposed and our party is opposed to federal spending power in provincial jurisdictions. In my opinion, such spending power in the provinces' exclusive jurisdictions goes against the very spirit of federalism. Our government is clear that we do not intend to act in that way.

This is what the Prime Minister was saying. Yet, despite all this goodwill, we read something totally different in the recent Speech from the Throne:

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To this end, guided by our federalism of openness, our government will introduce legislation to place formal limits on the use of the federal spending power for new shared-cost programs in areas of exclusive provincial jurisdiction. This legislation will allow provinces and territories to opt out with reasonable compensation if they offer compatible programs.

There are a number of nuances to be made here. First, the government says that it will limit spending power. Indeed, it will be limited and not eliminated. For the benefit of our viewers, limiting means that federal spending will be limited in new shared-cost programs only. The problem is that there are shared-cost programs, but very few of them. So they are announcing a limit to federal spending in areas that are exclusively Quebec's jurisdiction.

What Quebeckers must understand is that most federal spending in Quebec's jurisdiction goes not simply to shared-cost programs, but to blatant meddling.

Some of my colleagues will remember that, in the 1950s and 1960s, most federal spending in Quebec's jurisdiction was cost shared, such as hospital insurance, income security and many others. Well, now, shared-cost programs are increasingly rare. The number of unilateral initiatives by which Ottawa meddles directly in matters not in its jurisdiction has grown since 1996. Now, Ottawa uses conditional transfers to the provinces to get them to act on its priorities.

• (1620)

Meddling takes other forms as well, such as the Conservatives child tax benefit and the taxable \$1,200 benefit. I would point out too that there are only two shared-cost programs: the infrastructure programs and the agriculture policy framework.

Another surprising nuance, the government will limit its action to new programs only. Previous shared-cost programs were few in number, and only the government's new creations will be affected. They are certainly reining in the power.

I would also draw members' attention to a specific point. During the 2005-06 fiscal year alone, the federal government spent no less than \$55 billion in areas outside its jurisdiction. That is quite a lot, since each time Ottawa puts a program in place or spends in an area that should be Quebec's, Canada decides how Quebec society will be organized.

In addition, when the government tries to limit this power with a minimum of restrictions, it adds more with its "reasonable compensation" for new shared-cost meddlings.

In fact, however, what does "reasonable compensation" mean? What assurance will we have that it is full compensation? In fact, we should take it to mean that Ottawa reserves the right to punish the provinces refusing to take part in its new programs.

And finally, as if that were not enough, we have the completely absurd situation of this government reserving the right to impose Canada-wide standards, even in areas that are not under its jurisdiction. In simple terms, the right to opt out partially from new interferences would be available only to provinces that are compatible. The more perspicacious among us will guess that if Quebec makes choices that are different from Canada's, well that will be the end of the right to opt out.

After all that, I am wondering where the openness is in this federalism.

In fact, Quebeckers have to understand that the situation as regards our autonomy is deteriorating. Two years ago, Canada controlled 18% of the Quebec government's budget. With the increases in transfers announced in this year's budget, Ottawa has now control over 22% of Quebec's budget.

I would point out to my fellow citizens that this will reach a quarter of Quebec's budget two years from.

But the Bloc is calling on Ottawa to agree to simply stop spending in areas under Quebec's jurisdiction, in particular by eliminating the federal spending power outright, because Quebec has always disputed the legitimacy of that power, and by giving Quebec the right to opt out with no strings attached and with full compensation from any federal program in an area under provincial jurisdiction.

For all of the reasons that have been stated, it is obvious that the Prime Minister's good intentions were not to be found in the recent throne speech. But the Bloc Québécois is aware that Canadians do not want to completely eliminate the federal power to interfere, because they want the central government to be able to set directions and priorities for the entire country in respect of everything.

That is why our motion is proposing a flexible compromise, by saying that Ottawa should, at a minimum, give Quebec alone a full right to opt out in respect of all federal spending that impinges on areas that are under the jurisdiction of the provinces.

The major advantage of this motion is that our Canadian friends will, if they want, be able to continue denying the division of powers for themselves, but not for us in Quebec.

I will conclude with these words from René Lévesque, which offer an incisive summary of my thinking:

We have lost count of the "national" projects that Ottawa intends to impose by using its spending power, on issues as varied as daycare, forests, parks, etc. We are seeing a mutation, in the deep sense of the term, of what the essence of Canadian federalism has been these past few decades: the provinces' areas of jurisdiction are no longer ever considered exclusive by Ottawa, which arrogates the right to intervene for every purpose to impose its "national" standards in this field, supposedly for the greater good of all Canadians.

• (1625)

**Mr. Daniel Petit (Charlesbourg—Haute-Saint-Charles, CPC):** Mr. Speaker, I listened closely to my colleague's contribution to the debate on the motion. It is easy for the Bloc members to talk about how the federal government should monitor spending power or do this, that or the other thing. However, they never talk about what they might be able to do.

I would like to tell my Bloc colleague, who voted in support of our government twice, that we, the 10 members from Quebec, are getting a lot more done than the entire Bloc Québécois machine.

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My question for her today is a timely one. Does my colleague agree with Pauline Marois, the leader of the Parti Québécois, which is the Bloc's head office, and her Quebec identity bill, which would prohibit English speakers in my province from running for office? That is a power that we share with them, and I would like to know what the Bloc members think of this proposal before I share mine. Do they support the bill?

**Mrs. Carole Freeman:** Mr. Speaker, I would like to thank my colleague for his question. Once again, I would point out that my Conservative colleague has a special ability to raise issues that are not on the agenda. Perhaps he is not truly here in this House, listening to what people are saying. Perhaps he is not aware that today is the day the Bloc Québécois is devoting to talking about the federal spending power.

I am not sure how to answer because it seems to me that the question has nothing to do with this debate. However, in response to his assertion that there are 10 Conservative members, the votes have been tallied. I would remind him that there are 49 Bloc Québécois members from Quebec and that we are totally dedicated to representing Quebec in an utterly dignified, perfect way. He should start acknowledging that reality when he has something to say.

• (1630)

**Mrs. Carole Lavallée (Saint-Bruno—Saint-Hubert, BQ):** Mr. Speaker, I have a question for my hon. colleague from Châteauguay—Saint-Constant. First, I would like to bring her back to December 19, 2005, by way of a preface to my remarks. I know that she is familiar with that date and that she has referred to the speech delivered by the Conservative Prime Minister on December 19, 2005. That is the speech he made before the Quebec City Chamber of Commerce, which I call the broken promises speech. One of these promises was to monitor the federal spending power. He said:

We will monitor federal spending power—

What has he done? Nothing. A big zero. I would like to hear my hon. colleague from Châteauguay—Saint-Constant on that.

In addition, the Prime Minister said:

This outrageous spending power gave rise to domineering and paternalistic federalism, which is a serious threat to the future of our federation.

I would like my hon. colleague to comment on this domineering and paternalistic federalism and to tell me what difference, if any, there is between the Liberals and the Conservatives.

**The Acting Speaker (Mr. Royal Galipeau):** The hon. member for Châteauguay—Saint-Constant has 45 seconds to answer that question.

**Mrs. Carole Freeman:** Mr. Speaker, I thank my hon. colleague for her pertinent question. I wish to remind the House of what was conveyed in the speech the Prime Minister gave in December of 2005. There is such a huge difference between what he says outside this House and what he says in the House that I wonder where the clarity—

**An hon. member:** Oh, oh!

**Mrs. Carole Freeman:** —the transparency is. I agree with my colleague that there really is no difference between the Liberals and

the Conservatives. Fortunately, the Bloc Québécois is here to defend the interests of Quebecers.

[*English*]

**The Acting Speaker (Mr. Royal Galipeau):** Order, please. It is my duty pursuant to Standing Order 38 to inform the House that the question to be raised tonight at the time of adjournment is as follows: the hon. member for Moncton—Riverview—Dieppe, Government Appointments.

[*Translation*]

Resuming debate. The hon. member for Westmount—Ville-Marie.

**Hon. Lucienne Robillard (Westmount—Ville-Marie, Lib.):** Mr. Speaker, I will be sharing my time with the hon. member for Markham—Unionville.

What we are debating today is the Bloc Québécois motion concerning elimination of the federal spending power.

Before the reading of the throne speech, the Bloc had laid out certain non-negotiable conditions relating to it. If these conditions were not met, Bloc members would vote against the speech. One of those conditions was the total elimination of the spending power. With a careful reading of today's motion, we can see that its purpose is really to counteract one of the claims made by the Conservative government: that it had supposedly solved this country's fiscal imbalance.

It is fairly easy to claim one has solved something one has never defined, especially when one has not put a dollar figure to it. Under those circumstances, a claim can easily be made that one has a solution to a problem. But it has never been identified, never been defined, never had a dollar figure put on it. That is exactly what the situation is as far as the fiscal imbalance is concerned.

Then the Bloc proposes total elimination of the federal spending power. No surprise there, that the Bloc would adopt such a position but the surprise is that the Bloc is confusing two things: eliminating and limiting.

If memory serves, there was talk of limiting the federal spending power. In October, the leader of the Bloc said that “encadrer”—limiting, meant “éliminer”—doing away with. I imagine he uses the same French dictionaries as I, and if one reads the definitions for eliminate and limit, one cannot conclude that they are synonymous, can one?

Elimination means that something will no longer be in existence at all. Limiting means that limits have been imposed on it. The Bloc needs some consistency in its use of French and needs to say exactly what it wants and not what the Conservative government wants, which is in a completely other register. The Conservative government is in favour of a federalism of openness. As am I.

But I need convincing that this Prime Minister has shown proof of his federalism of openness. This government has been in power for 21 months. There has, however, been not one meeting of all the first ministers of this country to discuss issues affecting all Canadians. Not one meeting with all the premiers. Yet we are in a federation made up of various levels of government of importance to their citizens. Each has its own role to play, as well as a complementarity role with respect to one and the same citizen.

*Business of Supply*

Why is the present Prime Minister not capable of meeting with all of his colleagues, the premiers of the provinces and the leaders of the territories, in order to discuss some extremely vital issues?

We are faced with two extremes. On the one hand, the Bloc wants to completely eliminate the federal spending power and, on the other, the Conservative government is proposing a text that, I would say, is not very meaningful. The government says that it will “place...limits on the use of the federal spending power for new shared-cost programs in areas of exclusive provincial jurisdiction”.

• (1635)

That is just flim-flam. At present there are very few shared-cost programs. It is as though we were referring to the 1950s or 1970s—I'm not quite sure. Today, these programs are almost non-existent.

Thus, we are anxious for the legislation to be tabled in this House, to see what it is truly all about. However, based on the throne speech, we might as well say that it will make absolutely no difference to our provinces that—I would like to point out—often struggle with concerns of great importance to the citizens.

At present, in the federation, we are working with all the provinces. That is what my government did at the time. You will recall that we signed agreements with our provincial counterparts in some very important areas. For example, the health accord is an agreement involving billions of dollars in which the special characteristics of the provinces in certain areas were recognized. The accord even acknowledged the concept of asymmetrical federalism, another term inviting us to respect what each province is doing in its areas of jurisdiction, particularly in the areas of health and social services. We did that.

Today, I did not hear anyone question that. Yet, this is a reality. When we wanted to set up a child care program, we first consulted the provinces to see whether they would agree to a national child care program. We would have signed individual agreements with each province. When we approached the Quebec government, we realized that it already had a child care program in place. We took that into consideration and, under the family policy, we transferred money that could be invested in other areas related to family child care services.

Is this not a federalism that is geared toward people, a federalism that should be implemented in partnership with the provinces and the other levels of government? This is precisely what we tried to do and, in my opinion, we achieved very concrete results.

However, when I read the Bloc's motion, I realize that it wants to completely eliminate this way of doing things, this partnership. But we are living in a complex world, a world in which Canada must often compare itself to other countries, and this is why all the provinces and the Canadian government should work together to improve the well-being of Canadians across the country, including Quebecers. We need to all stick together to achieve these objectives.

It goes without saying that the Canadian government will always have a role to play. Therefore, it must use its spending power while respecting its partners in the federation. It is with that in mind that we, Liberals, intend to work. This is why we cannot accept the Bloc's

motion, which goes to the other extreme and which seeks to “eliminate”.

I realize that the Bloc is trying to get a new lease on life with its sovereignty project and that, as far as it is concerned, the federal government should not even exist. However, we do not share this view in the Canadian Parliament, and this is why our party will oppose this motion.

• (1640)

**Mr. Christian Ouellet (Brome—Missisquoi, BQ):** Mr. Speaker, has the member for Westmount—Ville-Marie read the motion tabled today by the Bloc Québécois?

The motion refers clearly to “elimination of the federal spending power in areas that fall under the jurisdiction of Quebec”.

It is not a case of removing all of the budget reserved for other matters, such as defence or international aspects. We are not talking about that. We are talking about the fields of jurisdiction of the provinces.

“Elimination” is the precise term that applies to the fields of jurisdiction and “placing limits” deals with the question of placing limits on the process of tax transfers to Quebec.

How can she say that we talking about something total and complete for Quebec when she has not even read the motion?

**Hon. Lucienne Robillard:** I read this motion very closely. It speaks as much of eliminating the fiscal imbalance as of eliminating the federal spending power in Quebec's fields of jurisdiction. I read it but there is a distinction to be made. The French language has some special definitions in Quebec but that is not to say, as the leader of the Bloc Québécois has done, that in Quebec “place limits” means to “eliminate” the federal spending power completely. I think that anyone can see there is a difference and that “eliminate” and “place limits” are not synonyms. When one believes in this country and wants to continue to live in partnership in this country, we talk about limiting federal spending power and not about eliminating it.

**Mrs. Carole Lavallée (Saint-Bruno—Saint-Hubert, BQ):** Mr. Speaker, I have a question for my colleague in the Liberal party. She says that she read the motion, but clearly she does not understand it. She may laugh but it is sad that she is laughing at her own mistakes. It states that the Bloc Québécois wants to eliminate “the federal spending power in areas that fall under the jurisdiction”. At that point, we are restricting the word “eliminate” and that becomes like “place limits”. I believe the logic is clear. Everyone who is listening now can understand it.

I would also like her to comment on the promise made by the current Conservative Prime Minister, who said in Quebec City, on December 19, 2005, “We are going to limit the federal spending power that was so abused by the federal Liberals.” I would like her to comment on the phrase, “that was so abused by the federal Liberals”.

• (1645)

**Hon. Lucienne Robillard:** I am extremely pleased to comment this, because we signed the health accord. The premier of Quebec was delighted to see asymmetrical federalism recognized in a Canada-wide agreement.

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Then, we signed an agreement on infrastructure. I heard the premier of Quebec, when this was announced in 2005, talk about a historic agreement with the Canadian government. We signed the child care agreement. Once again, the Quebec government, on behalf of Quebecers, praised the flexibility of this agreement. We even signed the agreement on parental leave with my colleague at the time, Michelle Courchesne. Once again, the Quebec government applauded this. This is part of what Liberals did when they were in office.

**Hon. John McCallum (Markham—Unionville, Lib.):** Mr. Speaker, it is a pleasure for me to rise today with my fellow Liberals who have opposed this Bloc motion.

In the Liberal view, there are two crucial principles in regard to the spending power. First, it must be used to further social progress or social justice across the country. That is principle number one. As our history shows, at least since the Second World War, that is what we have done with the spending power. The other principle concerns the partnership among the governments of the federation.

It is very clear how crucial these two principles are for our party. These are the two principles at the core of the social union framework agreement. And who negotiated this agreement? Who was the father, the founder or at least the co-founder of this agreement? It was the current Leader of the Opposition, who did it on the basis of these two principles.

The House can rest assured, therefore, that a Liberal government with the current opposition leader as Prime Minister would use the federal spending power in accordance with these two principles. It would want, first, to promote social progress and social justice—one of the three pillars of the Liberal Party. That is objective number one. Second, a Liberal government would always act in partnership with the provinces.

I had the privilege of being a member of Mr. Chrétien's cabinet for two years. I saw then which minister was always there to defend the provincial jurisdictions, which minister around the table was always the first to defend the rights of the provinces and their jurisdictions.

**An hon. member:** The hon. member for Saint-Laurent—Cartierville.

**Hon. John McCallum:** Yes, it was the hon. member for Saint-Laurent—Cartierville. I am sure that my friend agrees with me.

It is rather strange, therefore, that he should have the opposite reputation in certain separatist circles in Quebec, that of a centralizing, domineering federalist. The truth is quite the opposite. I was in a position to see it in cabinet. He was always there to defend the jurisdictions of the provinces. That is a fact.

We on this side of the House have a lot of credibility, therefore, when we say that we believe in these two principles: the use of the spending power to foster social progress and unwavering respect for the partnership with the other governments in the federation.

● (1650)

[English]

I would like to give two examples of the successful implementation of these principles. The first one goes back many years to

Saskatchewan, as will be seen in a minute, and the second one comes from Quebec.

The first one has to do with the introduction of medicare. It was in Saskatchewan that medicare originated. I would agree that it was under an NDP government, but before the NDP starts boasting about this, which it often does, let me just say that the provincial NDP is a very different species from the federal NDP.

The provincial NDP has to govern. The provincial NDP has to meet a payroll. The provincial NDP has to deal with the realities of the world and the trade-offs that a government has to face. The provincial NDP, after years of experience, decided that it would not run deficits because it did not want to have trouble with the banks. All those features of the provincial NDP are the diametric opposite of its federal cousins here in Ottawa, so I would ask the New Democrats here not to take too much credit for the accomplishments of their provincial cousins.

In any event, I would give full credit to the Saskatchewan NDP that introduced that concept. It is one of the great virtues of our country that where innovations and achievements come first from one province, the federal government can then use the spending power to spread those benefits across the country to all Canadians. That is what happened.

Medicare started in Saskatchewan, and the federal government, I believe under Lester Pearson, implemented medicare nationwide so that all Canadians, no matter what province they lived in, had the benefits of medicare, which I believe all Canadians, certainly including Quebecers, hold dear to this day. That was an earlier example.

[Translation]

I would like to mention another example. Quebec was the first to start day care programs. Quebec was the leader. It was the first province to take very positive action in this regard and was a model for the rest of the country. It was more recently that the government of—

**An hon. member:** The hon. member for LaSalle—Émard.

**Mr. John McCallum:** The government of the hon. member for LaSalle—Émard—I do not want to say his name—as well as other Liberal members saw what a great success it was in Quebec. We decided that it would be good for the entire country. This time, Quebec was the first. Then the federal government created a program so that all Canadians in all provinces could benefit from this good idea from Quebec. The federal government acted with great respect for Quebec. As a matter of fact, if I am not mistaken, Quebec received full financial compensation and was not required to spend the money in this specific area because it already had a program.

[English]

These two examples indicate that both for medicare a generation or more ago and for early childhood learning and child care, the federal spending power was exercised to promote social justice for all Canadians across the whole country and it was done in a manner that was very respectful of the provincial jurisdictions.

*Business of Supply*

I will conclude by asking this. What did the Conservative government with respect to early childhood learning and child care? It simply ripped up the agreements. The government wishes to build firewalls around provinces. It has no desire to produce pan-Canadian social programs to promote social justice and well-being for all Canadians.

However, it is not the government we are principally talking about today; it is the Bloc motion. Therefore, for all the reasons I have given, I am very pleased to join with my colleagues in opposing the motion.

[*Translation*]

**Mr. Mario Laframboise (Argenteuil—Papineau—Mirabel, BQ):** Mr. Speaker, I listened to the speech of the Liberal member, extolling the virtues of the member for Saint-Laurent—Cartierville, his leader, who is apparently a staunch defender of provincial jurisdictions. There has never been more federal spending in provincial jurisdictions than under the Liberals. I would like him to tell me what the member for Saint-Laurent—Cartierville was doing. If he was speaking out, his fellow Liberals were obviously not listening to him. Today, they have made him their leader.

That is what the Liberal Party is all about. I can see that the Liberals have no intention of changing. I would like the hon. member to tell me what influence the member for Saint-Laurent—Cartierville had in his caucus because, under the Liberals, spending in Quebec's areas of jurisdiction was at its highest.

• (1655)

**Hon. John McCallum:** Mr. Speaker, the member is complaining about the magnitude of our social spending. Are Quebecers that different from Canadians? Do they not want social programs?

What matters is not the amount of spending. I think that most Canadians want strong social programs. What matters is that, when he was a minister, my leader always acted in a way that was respectful of provincial jurisdictions. He acted with the approval of the provinces with which he worked. That is what really matters.

[*English*]

**Hon. Maurizio Bevilacqua (Vaughan, Lib.):** Mr. Speaker, would my hon. colleague from Markham—Unionville, a neighbour of mine, by the way, comment on this entire debate in reference to a few points relating to the access to revenue bases by both the provincial and federal governments, the debt of provincial governments versus the federal government and the fact that internationally Canada is fairly well known as a decentralized country?

Could he please expand on those three points?

**Hon. John McCallum:** Mr. Speaker, my hon. colleague, friend and neighbour has asked a very perceptive question. Yes, it is true. Thanks to Liberal economic stewardship, our debt has been coming down very nicely for 10 years in a row. It is also the case that we start out with a much higher level of debt than provincial governments due to history.

As he points out, Canada is one of the most decentralized countries in the world by any measure. Perhaps Switzerland might be more decentralized than us, but next to Switzerland, by just about any measure, Canada is extremely decentralized. Therefore, Quebec

within Canada has far more autonomy and powers than the provinces or states of virtually any other country in the world.

I would certainly subscribe to those opinions my colleague has put forward to the House.

[*Translation*]

**Mr. Maka Kotto (Saint-Lambert, BQ):** Mr. Speaker, I would note, before beginning, that I am sharing the time available to me with the member for Argenteuil—Papineau—Mirabel.

I would like to congratulate the member for Papineau on the motion she has introduced for public debate today. I would also congratulate my colleagues in the Bloc. Listening to them since this morning, we might well conclude that the case is almost closed and the masks keep falling away. I will therefore avoid lapsing into condescension and redundancy.

However, I would like to recognize the decision by the Conservative government and the two other opposition parties to participate in this debate in spite of the difficulties it apparently causes them in terms of Quebec. I say difficulties, because they must be aware of the unanimous opinion of the National Assembly of Quebec on the subject we are discussing here today.

By their positions, in fact by their past and present posturing, as confirmed by their votes right here in this House, they crystallize a tried and true tradition in federal politics. They could not care less about the unanimous opinions of the National Assembly of Quebec. The most unfortunate thing is that they have among them sons and daughters of Quebec who claim to speak for Quebec.

While they may be the elected representatives of the Quebec people, they do not dare to explain to their party, in government or in opposition, that it is unwise, to say the least, to scorn the National Assembly of Quebec. Yesterday, today, and time after time, the Quebec nation is cheated by its federalist members, who are intoxicated by the simple fact that they help to provide alibis for the government team.

They sacrifice the interests of the Quebec nation to those of the Canadian nation. What words can we use for that kind of behaviour? We must recognize that Quebecers place enormous trust in representatives who are totally loyal to them, who demand respect for their rights in a parliament where a majority represents another nation. They are worthy, and they speak the truth. We are those people. That is why I am proud to be one of those representatives.

For more than a half-century, the National Assembly of Quebec has been disputing the existence of the federal spending power. Regardless of political allegiance, all Quebec governments, without exception, have stated their intention of defending the integrity of Quebec's legislative jurisdiction and its ability to decide its own policies, policies that suit its own needs, that are made to fit it, policies that reflect its uniqueness and its difference, policies that reflect its own unique talent, its own unique identity.

*Business of Supply*

The federal government has repeatedly interfered in matters under Quebec's jurisdiction, and every time it had not even been invited. In the recent throne speech, the government said that it was open to fair compensation, provided that the programs of both levels of government are compatible. The Conservative government has to understand that Quebec's historic demand calls for full and unconditional compensation. Any interference, any conditions placed on Quebec, will always be rejected by the worthy representatives of the Quebec nation.

Given the present conflicted relationship between Quebec and Canada, and particularly in relation to the issue before us today, given the repeated deadlocks in which we have often found ourselves, sovereignty is the only viable insurance policy. Day after day, this is what the people of Quebec are preparing for.

• (1700)

When our home is threatened, it is our duty and our responsibility to defend it. All the same, let us not be narrow-minded about it, as some might say. The adoption of the Bloc Québécois motion in this House would be the most sincere signal that the Conservative government could send to Quebecers, assuming that the famous speech by the Prime Minister on December 19, 2005 to the Quebec City chamber of commerce was not just sounds coming from his mouth for the sole purpose of seduction, of getting Quebecers to swallow the noxious mixture of his party's values.

Voting in favour of this motion would also restore to politics its letters patent of nobility, which have been much damaged in the Canadian Parliament with its many breaches of promises made, its misrepresentations and its shams of all kinds. It would be an act respectful of the truth and of democracy.

[*English*]

**Hon. Jim Abbott (Parliamentary Secretary for Canadian Heritage, CPC):** Mr. Speaker, the member who just spoke will know that I have a tremendously high regard for him as an individual; we worked on committees together. Perhaps to people who would read this debate or see us on television, they might find it a little unusual for a totally devoted nationalist, myself, I am a Canadian first, last and always, to have a high regard for him as an individual, however, I do.

What I do not have a high regard for are his ideas. His ideas are an anachronism. His ideas are done. They are toast. It is over.

What we are looking at with the Government of Canada and the current Prime Minister is a man who understands Canada, a man who can understand the dreams and aspirations of the people of the province of Quebec. He understands those aspirations. He moved the motion that would recognize the Québécois as a nation. We are moving forward to a united Canada, and I invite my friend to join us.

• (1705)

[*Translation*]

**Mr. Maka Kotto:** Mr. Speaker, I think that the sentiments just expressed by my colleague are shared. It is also obvious that, on the plane of ideas, we are at diametrically opposite poles.

My colleague said that my ideas were an anachronism, that they were obsolete. It was only last year, as he himself mentioned, that the House of Commons finally recognized the existence of the Quebec

nation. Recognizing the existence of a nation is more than a symbolic act. Nations, like individuals, have fundamental rights. The most fundamental of them is the right of a nation to itself control the social, economic and cultural development of its own society, that is, the right of self-determination.

One cannot, on the one hand, recognize that the Quebec nation exists and has the right to make choices different from those of Canada, and on the other, deny to it that right by maintaining the federal spending power of which we have been speaking since this morning. The spending power in areas of Quebec jurisdiction is a denial of our integrity, a denial of the Quebec nation.

I repeat: my colleague considered my comments to be an anachronism and obsolete. I do not think there is anything obsolete about the recognition of Quebec as a nation. It is something that took place just a few months ago.

[*English*]

**Hon. Maurizio Bevilacqua (Vaughan, Lib.):** Mr. Speaker, I would like to ask the hon. member to comment at great length. I think he has a chance to clarify his role in relationship to the fiscal imbalance.

I would like to point out a few things before he does that. Both orders of government, the federal and provincial, have access to the same major revenue bases, such as personal income taxes and corporate income taxes, as well as sales tax and payroll taxes.

The provinces have also exclusive access to some rapidly growing tax bases, including revenues from natural resources, gaming and property taxes.

I am sure he is also well aware that international comparisons show that Canada is one of the most decentralized federations in the world, with provinces that have complete autonomy in setting their tax policies to address spending pressures related to their responsibility.

As well, the current federal debt is about \$467 billion, whereas the total of all provincial debt is \$274 billion. The government cannot be accused of maintaining a fiscal imbalance when the provincial collective debt is much lower.

I want him to state an opinion on these undeniable facts.

[*Translation*]

**Mr. Maka Kotto:** Mr. Speaker, it is ironic that an hon. member from a party that denied the existence of the fiscal imbalance for years, from the height of his arrogance, condescension even, should ask me such a question.

I am no expert at accounting, but I would bring my colleague back to the debate before us today: it is a question of principle. Quebec was recognized as a nation. And as such, Quebec, through this motion presented by the Bloc Québécois—which is the embodiment of the aspirations, the needs and the grievances of all of Quebec society and of the National Assembly of Quebec—is entitled to demand the elimination of the federal spending power. That is the subject.

*Business of Supply*

• (1710)

**Mr. Mario Laframboise (Argenteuil—Papineau—Mirabel, BQ):** Mr. Speaker, it is my pleasure to speak to the motion. I would like to congratulate my colleague from Saint-Lambert on his excellent speech and thank him for sharing his time with me.

I would like to read the motion introduced by our excellent member for Papineau.

That, in the opinion of the House, given that the Prime Minister has promised to eliminate the fiscal imbalance and that this imbalance cannot be eliminated without the elimination of the federal spending power in areas that fall under the jurisdiction of Quebec and the provinces, the bill on federal spending power that the government will introduce should, at a minimum, provide for Quebec to have the right to opt out with no strings attached and with full financial compensation from any federal program, whether existing or not and cost-shared or not, which invades Quebec's areas of jurisdiction.

I felt it was important to reread the motion for all of our federalist colleagues in this House, and especially for our colleagues from Quebec who belong to federalist parties. I want to make it perfectly clear that the motion introduced by the Bloc Québécois today is based on the traditional demands of all parties in Quebec's National Assembly. There is nothing new in it.

In its throne speech, the Conservative government told us about placing limits on the use of the federal spending power in shared-cost programs. The Conservative government decided to put restrictions on what Quebec has traditionally asked for. That is why we, the members of the Bloc Québécois, are working hard to defend the interests of Quebecers. All parties have been making this demand for a long time now.

As far as I know, the Liberal Party in Quebec's National Assembly is a federalist party. It is hard to tell where the ADQ stands on this issue, but the Liberal Party in Quebec is a federalist party. This motion contains one of Quebec's traditional demands. Our colleagues must understand this. This is important because in this House, members too often fail to understand Quebec's demands.

Three Canadian provinces and three territories all have fewer inhabitants than the former city of Montreal. I am not talking about the new amalgamated city. Those provinces and territories may not have enough inhabitants to support programs, social or otherwise. Quebec does. Of all North American jurisdictions, Quebec does the best job of distributing wealth among its citizens.

Quebec is different when it comes to spending powers and provincial areas of jurisdiction. We did not invent them; they are in the Constitution of Canada. The areas of jurisdiction are in there. It was the federal government, in its Constitution, that decided on the division of powers, which would go to the provinces, and which would remain with federal government. The federal government's determination to invade provincial areas of jurisdiction simply means that there is too much money in Ottawa and not enough in the provinces. That is the hard reality.

We in the Bloc Québécois can understand Quebec's traditional claim. We have social programs and we lead the other Canadian provinces in wealth sharing. That is why we want to have as much control as possible over all the taxes collected in Quebec. Otherwise, let the federal government give Quebec its fair share. Let the federal government give Quebec full compensation, with no strings

attached, for whatever Ottawa might decide to spend in other Canadian provinces for whatever programs it chooses. We have no problem with that. The problem is that we want Quebec to receive full, fair compensation with no strings attached. This is not hard. It is a traditional demand by Quebec's National Assembly.

All we are asking is that the federal government stop interfering in jurisdictions it does not have, as defined by the Canadian Constitution. If it does so in other provinces or territories, then it must give Quebec full financial compensation. That is all we are asking.

I do not understand why the federalist parties' MPs from Quebec are not supporting this motion today. It is the traditional demand by Quebec's National Assembly, which simply says to Ottawa that if Ottawa needs to create programs in other Canadian provinces because they need federal assistance, it should go ahead and create them. We have no problem with that. But it must give Quebec full financial compensation so that it can spend its own money where it wants, in accordance with the Canadian Constitution. There is nothing wrong with that.

• (1715)

Year after year, regardless of the party in power, both the Liberals and the Conservatives interfere in provincial areas of jurisdiction and create new programs trying to get re-elected. This results in new programs and expectations, but in the end there is not enough money.

It should never be forgotten that more than half of our taxes go to the federal government. I heard colleagues saying that we had the same tax base. That is not true. More taxes are paid to Ottawa than Quebec, for once reason because federal corporate taxes are higher than provincial ones.

I have trouble understanding that today, in this House, there is no support for Quebec's traditional demand to eliminate the federal spending power in provincial areas of jurisdiction, when it is in line with the Canadian Constitution. I have a lot of trouble understanding that.

Furthermore, asymmetrical federalism, or the way it has been interpreted by the federalist parties here in Ottawa, has created this unfairness towards Quebec, which has never wanted this federalism. The province of Quebec never wanted it. Nevertheless, the federalist parties in Ottawa, and sometimes even members from Quebec, have continued to interfere in Quebec's areas of jurisdiction in order to get elected, to win elections with promises that try to solve problems by throwing a little money around.

In the end, what Quebec wants when it is experiencing a crisis—such as the forestry crisis—is for the federal government to withdraw from regional development issues and give the envelope to Quebec so that it can organize its budgets to solve the forestry crisis, the manufacturing crisis or any other crisis that may arise.



*Business of Supply*

As we all know, there is no will here in Ottawa. Quite simply, the government has decided that it does not have enough money to solve the problems or crises. The government should therefore withdraw from these areas of jurisdiction and allow the provinces to act. When regional development, health care or education programs are offered in other provinces, such as Quebec, the money should simply be given to that province.

There is nothing to worry about. Quebec has already proven that it is the best place in North America for sharing the wealth. We do so in the interest of our citizens, as we have always done, and done well. The federal government should never be afraid to give Quebec its envelope, its share for programs it creates in other parts of Canada. We know how to look after our citizens in Quebec.

As we all know, Quebecers have shown unquestionable logic since 1993. They have been sending Bloc Québécois members here to defend only the interests of Quebecers. One of those interests includes calling on the federal government to stop its use of the federal spending power in jurisdictions that belong to the provinces and to take care of its own business, particularly, national security.

We all know what happened in that case. During the 1990s, the federal government pulled out of national security, including security at ports and airports. It entrusted this responsibility to private companies, resulting in the security problems we have been having since 2001. Huge amounts of money now have to be reinvested. Why did the government do what it did? To turn around and spend money in areas of jurisdiction that belong to the provinces. That is what the federal government did.

Since the very beginning, if it had listened to Quebec, Canada would never have known these problems. It would have spent money on its own areas of jurisdiction. It would have taken care of its own affairs, rather than trying to meddle in the affairs of others.

That is the difficult reality of our situation. In the meantime, Quebec must manage crises that are different than those affecting other areas. Manufacturing is more important to our province than to others. We have been hit hard by the crisis resulting from the increase in the Canadian dollar, ushered in by the booming western economy where oil activity is doing well. This is spurring the Canadian dollar, which obviously hurts the manufacturing and forestry sectors, among others. It has hit us harder than others.

If we had full control over our money, our taxes, we could try to deal with the crises in our own way, in the Quebec way, as we have always done—by sharing the wealth and trying to help one another. That is our way—I am not making it up. With regard to sharing wealth, any economist will tell you that, in North America, Quebec does it the best. We have set the standard and we are proud to defend this interest. However, we do so without having complete control of our taxes.

In addition, the federal government appropriates more than half of Quebecers' taxes and reinvests the money in areas of jurisdiction that are not its own. It does not return the money as we would hope. It attempts to create programs in order to be elected. They are all just as guilty—the Liberals, the Conservatives and the NDP would do the same thing. It would probably be worse if the NDP, a more centralizing party, were in power.

They try to be elected on the backs of Quebecers, to take our taxes and to create structures and election platforms. That all goes against the interests of Quebecers. If my colleagues truly wish to prove they take their interests to heart, they need only vote in favour of this mission. I challenge all members to do so.

• (1720)

[*English*]

**Hon. Shawn Murphy (Charlottetown, Lib.):** Mr. Speaker, in his speech, the member mentioned that Quebec is a large province, but Canada is a very small country from the worldwide point of view and I believe we are the most decentralized country in the world.

The federal spending power is implicit in the British North America Act. It is recognized by the courts. It has been used by successive governments to implement programs, such as the Canada Health Act, employment insurance, Canada pension plan, old age pension, old age supplement, family allowance, the child tax benefit and so on. These social programs, which started mainly in the fifties, reflect Canadian values and reflect our shared destiny as a country.

Because of these programs that were implemented, maintained and enhanced by successive governments over the years, does the member not agree with me that we are a stronger country because of these programs?

[*Translation*]

**Mr. Mario Laframboise:** Mr. Speaker, I do not know how my colleague can see the strength of a country in what he tried to explain to us. However, I will use the example of health care, because it is obvious.

When the health care system was set up jointly with the provinces, the federal government was paying 50% of the bill. That was the commitment made by the federal government. However, in view of the fact that, with regard to health care, it only has the spending power, it decided in the 1990s to reduce provincial transfers in an attempt to eliminate its debt, or its deficit. Thus, in 2000, when I first came to the House of Commons, the federal government was footing only 13% of the bill. As you might have guessed, of course, Quebec and the other provinces were paying the difference. If this is the Canada that my colleague wants to sell to me, it will certainly be a tough sell.

One of the reasons in all likelihood is the intrusion of the federal government through its spending power. Under the Constitution, nothing forces the federal government to pay its fair share. Thus, it was able to adjust its budgets to the vagaries of its spending and, finally, cause grief to the provinces, including Quebec. This is one of the reasons why we are asking it today to give up this federal spending power.

**Mr. Christian Ouellet (Brome—Missisquoi, BQ):** Mr. Speaker, I want to congratulate my colleague from Argenteuil—Papineau—Mirabel for the clarity of his speech. Indeed, there is intrusion in the areas of provincial jurisdiction from one government to another, and it continues. Canada's Confederation was not created in this way. It divided powers very clearly, and that is what we want. We want at least that the terms of Confederation be respected.

*Business of Supply*

My question is for my colleague. The current federal government—as the previous one—is constantly doing piecemeal management of issues that are not its business.

Is it because they are not interested in financial management? Do they think that this will bring them votes? They should restrain themselves and mind their own business, as my colleague just said. What is their business? It is the laws of Canada, international affairs and national defence. Or, is it because they are doing such a bad job of managing international affairs and national defence that they want to intrude in piecemeal financial management?

**Mr. Mario Laframboise:** Mr. Speaker, I want to thank the hon. member for Brome—Missisquoi for his question. He is absolutely right. The worst thing about the Conservatives is that they give the impression they are trying to resolve the problem. The example of the federal spending power is quite striking. They give the impression they are going to restrict it, but then they add in cost-shared programs. That has not existed in five years. There is no longer any spending in cost-shared programs.

What is more, they try to use American-style politics where they fool people into believing that they want to resolve the problem, but in fact do nothing about it. It is so low and so pernicious. They try to convince people that they are different, but in reality nothing has changed. When they say they are going to restrict federal spending in cost-shared programs, that means they are going to continue to spend in other programs such as health, education and culture. We know what that means.

Once again, everything the federal government does, has done and will continue to do is simply in an effort to get votes. Why are the Conservatives doing this? Why are they investing in jurisdictions that do not belong to them? They are trying to win votes. Quebecers figured that out a long time ago—or they will figure it out.

That is why, if there is an election one of these days, there will still be a large Bloc Québécois contingent here in this House.

• (1725)

**Mr. Denis Lebel (Roberval—Lac-Saint-Jean, CPC):** Mr. Speaker, it is an honour for me to take part in this debate on the motion by the Bloc. I want to indicate that I will be sharing my time with the member for Mégantic—L'Érable.

A little over a month ago, I stood as a candidate in the byelection for the riding of Roberval—Lac-Saint-Jean against the Bloc candidate. The Bloc had held this riding for 14 years. That election was a direct struggle between the platform of the Bloc, which is one of separation and impotence, and the platform of my party, which is one of equity, unity and openness.

The voters of Roberval—Lac-Saint-Jean voted on September 17 for openness over impotence. They preferred our federalism of openness. They saw what our government, led by our Prime Minister, can accomplish for Quebec, which is real results. That is why they gave us their support. So it is with a great deal of emotion that I rise today in this House to oppose this motion by the Bloc.

Our government is committed to practising a federalism of openness that recognizes the strength and the contribution of each of the regions of our great country. We are committed to respecting the fields of jurisdiction that are exclusively provincial and ensuring a

proper accounting by clarifying roles and responsibilities. In a little over a year, we have kept our word. We have done what we promised to do.

We have taken action by restoring fiscal balance in Canada, by basing fiscal arrangements on principles and by making long term funding predictable. Indeed, thanks to the restoration of fiscal balance, federal support to the provinces and territories has reached unprecedented heights.

In the Speech from the Throne, we presented other measures promoting our concept of a federalism of openness. We made a commitment to introduce legislation that will place formal limits of the use of the federal spending power for new shared-cost programs in areas of exclusive provincial jurisdiction. At the same time, the legislation will allow provinces to opt out with reasonable compensation if they offer compatible programs.

It is not a case of disparaging the federal spending power, as the leader of the Bloc did when he spoke in this House in reply to the Speech from the Throne. He called for the elimination of the federal spending power as one of the five conditions for his party's support of the Speech from the Throne. Today, we have before the House a motion from his party in support of his proposal.

The federal spending power has been an important factor in social development throughout our history. It has made it possible to set up national social programs, such as health insurance, in concert with the provincial and territorial governments. It has played a vital role in promoting equality of opportunity for all Canadians. It has also helped ensure that Canadians have access to basic social services of comparable quality, wherever they live.

For our government, the debate is not to eliminate the federal spending power, but to define new rules for its judicious use. Total elimination of the spending power without exception would be contrary to the interest of Canadians, Quebecers included, for it would prevent the federal government, for example, from allocating funds to education and to health transfers.

I personally know what the result of eliminating the federal spending power would be for my electors in Roberval—Lac-Saint-Jean. It is clear: elimination means separation. A party that proposes such a motion in this House should be aware of the contradiction in what it is asking. One cannot on the one hand demand an end to the federal spending power and on the other call for the federal government to invest in communities that are experiencing economic difficulties.

Unfortunately, that is the spirit of the Bloc: the spirit of contradiction. That is why the electors of Roberval—Lac-Saint-Jean voted for real change on September 17. They voted for real results. They voted for a party that understands the problems of Quebec and knows how to solve them. They voted for the party that has the will to strengthen the Canadian federation by recognizing the strength and the contribution of each of the regions of this great country. They voted to build a stronger Quebec within a better Canada.

A solid federation and a dynamic democracy make Canada strong and united. Our practice of federalism enables us to establish a fair balance. We can pursue national objectives while taking account of the various local and regional concerns.

In reality, the Bloc should acknowledge the wisdom shown by our founders, the Fathers of Confederation, in opting for open federalism. For this is the formula best adapted to the changing needs and aspirations of Canadians. The flexibility of the Canadian federation is well suited to seeking solutions to public policy issues, and helps us to meet the challenges before us.

• (1730)

The success of the Canadian federation is admired throughout the world. Some see us as a model of effective governance. Other see us as a model of respect and recognition of diversity, and others still as a model of the search for a pragmatic consensus. This is the model country that the Bloc Québécois wants to destroy. As I said earlier, the voters of Roberval—Lac-Saint-Jean realized this. They recognized all the other advantages of our federation and what our government can do for Quebec, and this is why they voted against the Bloc Québécois and for our party on September 17.

When we took power in 2006, it was clear that federalism was not working as it should. It was a federalism based on the old dynamic of federal-provincial conflict. It was a centralizing and domineering style of federalism, which wanted Quebec to stay in its place. It was chequebook federalism and was not based on principles.

Since unexpected federal surpluses were used to spend huge amounts of money in areas of exclusive provincial jurisdiction, often without much consultation, some government initiatives were implemented without stable, long-term federal funding.

The days of this style of paternalistic federalism are long gone. Our government practises an open federalism, which is based on the notion of a strong national government working with strong provincial and territorial governments.

The key to the future that we see for Canadians is a federalism of openness in which all Canadians, whether they live in Roberval, Moose Jaw or Nunavut, can participate.

Our open federalism is one that recognizes the maturation and evolution of the provinces and territories within the federation. It is one that respects the important role that the provinces clearly have to play in the development of national policies. It is also a federalism that respects the areas of exclusive provincial jurisdiction and limits the federal spending power.

Our government honours its commitments to its provincial partners: that is just as true of Quebec as of any other province. We have taken concrete steps to do so thanks to the leadership of the Prime Minister. We will continue to play a leadership role in order to promote national interests in collaboration with the provinces and territories.

We will continue to affirm the importance of maintaining an open, honest and respectful relationship with the provinces and territories.

### *Business of Supply*

We will continue to affirm the vital contribution of the Quebec nation within the Canadian federation.

As set out in the throne speech, our government will table its bill placing formal limits on the use of the federal spending power for new shared-cost programs in areas of exclusive provincial jurisdiction. And as further set out there, this bill will allow the provinces and territories to opt out with reasonable compensation if they offer compatible programs.

I can tell the hon. members from the Bloc that our policy on the federal spending power reflects our will to strengthen our federation and make it more effective, in a manner that fully respects the areas of jurisdiction of each member of the federation.

Our will to establish a more effective federal-provincial partnership is resolute. As the electors of Roberval—Lac-Saint-Jean have indicated, Quebeckers, like all other Canadians, want to see their governments working together, cooperating to advance the progress and prosperity of all.

Inspired by this desire of the people, our government is pursuing the mission with which Canadians entrusted it in January 2006. Our government, under the leadership of our Prime Minister, shall not stray from this policy. And that is to the full advantage of Quebec, Canada and Canadians.

• (1735)

**Mrs. Vivian Barbot (Papineau, BQ):** Mr. Speaker, our new colleague from the party newly in power prides himself on having won a seat in his region after a 14-year-long Bloc Québécois reign. Fortunately I do not have a large ego, since I could really talk about us ending 87 years of Liberal reign in my riding of Papineau. I have a hard time understanding the member's thinking about the fiscal imbalance and the proposed limitation on the federal spending power in Quebec's areas of jurisdiction.

I would like to ask him—since he must have learned the lesson recently—what is his definition of the words “fiscal imbalance” and what is his view of the federal spending power in its own areas of jurisdiction.

**Mr. Denis Lebel:** Mr. Speaker, indeed, I am new in this House, but I am not the only one, because other members have also been at one time. As the full time mayor of a municipality that had huge needs, I was able to see the importance of money transfers to help our communities. When, as mayor of a municipality, I received a gasoline excise tax transfer to improve municipal infrastructures—I will only refer to this aspect—I was able to see how important it is to have a cooperating central government that is working with all the provinces.

I am taking this opportunity to say that some are quick to claim to know what is perceived in Quebec as being the thing to do. On October 17—which is not long ago—minister Benoit Pelletier said:

How can we, on the one hand, urge the federal government to invest in single industry towns and, on the other hand, ask for the complete elimination of the federal spending power?

The fact is that if we completely and bluntly eliminate the federal spending power, we are also eliminating at the same time all the payments and all the transfers, including equalization payments.

*Business of Supply*

I strongly object to being told that Bloc members are the only ones who can represent Quebecers. I can represent the interests of Quebecers just as legitimately as them.

[*English*]

**Hon. Maurizio Bevilacqua (Vaughan, Lib.):** Mr. Speaker, does the hon. member believe the Conservative Party still believes it solved what it once recognized as the so-called fiscal imbalance?

As well, does the hon. member believe the Prime Minister, as he put it, solved the problem along with ending “the annual pilgrimage of premiers and mayors to Ottawa for financing?” It seems to me, judging from today's debate, they are still very much knocking on our doors.

In 1999 nine out of ten provinces signed the social union framework agreement and passed it in their respective legislatures. Of course Quebec did not. What new limits does the government have planned for federal spending powers and will all 10 provinces have to agree before any new agreement is struck?

Finally, if the Prime Minister were genuinely interested in resolving these issues, he would hold a first ministers meeting and put them on the agenda. He has had 21 months. What is the holdup and why will he not call a first ministers meeting?

[*Translation*]

**Mr. Denis Lebel:** Mr. Speaker, I thank the hon. member for his question.

It is nice to hear that, over the past 21 months, we have made progress on this issue, considering that, for 13 years, hardly anything was done with the provinces and municipalities.

For years, municipalities in Quebec, including the one I was representing, wanted the fiscal imbalance affecting the provinces and municipalities to be recognized. However, the previous government never moved forward on this issue. Even now, it is strange to hear the hon. member almost admit it implicitly, by putting his question to us.

We have worked for 21 months to improve relations with the provinces and their components, and we are going to continue to do that.

• (1740)

**Hon. Christian Paradis (Secretary of State (Agriculture), CPC):** Mr. Speaker, as the member for Mégantic—L'Érable and a Quebec federalist, I am honoured to take part in this debate today on the Bloc Québécois motion. I would like to talk about the concerns that have been raised in the past about the federal spending power and how our government proposes to address this issue.

This power must not be eliminated, as the Bloc is demanding. The Bloc will never form the government and therefore does not have to come up with realistic, achievable solutions. The Bloc has no responsibilities.

The Prime Minister's Conservative government is practising open federalism. We are acting responsibly, and that is why we are keeping our word and proposing to limit and not eliminate the federal spending power.

The Bloc cannot contradict itself at every turn and yet hope that the people of Quebec will support it in this effort. This Bloc motion quite simply means the end of any money transfers for health, social programs and even equalization.

This motion comes on the heels of the speech the leader of the Bloc Québécois gave in this House in response to the Speech from the Throne. I invite you to read *Hansard*. The leader of the Bloc Québécois said that one of the five conditions his party had set for supporting the throne speech was the elimination of the federal spending power.

As my colleague so aptly put it earlier, the Bloc cannot, on the one hand, call for the elimination of the federal spending power and, on the other, demand that the federal government invest in communities going through hard economic times. Quite frankly, no matter what the Bloc thinks, Quebecers are much smarter than that. They showed just how smart they are when the byelection was held on September 17. They recognized that our party, under the leadership of our Prime Minister, is delivering the goods for Quebec. That is why they decided to support us.

The Bloc introduced this motion in a desperate bid for credibility. The motion is irresponsible and bad for Quebec and for the country. I know they are trying to connect with the people, but they should still act responsibly, even if they are not accountable.

What is frustrating the Bloc is that Quebec is growing stronger with the Conservative government. Quebecers want a strong Quebec in a better Canada, and that is frustrating our separatist friends opposite.

The Bloc Québécois do not try to hide the fact that they want to tear Canada apart. They therefore oppose any positive initiative that would improve our country. It is unfortunate, but that is the sad truth.

During the last election campaign, we in the Conservative party promised to respect all areas of exclusive provincial jurisdiction and to ensure accountability by clarifying roles and responsibilities.

In just a little over a year, we have kept our word once again. We did what we promised. In 2006, when we came into power, we set out to change how things are done here in Ottawa, because, for 13 long years, the Liberals practised a centralist, paternalistic federalism.

Let us not forget that our government, a Conservative government, is the one that, in budget 2007, finally corrected the fiscal imbalance. We did so by ensuring that our financial relationships with the provinces and territories are based on principles that are predictable over the long term.

In the past, unexpected federal surpluses were used to spend enormous amounts of money in areas of exclusive provincial jurisdiction, often without much consultation. This spending led to unnecessary, unfortunate tension between the federal government and the provincial and territorial governments. It resulted in new financial pressures on provincial and territorial governments. All too often, it distorted the provinces' spending priorities, especially when they had to come up with matching funds. This spending in areas of provincial jurisdiction created uncertainty, when initiatives were launched without any stable, long-term federal funding in place.

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Our government, under the leadership of the Prime Minister, has proven that there is another way to practise federalism. This new federalism is one of openness. It only makes our country stronger and more united. Our government's policy, and this goes for Quebec and the rest of Canada, is to act in accordance with our Constitution. The Fathers of Confederation never imagined, when they drafted our Constitution, that it would provoke the confrontations we have seen over the past few decades.

Unfortunately, the Liberal governments of the past 30 years are to blame. These Liberal governments did everything they could to squabble with the provinces. They should be ashamed. The Liberal governments of Trudeau and Chrétien practised an ineffective and centralist federalism. Their goal was quite simple: divide and conquer.

Quebec suffered for it under the Trudeau government and under the Chrétien government, when the current leader of the official opposition was an influential member of cabinet.

• (1745)

The leader of the official opposition is here in this House carrying on the old Liberal tradition of proposing a centralist federalism to the detriment of the legitimate aspirations of the nation of Quebec. Our approach, however, could not be any clearer: we are practising open federalism. Contrary to the Bloc members and the Liberals, we are not trying to pick a fight; we are trying to find common ground. The nation of Quebec comes out a winner and I am very proud of that.

The way we practice federalism allows Canada and Quebec to strike a fair balance. We can pursue national objectives while taking into account various local and regional considerations and by constantly adapting to change. Quebeckers can now see that the word "federalism" does not necessarily mean "paternalism", or at least not when a Conservative government is in power.

Liberals in power dictated social policy to the provinces through an unlimited power to tax and spend. This power has been the biggest irritant over the past 60 years and we are in the process of resolving the problem.

Our approach toward the federal spending power is respectful of Quebec and the other provinces. We are going to set new parameters in which the federal spending power can and must be used. Our goal is not to discredit the federal spending power that has been an important factor in the social development of our country. It allowed the allocation of funding for the establishment of programs in health, social services and education.

Our goal, as I was saying, is to define new rules for fairer use of the federal spending power. That is what we will do by introducing our bill to impose explicit restrictions on the federal spending power for new cost-shared programs in exclusively provincial jurisdictions.

This bill would also allow the provinces to opt out with fair compensation if they offer compatible programs. Completely eliminating the spending power, as put forward in the Bloc Québécois motion, is not in the best interest of Canadians or of Quebeckers. The Bloc has to understand that times have changed. Quebeckers and Canadians realize that times have changed. That is why they chose our Conservative government to change the way business gets done in Ottawa. That is why, during the September 17

byelection, they elected a new Conservative member in Roberval—Lac-Saint-Jean, a riding held by the Bloc for the past 14 years.

Quebeckers like our approach. They want to strengthen the Canadian federation by recognizing the strengths and contributions of Quebec and the other provinces.

Naturally, this approach, which promotes Canadian unity and the development of our Quebec nation, is unacceptable to the Bloc Québécois. Our government has already done so much to reconcile Quebec's legitimate aspirations with our goal to strengthen the Canadian federation. Our government promised to invite Quebec to be a part of the Canadian delegation to UNESCO and to take its place at the table, a place that reflects Quebec's exceptional contribution to our shared heritage. Our government kept its promise.

Our party is the only one in this country's history to recognize the Quebec nation.

The Bloc Québécois has been in this House for 17 years. In that time, what has it done for Quebec? Nothing. How many promises has it made? Seven hundred and fifty. How many of those promises has it kept? Not a single one.

The House of Commons has 308 seats, and the Bloc Québécois will be fielding only 75 candidates during the next election. The Bloc will never be in government, nor will it ever have any responsibilities toward Quebeckers. It should tell Quebeckers that.

We, on the other hand, are providing Quebeckers with a government that takes action, that keeps its promises and that fulfills its mandate in accordance with its policy of open federalism. Quebeckers know that Liberal means a step back and that Bloc Québécois means running around in circles. They also know that with the Conservative Party, Quebec will make great strides forward.

**Mr. Francis Scarpaleggia (Lac-Saint-Louis, Lib.):** Mr. Speaker, I listened patiently to the slogans spouted by the member opposite. I have two questions for him.

First, when it comes to the spending power and the firm lines between federal and provincial jurisdictions, what approach would he suggest for the environment? This area was not addressed when the Canadian Constitution was adopted in 1867. How will he deal with the environment? Is it an area of provincial jurisdiction? Is the federal government allowed to spend?

Second, when it comes to the fiscal imbalance, he said a number of times, as did his colleagues—clearly, these must be lines sent out by e-mail here on the Hill—that the fiscal imbalance has been resolved. However, earlier, one of his colleagues quoted the Premier of Quebec, who said that a step had been made in the right direction. Furthermore, the fiscal imbalance was resolved a few weeks ago, but negotiations were then started with Nova Scotia, because it was obviously not resolved. When will the fiscal imbalance be resolved?

• (1750)

**Hon. Christian Paradis:** Mr. Speaker, I thank my colleague from Lac-Saint-Louis for his two questions.

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First, in terms of the environment, an historic step forward has been taken since we came to power. We distributed \$1.5 billion to Quebec through the Canada ecotrust. We gave \$358 million to Quebec, although the Bloc was asking for less. Once again, we see that the Bloc is useless in the House.

This is an open federalism that works. You will also recall that, for the 2007 budget, our government held consultations with the provinces and territories to finalize its commitments made in good faith and with the intention of making our federation work. The Bloc Québécois, on the other hand, knowing that it is useless, only wants Quebec to separate from the rest of the country.

As for the second question raised by my colleague from Lac-Saint-Louis, he might find it amusing to say that our comments on the fiscal imbalance are all part of lines we have received in e-mail, but at least they are part of our own lines, whereas they are not part of his leader's lines. The Leader of the Opposition denies the existence of the fiscal imbalance. Thus, I find it amusing to hear my opposition colleague ask how we will resolve the fiscal imbalance when it has been resolved and, furthermore, when his leader continues to deny it.

Over a fixed period, \$39 billion has been committed to resolve the fiscal imbalance. That is action and that is what citizens want. We keep our promises and, unlike the Bloc, do more than just talk.

**Mr. Guy Lauzon (Stormont—Dundas—South Glengarry, CPC):** Mr. Speaker, I want to congratulate my colleague on his speech for a number of reasons.

Since our Conservative colleagues from Quebec arrived, I find that things have been much better. For 17 years, the Bloc has represented many Quebecers. In my opinion, almost nothing has been done in all that time.

What is the Bloc doing here in Ottawa for Quebecers?

**Hon. Christian Paradis:** Mr. Speaker, I thank my colleague from Stormont—Dundas—South Glengarry for that very pertinent question. It must be said that the Bloc is doing nothing here in Ottawa. It is making no headway. All it does is talk. It will never be in power. It is selling dreams. It talks about defending Quebec's interests, but we are offering to promote and further Quebec's interests.

For example, on farming, they talk about supply management and say that we are against it, even though we are taking unprecedented steps to help our farmers. This is in the throne speech. They are sacrificing our producers by voting against the throne speech and against supply management. Does that help Quebec? No, it is a useless gesture.

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

**The Acting Speaker (Mr. Andrew Scheer):** Order. It is very difficult to hear the answers when there is so much noise in the House.

Resuming debate. The hon. member for Saint John.

**Mr. Claude Bachand (Saint-Jean, BQ):** Mr. Speaker, I want to inform you that I will be sharing my time with my hon. colleague from Saint-Bruno—Saint-Hubert.

I have one regret, this afternoon. I had a lot of work to do in the lobby and was focusing on what I was doing, but I should have entered the chamber earlier, because there is a real vaudeville act going on in the House. It is pretty unbelievable.

I want to tell my colleagues from Quebec that, as far as I am concerned, Quebecers have always been shortchanged by Ottawa, all the way from 1867 to 1993, 1993 being the year that saw 54 Bloc Québécois members elected to this House with a fundamental mandate to stand up for Quebec exclusively. In caucus, when we discuss the direction Quebec should take, no one can be heard saying that Ontario will not like it. We do not care whether Ontario likes it or not. We are here to defend the interests of Quebec. In fact, we have advanced Quebec's interests since coming to this House.

I will remind the hon. members that French used to be spoken 8% of the time in the House of Commons. Two years after the Bloc Québécois was elected to this place, it had risen to 38%. Sitting in this House before the Bloc Québécois came to Ottawa was a fine bunch of colonized people.

Some do not respect democracy and wonder what the Bloc Québécois is doing here. To them I would say that I was elected, that 55% of people voted for me and that I won with a majority of 18,000 votes. What does that mean to my colleagues? We have no business being here? What does that mean? We do not have the democratic mandate of our constituents? It is quite the opposite.

If they do not want to hear the voice of criticism, the voice of disagreement, then they should start a dictatorship with a state run political party that does not tolerate anyone speaking out of turn. We do not have that type of government, or that type of parliamentary democracy. It is important for my colleagues to realize that.

The Conservative Party is wondering what the Bloc Québécois is doing in this House. Do they ever read a newspaper? Do they read the papers? Some 60% of Quebecers say that the Bloc is necessary. Why do they say that? Because today, this afternoon in particular, people are standing up once again to defend Quebec and they are not afraid to confront people who do not share Quebec's interests and values. That is what we are hearing more and more.

Now I would like to give a little history lesson. In 1867, two nations got their start. This was an important time. Hand on heart, they decided to maintain the same number of representatives from Upper Canada and from Lower Canada. This was a solemn promise. Where are we today? There are 75 members from Quebec and 308 members in total.

There are proposals to further dilute Quebec's power. I am pleased to see my colleagues coming into the House. I hope they can ask me questions later. They will have only five minutes though.

I am pleased that the Bloc Québécois is standing up and denouncing all this. A federalist party would not. It would probably increase the number of members from English Canada, without changing the number of members from Quebec. That is how the Canadian confederation started and that is how it keeps going.

Something very significant happened in 1939. The federal government wanted to get into personal income tax. Get a load of this: in 1943, during the infamous war effort, 81% of the accounts and taxes were collected by the federal government. The provinces collected just 8% and the municipalities 11%.

Then, a bunch of Einsteins tried to encroach on Quebec's areas of jurisdiction. That was how it all started, and it is still going on today. With their budget surpluses, it is easy for them to encroach on provincial areas of jurisdiction. The provinces are being suffocated. They are responsible for offering the most important services, such as education and health, which are also the most expensive services.

● (1755)

What is the government saying? It is saying that it will help us, but that there are strings attached. That is how it is encroaching on our areas of jurisdiction. Quebec can no longer act according to its unique character or develop that character. If it wants to survive the federal stranglehold, it will have to comply with the government's conditions. That is what my colleague's motion is all about. Enough is enough.

If the government really wants to correct the fiscal imbalance, it will have to give tax points to the provinces so that they can be responsible for basic services for their citizens. No strings. The government cannot say that things are good this year, so it will transfer \$800 million, but if things are not so good next year, it will transfer only \$400 million. How are the provinces supposed to do any long-term planning that way? That is not what we need. The federal government has to get out of areas of jurisdiction that belong to Quebec and the provinces. It has to give money back via tax points, it has to tax less, and it has to give the provinces the power to tax more.

That is not what the Conservatives are doing. Why is that? As I keep on saying, this is a paternalistic and bullying government, one that loves to intrude. It wants to end up with the total assimilation of Quebec. It has wanted that for a long time. All this started back with Lord Durham. Such was Canada's tactic: surround and assimilate Quebec. The government is following suit, but more subtly. They are attacking our Bill 101. The Supreme Court is quietly demolishing it. They are getting into areas of jurisdiction and giving out money with strings attached. The conditions are Canada-wide, from one ocean to the other, even moving northward to our third ocean.

I predict that there will be one party that will stand up to this. I see us again as the only ones here to speak out and to act out, to put our words into actions by voting. Not just fancy words like the Prime Minister's, when he tells us that he recognizes Quebec, that it is a fine nation. He talks a good talk, but when it comes time to walk the walk, he does the same thing that has been going on ever since Confederation in 1867. He tries to dominate, assimilate, integrate.

It is always the same thing here, but in 1993 change started to set in, and the Bloc Québécois will still continue to be a presence. It is not true that the Bloc Québécois will disappear, as they imagine in their wildest dreams. I have been hearing that for 14 years: the Bloc is going to disappear. We have had five mandates so far, and every time those were majority mandates from Quebec. After all, we are not from some other planet. People vote for us and they have reasons

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to do so. It is because we represent the interests and values of Quebecers, unlike the other parties.

If our Conservative and Liberal colleagues want to use some common sense, let them defend the basic point: withdrawal from areas that fall under the jurisdiction of Quebec and the provinces, and compensate them accordingly. Let them quit imposing conditions on everything, let them make it possible for Quebec to choose its own direction and not impose one on us, as they want to do.

I will stop there, and will be pleased to answer questions from my colleagues who seem to have turned up in great numbers.

● (1800)

[*English*]

**Hon. Peter Van Loan:** Mr. Speaker, I rise on a point of order. We have had some discussions among the parties; I do not know if they are conclusive, but I am seeking consent for the following motion: "That, notwithstanding any Standing Order or usual practices of the House, on Tuesday, October 30, 2007, statements by ministers shall take place at 4:00 p.m.; the rule respecting time limits for this statement shall be relaxed; private members' business shall be cancelled; and the end of government orders shall be when one representative from each recognized party has had an opportunity to respond to the statement".

This is, of course, just by way of explanation, to facilitate the economic and fiscal update being delivered in the House of Commons.

**The Acting Speaker (Mr. Andrew Scheer):** Does the hon. minister have the unanimous consent of the House to move the motion?

**Some hon. members:** No.

**Hon. Ralph Goodale:** Mr. Speaker, on a point of order, in respect to the fiscal statement that is expected tomorrow, could I ask the government House leader to enlighten the House, apart from the exact venue where the statement may be made, as to what arrangements have been made for the usual briefing of the parties in advance, whether it is in a lock-up form or whatever, if there are fiscal measures that require some special treatment. I wonder if he is in a position this afternoon to say anything further about that.

**Hon. Peter Van Loan:** Mr. Speaker, this is, of course, effective economic leadership week, and an important part of that is our economic and fiscal update. Our hope was to have it presented in this House and we might have contemplated having the usual lock-up for that. If it is being held elsewhere, we will have to find out the arrangements for the member. I know that in the past when economic and fiscal updates were done under the member's government there was no advance access of that nature provided, but I will get back to the member with the details.

● (1805)

[*Translation*]

**Mrs. Carole Lavallée (Saint-Bruno—Saint-Hubert, BQ):** Mr. Speaker, first, I have some questions for my hon. colleague from Saint-Jean.

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At the beginning of his speech, he said he was surprised by the Conservatives' vaudeville act. He responded to all these frankly shameful smears by the Conservatives against the Bloc Québécois.

First of all, can my hon. colleague say if all these cheap and ridiculous criticisms we have heard from the Conservatives about the Bloc Québécois are not really an attempt to conceal the weakness of their arguments when it comes to the federal spending power?

Second, I would like to hear what my hon. colleague from Saint-Jean has to say about the speech given by the Prime Minister on December 19, 2005, in Quebec City, a speech that, I would say, is full of broken election promises.

The Prime Minister made many election promises that day. One was this:

We will monitor federal spending power, which has been so abused by the federal Liberals. This outrageous spending power gave rise to domineering and paternalistic federalism—

I would like to hear my colleague's comments on this.

**Mr. Claude Bachand:** Mr. Speaker, that famous speech is what I call the poisoned honey speech. There is no difference between the tactics the Conservative government is using and the tactics the Liberals used previously.

I mentioned several times in my speech that I found the Conservative government paternalistic, domineering and bent on assimilation. That speech by the Prime Minister was nothing but fine words. That is also clear from the answers to the questions we have asked. My hon. colleague herself asked questions about the labour code. She asked why there are still federal employees in Quebec who speak English. Why is everyone not required to speak French in Quebec? That would be a way of recognizing that Quebec is a distinct society.

**An hon. member:** The Quebec nation.

**Mr. Claude Bachand:** The nation, yes. That is even stronger. That is the word to use. If the government were to do that, it would be more than just a word.

Our adversaries are still weak, so they are using low, vicious attacks rather than sound arguments.

We are convinced that our presence in this House is an example of democracy at work. Quebeckers will be proud of us and will show us in the next election.

[*English*]

**Mr. Alan Tonks (York South—Weston, Lib.):** Mr. Speaker, I have a great deal of respect for my colleague who just spoke, and I do understand that the context with which he said this was in response to the challenge from the government side with respect to the role of the Bloc Québécois. The comment that he made referenced Ontario and I could not believe what I heard. He said that his party does not care about Ontario.

As I said, I know the context, but I would like to give the member an opportunity to reply with respect to the close and common causes that Ontario and Quebec have in terms of the manufacturing sector, in terms of the environment, and in terms of the whole absence of

research and development with respect to a wide spectrum of activity.

Could the member please point out whether, in his view, there is room for Ontario and Quebec, in fact all the provinces, to build a stronger Canada in a cooperative way?

[*Translation*]

**Mr. Claude Bachand:** Mr. Speaker, I thank my colleague for his question, which will give me a chance to explain what I meant. I am a sovereigntist and I agree completely: it will be impossible to move Quebec if it becomes sovereign one day. Quebec will need to have ties with all its neighbours.

Yes, we have things in common when it comes to basic data and economic issues. But these are often one-time things. The Bloc has led political operations where it had the approval of everyone in this House. But when the time comes to make a major decision and it is them against us, naturally the Bloc Québécois members will defend Quebec.

That is why I said that even though Ontario or British Columbia may not be happy, they are not part of the equation. We are here for Quebec, and we have never tried to hide that. I thank my colleague for giving me an opportunity to explain what I meant.

• (1810)

**Mrs. Carole Lavallée (Saint-Bruno—Saint-Hubert, BQ):** Mr. Speaker, can you tell me how much time I have remaining?

**The Acting Speaker (Mr. Andrew Scheer):** You have about five minutes.

**Mrs. Carole Lavallée:** Mr. Speaker, I had prepared a ten-minute speech, so I will have to skip over some of it.

However, I would like to speak about three dates. The first is December 19, 2005. I spoke about it earlier. That is when the Conservative Prime Minister, who had not yet been elected, made campaign promises. We were in the midst of the campaign. In his speech to the Chamber of Commerce, he said that he would monitor the federal spending power that had been so abused by the Liberal government. He added that this outrageous spending power had given rise to domineering and paternalistic federalism which is a serious threat to the future of our federation.

I think that he did not understand what he said. Today, we must conclude that he does not want to monitor the federal spending power. However, the Bloc Québécois is giving him that opportunity by presenting, on a silver platter, the excellent proposal by my colleague from Papineau of limiting federal spending powers in Quebec's areas of jurisdiction. That is extremely important. Yet, he prefers the domineering and paternalistic federalism. That is the Conservatives' preference as they have so clearly demonstrated today.

The second date is November 27, 2006. What was that date nearly a year ago? We will soon be marking the first anniversary of the recognition of Quebec as a nation. That motion passed in this very House with 265 votes out of the 308 members. Two hundred and sixty-five democratically elected individuals rose in this Chamber and voted to say that the Quebeckers formed a nation.



Recognizing Quebec as a nation is not insignificant. Now that nation must have its basic rights recognized. What have we had from the Conservatives over this past year? Has there been any recognition of a right, prerogative or privilege for Quebec? They have done nothing, nothing at all. The Bloc Québécois were the ones who were forced to rise in this House day after day to remind them of that.

Incidentally, one of the accomplishments of the Bloc was to gain recognition and respect of the Civil Code, one of the fundamental elements of our nation. No other province in Canada has a civil code. We have one and we have been obliged to remind the Minister of Labour of that, day after day for close to six months in this House, in order to stop him from getting a clause in Bill C-62 passed which would have flouted our Civil Code and would have changed it.

And who was it who defended the clause on the insolvability of RRSPs within Bill C-62? The Bloc Québécois. Only the Bloc members in this House promoted our amendment to that bill. Where was the Quebec Conservatives' protection of the Civil Code? They were not there, they did nothing. The Liberals followed us, cautiously, when we at last managed to convince them, and the NDP was not proud of us but did not dare to show much public opposition.

Yet the Conservatives were publicly opposed to the Bloc's insistence that its Civil Code be respected by Bill C-62. The Conservatives were finally obliged to respect the Civil Code and Bill C-62 was at last passed by them on June 7. Again this afternoon we passed it again for referral to the Senate.

If I understand correctly, that is the end of my time. That is really too bad.

**The Acting Speaker (Mr. Andrew Scheer):** It being 6:15 p.m., pursuant to order made earlier today, all questions necessary to dispose of the opposition motion are deemed put and a recorded division deemed requested and deferred until Tuesday, October 30, 2007 at the expiry of the time provided for government orders.

•(1815)

[English]

**Mr. Rob Merrifield:** Mr. Speaker, I think if you were to ask, you would find that there would be unanimous consent to see the clock as 6:30 p.m.

**The Acting Speaker (Mr. Andrew Scheer):** Is there unanimous consent to see the clock as 6:30 p.m.?

**Some hon. members:** Agreed.

**Some hon. members:** No.

**The Acting Speaker (Mr. Andrew Scheer):** If there is no consent, then we will suspend for 15 minutes, sit and wait for 6:30 to come and then we will go on with adjournment proceedings.

Now that members understand the consequences, is there unanimous consent to see the clock as 6:30 p.m.?

**Some hon. members:** Agreed.

### *Adjournment Proceedings*

## ADJOURNMENT PROCEEDINGS

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

[English]

### GOVERNMENT APPOINTMENTS

**Mr. Brian Murphy (Moncton—Riverview—Dieppe, Lib.):** Mr. Speaker, last Tuesday I addressed a question to the Minister for Democratic Reform concerning Mr. Robert Cooling who was appointed to the Moncton board of referees for employment insurance.

The minister's response was to reiterate, at the expense of and in the minister's words to myself and I guess all of us asking these questions, that we were "being tedious" and that all the Conservatives' campaigning financing activities were legal and that they followed the intent of the law, but not necessarily the letter of the law.

The minister also stated that the appointments his government makes are all qualified and that it does not engage in patronage appointments to those who are not qualified.

From my vantage point the only qualification I can see for this patronage appointment was that Mr. Cooling was the official agent for the Conservative Party in the Moncton—Riverview—Dieppe riding during the last election.

His qualification then it seems would be his financial deftness at moving several thousands of dollars in and out of the national campaign to help avoid advertising expenses in the local riding.

We were given an answer to the questions and I find myself here again tonight asking this question. I promise if I get a straight answer I will not call the minister or his representative tedious.

Specifically, the question would be this. What qualification does Mr. Cooling have other than being an official agent during the defeated campaign for the Conservatives in Moncton—Riverview—Dieppe that would make him a good fit for the appointment?

I refer to the qualifications for a member of the board of referees. He or she must be independent and impartial. His or her qualifications must include a high school diploma. His or her experience can be in the community, in the voluntary sector, in the business sector, in the professional sector or in the government sector. He or she must have experience in leading group discussions and, get this, experience in interpreting and applying rules, presumably not the rules of Elections Canada however.

I have also information that during his tenure as official agent, Mr. Cooling shuffled some \$7,479 from the national campaign to the riding and then back again in an in-and-out scandal.

There are other names on this list of 66 in-and-outers, but I think it is important to know whether Mr. Cooling was part of a lawsuit initiated against Elections Canada and in that case whether he knew he was omitted or discontinued in the lawsuit against Elections Canada.

*Adjournment Proceedings*

Lise Vallières, who acted for a riding in Quebec, had no knowledge she was removed from the docket, which I have here, and we also have a lawyer's letter which is profound with respect to whether or not Mr. Cooling had knowledge of what it was he was involved in.

Was Mr. Cooling qualified, other than being the official agent for the position he received from the government, to be a member of the board of referees for the Employment Insurance Commission?

**Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC):** Mr. Speaker, I am very pleased to stand here in response to the question of my hon. colleague from Moncton.

Off the top let me say that, as always, we as the new government in Canada have been making qualified appointments, rather than following the former practice of the former Liberal government of making appointments of nothing more than hacks and flacks of all descriptions from the Liberal Party. We will continue with our practice because that is the right thing to do.

In fact, in a recent *Ottawa Citizen* news article, the reporter reflects upon the fact that of the many hundreds of appointments already made by this government, the majority have been to "eminently qualified Canadians". Although there were some with political connections, he did not say "patronage" because these people, even though they might have had a political connection of some sort, were also qualified.

I think that is distinctly different from the actions of the previous Liberal government. In fact, I think if we contrast our record with the previous Liberal government's record on appointments, we will find that there is no comparison whatsoever. I think all Canadians can remember the catchphrase from the former Liberal cabinet minister appointed to a very senior post in the public service, who said when he appeared before committee, "I'm entitled to my entitlements".

That encapsulates in a nutshell the attitude of the former government when it came to making patronage appointments, particularly when it came to the EI board and the Immigration and Refugee Board. I have a few examples of the many hundreds of the Liberal government's former practices.

The first one is I think very relevant in light of the news story that has just been broken in the last day or two. This appointment I think would be of interest to many Canadians. The member for West Vancouver—Sunshine Coast—Sea to Sky Country, after losing the 2004 election, was given a taxpayer funded trip to Kabul. I think it is very relevant, because we find that this very member, who is in fact my hon. colleague's former bench mate, is in today's news for having resigned from caucus due to allegations about improper spending in the last election campaign.

In fact, what my hon. colleague calls the in-and-out scandal is no scandal at all inasmuch as we have duly reported all the transactions in the last election, the transfers between the national party and the riding associations, as we were compelled to by electoral law, and they are open for anyone to see. Admittedly, there is a dispute between Elections Canada and the Conservative Party of Canada, but that is why we have insisted on a court case to clear our good name.

On the other hand, the member for West Vancouver—Sunshine Coast—Sea to Sky Country apparently did not report all of his election financing requirements. In other words, there were many cash payments when there should not have been cash payments made for services received. Services received were not reported on the member's election return, which is a clear violation of electoral law, punishable by fines or imprisonment or both.

I can only say this. It appears to me and I think to most Canadians that the Liberal Party of Canada has not learned one lesson that all Canadians thought it should learn. That member knows, as well as I do, that the Liberals were the masters of patronage, the masters of hiding the facts and the masters of hiding money. That is why Canadians determined they were no longer fit to govern.

• (1820)

**Mr. Brian Murphy:** Mr. Speaker, there was not a word, not an answer at all, about Mr. Cooling. I am just trying to get at what happened in Moncton—Riverview—Dieppe. I do not want the whole sorry story of Conservative litigation.

The parliamentary secretary says this is a "dispute". It is a lawsuit and it involves the Federal Court of Canada and the names Neil Drabkin, Andrew House and Aaron Hynes. The lawyer's letter says these people did not get any reward. It states that "it is defamatory to suggest...that the positions that these individuals have or have had on Ministers' staffs are 'rewards' for having engaged in illegal conduct".

However, this letter from the lawyer for these individuals does not mention Mr. Cooling. By inference, does that mean that Mr. Cooling did receive a reward because he is not mentioned in the correspondence from the hon. member's party in this little dispute?

Dispute? It is taking taxpayers' money to defend against Elections Canada for a dispute. If it is not all that big a deal, I suggest to my hon. friend that he and his party drop the lawsuit. It cannot be that bad a thing if there is nothing to it. Let them drop the lawsuit and let the people of Canada decide who—

• (1825)

**The Acting Speaker (Mr. Andrew Scheer):** The hon. parliamentary secretary to the government House leader.

**Mr. Tom Lukiwski:** Once again, Mr. Speaker, we find the typical Liberal actions. They can make statements in this House defaming honest citizens, yet when we invite them to go outside this House where they do not have parliamentary privilege and immunity, they fail to do so.

Liberals mentioned time and time again in the last week or so names of people, honest people, who are working for this government and they have defamed them in the House by saying that because of their relationship to Conservative candidates or Conservative members of Parliament they were rewarded in some fashion with jobs.

Yet, when we ask them to go outside and make those very statements where they are devoid of any parliamentary privilege or immunity, they fail to do so.

*Adjournment Proceedings*

I invite the member today who has made those very comments, in effect defaming Mr. Cooling, to go outside and say that the only reason he received a job was because of what the member considers to be illegal activities. Please go outside and make those comments and we will see what happens in the next court case.

**The Acting Speaker (Mr. Andrew Scheer):** The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 10 a.m. pursuant to Standing Order 24.

(The House adjourned at 6:26 p.m. )

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